

MINUTES

Kansas City Public Library Board of Trustees Regular Meeting – June 17, 2025

The Board of Trustees of the Kansas City Public Library, pursuant to official notification, met Tuesday, June 17, 2025, at 4:30 p.m. at the Central Branch, Annex Board Room, 14 West 10th Street, Kansas City, Missouri

MEMBERS PRESENT: Pete Browne, President
Reid Day
Laura Dominik
Claudia Oñate Greim
Susan Kenney
Michelle Smirnova
Elizabeth Warwick
India Williams

MEMBERS NOT PRESENT: Jonathan Kemper

STAFF PRESENT: Abby Yellman, Chief Executive
Candice Butler-Titus, Executive Services Senior Manager
Melissa Carle, Director of Information Systems
Carrie Coogan, Deputy Director for Public Affairs and Community Engagement
Trina Duncan, Diversity, Equity, and Inclusion Officer
Jeremy Drouin, Special Collections Manager
Qun Fang, Senior Director of Finance / Chief Finance Officer
Crystal Faris, Deputy Director of Youth and Family Engagement
Pritha Hariharan / Assistant Director / Chief Operating Officer
Sharla Harris, Administrative Officer
Joel Jones, Deputy Director of Library Services
Margaret Perkins-McGuinness, Deputy Director for Philanthropy
* Full list of staff in attendance available by request

Browne called the meeting to order at 4:35 p.m.

Browne presented a Proclamation honoring former Board Member Michelle Smirnova for her outstanding service and valuable contributions during her time on the Board.

**Motion by Dominik to approve the minutes of the June 17, 2025, Regular Board Meeting.
Second by Day. Approved unanimously.**

(Note: As a matter of Board convention, the Chair votes only when his/her vote would affect the outcome of the vote. In all "recorded" votes, the vote of the Chair appears only when it has been cast and when it has had an effect on the disposition of the motion. Notations of "approved unanimously" mean all members, other than the Chair, voting affirmatively.)

Request by Dominik to consider the Consent Agenda.

Motion by Dominik to consider items 3.1, 3.2 and 3.3 separately.

Discussing the authorization of expenditures (LBM 4769), Yellman highlighted that the final large lease payment for Central, totaling \$550,000, was made to Clayton Holdings LLC under the Lease Purchase Rental Period. Also adding that one remaining payment of \$33,000 is scheduled for FY25-26.

Discussing the financial reports (LBM 4770), Yellman invited Fang to discuss the financial reports for June. Fang reported that the tax revenue totaled \$32 million (108% of the total budget), and the overage was due to two factors: a \$1 million tax settlement from properties in Plaza area, and \$700,000 more than budgeted in PILOT (Payment in Lieu of Taxes) payments related to several tax abatement projects such as Santa Fe, Union Hill, and Hickman Mills. All the other revenues totaled \$1.8 million, bringing the total revenue to \$34 million (107%).

On the expenditure side, payroll and benefits totaled \$16.7 million (90%). This category is expected to exceed the budget by year-end due to the hiring of public safety officers and higher-than-average payouts to employees at retirement. Library materials spending reached \$2.2 million (90%), while the General Operating expenses totaled \$4 million (81%). Building maintenance came to \$3.3 million (96%), and Capital outlay was \$400,000 (2%). The total expenditure to date is \$26.7 million.

For the Gifts and Grant Fund, \$1.9 million in revenue has been received, slightly exceeding the annual budget. Expenses to date are close to \$1.1 million (74%). Regarding the Parking Garage Fund, revenue stands at \$570,000, reaching 95% of the budget, while expenses are at \$444,000, or 77% of the budget. As of the end of the month, total cash on hand is approximately \$42.5 million, with \$20.4 million in the UMB checking account, \$15.8 million in UMB investments, and \$6.1 million held in the Swanson Sanders Fund. Additionally, from the City of Kansas City, the Library received nearly \$150,000 for peer navigators, \$37,500 from Metro Energy Center (MEC) and \$17,000 from AmeriCorps.

Discussing the authorization of expenditures exceeding \$50,000 (LBM 4771), Yellman discussed the current approval and reporting process. Yellman suggested for future Board consideration that only new and unbudgeted contracts exceeding \$50,000 would require board approval. Yellman noted that much of the Library's expenditures are included in the annual budget approved by the board to maintain transparency, Fang has developed a report that can be presented biannually or quarterly showing a breakdown of expenditures. The suggestion is offered for future consideration

as a possible alternative to the annual approval of expenditures over \$50,000 memo submitted in June with the preliminary budget.

Motion by Dominik to approve the Consent Agenda items before the Board, Second by Warwick. Approved unanimously by the voting Board members, Oñate Greim abstained from the vote for LBM 4771.

