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February 16, 2022

Dear Hellertown Borough & Lower Saucon Township Patrons, Residents, and Elected Officials,

The Hellertown Area Library (HAL) would like to thank all its patrons for their overwhelming support and understanding during what has proven to be a difficult situation over the last few months. Given the threat of legal action approved on January 19th, 2022 by the Lower Saucon Township (LST) Council, the Library and its Board have been advised not to comment publicly on the situation. However, we feel it is now time for the Library to clarify the record.

Beginning in May of 2021 and following past practices, the HAL Director met with the managers of Hellertown Borough and Lower Saucon Township in order to discuss a renewal of the existing 3-party Library Services Agreement. The three met again in August, September, and October and countless emails were exchanged between the three parties. During this time the HAL board, including the appointed municipal council liaison members, labored to address requested changes to HAL's by-laws. Although it has been suggested otherwise, at no point during 2021 did HAL exclude LST from these discussions or seek to be anything other than fully transparent during this process.

In late 2021, prior to budgetary proceedings by Hellertown Borough Council and Lower Saucon Township Councils, HAL provided a draft 3-party agreement for the continuation of free library services to both municipalities over the next 5 years beginning with 2022. Each respective Council received this agreement and both passed budgets for their 2022 fiscal years including funding for Library Services at the rate requested by the Library of \$9.66 per capita (per resident). This requested funding represents a simple increase based on inflationary factors as displayed at:

https://www.bls.gov/data/inflation_calculator.htm.

According to the historical consumer price index, \$8.37 in January 2016 is equal to \$9.93 in January 2022, which is in fact greater than the requested rate of \$9.66 per capita. At no time

prior to December, 2021 did the Library receive any indication from Lower Saucon Township representatives that the proposed 3-party agreement was unacceptable.

Much to our surprise, it became apparent at Lower Saucon Township Council meetings in December and January that Lower Saucon Township would not enter into the new 3-party agreement. By way of explanation for this unforeseen action, the Lower Saucon Township Council publicly stated a 3-part narrative blaming the Library: (i) the Township had been excluded from work on the agreement;* (ii) the Township had questions about how the per capita amount was determined; and (iii) the Township wished to first investigate certain alleged discrepancies in the financial records of the Library. I have already addressed points (i) and (ii) above. As for point (iii), the Library's books are fully audited every 3 years along with financial reviews in between by an independent accounting firm and the Library makes annual reports to both the State Office of Commonwealth Libraries and each of Lower Saucon Township and Hellertown Borough. At no point have any other of these outside bodies raised any concerns regarding the Library's financial records. We have come to the opinion these concerns were raised as a pretext to justify the Township's last minute (at least from the point of view of the public and the Library) change in course.

During the 1/19/2022 Lower Saucon Township Council meeting, the Township Council passed a motion authorizing "a donation" of \$50,000 to the Hellertown Area Library, less what they had already paid in January, making the "donation" actually \$41,000 and change (as between Lower Saucon Township and HAL, the prior agreement for library services had been extended through the end of January). This "donation" was only to be available after further unspecified financial review. The Township Council also at that meeting approved a \$50,000 donation to Southern Lehigh Library and authorized the Township solicitor to sue the Library, the Library Director, Library officers and Board members if the Library at any time denied free library services to residents of Lower Saucon Township. The Township did not discuss any of these actions with the Library before these motions were approved.

It was clear the Township expected the Library to continue to provide free library services to LST residents in "exchange" for the "donation". But all of the terms of this arrangement, including the timeframe for how long the free services were expected to be provided, were never agreed upon. Due to the ambiguity of this "donation", the fact that it represented less than half of the annual support requested by the Library and budgeted by the

Township, and the accompanying threat of litigation, the HAL Board voted to reject the “donation” and to return the funds to the Township (excluding the January payment) should they be received. To date, the Library has received no such funds from the Township.

The Hellertown Area Library Board of Directors has a responsibility to ensure the immediate funding and continued health of the organization. After the 1/19/22 LST council meeting, representatives of HAL were approached by the Hellertown Borough Council. In addition to the previously agreed level of funding, a sum of \$75,000 from American Rescue Plan funds was offered by Hellertown in order to ensure the short-term financial stability of HAL as part of a proposed 2-year agreement. Given the uncertainty regarding future funding from Lower Saucon Township, the HAL Board approved the agreement proposed by Hellertown which was then approved by Borough Council and executed on February 3, 2022.

As of February 1, 2022, the agreement between Hellertown Area Library and Lower Saucon Township had expired. With a Board made up of 4 Hellertown residents appointed by Hellertown Borough and 4 LST residents appointed by Lower Saucon Township, this left the Library, an independent 501(c)3 non-profit organization, with a Board which included 50% representation for the benefit of a municipality from which it was no longer receiving financial support. Deeming this situation to not be in the best interest of the Library, a decision was made to revise the by-laws accordingly, while leaving open the possibility of Board representation by LST should a future agreement be reached. These by-laws, enacted by HAL on 2/6/2022, provide for a 7 member board, made-up of 5 Hellertown residents appointed by Hellertown Borough Council plus 2 residents of Saucon Valley School District appointed by the HAL Board. All those board seats have now been appointed by the respective organizations. In fact, the 2 board seats specified in the by-laws to be residents of Saucon Valley School District have been filled by residents of Lower Saucon Township.

With help from PA State Rep Bob Freeman, representatives of HAL met virtually with representatives of the PA Department of Education’s Office of Commonwealth Libraries (OCL) last week. The situation where a participating municipality ceases regular funding of its previously designated library service provider during a calendar year (State funding for libraries is provided on a calendar year basis) has no known precedent in the Commonwealth. It was recommended that HAL submit a plan summarizing the next steps it is proposing to take for the OCL’s legal team to review. That submission is in process. Although Hellertown is

the sole source of municipal funding at this time, due to the threat of litigation by Lower Saucon Township and pending further guidance from the State, the Library has decided to continue free library services to LST residents for the time being. LST resident patrons will be notified of any changes in their privileges at the Library before any such changes are implemented.

At a recent meeting with representatives of the Township, representatives of the Library floated several ideas that could potentially lead to at least an interim resolution of this matter. It is our understanding those ideas have been shared with all of the members of the Township Council. The Library looks forward to receiving feedback from the Township regarding these ideas and the ideas will also likely be discussed at the next Library Board meeting. The Library is still open to finding common ground with the Township but continuing quality library services to Library patrons remains the highest priority.

In sum, the Library did not seek this conflict with Lower Saucon Township. The Library has endeavored to respond to this unanticipated situation with dignity and purpose, keeping its focus on the best interest of the Library and its patrons. We request your continuing support and patience as we do our best to work through this complicated situation.

Best regards,



Ken Solt

President, HAL Board of Directors

*The Library has been publicly accused of “Lacking accountability & transparency” and that the “Township (Lower Saucon) Manager contacted them repeatedly and ignored our requests.” It was also stated, “The Library and Hellertown rejected every effort, every single effort, by our (Lower Saucon) Township Manager and Solicitor over the period of 8 months. Lower Saucon staff sought to participate in contract renewal negotiations, yet we were shut out by the Library and Hellertown Borough.” None of this is true.