Avon Grove Library Board of Trustees  
Community Room  
October 26, 2016

Minutes: Submitted by Pat McKeon

I. Welcome: Mark welcomed everyone and called the meeting to order at 7:04  
   A. In attendance: Lori Schwabenbauer, Judy Porta, Brian Gaerity, Mark Ungemach, Pat McKeon, Eric Crist, Patrick Harrison, Wanda Prosser, Suzanne Regnier, and Sue Geiger (speaker phone)

II. Adoption of Agenda: Motion to adopt made by Judy, seconded by Pat, motion carried

III. Guests: none

IV. Approval of Minutes: Motion to approve made by Eric, seconded by Wanda, motion carried

V. Director’s Report: Presented by Lori, Avon Grove Library Director (see attached)  
   A. CCLS Funding Formula Committee (of which Lori is a member) completed their research of the member library’s funding and usage. It was determined that Londonderry residents are using our library to a significant degree. The committee is recommending that we share that municipality with the Parkesburg Library. This will impact state funding, but not municipality funding at this point. The changes recommended by the committee won’t be final until the next meeting, but, as it is controversial, it may not be finalized until January’s meeting. This change, and others that the committee recommends, will have no financial impact until 2018.
   B. Sen. Dinniman came to the library on October 4th, presenting the bookmarks he created, the first for our area - honoring Joseph Pyle and Dick Hutton
   C. Lori shared that three PCs were removed, per a directive from CCLS Computer Services, due to low usage
   D. Lori shared the monthly statistics. Circulation is trending down overall, though adult books and OverDrive circulation was up. Attendance at programs has increased.
   E. Motion to accept the Director’s Report made by Brian, seconded by Judy, motion carried

VI. Treasurer’s Report: Presented by Judy (see attached)  
   A. We have received 74% of revenue budgeted - $393,495
   B. We will be $36,000 short by the end of the year, due to fundraising which was not done and goals not met
   C. Some revenue is down (fines, Friends, United Way, fund drive)
   D. The only money anticipated to be received in November and December will be from one township and part of the county payment
   E. Last month’s expenses bring our 2016 total spent so far to 74% of our budgeted expenses - $292,451.98
   F. Judy went through the month’s expenses - some are higher, but some are less than budgeted  
      1. Wages are slightly higher (3 pays in Sept)
      2. Judy wondered about FICA payments not being made and will look into this
      3. Lori is going to look to spend some periodical money on specific titles in Flipster
   G. Lori will mail the fall fund drive appeal letters in November  
      1. Suzanne suggested a Board Member phone-a-thon to encourage giving
      2. The goal is to try to get this money coming in during the month of December to count toward this year’s budget
   H. Balance sheet  
      1. Current assets are $212,942.19 (TD Bank), current loan balance is $212,722.36
2. Judy proposes that we make a $100,000 payment this year toward the loan principal from the current assets account (TD Bank savings account), then decide how much to pay on the loan next year (maybe not the $35,000 typical annual payment)
3. We would be saving $150.00 per month in interest on the loan by paying down the principal
4. Sue asked if the Finance Committee could meet to review and then present the proposal
5. We will continue to discuss this in the budget proposal portion of the meeting and at the next meeting
6. Lori shared that 2 - 3 months of expenses is what the county recommends minimum in the operating account. Members commented that this may be less than we would be comfortable with
I. Haverford Fund is down $5000
J. Motion to accept the Treasurer’s Report made by Patrick, seconded by Suzanne, motion carried

