

**Cumberland County Library System
Board of Trustees
Monthly Meeting Minutes
September 20, 2010**

Call to Order

The regular meeting of the CCLS Board was called to order by President William Gould at 4:00 p.m. in the meeting room of the Cumberland County Library System, Carlisle.

Members Present

Mary Brunski, Nancy George, William Gould, Jane Graham, Alicia Stine and Elizabeth Stone.

Others Present

Jackie Barton, Jonelle Darr, Commissioner Gary Eichelberger, Sue Erdman, Linda Rice, Susan Sanders and Denise White.

MINUTES & TREASURER'S REPORT

Previous Minutes

The Library System Board unanimously approved the August 16, 2010 board meeting minutes.

Treasurer's Report

The Library System Board unanimously moved to file the August 2010 Treasurer's Report for audit. In Mr. Stoner's absence, Mrs. Darr reviewed the Balance Sheet and Income and Expenses.

Beginning in August, Public Library Subsidy payments will be made in 12 monthly installments by the PA Department of Education. (In the past, state aid funds were normally distributed at 100% in January or 90% in January and 10% in February.) CCLS is permitted to place the funds in an interest-bearing account, but it may not spend or distribute the funds until January 2011. The Finance Committee has recommended that state aid payments be made to libraries in 6 installments, beginning in January 2011 with whatever funds are on hand, and continuing to make payments each month as they are received.

CCLS's Susquehanna Bank certificate of deposit will mature on September 23, 2010. As recommended by the Finance Committee, Denise White sent email queries to local banks requesting new investment quotes for the system office's funds to be invested for a 1-year, 2-year and 3-year term beginning October 1, 2010. It was also requested that the funds be collateralized in accordance with PA Act 72 of 1971. Quotes are due by September 24, 2010. Since the system expects to use these funds in the next several years and interest rates may improve as the economic recovery continues, the Finance Committee recommends that the funds be only invested for a one year term.

As recommended by the Finance Committee, the system office submitted an application to join the Pennsylvania Local Government Investment Trust (PLGIT). If its application is approved, PLGIT's program provides secure investment options, borrowing options and cash management tools designed for local governments and schools. To join, the system board must adopt PLGIT's model ordinance/resolution. ***Upon motion by Alicia Stine and seconded by Nancy George, the system board unanimously adopted the following resolution in order to participate in PLGIT:***

A Resolution Authorizing the Cumberland County Library System (herein referred to as this "Governmental Unit") to join with other local government units as a settlor of the Pennsylvania Local Government Investment Trust for the purpose of purchasing shares of the Trust.

WHEREAS, the Pennsylvania Local Government Investment Trust was formed in accordance with the authorization contained in the Intergovernmental Cooperation Act, as amended, initially by the Boroughs of Chambersburg and Emmaus, to provide a vehicle for Pennsylvania municipal entities to pool their funds for investment purposes;

and WHEREAS, the Municipality Authorities Act, as amended, authorizes municipal authorities to join with other political subdivisions and municipal authorities in accordance with the Intergovernmental Cooperation Act for the purpose of purchasing investments;

and WHEREAS, the Intergovernmental Cooperation Act provides that any joint cooperation agreement shall be deemed in force to any local government unit, when the same has been adopted by all cooperating local governmental units;

NOW, THEREFORE, IT SHALL BE ORDAINED/RESOLVED AS FOLLOWS:

Section 1. This Governmental Unit shall join with other local governmental units in accordance with the Intergovernmental Cooperation Act and other similar acts by becoming a settlor of the Pennsylvania Local Government Investment Trust (the Trust) and entering into the Declaration of Trust, which is adopted by reference with the same effect as if it had been set out verbatim in this section and a copy of which shall be filed with the minutes of the meeting at which this Ordinance/Resolution was adopted.

Section 2. This Governmental Unit is authorized to purchase shares in the Trust from time to time with available funds, and to redeem some or all of those shares from time to time as funds are needed for other purposes, subject to the terms and restrictions of the Declaration of Trust referred to in Section 1. These actions are to be taken by the officers designated for this purpose, pursuant to general or specific instructions by the governing body of this Governmental Unit.

Section 3. The Trustees of the Trust are designated as having official custody of this Governmental Units funds which are invested by the purchase of shares in the Trust.

