

The Public Library of the Township of Mahwah  
Minutes of the Board of Trustees Meeting  
November 20, 2019

**Call to Order:** Mr. Wendrychowicz, President, called the regular monthly meeting to order at 7:36 PM.

In compliance with the Open Public Meeting Act, adequate notice of the meeting has been given to the Record, posted in the library, on the library website and filed with the Township Clerk.

**Present:**

Ms. Cassotis  
Ms. Clarkin  
Mr. Grob (arrived 8:08 PM)  
Mr. Koster  
Mr. Orlich  
Mr. Wendrychowicz  
Mr. Wolf  
Mr. Hadelers  
Ms. Gilbert  
Ms. Mercadante

**Absent:**

Mr. Lee  
Mayor Roth  
Dr. Schoen

**Pledge of Allegiance**

**Public Present:**

**Public Comment:**

A motion was made by Mr. Orlich and seconded by Ms. Cassotis to go into public session at 7:37 PM. Motion passed unanimously.

No public present.

A motion was made by Mr. Orlich and seconded by Ms. Clarkin to close the public session at 7:37 PM. Motion passed unanimously.

**Secretary's Report:**

A motion was made by Ms. Clarkin and seconded by Mr. Orlich to accept the minutes from the October 16, 2019 regular meeting minutes as presented. The minutes were approved by those present at the October 16<sup>th</sup> meeting, Ms. Clarkin, Ms. Cassotis and Mr. Orlich abstained. Motion passed.

**Treasurer's Report:**

Financial Reports

Mr. Hadelers reported that the budget is where it should be for this time of year.

- Income is 99.94% of the year-to-date budget.
- Expenses are also at the appropriate percentage for this time of year
  - Salaries and withholdings: 99.59%
  - Personnel expenses: 96%
  - Library materials: 94%
  - All others tracking to expectation

- Professional services are slightly over year-to-date and are expected to remain that way for the year in total, due to legal fees incurred earlier in the year which since been cutback.
- Furniture fixtures and equipment is underspent year-to-date: however, payments in November for additional items will bring the total closer to the amount budgeted.
- Buildings and grounds expense is at 87%, due to savings in utilities. Electrical usage for October 2019 was 25% lower than for October 2018, and 20% lower than the average of the previous five years. The energy efficiency and HVAC upgrades appear to show incredible benefits from the start. We will continue to track KWH/usage going forward.
- The report shows the first transfer of \$50,000 from operating to capital, done in November. Typically, the second transfer is done in December, depending if funds are available to cover expenses through early 2020.
- Mr. Orlich asked if we use a capital fund, rather than the operating fund, for furniture, fixtures and equipment. Mr. Hadeler responded that typically, purchases for longer lasting items are taken out of the capital fund. A few items can either go either way. 2019 furniture, fixture and equipment purchases, such as a book truck for circulation, were taken from the operating fund for ease.
- Ms. Clarkin asked Mr. Hadeler if he plans to purchase more display shelves. Mr. Hadeler responded the three gondolas in the main concourse were purchased recently; we may purchase more in the future when we discuss how to display materials more effectively.
- Mr. Hadeler stated if we reconfigure the checkout desk, we will replace some of the older furniture with new furniture, funded through a future capital project.
- Mr. Hadeler reported that the only construction work planned for the building currently is the re-roofing of the five bump-out windows facing Ridge Road.

A motion was made by Ms. Cassotis and seconded by Ms. Clarkin to accept the operating budget, account balances and reconciliations in the October 2019 Treasurer's Report.

#### Roll Call:

Ms. Cassotis – yes  
 Ms. Clarkin - yes  
 Mr. Grob - absent  
 Mr. Koster - yes  
 Mr. Lee – absent  
 Mr. Orlich - yes  
 Mayor Roth - absent  
 Mr. Wendrychowicz - yes  
 Mr. Wolf – yes  
 Dr. Schoen - absent

Motion passed unanimously.

#### Bills for Payment –

- Mr. Hadeler noted a \$1,700 bill from Kreuger International at the bottom of page 14. The invoice covers additional chairs in the small meeting room and a kit to more easily flip up conference tables in the lower level.
- Mr. Orlich inquired into the BCCLS payment. Mr. Hadeler explained BCCLS bills us quarterly for core services, which includes access to the catalog, eContent, telecommunications, maintenance on some PCs and delivery.