The following items were approved as part of the Consent Agenda:

Move approval of the recommendation of the Chief Executive to authorize the following expenditures for May 2025: Payroll (5/1/25 net cash \$419,761 plus taxes \$159,816), (5/15/25 net cash \$391,289 plus taxes \$135,774), and (5/29/25 net cash \$407,322 plus taxes \$142,822) in the total amount of \$1,656,784; General Expenditure Payments including Checks (16637-16747) and ACH in the amount of \$2,007,949. (LBM 4769)

Move approval of the recommendation of the Chief Executive to accept the attached financial reports for May 2025. (LBM 4770)

Move approval of the recommendation of the Chief Executive to authorize the contract with and/or make payment to the attached list of vendors in amounts not to exceed those detailed in the attached list of vendors for FY 2025 – 2026 and ratify FY 2024 – 2025 expenses that exceeded estimates. (LBM 4771)

Discussing the Preliminary Operating Budget (LBM 4772), Yellman noted that the budget format had been updated to be more transparent for the Board, but also for staff and the community. Yellman emphasized the importance of public understanding and welcomed questions for further clarity. Yellman highlighted a cautious budget approach due to the uncertainty surrounding continuing legislative conversations regarding property tax frameworks in Missouri, and a special session related to the stadiums. Yellman noted the Library remains committed to flexibility, fiscal responsibility, and being a careful steward of taxpayer funds.

Fang discussed the 10-year history of the library's property tax revenue from 2016 to 2025. In 2016, revenue was approximately \$16 million, based on a tax rate of 0.4933. By 2025, the rate increased to 0.5166, including a two-cent recoupment tax. The average annual growth in property tax revenue over the period is 7.8%, including recoupment. A review of operating expenditures from FY2017–2018 to FY2025–2026 showed an overall average increase of 7.6%. Looking at the FY2025–2026 budget, payroll benefits will make up 63% of total expenditures, library materials 9% (representing a 17% increase over the current year), general operating 18%, building maintenance 7%, and capital outlay 3%. A comparison of the current and upcoming fiscal years shows a 3% decrease in overall revenue, largely due to the expiration of the two-cent recoupment, despite a projected 5% increase in property tax assessments.

Personnel and benefits are expected to increase by 6.6%, while library materials will see a 17% increase, which includes \$274,000 from Kaufman and Ingram funds. General operating expenses are projected to rise by 6.7%, capital outlay by 21%, and building maintenance is expected to decrease by 24%.

Planned fund transfers and one-time expenditure for the upcoming fiscal year include a \$1 million transfer to the Capital Development Fund from the current year's fund balance. Additionally, \$175,000 is allocated for a salary catch-up payment, and \$150,000 from the fund balance is designated for the Comprehensive Facilities Plan, with flexibility to adjust the amount if needed. The budget also includes \$75,000 for a compensation and total rewards study and \$150,000 for land cover replacement of laptops and technology equipment, though completion of the latter may be delayed to next fiscal year due to laptop availability issues.

The staffing update for FY2025–2026 includes an increase in full-time equivalent (FTE) positions from 246.5 to 248.5. This growth includes one new FTE for Branch Services and one new FTE for Information Services.

Fang noted the Library will continue its 12% employer contribution to the pension and retirement plan. The pension plan's funding ratio remains steady at 69.1%, with no change over the past seven years. The total pension liability currently exceeds \$15 million.

The library materials budget allocation is now divided, with 52% dedicated to physical materials and 48% to digital resources. By audience, 71% of the materials budget is allocated for adults, 7% for young adults (ages 13–18), and 22% for children.

Fang provided an estimate of current tax revenue, based on Jackson County assessments provided to the Library. Updated assessments will be sent by Jackson County, and the estimated tax revenue will be updated in September 2025 with the final budget. Also attached is a salary schedule, which remains unchanged from FY24-25.

Motion by Dominik to approve recommendation of the Preliminary Operating Budget for FY25-26 before the Board, Second by Smirnova. Approved unanimously.

Discussing the facilities planning consultant services (LBM 4773), eleven firms submitted qualifications. A cross-departmental review committee evaluated each submission using predefined criteria, with MSR Design receiving the highest overall score, followed by Margaret Sullivan Studio and third, a joint proposal from Multistudio/Group 4 Architecture. Under Missouri law, only the top-ranked firm (MSR) could be interviewed. If rejected, the Library would be required to move on to the second-ranked firm without the ability to revisit the proposal from MSR.

MSR Design's proposal included several local subcontracting partners, including Sophic Solutions, noted for strong community engagement, particularly on Kansas City's east side. Following a detailed interview, MSR Design's final proposal totaled \$338,000, including a 5% contingency.

While no cost comparison was allowed under state law, internal benchmarking and peer data suggest the fee is within an appropriate range for an urban public library district

Yellman noted the committee unanimously recommends moving forward with MSR Design and believes the process was handled with integrity and transparency. The board was formally presented with the recommendation to approve MSR Design as the consultant for the Library's Comprehensive Facilities Plan.

Motion by Dominik to approve the recommendation of the Chief Executive to contract with MSR Design ("MSR") for Facilities Planning Services at a cost not to exceed \$338,069. Second by Dominik. Approved unanimously.

