

Avon Grove Library Board of Trustees Meeting Minutes

Wednesday, October 23, 2019

7:00 pm – Community Meeting Room

Submitted by Pat McKeon, Secretary

- I. Welcome: 7:02
 - A. In attendance: Barbara Hart, Cordelia Rosazza, Walter Borys, Suzanne Regnier, Pat McKeon, Shelly McCoy, Lisa Zawada, and Lori Schwabenbauer
- II. Adoption of Agenda
 - A. Motion to adopt the agenda made by Cordelia, seconded by Pat, motion carried
- III. Guests - none
- IV. Friends of the Library Report: Joyce Ford, President
 - A. Joyce shared about Barbara's Celebration of Life service that she and three other Friends members attended
 - B. The final total was \$1253.00 for the Mystery Night event
 - C. They are holding an Election Day bake sale on November 5 at West Grove Borough and Penn Township. There is a signup sheet for donating baked goods in the Library
 - D. They are holding the American Girl doll raffle during the month of November
 - E. A spring event is being planned. It will probably be a wine and cheese party at Paradox
- V. Minutes of September 25, 2019
 - A. Motion to accept September's minutes made by Cordelia, seconded by Shelly, motion carried
- VI. Director's Report: Lori Schwabenbauer, Director (see handouts)
 - A. Lori is coordinating a dinner to honor and thank the Friends group on Thursday, November 14 at 5:00 before their monthly meeting. Board members signed up to contribute food items; library staff will also contribute
 - B. The Summer fundraiser has brought in approximately \$10,000 to date
 - C. Statistics:
 1. New wifi wireless routers are now being used in each library, so technology statistics will be based on the number of sessions instead of hours spent monthly
 2. Ebook circulation continues to rise, but overall circulation is down slightly
 3. Avon Grove Library contributes 4% of overall circulation in the entire system
 - D. System Funding Task Force
 1. Lori provided a letter from the CCLS Funding Task Force that explained the proposal that they submitted to the Chester County Commissioners requesting additional funding for materials, both print and electronic
 2. The proposal included quality of life survey results showing that Chester County residents give high satisfaction scores to their libraries, but regard them as less important than most other public services
 - E. Southern Chester County Writers' Conference will be held Saturday, November 16
 1. It is a half day, free event
 2. It's being held at the Technical High School on Pennock's Bridge Rd.
 3. Avon Grove, Oxford and Kennett libraries are collaborating on the event
 - F. Mail order delivery service (see handout)
 1. CCLS wants to promote this service more widely
 2. It is called CCLS's "outreach" service
 - G. Chester County Library was named PA Library of the Year and Earl Baker, President of the CCLS/CCL Board, was named Trustee of the Year
 1. Motion to congratulate Chester County Library and Earl Baker for these accomplishments was made by Pat, seconded by Suzanne, motion carried. Lori will print certificates and get Sue to sign them

- H. CCLS is introducing a new mobile app. It is called Capira and is replacing Boopsie as of 12/15
- I. Both the County and District will have additional monies in 2020 which will be used to improve resources for the whole system
- J. Upcoming Events
 - 1. November 6 - Development Round Table - Exton
 - 2. November 12, SAC - Cordelia is attending
 - 3. November 16 - Writers Conference - Technical High School
- K. Motion to accept the Director's report made by Cordelia, seconded by Lisa, motion carried
- VII. Treasurer's Report: Cordelia, Treasurer (see attached)
 - A. There were no major expenditures of concern this month
 - B. We will still have a shortfall by the end on the year as 25% of expenditures are still expected
 - C. Cordelia asked for a clarification of the distribution policy for the Avon Grove Endowment Fund (see handout)
 - D. All funding is in except Franklin's support and the County balance. The balance from London Grove is in, but not included in this report
 - E. Motion to accept the Treasurer's Report made by Pat, seconded by Suzanne, motion carried
- VIII. Old Business
 - A. Operation Warm
 - 1. Sue and Lori talked with Lisa Sherwood to clarify the project. It was determined that it would be too much work, require a lot of space, and may be a challenge due to other holiday activities. Avon Grove Library declined the opportunity
 - B. Building Lease, p. 3: Walter. Borys (see the handouts)
 - 1. Walter discussed the details of the lease and provided a handout of page 3 from the lease which focuses on maintenance, costs and expenses
 - 2. Walter's analysis discussed the shared costs of maintenance between the Library and the Borough
 - 3. Suzanne suggested that having a spreadsheet that lays out all the parts of the lease would make it more clear to the Board
 - 4. Lori will talk to Sue and organize the meeting with Greg (with Walter and Cordelia) to clarify our understandings
 - 5. The Board discussed the pros and cons of the lease and possible impacts to the library
 - 6. It was recommended that we need to establish a facilities reserve account
 - C. 2019 Budget
 - 1. Debt reduction - West Grove Borough Building Loan Repayment (see handouts)
 - a) Lori shared two documents that show the amortization schedule that we should be following
 - b) Regardless of the amount of principal paid annually, interest is paid monthly
 - c) Lori provided a memo recommending a schedule to pay the remaining debt:
 - (1) 2019 - \$10,000
 - (2) 2020 - \$12,000
 - (3) 2021 - \$20,000
 - (4) 2022 - \$23,000
 - d) The amortization scheduled has the last payment due in January, 2023
 - e) Suzanne suggested approaching a foundation to help pay this debt
 - f) Cordelia suggested splitting the remaining debt into equal payments
 - g) The Board agreed to pay \$10,000 in 2019 and use Cordelia's amounts for future years
 - 2. Projected deficit for this year according to Lori's calculations (see revised handout)
 - a) Revenue shortfall - \$28,210
 - Underspent expenses - \$890.00
 - b) Total shortfall - \$27,320