Section 4. As required by the Intergovernmental Cooperation Act the following matters are specifically found and determined:

- (a) The conditions of the agreement are set forth in the Declaration of Trust referred to in Section 1;
- (b) This Governmental Unit's participation in the Trust shall be terminable at any time by Ordinance/Resolution, subject to the terms and restrictions of the Declaration of Trust referred to in Section 1;
- (c) The Declaration of Trust and the purchase of its shares are for the purpose of investing this Governmental Unit's funds in obligations which are otherwise legal investments, as part of a pooled arrangement with other local governmental units, thereby achieving economic and other advantages of pooled investments; and the powers and scope of authority delegated are set forth in the Declaration of Trust referred to in Section 1;
- (d) It is not necessary to finance the agreement authorized herein from funds of this Governmental Unit except through the purchase of shares in the Trust;
- (e) The Trust shall be managed by a Board of Trustees as set forth in the Declaration of Trust and the By-Laws provided for therein;
- (f) Shares may be repurchased and redeemed from time to time as this Governmental Unit may determine to be necessary or appropriate to meet its cash investment requirements in accordance with the terms and restrictions of the Declaration of Trust referred to in Section 1 and;
- (g) The Trust shall be empowered to enter into contracts for policies of group insurance and employee benefits, including social security, for its employees.

Section 5. This Ordinance/Resolution shall become effective at the earliest date permitted by law.

In the Treasurer's absence, the Board President reviewed and initialed the month of August bank statements, cancelled check records and reconciliation reports for the system's general, Money Market, certificate of deposit and LSTA accounts. The executive director's expense reimbursement request for September 2010 was also reviewed and a check signed.

REPORTS

Revised Board Roster

The board roster has been updated and distributed to members. Mary Brunski is now Amelia Givin's designated alternate.

Fall Library Tour

A fall library tour of western Cumberland County libraries is planned for October 1, 2010. To date, eight people have registered to attend. Registration deadline is September 24, 2010.

Executive Director's Report Financial Management

Resource Acquisition

Erate Funding

Amelia Givin (\$820), John Graham (\$720) and Shippensburg (\$1,251) now qualify for erate funding. This brings the system's total aware amount to \$59,388.

Library	Amount
Amelia Givin	\$ 820
Bosler Memorial	
Cleve J. Fredricksen	\$ 3,230
John Graham	\$ 720
New Cumberland	\$ 1,769
Shippensburg	\$ 1,251
Simpson Public	
System Administrative Office	\$ 51,599
Total	\$ 59,388

DCED Grant Awarded

Contracts for CCLS's Department of Community and Economic Development \$40,000 community revitalization grant were received. In accordance with Senator Vance's wishes, each library will use \$5,000 for adult print materials, especially non-fiction.

Resource Management

Periodical Bid to be Released

In October, CCLS will release a request for quotes for system-wide periodical services. This will consolidate into one bill all member library magazine subscriptions. The libraries are excited about this because subscriptions will be easier to manage and CCLS will save money by obtaining a higher discount.

Customer Services

Core Library Services

Bosler Patron Records Deleted (and Recovered)

Last month, while preparing for the system's annual library card registration database purge of inactive library card holders, CCLS staff inadvertently deleted 6350 of Bosler's active library card holders.

Fortunately, Bosler's staff alerted us to the problem fairly quickly and through back-up tapes and work with support vendors, the library system recovered nearly all of the data. Most of the data was uploaded automatically, with some of it being manually re-entered by Bosler and administrative office staff. In addition, Bosler staff needed to telephone some patrons in order to determine the format of some hold requests (book, DVD, audio, etc.)

On behalf of the library system, Mrs. Darr sent a letter of apology to about 80 Bosler patrons who were most affected by mistake. (They were asked to re-register twice for a library card before staff realized what the problem was.) The letter apologized, explained the problem and thanked them for their patience.

Bosler's staff has been very understanding and patient with both customers and administrative office staff as all the issues were addressed.

York County

Mrs. Darr distributed a data sheet showing the number of CCLS cardholders that live in York County. (See attached). CCLS needs to consider whether or not to begin charging out-of county/district residents for premium services such as requests/holds and interlibrary loans. Directors will discuss this further once statistical information is received from York County regarding its card holder statistics for York County municipalities CCLS currently serves.

Emerging Library Audiences

eBooks

With the growing purchases of Kindles, Nooks, iPads or Sony ebook readers, Mrs. Darr recommends that, CCLS budget funds in 2011 for eBooks. Unfortunately, eBooks present a variety of challenges. While they are inexpensive for individual users, for libraries the cost is quite high due to digital rights management. Plus, there are many formats that must be accommodated.