VII. Old Business
A. Staff Pay Scale and Salaries (see attached)
   1. Lori described the projections for the 2017 pay and the changes that she recommends for the pay scale, based on the previous scales.
   2. This will simplify the pay scale and make it more fair to the staff
   3. The new pay scale would cost $28,000 more than this year’s budgeted salary expenses. Judy states that it is already included in the budget that will be proposed
   4. Motion to accept the Avon Grove Library Staff Pay Scale made by Sue, seconded Mark, motion carried. The new pay scale will go into effect January 1, 2017.
B. Staff Healthcare
   1. Brian, Judy and Mark had a telephone conversation with Agatha and learned that the county would no longer offer insurance to the member libraries’ staff.
   2. Judy received information from Independence Blue Cross/Blue Shield about plans that are available to us that are similar to what we currently have. $2045 for 3 employees per month vs $3600 currently
   3. Our current bill results from the whole amount from the broker divided by 9 per employee within the system, regardless of the individual cost
   4. We can notify the broker when we want the current plan discontinued
   5. Our intent is to enroll three employees, however one employee declined, now we will just enroll 2 employees.
   6. The cost will be approximately $1700 per month now
   7. Judy will set this up as the plan administrator. Proposing that this becomes the role of the vice president in the future
   8. Must send Independence BC/BS a resolution from the board to create our group
   9. First payment needs authorization from the board by Dec 1 (rate will carry through 2017)
10. Judy will clarify several questions about the details of the plan
11. Motion to authorize the creation of an group for health insurance made by Mark, seconded by Patrick, motion carried
12. Brian noted that this package will cause some indirect costs to the employee that don’t exist currently. Discussion followed
13. Patrick proposed that we revisit the issue to see what costs are after a few months to evaluate the impact of the change
14. Motion to authorize the first payment to Independence BC/BS for the new insurance policy by ACH transfer from Citizens Bank made by Judy, seconded by Suzanne, motion carried
15. Motion to authorize cancelation of the current insurance policy as of Nov 30, 2016 made by Judy, seconded by Mark, motion carried

VIII. New Business
A. 2017 Holidays and Closings: See attached calendars
B. Friends of the Library
   1. Seems to be defunct according to Lori
   2. They held no meeting in September
   3. The current officers (Terri and Jacqui) want to step down
   4. We brainstormed ideas for how to create a viable group - perhaps from the moms that attend the children’s program
   5. Mark suggested we recognize the work done by Terri and Jacqui
   6. Wanda will facilitate our recognition of their service. Suzanne will create floral arrangements
   7. Motion to spend up to $80 for two floral arrangements to recognize Terri and Jacqui’s service to the Friends and the Library made by Mark, seconded by Judy, motion carried
C. 2017 Budget Proposal
   1. Finance Committee will review the budget and final presentation will be made at the December meeting
   2. Highlighted changes
      a) Wages have gone up significantly
      b) Books have been broken out within categories (i.e. – young adult books, etc.)
      c) Reduction of interest payments, if we make the payment discussed earlier
      d) $10,000 payment toward debt next year; could make it $35,000 if we do board generated fundraiser
      e) Budget due to CCLS by Dec 31
      f) Patrick made a motion to take $100,000 to pay down the debt from the TD Bank account, seconded by Judy - discussion followed.
         (1) Question about how much interest we pay and whether that fluctuates with the market
         (2) The interest rate was 1.2% in January 2015
         (3) Brian suggested putting the $100,000 in Haverford Funds to make more money. He suggested that we have a financial planner give us advice on this
         (4) Patrick felt that paying the principal is more important than making more money
         (5) Vote on the motion - yes: Judy, Patrick, no: Brian, Wanda, Eric, Mark, Pat, Suzanne
         (6) The topic should be discussed by the Finance Committee and re-presented to the board
D. Staff Back Pay
   1. Mark shared the chart that corrects the issue of back pay for those staff members that were being paid at incorrect rates
   2. Lori shared the specific discrepancies for the affected employees
   3. Total back pay = $5,524.84
   4. A motion to implement the suggested total back pay adjustments as described on the chart in the next pay period was made by Pat, seconded by Judy, the motion carried.
IX. Committee Reports: None
X. Fundraising Committee
   A. Mark proposed meeting in November - Lori will coordinate the date (members are: Brian, Patrick, Eric, Walter)
XI. Open Discussion
A. Suzanne asked what we can all do to assist with the appeal (i.e. - handwritten notes, phone calls, etc.)
   1. Lori will provide information about donors
B. Lori reported that payroll will still be done by the county next year
XII. Adjournment: Motion to adjourn at 9:14 made by Eric, seconded by Brian, motion carried