Yellman and Missouri Valley Special Collections (MVSC) Manager Jeremy Drouin provided an update on ongoing discussions with *The Kansas City CALL (The CALL)* newspaper regarding a potential partnership to preserve its historic photograph archives (LBM 4774), which staff emphasized as a significant opportunity for cultural preservation and community impact.

Drouin expressed the significance of acquiring The CALL's historic photograph archives, a collection with deep roots in Kansas City's Black community. The collection, proposed to the Library originally in 2012 by then-owner Donna Stewart, includes about 144 boxes and 70,000 photographs dating from the 1940s to 2000s. Acquiring it would significantly enhance the Library's historical archives while complementing the Library's existing digital collection of *The CALL newspaper*.

Dominik asked if once the Library acquires the collection, will the Library have full discretion over what materials are made publicly available and published. Additionally, asking for clarification of the process for handling commercial requests to use the images. Drouin confirmed that once acquired, the Library would have full discretion over non-commercial use of the materials, including publishing and public access, while *The CALL* would retain copyright and handle commercial use requests.

Williams and Smirnova asked if the Library has plans to collaborate with the Black Archives. Drouin noted the Library has not engaged them as *The CALL* approached the Library directly regarding the acquisition of the photograph archives. Yellman noted future collaborations with The Black Archives and other community organizations would be discussed once negotiations and the acquisition was completed.

Motion by Dominik to approve the recommendation of the Chief Executive to contract with the Kansas City Call Company ("KCCC") at an amount not to exceed \$315,000. Second by Warwick. Approved unanimously.

Discussing the Library's casualty coverage (LBM 4775), Yellman noted that insurance premiums showed little to no increase compared to the previous fiscal year. Notably, cyber liability coverage

costs decreased, despite increasing threats such as phishing and ransomware. The Library maintains \$2 million in cyber coverage, and staff continue to prioritize cybersecurity training.

Motion by Dominik to approve the recommendation of the Chief Executive to contract with Travelers Casualty and Surety Company, Lloyd's, Executive Risk Indemnity Inc, and Federal Insurance Company for coverage outlined below and to authorize the payment of total premiums and fees to Lockton Companies LLC of \$303,454 for FY 2025- 2026. Second by Day. Approved unanimously by the voting Board members, Oñate Greim abstained from the vote for LBM 4775.

Yellman reported a 40% increase in premiums and fees related to the Library's workers' compensation coverage (LBM 4776), citing higher risk associated with public safety officers and generally higher claim rates. Yellman noted the need for additional safety training for all staff to help decrease the number of claims currently being experienced. Despite seeking alternative bids, no responses were received, so coverage remains with Midwest Public Risk (MPR).

Motion by Dominik to approve the recommendation of the Chief Executive to contract with Midwest Public Risk (MPR) for coverage outlined below and to authorize a payment not to exceed \$102,670 as Premiums and Fees to Midwest Public Risk for FY 2025-2026. Second by Day. Approved unanimously.

Yellman presented a request for official approval to proceed with purchasing hardware and peripherals (LBM 4777), noting the costs are anticipated to be split across FY24-25 and FY25-26 due to supply chain issues.

Motion by Dominik to approve the recommendation of the Chief Executive to authorize the purchase of Computers and Peripherals from SHI International Corp. ("SHI") at an amount not to exceed \$265,000. Second by Day. Approved unanimously.

Fang noted that the Library launched a computer upgrade project using the Gifts and Grants Fund, anticipating reimbursement through E-Rate funding. The \$891,000 in E-Rate reimbursement was later received but recorded in the General Fund, creating a negative balance in the original project fund. The current proposal is to transfer the reimbursement from the General Fund back to the Gifts and Grants Fund to correct the accounting and close out the project.

Motion by Dominik to approve the recommendation of the Chief Executive to transfer \$891,980.76 from the General Fund to the Gifts & Grand Fund. Second by Smirnova. Approved unanimously.

Discussing the Director's Report (LBM 4779), Yellman invited Hariharan to share updates on the strategic plan. Hariharan highlighted key events, including a soft launch of the strategic plan on Lucile H. Bluford Day, an upcoming community kick-off celebration and a virtual board presentation on July 22.

Yellman noted the library has officially launched the Request for Proposals (RFP) for the compensation and total rewards study. Yellman encouraged Board members to share the RFP with relevant firms. Hrenchir will lead the review process with a cross-departmental team, and the board is expected to see recommendations in January 2026.

Yellman noted that due to summer scheduling challenges, the next employee town hall will be pre-recorded instead of live, addressing questions submitted by staff and other key updates. Yellman concluded by highlighting that collaboration between the Philanthropy, Youth and Family Engagement, Outreach and Community Engagement, and RISE departments who secured a \$500,000 Carnegie grant—a significant achievement for the library.

There was no old business for discussion.

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Motion by Dominik to adjourn. Second by Smirnova. Approved unanimously.

The meeting adjourned at 6:07 p.m.

Secretary

Date