

**Cumberland County Library System
Board of Trustees
Monthly Meeting Minutes
December 14, 2009**

Call to Order

The regular meeting of the CCLS Board was called to order by President William Gould at 4:07 p.m. in the meeting room of the Cumberland County Library System, Carlisle.

Members Present

Nancy Besch, Nancy George, Jane Graham, William Gould, Alicia Stine (alternate), Elizabeth Stone, Kevin Stoner (temporary alternate) and Marcey Whiteside.

Others Present

Nan Cavanaugh, Jonelle Darr, Sue Erdman, Bonnie Goble, Dennis Marion, Susan Sanders, Cindy Stratton Thompson, Stephen Tiley and Denise White.

MINUTES & TREASURER'S REPORT

Previous Minutes

The minutes of the November 16, 2009 board meeting were approved as submitted.

Treasurer's Report

The Library System Board unanimously moved to file the November 2009 Treasurer's Report for audit.

The Integrity Bank certificate of deposit matured on November 27, 2009. The money from the certificate has been transferred to the system's money market account (F & M Trust) which is currently earning 2.5%. The funds are collateralized under Act 72 at F&M. When a new rate is set for 2010, staff will survey banks again to determine where best to place this money.

The Board Treasurer reviewed and initialed November's bank statements, cancelled check records and reconciliation reports for the system's general, LSTA and foundation accounts. The executive director's expense check for November and December 2009 was also signed.

UNFINISHED BUSINESS

SirsiDynix Amendment Purchase Agreement

The system board unanimously approved the three-year SirsiDynix Amendment purchase agreement. The amendment specifies that CCLS will continue to use Horizon for the next three years, and that CCLS's annual maintenance costs will be limited to 6% per year. Asst. County solicitor, Stephen Tiley, reviewed the agreement and found no problems.

2010 Proposed System Office Budget

The system board unanimously approved a balanced budget for the system office in 2010.

System Office Building Update

Results of the Ritner Highway site environmental tests have been received and are satisfactory. The bankruptcy court has also approved the purchase. Settlement on the property may occur before the end of the year.

Beatrice Kelley Estate

As recommended by the CCLS Finance Committee, the system board agreed (4-2) to distribute 10% of the funds to Fredricksen Library for the sole benefit of its East Pennsboro Branch, and the remaining balance to be distributed to member libraries via the current system allocation formula. Information regarding distribution amounts will be sent to member libraries immediately. Funds will be transferred to the library system's operating account and funds will be distributed no later than January 15, 2010.

REPORTS

2009 Legislative Breakfast Update

About 42 people attend this year's breakfast. This was about 20 people less from previous years. Total expenses for the breakfast were less than \$100. This was due to the low-cost, but tasty catering provided by volunteer Mary Landis. Letters of thanks were sent to Mrs. Landis from both Mrs. Cavanaugh and Mrs. Darr.

Executive Director's Report

Financial Management

Resource Acquisition

State Library Access Program Cuts Announced

The 2009-10 state budget included \$3,000,000 in the Library Access Appropriation for 2009-2010. This amount was available to fund six programs previously funded by both the Library Access and Electronic Library Catalog appropriations. Commonwealth Libraries has assessed each program and its cost in terms of its contribution, purpose, scope, viability at reduced funding and the consequence of concluding the program/service. The following allocation was developed to enable the most essential programs to be sustained at a minimal level.

| State Funded Program | 2008-2009 | 2009- 2010 | % Reduction |
|-------------------------------|---------------------|--------------------|-------------|
| POWER Library | \$1,683,000 | \$700,000 | -58% |
| Interlibrary Delivery Service | \$630,000 | \$630,000 | 0% |
| Statewide Library Card | \$4,687,000 | \$0 | -100% |
| Electronic Library Catalog | \$3,542,000 | \$1,670,000 | -53% |
| TOTAL | \$10,542,000 | \$3,000,000 | -72% |

This means that funding for the Statewide Library Card Program will be eliminated. Despite the funding loss, reciprocal borrowing remains a state aid subsidy requirement. (Section 303.3 (A) (1) of the Library Code requires all public libraries receiving state aid to participate in the Statewide Library Card Program regardless of whether or not the transactions are reimbursed.) Mrs. Darr will follow-up with Commonwealth Libraries regarding charging for value-added cards, or to explore expanding New Cumberland Library's service area to encompass a portion of York County.

State Aid Requirements

As reported in the system's Plans for the Use of State Aid, CCLS has just barely met its requirements to qualify for state aid subsidy payments. At this time, the system does not need to request a waiver to meet standards.

The toughest standard for CCLS to meet was the 12% collection development standard. Two libraries, Fredricksen and Shippensburg are below the 12% standard. However, as a whole, if the system is able to stick to, or surpass its plans, CCLS will spend at least 11.67% (or 12%) of its budget on collections:

| 2010 Plans for the Use of State Aid | STAFF | COLLEC-TION | OTHER | SUBTOTAL | | TOTAL | Planned % Coll. Dev. | Actual 12% Would Be | Differ-ence |
|-------------------------------------|-----------|-------------|-----------|-----------|--------------|-----------|----------------------|---------------------|-------------|
| | | | | Local \$ | State Aid \$ | | | | |
| CADM | 828,188 | 184,232 | 484,202 | 1,102,900 | 393,722 | 1,496,622 | 12.31% | 179,595 | 4,637 |
| AME | 174,596 | 31,250 | 49,050 | 202,131 | 52,765 | 254,896 | 12.26% | 30,588 | 662 |
| BOS | 535,914 | 90,735 | 120,372 | 591,864 | 155,157 | 747,021 | 12.15% | 89,643 | 1,092 |
| FRE | 791,136 | 97,237 | 296,856 | 951,904 | 233,325 | 1,185,229 | 8.20% | 142,227 | -44,990 |
| JGR | 82,970 | 24,400 | 22,570 | 98,552 | 31,388 | 129,940 | 18.78% | 15,593 | 8,807 |
| SIM | 516,241 | 95,000 | 174,250 | 637,658 | 147,833 | 785,491 | 12.09% | 94,259 | 741 |
| NCU | 209,326 | 51,000 | 65,833 | 245,284 | 80,875 | 326,159 | 15.64% | 39,139 | 11,861 |
| SHP | 277,725 | 48,000 | 76,350 | 331,688 | 70,387 | 402,075 | 11.94% | 48,249 | -249 |
| Total | 3,416,096 | 621,854 | 1,289,483 | 4,161,981 | 1,165,452 | 5,327,433 | 11.67% | 639,292 | -17,438 |

Two Libraries Receive Major Energy Grants

Two libraries, John Graham and Fredricksen, will receive county energy block grants. Fredricksen also successfully applied for and will receive one of two major grant awards made to Cumberland County from the state's Pennsylvania Conservation Works! program. Fredricksen will receive \$250,000 to replace its HVAC system on the library's upper floor. Its county grant will be used to replace equipment for the lower floor.

CCLS Foundation Eligible for EITC Donations

The Cumberland County Library System Foundation's application to receive state Educational Income Tax Credit (EITC) payments to benefit the system's annual summer reading program was approved in late November by the Department of Community and Economic Development.

Resource Management

Commissioners' Office Notified of System Plans

Following the system board's November meeting, Mrs. Darr notified Chief Clerk Dennis Marion of the library system's budget plans for 2010 regarding the Strategic Development Fund and the cuts that were necessary due to state funding cuts. She also appeared at a Commissioners' public workshop meeting on December 10, 2009 to convey the following information:

Between 2009 and 2010, the library system expects:

- *To lose 33% of its direct financial state support for library services in Cumberland County. This is a total of \$721,884 in direct operating support funding that Cumberland County has lost.*
- *A cumulative loss of \$859,965 in direct operating support and state subsidized services in 2009 and 2010.*

After carefully evaluating the situation, the library system board agreed with its Finance Committee's recommendations to a four-part plan:

1. *To reduce overall system wide expenditures significantly (-249,960). This reduction is being shared equitably by both the library system administrative office and by member libraries.*
2. *To use a portion of funds that had been originally been targeted for transfer to the Strategic Development Fund in 2010 to relieve Public Library Subsidy cuts of \$291,534.*
3. *To transfer \$173,044 to the Strategic Development Fund in 2010.*
4. *After all local and state program cuts are final for 2010, the system board then plans to update its financial projections (in light of the cuts made in 2010), and aggressively continue its work to identify new revenue sources (e.g. will the state allow for fees to out-of-county users?), to diversify revenue sources, to further reduce expenditures, to change our fund allocation methods, or to identify some other, as yet, unknown course of action.*

Even with these steps, the system expects that several of its member libraries will be closed additional days during the week (beside Sundays), have reduced daily operating hours, have much smaller new collections, hold fewer programs for children, teens and adults, and that there will be staff layoffs as well as a number of full-time positions moving to part-time.

However, without the Commissioners having increased the library tax in 2003 and establishing the strategic development fund in 2004, it certainly would be a much grimmer picture. The library system board appreciates the County Commissioners continued support, and looks forward to working with them as we meet our new fiscal challenges.

Mrs. Darr reported that the County Commissioners have raised no objections to this plan of action.

Processes and Evaluation

Strategic Marketing

Library Service Cut Announcements

The directors and system executive director have been working closely together to coordinate system service cuts to provide the best array of services possible with

current funding. The system office will coordinate announcements of budget cuts for member libraries. The public announcements will be coming in four waves, and will be made via the web site and news releases. Once all changes are finalized, the system office will reprint a variety of brochures with updated fees, policies and hours by March 2010.

Finance Committee Report

The Finance Committee meeting summary was distributed. There was no further discussion.

NEW BUSINESS

Policies

The system board unanimously approved the following policies:

- ***Ethical Guidelines for Library Employees and Officials; Acceptance of Gifts by Library Employees or Officials; Conflict of Interest Policy*** — New
- ***Whistleblower Policy*** — New
- ***Record Retention Policy*** — New
- ***Library Volunteer Policy*** — Revisions; reviewed by Asst. County Solicitor Stephen Tiley
- ***Photography, Videos and Other Recording Devices in the Library*** — New; reviewed by Asst. County Solicitor Stephen Tiley
- ***Library System Administrative Office Budget Guidelines*** — New

Other

On behalf of the County Commissioners, Dennis Marion presented Mrs. Besch with a proclamation from the Cumberland County Commissioners' for her 18 years of formal service as a Cumberland County Library Ambassador.

Library News

News from member libraries was shared.

Adjournment

The meeting adjourned at 5:40 p.m. The next meeting of the Cumberland County Library System will be held on Monday, January 25, 2010 at the Cumberland County Library System's administrative office at 4:00 p.m.