



## BOARD MEETING MINUTES:

July 20th, 2019

### CALL TO ORDER – Board of Trustees

A Board of Trustees meeting, of the Peru Public Library, was held on Thursday, July 20th, 2019 at the Peru Public Library. The meeting was called to order at 6:42 PM and was presided over by President Anna Jo McKaig.

### ATTENDEES

MEMBERS PRESENT: *Melissa Duckwall, Alison Paul, Leslie Murphy, Bryan Maggart, President Anna Jo McKaig, and Austina Reed.*

MEMBER APOLOGIES: *Deb Swihart*

DIRECTOR PRESENT: *Maryann Farnham and Assistant Director, Michelle Spangler, were present.*

GUESTS: *Staff member Lisa Rummel was also present, to take the minutes.*

### APPROVAL OF PREVIOUS MINUTES

June Minutes

The minutes had been examined by the secretary, Murphy, who state that they appeared to be in order, and were approved by her. The board accepted them with all ayes.

### FINANCIAL STATEMENTS

Maggart, the treasurer, reported that everything looked good and that Farnham is keeping an eye on all of it.

A few things were discussed and clarified. The property taxes collected so far this year are lower than last. People may be paying in two installments, so we won't know until the end of the year just how low that really is. LIT should always increase a little each year, due to annual raises. The amount listed as "other" were the checks that were canceled and deposited back into the library's accounts after never being deposited by the recipient. Farnham also clarified that payroll was not in yet at the June meeting, so there is an additional one this month.

Murphy motioned to accept the financials as presented and Maggart seconded. The motion carried with all ayes.

There was some additional discussion at this point, over a few minutia in the voucher. Included in that was the information that the AC part is \$2,300 but as it is only 3 years old, should still be under warranty. It will be close to \$5,000 for the part and installation and the whole unit will need to be replaced eventually, as it isn't working well. There is also one of the boilers that is still at the manufacturers waiting for them to tell us if it is under warranty or not.

### AGENDA

## **DIRECTOR'S REPORT**

Farnham shared that the library is in compliance for library standards by the Indiana state library, which is required to receive the e-rate funding for the internet.

On renovations, there is a lot scheduled for 2020 but not much left for this year. As mentioned previously, there is still a boiler that Farnham is waiting to hear back about. Maggart volunteered to talk to the company about that, as his in-law works there. Farnham had also had to shut the water to one of the toilets off as it had been running constantly and the other toilets could not function. It wasn't going to get fixed till August 1, unfortunately. The board was curious as to why that problem keeps occurring, and Farnham informed them that it was due to the architects and contractors using the wrong size of pipes, so the pressure is off. Maggart asked how much the AC unit cost. Farnham thought it was around \$150,000-200,000. He thought the library should get quotes for a replacement. As the budget is on the agenda but for later, that conversation was not continued at this point.

## **OLD (UNFINISHED) BUSINESS**

Farnham is still working on the Capital Asset Policy, and with there being no other old business, the meeting moved on to new business.

## **NEW BUSINESS**

The board decided to discuss the budget first rather than second, so Farnham opened by saying she'd emailed the rep at DGLF and asked about putting the \$75,000 in the budget. If they did that, it would go into binding review which meant that the city would be the one to approve the budget, not the board. The budget for 2020 is \$477,129 and with the \$75,000 added to the budget, it's over the 3.5% growth quotient. Binding review has only happened one other time, but that time the budget didn't go over the growth quotient. The other option is that Farnham can talk to DGLF and see if the library can do an additional appropriation. For that, she believes that they would have to advertise about the appropriation, have a public meeting, and get it approved by the city council and by the state, as well as making sure it wouldn't then be removed from the next year's budget.

Maggart was unhappy that the library isn't using that money, but as Farnham pointed out, it is padding the operating budget so that the whole budget can be used without going into the negative. After two years of contracting with the county, the library will be at \$150,000 in county funds. For the additional appropriation, Farnham wants to make sure it also won't negatively affect the future budget. Maggart asked what her plan was and she replied that she isn't even sure what is allowed – an additional appropriation may only be able to be used for capital projects. She told the board she would ask at the budget meeting the following week. Reed double checked that the contract with the county didn't specify how the funds be used, which was correct. Reed also asked if the topic could be tabled, as she was hearing two possible routes – binding review or an additional appropriation. Farnham wants to make sure that the board has control of the budget. Paul commented that her concern with binding review is that the city could decide to cut the budget by \$75,000, meaning the library gains no funds at all and can't get the 3.5% growth quotient. Additionally, if the county decides to pull out of the contract program, the library loses even more and we can't afford any of that. The budget meeting with DGLF next week may reveal that the library can't contract with the county again. There is currently no signed contract with the county for 2020, just the money from the last two years. The money has allowed the library to fund the operating budget. In past years, it was not uncommon to have only \$600 left in operating by June. As the library is allowed to use any funds budgeted, the extra county contract funds

allow us to use all of the budget, rather than holding some in reserve in case the property tax funds collected were lower than anticipated.