- c) Cordelia modified the figures since the transfer amounts were slightly different from the original calculations; her final shortfall figure was \$28,520
- d) Discussion was held that the money to cover the shortfall must come from the Avon Grove Endowment Fund
- e) Cordelia suggested having extra dividends go to the cash account as a way to maintain ready cash
- f) Two things to consider in planning future budgets
 - (1) We need a facilities reserve to cover unexpected maintenance costs that aren't budgeted for
 - (2) We need to maintain a higher level in the TD Bank account. We currently have too little in TD Bank to maintain an adequate balance. Cordelia suggests we need at least \$10,000 reserve in this cash account. It should cover at least one payroll cycle
- 3. Avon Grove Library Endowment Fund Drawdown for 2019
 - a) Cordelia recommends a \$57,500 draw from the Endowment Fund to cover the budget shortfall, include remainder of the annual drawdown (based on our formula) and give \$10,000 to the TD Bank cash reserve for operating costs
 - b) Since Sue is away, Suzanne made a motion to vote on this by email when she comes back, Shelly seconded, motion carried (SEE BELOW FOR AN ADDENDUM)
 - c) Important - We don't want to keep drawing more than what our formula indicates we should draw!

IX. New Business

A. 2020 Budget - Draft #2 (see handout)

- 1. Changes
 - a) The main change includes getting draft figures from two municipalities, London Grove and West Grove Borough, who both budgeted the increases we requested. We should have the others by the end of next month
 - b) Lori tried to be conservative in all areas
 - c) Suzanne asked if the budgeted expenditures line up with the probable expenses indicated by the lease. We will check to be sure this is the case
 - d) Lori has made additional cuts in budgeting for programming, since we are receiving regular funds for children's programming annually from the Ringler-Wurm Family Foundation
- 2. Cost cuts
 - a) A discussion about including/not including fundraising in budget was held
 - b) This budget includes COLA increases for staff
 - c) Lori's salary formula could be discussed as a cost-saving measure
 - d) Flipcause and GrantWatch were cut
 - e) Board members should think about cuts and changes they would prefer
- 3. We will vote to approve the 2020 Budget at the December 4th meeting. We should know the municipalities' contributions by then. Lori will keep us updated

X. Committee reports

- A. Ad Hoc Board Policy Committee (S. Geiger, P. McKeon, S. Regnier, L. Schwabenbauer) - none
- B. Ad Hoc Committee for Trustee Recruitment and Development (S. Geiger, P. McKeon, L. Schwabenbauer) - none
- C. Branding Committee (P. McKeon, S. Beyer, J. Ford, U. Nunamaker, L. Schwabenbauer, L. Sherwood, L. Sweet)
 - 1. Lori share the logo contest she and the committee are initiating (see handout)
 - 2. Shelly will join this committee when it transitions to become the PR Committee
- D. Executive Committee (S. Geiger, S. Regnier, P. McKeon, C. Rosazza) - none
- E. Finance Committee (S. Geiger, C. Rosazza, L. Schwabenbauer) - discussed above

- F. Fundraising Committee (President: S. Geiger; Subcommittees: General Donations, Corporate Donations, Grants, Events)
 - 1. The Corporate Donations Committee met - Walter shared what the group discussed
- G. Space Planning Committee (S. McCoy, B. Hart, L. Schwabenbauer)
 - 1. The committee met and Shelly will have a report to share at the next board meeting
- H. Strategic Planning Committee (P. McKeon, A. Diaz, B. Hart, B. Murphy, A. Mustico, L. Schwabenbauer) - They will meet November 4 to review progress to date and begin to plan for 2020's annual plan
- XI. Other items for discussion
 - A. Walter shared attending a dinner/lecture sponsored by Haverford and found it to be quite interesting
 - B. Fundraising Event: Suzanne is leading the Holiday Centerpiece Workshops on November 30. Two sessions will be held and we are charging \$45.00 per person
- XII. X. Adjournment
 - A. Motion to adjourn at 9:39 made by Cordelia, seconded by Walter, motion carried

ADDENDUM

On Saturday, October 26 the following email was sent to all board members:

As we discussed at the meeting on Wednesday, we need to vote on the amount of the drawdown from the Endowment Fund, as well as how that money will be distributed. I emailed Sue today and she is in agreement with the course of action that we discussed. Please consider Cordelia's recommendation as a motion for the following:

Cordelia recommends a \$57,500 draw from the Avon Grove Library Endowment Fund to cover the 2019 budget shortfall, include the remainder of the annual drawdown, and give \$10,000 to the TD Bank cash reserve for operating costs.

I (Pat) second this motion. Please email back - reply all - to vote in favor or against. Please reply by Sunday evening so that we can begin the process on Monday. I will add the motion and the vote as an addendum to our minutes for this month.

All board members replied, voting in favor, and the motion carried.