A motion was made by Mr. Orlich and seconded by Ms. Clarkin to approve the November 2019 Bills for Payment.

## Roll Call:

Ms. Cassotis – yes  
Ms. Clarkin - yes  
Mr. Grob - absent  
Mr. Koster - yes  
Mr. Lee – absent  
Mr. Orlich - yes  
Mayor Roth - absent  
Mr. Wendrychowicz - yes  
Mr. Wolf – yes  
Dr. Schoen – absent

Motion passed unanimously.

Mr. Wendrychowicz changed the order of the meeting agenda to discuss the budget later in the meeting to allow for board members arriving later to be present.

## Monthly Statistical Reports:

The October 2019 statistical summary report was acknowledged and reviewed.

- On-line content - Mr. Hadelier reported that we continue to see a decline in traditional audio visual materials, such as movies, DVDs, etc. There are slight increases in fiction and non-fiction for adult, young adult and children. On-line content continues to astound us with double digit increase use each month, in line with the prevailing trend. The 2020 eContent budget line item will increase to sustain the same level of service.
- Programs - Mr. Hadelier noted that even though the number of programs has declined slightly this year, program attendance continues to increase.
- Room rentals - Mr. Hadelier reported that despite his concern regarding room rentals, rentals by different organizations in October and November have increased.
- Computers – Mr. Hadelier reported that computer use and wireless sessions continue to inch up every year.
- ESL - Mr. Hadelier reported that ESL is doing very well. Mr. Wendrychowicz asked about the difference between ESL sessions and contact hours. Ms. Gilbert explained that the contact hours refers to the number of teaching hours by the tutor: a tutor teaching five students for two hours would be considered one program and ten contact hours.
- Library materials
  - Mr. Orlich noted that one-third of material circulation comes from on-line services. He asked if hard copy books are older books repeatedly lent out. Mr. Hadelier explained that eighty percent of the circulation comes from the newest 20 percent of materials: new materials constitute most of the circulation while older items make up a small percentage.
  - Mr. Orlich asked when do we think that the ratio of on-line versus hard copy will change. Mr. Hadelier responded that it is occurring now. The draft budget for adult CDs does not increase and adult audiobooks are being cut by fifty percent since they no longer circulate as much as online audiobooks. We would rather allocate money towards on-line content rather than a less popular format.
  - Mr. Orlich pointed out that in adult fiction, hard copy is still circulation is significantly higher and asked about eContent purchasing.

Mr. Hadelier responded that we have allocated more money to purchase additional eContent copies, to sustain the trend of double digit increases every month.

In 2019, we had a fairly limited eContent budget. We waited until May for Overdrive Advantage, the program allowing us to purchase copies separate from the BCCLS main collection, to become effective before adding more money into the program.

The other issue working against eContent purchasing is the imposition of a two year license with limited checkouts per license by many publishers. We need consider that 80% of new eBooks will drive circulation but 20% will need to be repurchased every two years. Also, the content is significantly more expensive since each eBook copy is three times the cost of a traditional hard cover book.

- Mr. Wolf noted that eContent use has grown over the last three years from 2% to 14% - 15%. He expects this trend to continue, but is uncertain of the cap. Mr. Hadelers believes the trend is being driven by convenience as more people use their phones to read and listen to audiobooks.

Growth will also be driven as more publishers embrace a cost per click or cost per circulation model. The three major eContent vendors are Hoopla, Overdrive and Kanopy. Hoopla and Kanopy allow any number of people to borrow them simultaneously, using a cost per click model: each user click costs us between 99 cents and \$1.99 per use.

### **Director's & Staff Reports:**

Mr. Hadelers highlighted the following additions to his report.