Another option was discussed as well: Only 10% of the budget can ever go into the Rainy Day fund, while the rest could go into LIRF, but to spend in money in LIRF, the budget goes to binding review. The board realized that they may have to tell the county to decide if they want to have a library or not, although with the census coming up, the current contract may not work anymore anyway.

Farnham stated that the county funds form a cushion that allows the library to get the full budget and not have to cut it after the meeting with DGLF. The cushion will also last for 10-15 years before the library goes back to being \$30,000-40,000 short at the end of each year, due to unpaid taxes. Farnham also talked the board through what happens if the library is in the red on January 1<sup>st</sup>, including how that could happen if taxes are short or late. It was decided to talk to Judy with DGLF at the meeting the next week to find out the process for an additional appropriation.

The board then moved onto the salary schedule. It was the same as the previous year's, merely with a different date and Paul motioned that the board accept the salary schedule for 2020. Murphy seconded and then Maggart asked where Spangler fit into it. After that, the board voted as it had been moved and seconded already and the motion passed with all ayes.

McKaig asked if there was further business, and Murphy brought up drop boxes. She had called around and found that the surrounding libraries all have one. Murphy, Reed, and McKaig had all heard complaints about the library's lack of a drop box. Farnham asked if it could wait till the next year, when the library is working with a new budget and has funds again. Murphy wanted to do the drop box and the camera at the same time. Farnham requested that there be discussion over the placement of a drop box and that it be on the main level, for the staff's safety. She also stated that it will mean more staff time and thus, money. Reed asked about a feasibility committee to discuss location but Maggart thought the staff could pick. Reed mentioned that liability could be an issue and Murphy added that she thought it should be locked during open hours. Reed motioned to table the topic and have the building committee report on it. Maggart declared strongly that he was not talking about it anymore, including tabling it for later. Murphy motioned that the library get a drop box and have it installed no later than January 1<sup>st</sup>. Farnham again requested that as that is winter and we already have a bunch of expenses coming up for this year, that the installation date be pushed back further. Maggart was not pleased with this and it lead to a lengthy discussion regarding what funds could be used for it. Murphy and Maggart were both displeased that the cameras and drop box may not be able to be funded this year. Farnham stated that the library still has a lot of unknown expenses with the AC unit, so she doesn't want to spend in the Sharp funds in case we need it. Maggart expressed his displeasure strongly again and there was further discussion on the matter.

Murphy motioned with Reed seconding that the library purchases a drop box and install it shortly after the first of the year.

There was further discussion on funding at this point. Paul asked that if the library still had money in the Sharp fund by October, that the AC and boiler hadn't used up, that we do the drop box in the last quarter of the year. However, more money cannot be added to that fund unless it comes from an outside source. But, as Farnham pointed out, there will be more funds in February, and that can be the first thing purchased – even if it's instead of new windows.

The motion was restated at this point: that the library will know by the end of year when the drop box and windows can be installed and where the funds will come from. Maggart abstained but all other board members present voted aye and the motion carried.

Farnham requested that the building committee help or take care of getting the quotes and contracts for both jobs. The board had no issue with that, concluding that that topic of discussion.

Maggart had a list of human resource questions for Farnham then, some of it being things she'd have to research. Spangler was also included in some of these questions. During this discussion, concerns were raised by Reed that this was not the appropriate time for that topic, and further discussion of the topic should be moved to an executive meeting. McKaig then proceeded to sum up the conversation discussed under new business. She stated that just as the hotspots are for the patrons, a book drop has been requested by them and so, is as well. Everyone is feeling the budgetary restrictions. The board needs to be in tune with the staff, the patrons, and the legality of all the issues. The board seems to be in agreement that the library needs a book drop for the patrons and cameras for us, due to liability concerns. Paul spoke up and said that more money is needed in the repair and maintenance section of the budget. The drop box and cameras motion was re-iterated, followed by some further discussion, including how having cameras may well cut down on the misuse of the drop box.

**There being no further business at this point, the meeting was adjourned by President McKaig at 8:39 PM.**

**MINUTES PREPARED BY: Lisa Rummel, Peru Public Library staff member**

**SECRETARY APPROVAL:**

*(Signature & Date)* \_\_\_\_\_

**Peru Public Library**