

**Cumberland County Library System  
Board of Trustees  
Monthly Meeting Minutes  
October 17, 2011**

**Call to Order**

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

**Members Present**

Nancy George, William Gould, Jane Graham, Alicia Stine, Elizabeth Stone, Kevin Stoner and Marcy Whiteside.

**Others Present**

David Cubie, Jonelle Darr, Gary Eichelberger, Bonnie Goble, Linda Rice, Susan Sanders and Denise White.

**MINUTES & TREASURER'S REPORT**

**Previous Minutes**

*The Library System Board unanimously approved the September 19, 2011 board meeting minutes.*

**Treasurer's Report**

Mr. Stoner reviewed the Balance Sheet and Income and Expense statement for the month of September. *The Library System Board unanimously moved to file the September 2011 Treasurer's Report for audit.* The Board Treasurer reviewed and initialed September's bank statements, cancelled check records and reconciliation reports for the system's general, money market, and LSTA accounts. The Executive Director's expense check for September was also signed by the Treasurer.

Two questions were raised regarding the increase in Unemployment Insurance (5120) and Advertising (5442) that needed to be investigated. [Subsequent to the meeting, the following information was provided via email to board members:

1. **CCLS's Unemployment insurance (5120)** was under-budgeted this year. In 2010, the state increased the unemployment insurance rate, doubling the cost due to the number of people who needed unemployment payments and the length of time people were able to obtain unemployment compensation. So, instead of paying only \$80 per employee, the county now pays \$160 per employee. I'll correct this in our budget for next year. (Note: at the meeting, Mrs. Darr mistakenly reported that she thought the county was self-insured for this. The county pays the state's standard Unemployment Insurance rates.)

2. **CCLS's Advertising (5442)** was also under-budgeted this year. This line item will need to be adjusted upward next year, probably to at least \$500. CCLS has spent \$215 in legal advertisements (about \$100 more than what it had planned to spend; newspaper rates have increased.) Also, CCLS had expected to cancel its yellow pages advertising for library services in the Verizon and CenturyLink telephone directories. Instead, a multi-year contract with CenturyLink that required one more year of payments. So, CCLS spent \$444 in yellow page advertisements for the 2011 CenturyLink phone directory. The CenturyLink contract has been cancelled for next year. In addition, the \$228.96 that CCLS will be spending with Verizon this year is not for yellow pages advertising, it is simply to be listed in the white pages. (Since the library system is out of Verizon's service area, there is a charge for the system's listing.) Mrs. Darr decided it would be best to continue that expense. CCLS also spent \$100 for a job advertisement for one of the two open professional positions in 2011.

The differences that these two line items will make in CCLS's total overall budget are negligible, and should be made up by lower than expected costs in other areas.

## REPORTS

### Executive Director's Report

#### Financial Management

##### *2012 Budget Preparations*

The Executive Director is examining a number of things to see if costs can be reduced, or revenue increased in next year's budget. The board has already agreed to increasing revenue to help cover the costs of the new online payment system (\$1.50 per payment). Other areas that are being explored include:

1. Obtaining better discounts from our book wholesaler, Baker and Taylor, and reducing costs for their online ordering and review service (Title Source III)
2. Examining the possibility of moving from 5-year life cycle for public Internet computers to one that re-uses older staff machines. Mrs. Stine indicated that she did not favor this idea. She believes updating the computers is essential to providing the community with Internet access at member libraries.
3. Eliminating CCLS's Blackbaud NetCommunity service that permits secure online donations in favor of PayPal.
4. Eliminating CCLS's Horizon remote patron authentication server in favor of a less expensive service. (This server allows people to enter their library barcode number, be verified as an authentic CCLS library card without any outstanding fines, and then use online databases.)
5. Eliminating CCLS's Content Café service in favor of a joint contract for Syndetics with Dauphin County Library System. (This service provides online book jacket covers, book reviews, and content summaries.)
6. Eliminating CCLS's subscription to Encyclopedia Britannica online in favor of the free service that includes advertisements

7. Instead of replacing the 5-year-old Blackbaud Raiser's Edge server, investigating a hosted solution.

### ***Negotiated Cost Reductions and Better Wholesale Discount***

Some success has already been obtained in better discounts from CCLS's book wholesaler, Baker and Taylor. CCLS staff met with Baker and Taylor and another vendor, Ingram, in late summer to solicit proposals from each. After evaluating the proposals, CCLS has decided to continue ordering the bulk of our materials with Baker and Taylor. Baker and Taylor has agreed to:

- Eliminate all shipping charges
- Increase the adult and juvenile trade edition hardcover material discount from 43.7% to 44%.
- Reduce CCLS's fee for Title Source III from \$4,300 to \$1,995. Baker and Taylor will also provide CCLS with more user licenses so that each library can have as many as it needs.

### **Resource Allocation**

#### ***Finance Committee Meeting***

The CCLS Finance Committee met on September 26, 2011. The group reviewed financial projections that were based on library audited statements from 2009 and 2010. Projections were made for 2011 through 2016. The group recommended that some changes be made to the projections as well as asking member library directors:

- To indicate if any activities in 2009-2010 were one-time activities so that those could be excluded from the projections.
- To update on their actual 2011 budget projections.