- Macmillan Publishers – On November 1<sup>st</sup>, Macmillan implemented a new model with libraries for purchasing eBooks. The company imposed a policy where libraries can purchase one copy of an eBook per library but additional copies are embargoed for eight weeks. The company claims that the ease of borrowing from the library has cut into their eBook sales. They claim they have invited libraries to discussions about their library pricing models. In response, many big libraries across the country are boycotting Macmillan's eContent: today, BCCLS voted to join the boycott.
- New telephone system – The new telephones were installed and are working well for internal calls: however, when we try to call out or people call in, the DTMF tones (touch tones generated by a pressing a key) are not recognized.
  - The manufacturer of the equipment indicated they are compliant with industry specifications for touch tone operation. Optimum, our voice carrier, is unwilling to make changes to work with the system.
  - Mr. Hadelers reported he found a reputable, internet-based, compliant phone carrier which would save about \$800 to \$1,200 a year. We will evaluate over a one-month free trial and report back next month. Mr. Orlich asked for the name of the company. Mr. Hadelers responded RingLeader.
  - Mr. Orlich questioned if the price for our internet is bundled with the telephones. Mr. Hadelers stated our internet connection and phone services are priced separately. The only time our internet connection has gone up was when we upgraded to a higher speed.
- Small rooftop HVAC unit – The small rooftop HVAC system that heats and cools the staff break room and the surrounding rooms has been out of service since early October. The unit needs a new heat exchanger, which was discovered during the fall maintenance: at the time of repair, it was noticed the ordered replacement part was mislabeled and the correct part will not be available until December.

### **Friends Report:**

### **New Business:**

### Introduction of 2020 Draft Budget –

- Mr. Wendrychowicz stated that on November 5<sup>th</sup>, the community came forward and showed their overwhelming support for the library by passing the referendum, with 72% voting in favor. He thanked many people including our new Friends group, the Mayor and Town Councilman Mr. Ferguson.

Mr. Wendrychowicz believes the referendum passed because the requested increase was reasonable, bringing us just above the 2009 budget. The budget reviewed tonight will be compared with the Library's approved Strategic Plan to ensure alignment.

- Mr. Hadel explained how the budgeting process is his best opportunity to align funding with the Strategic Plan's priorities, and execute on its vision. Tying the budget into the strategic plan ensures we adhere to the plan.
- Mr. Hadel reviewed the 2020 draft budget line by line, following the narrative included with the Board packet. The following items were highlighted or discussed in more detail:

#### ➤ Income

- Gifts, grants and donations - A new line item for a BCCLS grant was added. BCCLS changed how their county allocation of \$150,000 is dispersed. In the past, they used the funds to provide services and returned some money back to the libraries for reciprocal lending. They decided instead to provide give every library a mini grant of \$2,500 to help defray the cost of delivery, provide programs or offer new services.
- Fines will be budgeted at 20% less, \$20,000 down to \$16,000, in 2020 because
  - BCCLS is introducing automatic renewals and unified loan periods, making it easier for people to return items before the first fine.
  - We plan to have fine-free summer reading next year to encourage people of all ages to participate in summer reading. Mr. Wolf noted that since this year's fine income is only \$18,000, indicating that \$16,000 for 2020 may be overly optimistic and suggested lowering the projection to \$14,000 to 15,000.
- Mr. Hadel noted an increasing number of libraries that are doing away with overdue fines. Mr. Koster questioned why libraries would stop issuing fines. Mr. Hadel explained that it has been fairly well proven in libraries that unless fines are punitive, they do not encourage people to return items on time. Also, fines can be a barrier for people who need the library the most. Finally, several libraries have documented that the cost in staff time of fine collection and customer frustration may outweigh the value of the fines.
- Passport processing is a new income line. We expect to start passport processing next year and anticipate self-sufficiency by the end of 2021. We don't have the experience to project startup costs or revenue. Mr. Orlich recommended if an expense is included, a reasonable income projection should be included.
- Notary income is budgeted at \$50 less than this year. Mr. Orlich suggested offering notary service for free. Mr. Hadel suggested offering the service for free to Mahwah residents and charging non-residents \$2.50 per page. The board agreed that beginning January 2020, notary service would be free for Mahwah residents while non-residents will continue to be charged \$2.50 per page.

#### ➤ Expenses

- Salaries and withholding are budgeted to go up by 20% relative to 2019. While dramatic at first glance, the increase is driven largely by adding staff to accomplish the Strategic Plan's goals, notably expanding programming and offering non-traditional services. Mr. Hadel stated that for a number of years, the Library has spent 68 – 69% of its operating budget on salaries and benefits; this year we are at 69%, with approximately 53% going to salaries and 16% going to insurance and other benefits.

