

Item: Extension of Current Borrowing Facility

Background: WLS has an existing Line of Credit with TD (Toronto Dominion) Bank. The facility allows WLS to borrow up to \$500,000 unsecured for a period of one year. There are neither facility fees nor covenants for this loan agreement. There is no re-application fee, but the process requires submission of audited financial statements on the part of WLS.

Status: The current facility expires on June 30, 2020. We have obtained bank approval to extend the facility for an additional year. During the prior year, there were no borrowings under the facility. **At this time, we do not foresee any need to borrow under this facility for the coming year.** Given there are no encumbrances, covenants or facility fees, and due to the uncertainty of when the FY2020-21 State monies will be received, we recommend extending the borrowing agreement for one year to allow for financial flexibility.

**Recommended
Action:**

We are recommending that the Board approve the extension of the borrowing facility with TD Bank for an additional year.

May 26, 2020

Item: Member Library IT Fees

Background: In consultation with the Public Library Directors Association (PLDA), WLS suspended implementation of the 2020 IT Services Finance Model to issue invoices for services from January through June 2020. As agreed between WLS and PLDA, the 2019 version was used in its place while issues with the 2020 version of the model were resolved.

Status: The COVID-19 pandemic has affected multiple factors surrounding the Member Library IT Fees discussion, notably:

(1) The pandemic has shifted priorities, which has delayed a final decision on how to move forward with the model, and (2) WLS has also experienced modest financial savings due to the pandemic from open positions that have not yet been filled and library closures that caused delays in replacing computer equipment.

To move forward with processing the July 1 - December 31, 2020 invoices for member library IT fees, and in recognition of the pandemic-related financial difficulties facing member libraries, WLS would like to pass on some of the above-noted savings to the member libraries.

Recommended

Action: Staff recommends that the Board approve continuing the use of the 2019 version of the IT Services Finance Model to create the July 2020 invoices. Additionally, staff recommends reducing the total amount invoiced to libraries without balances past due in the July 2020 invoices from \$1,402,305.40 to \$1,267,984.48 through the application of a (50%) discount on the IT Finance Model's *WLS Device Support & Maintenance* for a total reduction in fees of \$134,320.92.

May 26, 2020