To begin researching this area more thoroughly, Mrs. Darr and other system staff members plan to attend Library Journal's eBooks summit (a webinar that will be hosted at the system office) on September 29, 2010 from 10 am to 6 pm. Board members are welcome to attend.

Processes and Evaluation

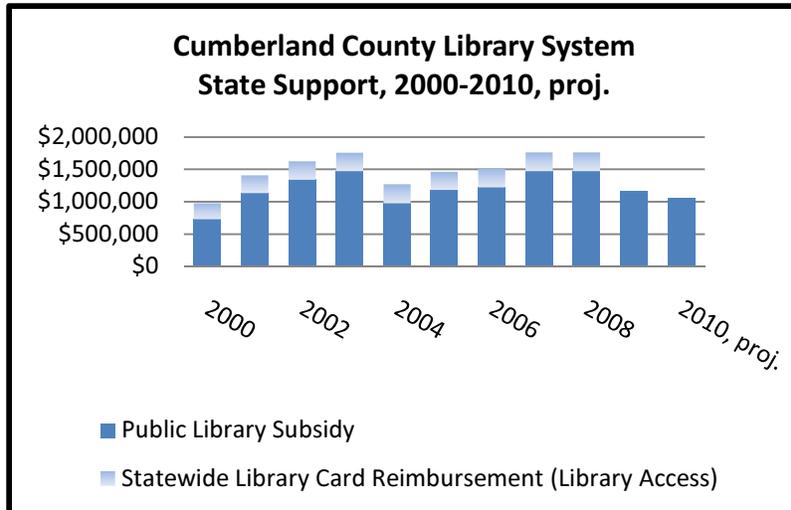
Library Code Review

Mrs. Darr is chairing PaLA's Library Code revision committee that will provide recommendations for revision to the Legislature's Joint State Government Commission (JSGC). Recommendations must be completed by October 31, 2010.

Finance Committee Report

State Budget Update

The state will cut public library subsidy funds 11% (about \$106,000). This sets CCLS back to total state funding levels received in year 2000.



2010 Projected System-Wide Budget

The Finance Committee compared Revenue and Expenses from 2009 to 2010:

Revenue

1. In 2010, overall revenue is projected to decrease -14% or -\$883,148
2. Largest cuts seen for are:
 - a. State Revenue: -27% or -\$426,084
 - b. Donation: -51% or -\$433,470 (note: If Beatrice Kelley's bequest of \$307,000 from the 2009 revenue, donations are projected to drop -23% or -\$126,470.
 - c. Interest Income: decrease of -28% or -\$80,102
 - d. County Tax Revenue: Collections currently running lower than originally budgeted. In worst case scenario, CCLS could be under budget by -\$53,000. This means tax revenue essentially remained flat in 2010.
3. Largest increase projected for:
 - a. Grants: +154% or +\$81,359 (largely due to stimulus 'green' grants from county and state)
 - b. Fines: +3% or +\$8,137 (increased fines \$.05 per day, per item)

Expenses

2. In 2010, overall expenditures are projected to decrease -1% or -\$50,287. (Note: if spending on stimulus 'green' grants is eliminated (about \$107,500), the overall operating expenditures would be -3% or -\$157,811.
3. Largest cuts projected for are:
 - a. Materials: -17% or -\$124,446
 - b. Salaries: -1% or -\$26,190
 - c. Benefits: -9% or -\$51,176
 - d. Overall Personnel costs: -2% or -\$77,366
4. Largest increases projected for are:
 - a. Other operating: 11% or \$151,525. Again, this is largely due to stimulus 'green' grants.

Review Updated Five-Year Financial Projections

Projected Fund Balances Year	Operating Fund Balance	Transferred to/from Strategic Development Fund	Strategic Fund Balance	Overall Fund Balance
2010	2,620,962	173,044	2,557,467	5,178,429
2011	2,048,092	0	2,557,467	4,605,559
2012	1,192,901	0	2,557,467	3,750,368
2013	38,382	0	2,557,467	2,595,849
2014	-1,424,213	-1,424,213	1,133,254	1,133,254
2015	-3,278,423	-1,133,254	0	-2,145,169

1. 2010 Operating Deficit: No operating fund deficit in 2010
2. 2011 Operating Deficit: - No operating fund deficit in 2011. No transfers to or from Strategic Development Fund.
3. 2012 Operating Deficit: - No operating fund deficit in 2012. No transfers to or from Strategic Development Fund.
4. 2013 Operating Deficit: - No operating fund deficit in 2013. No transfers to or from Strategic Development Fund.
5. 2014 Operating Deficit: -\$-1,424,213. Transferred 1,424,213 from strategic development fund to operating fund. Overall fund balance: \$1,133,254.
6. 2015 Overall Deficit: -\$-2,145,169. Transferred 1,133,254 from strategic

Review Scenarios for Fund Distribution in 2010

Official tax projections for 2011 should be available by mid-September. The Finance Committee discussed and agreed that the library system must maintain services in order to remain useful and relevant for its users. The current drop-off in service statistics suggests that we are not providing what the public needs.

