

Minutes of the
Lafayette Public Library Board of Control
Special Meeting

May 6, 2019

A special meeting of the Lafayette Public Library Board of Control was held in the board room on the 3rd floor of the Main Library at 301 West Congress Street on May 6, 2019. Nora Stelly, President of the Board, called the meeting to order at 4:30 PM.

I. Roll Call

Board Members Present: Nora Stelly, President; Andrew Duhon, Vice – President; Joan Wingate; Yung-Hsing Wu; Adele Blue; Hilda Edmond

Board Members Absent: Jolan Jolivette; Suzanne Dardeau

Other Staff Present: Teresa Elberson, Director; Terry Roy, Library Administrator; Larry Angelle, Library Operations Manager; Danielle Breaux, Director’s Executive Secretary; Benton St. Romain, Budget Analyst; Jason Gilbert, Accounting Specialist

Members of the Public: Bruce Conque, Council District 6; Claire Taylor, Advocate; Leigh Guidry, Advertiser; Phillip Boudreaux, KADN; Lester Duhe’, KLFY

II. New Business

A. Discussion of City/Parish Council Resolution R-029-2019 concerning rededication of library funds. After rededication, action may be taken.

Andrew Duhon, Chairman of the Finance Committee, and Larry Angelle, Library Operations Manager, provided the board with scenario summary, Proforma, and scenarios for fund balance from Proforma.

The scenarios presented in the packet represent conditions that could occur which would affect funding of the Lafayette Public Libraries. To this point, the LPL staff and Board have been using a Proforma with “triggers” built in to adjust certain variables such as revenue growth, reserve levels, fund balance re-allocation, funding for capital, and the like.

These documents narrow down the funding scenarios to those that seem most likely. The scenarios intend to inform about the sufficiency of operating revenues and capital funding, and the effect of changes in the triggers on the Library's financial performance.

Average annual revenue growth has been close to 8% since 2004 (the first year that taxes from the millage election came in); however, that percentage was skewed to the high side by high rates of increase in the early years (2004 to 2009) and lower to almost flat property tax collections in the later years. In fact, the Assessor predicts very flat property tax collections for the coming year as well as the next four or five years. Therefore, a low growth revenue projection is favored.

Fund Balance "take" in the scenarios are based on the previously-approved amount of \$10 million or the amount of \$18 million in the Mayor-President's new resolution.

The level of "CIP" is defined as either maximum or moderate. In both the maximum or moderate cases, the North Regional Library expansion is appropriated at \$4 million dollars. For the proposed new Northeast Regional Library, maximum funding is \$8 million (an amount approximating the West Regional Library funding) and moderate funding is \$6 million (an amount approximating the East Regional Library Funding).

Scenarios 1 & 3 are the preferred scenarios for continued Library financial health. Clearly, any scenario taking away \$18 million of fund balance harms the Library.

It should be noted that even with only a \$10 million fund balance take and capital programs, negative fund balances will occur. Staff believes they can live with those scenarios based on several factors: 1) there could be excess funds left available from existing and future CIP, 2) revenue growth tends to be cyclical and could rebound, 3) rate of expenses could be adjusted (i.e., cutbacks could be ordered), and 4) new revenue sources may be sought.

It is also significant that in all scenarios, deficiency of revenues to O&M costs occurs in 2020. This is not conducive to good fiscal management. There will come a day – and it may not be immediate future in light of relatively high fund balance levels – when some action will be necessary to ensure the Library system has adequate revenues to conduct its normal operations and maintenance functions.

Andrew Duhon also suggested to the board that the millage be rolled forward to bolster current revenue streams so that the library could continue to provide what the people have come to expect out of the library system.

Joan Wingate asked if new revenue sources sought indicated revisiting the lost millage. Andrew Duhon stated that now was not the time to conjecture about that, but it would be a good idea to ask for the millage to be rolled forward.

Andrew Duhon made mention of upgrading the Chenier auditorium as well as putting in upgrades to the Butler Memorial branch, and stated that these are not major CIP projects, but are included in the normal capital program.

A motion that as the budget be submitted for 2020 with the following: a) to request a 'roll forward' of the library millage as part of the 2020 re-assessment by the Assessor and b) adoption and acceptance of the first alternative as presented by Mr. Duhon to appropriate funds for capital improvements to include expansion of the North Regional Library (\$4 million) and new construction of a Northeast Regional Library (\$8 million), contingent upon a fund balance rededication not to exceed \$10 million was made by Andrew Duhon and seconded by Adele Blue.

Yeas: Stelly, Duhon, Wingate, Wu, Blue, Edmond
Nays: None
Abstained: None
Absent: Jolivette, Dardeau

The motion was carried.

A motion to express the board's opposition of the resolution submitted by the Mayor-President to re-dedicate \$18 million of the Library's fund balance was made by Andrew Duhon and seconded by Adele Blue.

Yeas: Stelly, Duhon, Wingate, Wu, Blue, Edmond
Nays: None
Abstained: None
Absent: Jolivette, Dardeau

The motion was carried.

III. Comments from the Public

There were no comments from the public.

IV. Adjournment

There being no further business, Andrew Duhon made a motion to adjourn the meeting. Joan Wingate seconded the motion. The motion was unanimously approved. The meeting was adjourned at 5:13 PM.

Respectfully Submitted,
Teresa Elberson, Secretary