The group also recommended developing four scenarios for withdrawing funds from the strategic development fund:

1. Not withdrawing any funds from the strategic development fund for the period 2012-2016.
2. Withdrawing what is currently being withdrawn in 2011 (\$80,288) for the each year beginning in 2012 through 2016.
3. Withdrawing roughly 3% more than the combined total of library tax and state aid funds (compounded annually) from the strategic development fund for the period 2012-2016.
4. Withdrawing sufficient funds over a seven year period that gets the library system back to the combined level of funding for state aid and library tax funds by year 2017 (replacing roughly \$750,000 in lost state aid and library access funding income).

The committee will meet again on October 31, 2011 to review the information.

#### ***EZPOP (Premium Only Plan)***

Mrs. Darr spoke with MHM Resources who currently provides Shippensburg, Bosler and Simpson with a premium only plan for payment of health insurance costs. The plan allows employees to deduct the amount they need to pay from pre-tax wages for health insurance. If employees opt to use the plan, it also reduces the amount of FICA and state

taxes libraries must pay for each employee. As an example, this year, Bosler saved about \$8900 in employee taxes.

The company will need to know by November 4, 2011 which libraries plan to participate in a CCLS premium only plan. Mrs. Darr assumes that Shippensburg, Bosler and Simpson will want to participate in the CCLS plan because it will save them \$425 each). The enrollment date for the plan needs to be the same for everyone. The three libraries already participating in a plan use 1/1/2012, so CCLS will also use that same date for its countywide plan.

## **Customer Services**

### **Core Library Services**

#### ***Library Code Review***

In September, the Senate Education Committee conducted a hearing on Senate Bill 1225, a bill sponsored by Senator Dominic Pileggi, Senator Pat Vance and 19 other colleagues to update and reform Pennsylvania's Library Code. This legislation closely follows recommendations from the Joint State Government Commission's 2010 study of the Library Code.

At the hearing, Senator Pileggi offered testimony as did Deputy Secretary of Education and Commissioner of Libraries, Clare Zales. Also testifying were Nan Cavanaugh and Dennis Leeper from Pennsylvania Citizens for Better Libraries (PCBL) as well as a panel of six librarians invited by the committee. The six librarians on the panel were David Belanger (Delaware County Library System and Governor's Advisory Council member), Kate Geiger (Indiana Free Library), Bill Hudson (Lancaster County Library System), Rob Leshar (Adams County Library System and PaLA President), Molly Rodgers (Wayne County Public Library), and Karlyn Voss (Carnegie Library of Pittsburgh.) Karlyn Voss was unable to attend the day of the hearing but submitted written testimony.

Glenn Miller, Executive Director of the Pennsylvania Library Association, also testified. Following the hearing, Mr. Miller reported that he believes the hearing was fair and that the Senators asked some good questions. However, several things seemed clear:

1. There continues to be some misunderstanding about the different missions of different types of libraries;
2. Some outdated perceptions of library services remain; and
3. The Library Code is not the easiest thing to understand and the Code's impact on library services is an area which needs greater clarity.

It also seems clear that the State Senate wants to move S.B. 1225 out of committee, maybe even late this year with possible action in the full Senate sometime in 2012. PaLA is still in the formative stages of this process and will continue to work with Senators and staff to educate them and help them fashion the best possible bill to modernize the Library Code in ways that strengthen library services statewide.

## **CCLS Foundation Report**

Mr. Stoner reported that CCLSF received a pledge of \$1,000 from Giant (Ahold) via the EITC program. A \$2,000 unsolicited EITC donation from Mid-Penn Bank was also received. M&T Bank did not receive EITC funding. As a result, it has withdrawn its \$8,500 pledge in support.

## **UNFINISHED BUSINESS**

### ***Building Update***

CCLS plans to move to its temporary quarters on November 1, 2011. CCLS learned that the servers will not be able to be moved to the 1601 Ritner building due to construction delays. Instead, the servers will be moved to the Bosler Library once the network is available. It will be housed there until 1601 Ritner Highway is ready for the entire office to move next summer.

Mrs. Stine asked about the costs that the county will be charging the library system for 1601 Ritner Highway. She felt that some charges for the building, such as paving, exterior façade, roofing, were costs that the library system should not be charged. Mrs. Darr said that she was planning to meet with County Finance Director Dana Best and County Chief Clerk Dennis Marion to develop an agreement to present to the board.

***The system board unanimously approved a lease with Dickinson College for \$1 for use of 1250 Ritner Highway, Carlisle, PA 17013 to be used as temporary quarters for the administrative office until next summer. The system will be responsible for utility and moving costs.***

### ***Legislative Breakfast***

The system's 20<sup>th</sup> annual legislative breakfast will be held on Friday, November 18, 2011 at the New Cumberland Library's Foundation Hall. Invitations have been sent to CCLS Board members and alternates, member library board presidents, Friends presidents.

## **UPDATES**

### **Library News**

News from member libraries was shared.

### **Adjournment**

The meeting adjourned at 5:00 pm.

The next meeting of the Cumberland County Library System will be held on Monday, November 21, 2011 at the Cumberland County Library System's administrative office at 4:00 p.m.