The committee asked Mrs. Darr to prepare two scenarios, one that increases the use of County tax funds by no more than 5%, and a second with a somewhat larger increase in fund distribution. These scenarios will be distributed to member library directors, and each library needs to develop two projected budgets for 2011. In each budget, finance committee members will be asked to report back on the impact these scenarios have on the individual library's services.

Finance Committee members will report back by the next meeting on Wednesday, October 13, 2010 at 3 pm.

UNFINISHED BUSINESS

Policies

Mrs. Darr has prepared draft policies for fixed asset and fund balance reporting. Mike

Clapsadl, CPA in the Controller's office is currently reviewing the policies and will provide his recommendations before Mrs. Darr shares the policies with the Finance Committee and CCLS Board.

NEW BUSINESS

2011 County Coordination Aid Plan

The system board unanimously approved the 2011 County Coordination Aid Plan.

NextGen Library Advocacy Task Force Endorsement

The system board unanimously endorsed PaLA's Libraries and 21st Century Literacies initiative and approved \$5,000 be sent to PaLA in support of the initiative's plans.

UPDATES

Library News

News from member libraries was shared.

Adjournment

The meeting adjourned at 5:20 p.m.

The next meeting of the Cumberland County Library System will be held on Monday, October 18, 2010 at the Cumberland County Library System's administrative office at 4:00 p.m.

York Municipality March 2010	Population (2000 Census)	CCLS Borrowers	% of Population
CARROLL TWP	4,715	537	11%
CHANCEFORD TWP	5,973	1	0%
CONEWAGO TWP	5,278	23	0%
DALLASTOWN BORO	4,087	1	0%
DELTA BORO	741	1	0%
DILLSBURG BORO	2,063	137	7%
DOVER BORO	1,815	2	0%
DOVER TWP	18,074	39	0%
EAST HOPEWELL TWP	2,209	1	0%
EAST MANCHESTER TWP	5,078	11	0%
FAIRVIEW TWP	14,321	3,551	25%
FRANKLIN TWP	4,515	339	8%
FRANKLINTOWN BORO	532	17	3%
GLEN ROCK BORO	1,809	1	0%
GOLDSBORO BORO	939	92	10%
HANOVER BORO	14,535	9	0%

York Municipality March 2010	Population (2000 Census)	CCLS Borrowers	% of Population
HELLAM TWP	5,930	4	0%
JACKSON TWP	6,095	4	0%
JACOBUS BORO	1,203	1	0%
LEWISBERRY BORO	385	21	5%
LOWER WINDSOR TWP	7,405	3	0%
MANCHESTER BORO	2,350	5	0%
MANCHESTER TWP	12,700	29	0%
MANHEIM TWP	3,119	1	0%
MONAGHAN TWP	2,132	406	19%
MOUNT WOLF BORO	1,373	2	0%
NEWBERRY TWP	14,332	1,157	8%
NORTH CODORUS TWP	7,915	5	0%
NORTH YORK BORO	1,689	1	0%
PARADISE TWP	3,600	1	0%
PENN TWP	14,592	9	0%
RED LION BORO	6,149	3	0%
SHREWSBURY BORO	3,378	4	0%
SHREWSBURY TWP	5,947	1	0%
SPRING GARDEN TWP	11,974	12	0%
SPRING GROVE BORO	2,050	2	0%
SPRINGETTSBURY TWP	23,883	20	0%
SPRINGFIELD TWP	3,889	2	0%
WARRINGTON TWP	4,435	223	5%
WASHINGTON TWP	2,460	25	1%
WELLSVILLE BORO	279	14	5%
WEST MANCHESTER TWP	17,035	13	0%
WEST MANHEIM TWP	4,865	5	0%
WEST YORK BORO	4,321	3	0%
WINDSOR TWP	12,807	7	0%
YORK CITY	40,862	19	0%
YORK HAVEN BORO	809	3	0%
YORK TWP	23,637	17	0%
TOTAL	381,751	6,784	2%

York County

Pennsylvania, USA