Key personnel changes driven by the strategic plan include:

- Staffing the library to increase the library hours to a total of sixty-two hours year round. We would be open all Sundays and Thursday evenings in the summer.

- Engaging the community through better marketing and increased social media presence. We would convert our current part-time PR and marketing assistant position to full-time.
- Additional staff time for programming and training. The budget increases hours for one existing part-time adult librarian and adds one half-time adult programming assistant (for 20 hours/week) to coordinate ESL and other adult programs. In addition, money will be dedicated to support fifteen hours of passport processing per week.
- Restructuring the children's and teen services department into a single youth services department to increase program coordination. Currently, we have two departments operating independently, without interacting with each other, causing some materials and programs overlap. The intent is to assign one head of youth services to coordinate all services, overseeing the existing teen librarian and children's librarian positions. All current library assistants in both departments would be cross trained to work in either area and one part-time assistant position would be converted to full-time. Mr. Hadelar shared both the existing and proposed organization charts. Mr. Wendrychowicz stated that the changes were suggested by staff. This balanced approach meets the major goals of our strategic plan and makes our library more community oriented.
- Mr. Orlich expressed a concern of public perception with a sizeable increase in personnel. He felt that when we worked on the referendum, while we discussed opening more hours and adding programs, much of the dialogue was geared towards obtaining additional books and eContent. Mr. Hadelar responded that based on the goals in the strategic plan, one of the biggest thrusts of the referendum was to expand programming, which can only be accomplished through added staff. ESL and vendor programming requires dedicated staff time. Mr. Orlich stated efficiencies are only gained through increased capacity, asking how work will be distributed with the added staff. Mr. Hadelar explained that the new work will support an increase in programs for all ages: adult, teen and children's program budgets have gone up 30%.

Mr. Orlich asked if we track program metrics. Mr. Hadelar responded that the library captures detailed statistics on programs by age group and program type.

- Personnel Benefits are budgeted high because we do not yet know the actual premiums. Ms. Clarkin questioned when he will learn the medical costs from the town. Mr. Hadelar stated that we will know sometime in December and the change will be reflected in the revised draft budget to be presented to the Board.
- Collections - All of our collection budget lines were cut in the past.
  - Audiovisual – Music CDs are budgeted flat and audiobooks are cut by 25% as use is now surpassed by the online equivalent. We anticipate that in a year or two we will not have the collections anymore. Mr. Orlich asked about the drop in DVD usage. Mr. Hadelar mentioned that last year, the DVD lending policy was extended from three days to one week, knowing this customer service initiative would impact statistics. The high demand collection continues to have very short loan timeframes.
  - Young adult AV – Mr. Orlich questioned the budget for children's miscellaneous media since circulation declined this year. Ms. Gilbert responded that the children's room was closed for a month in 2019 but the demand for these items, especially Osobots and other kits, is strong.
  - Digital and on-line resources – Mr. Hadelar stated that based on the incredible growth in these collections, more funds will be allocated to drive use. Mr. Orlich questioned if usage stats were examined, since Morningstar was down 67%. Mr. Hadelar responded that we had some incredibly high use of Morningstar last year. Mr. Hadelar noted that other services, such as Hoopla and Kanopy, use a pay-per-click model and have been very popular with patrons. We currently cap Hoopla and Kanopy at 15 transactions per month for Mahwah patrons, and would like to increase it to 20 per card. Also, this category covers payments to BCCLS for the central eBCCLS collection. BCCLS assesses us a charge based on our population, not use.

- Programming – Mr. Hadelers stated that based on the long range plan, we are trying to do all we can to increase programs. In our previous strategic plan, we set a benchmark of 12% of operating expenses going to collections and 3% to programs. In the current strategic plan, the goal is to ramp up programming expenses to 6% and programs to 4.5%. Funding for adult, teen and children’s programs will increase dramatically. Additional funds are budgeted for ESL programs and museums and cultural passes, since some of their costs have increased recently.

Mr. Orlich questioned what more can be added to the library operation besides increased programming. Mr. Hadelers responded we can add summer Sunday hours. The staff will be pushed to maximize use of the building by working together to identify optimal programming times. His goal for the adult, children’s and teen departments will be to internally coordinate and schedule programs to run throughout the day, targeting different age groups.

- Technology – Mr. Hadelers stated that he increased hardware spend by 200% to replace older staff computers and purchase a 3-D printer and additional network switches. Mr. Hadelers mentioned these can be paid with capital funds as well, allocated from the \$6,000 yearly technology capital budget. Mr. Wolf questioned where there was a capital expense policy, such as using capital funds for any long lasting purchase (e.g. five years or more) over a thousand dollars and suggested we create a policy if one doesn’t exist. Mr. Hadelers agreed.

Also, several major software licensing and renewals will hit the library in 2020: going forward, he recommended we set aside eight to ten thousand dollars annually for these costs.

- Building & Grounds - Safety and security - This line item is budgeted at \$3,000, which covers our annual fire extinguisher inspection, elevator inspection, smoke detector and sprinkler inspection. Mr. Hadelers stated that he would like to increase this by \$2,000 to tie in the three new rooftop HVAC units, which now have duct detectors, into the fire alarm panel.
- Mr. Hadelers concluded that the total brings us to a \$2,404,603 operating expense. \$50,000 is budgeted as a transfer to Capital. Mr. Wolf stated that it is important to have something budgeted to transfer to capital to build funding for the future. Mr. Hadelers agreed to transfer \$100,000 to capital.
- Mr. Wendrychowicz stated that the plan is to vote on the budget in December. Mr. Hadelers asked the trustees to let him know if there are any major changes they would like to see before the revised budget is presented in December.
- Mr. Wolf asked if the budget could include a comparison of projected current costs to next year’s budget, in addition to comparing budget to budget. Mr. Hadelers stated that he will include another column showing projected to budget.

#### Organization restructure:

- Mr. Hadelers presented the board with a plan to restructure the children’s and teen departments into a single youth services department to streamline operations. Three major department heads will report to him: the lending services manager, youth services manager and adult services manager.
  - The head of lending services would be responsible for the day-to-day circulation activities, including
    - ensuring items are cataloged, processed and shelf-ready in a timely fashion
    - ensuring high-quality interactions with patrons at the checkout desk
    - helping with collection maintenance projects and related activity

Four full-time paraprofessionals and a handful of part-time paraprofessionals would report to the head of lending services.

- The head of youth services would

- integrate the children's and teen departments
- direct and supervise all activities within the merged departments and coordinate activities with other departments
- serve as point person for outreach contacts
- build new external relationships
- represent the library at youth services activities around the county and region.
- working with the teen and children's librarians to plan and implement programs
- determine budget needs
- manage collections

The staff would be comprised of a children's librarian, teen librarian, one full time paraprofessional and three part-time paraprofessionals. The librarians will conduct outreach, working collaboratively with the department head to plan and execute programs, and undertake outcomes based collection management.

- The head of adult services would be in charge of adult information services and programming. A program coordinator, programming assistant and information desk librarians and paraprofessionals will report to the head of adult services.
- All of the department heads will be challenged to identify ways to maximize library resources, understand and develop valuable collections, programs and services to Mahwah residents.
- The library assistants and paraprofessionals will be working with patrons, answering their questions, preparing displays, arranging the shelves and executing the programs based knowledge and expertise, and will be cross trained to work as one big department.

**Trustee Education:**

Mr. Wendrychowicz stated that on December 5<sup>th</sup>, a BCCLS trustee development program "Hot topics for Trustees working with the community" will be held at Mahwah Library. Mr. Hader and two other speakers will speak.

**Public Session:**

A *motion* was made by Mr. Wolf and seconded by Mr. Orlich to go into public session at 9:47 PM. *Motion* passed unanimously.

A *motion* was made by Mr. Wolf and seconded by Ms. Cassotis to close the public session at 9:47 PM. *Motion* passed unanimously.

**Upcoming Meeting Dates:**

**Adjournment:**

A *motion* was made by Mr. Wolf and seconded by Ms. Cassotis to adjourn the meeting at 9:48 PM. *Motion* passed unanimously.

Respectfully submitted,

Zoe Cassotis  
Secretary