

**Cumberland County Library System
Board of Trustees Monthly Meeting Minutes
August 15, 2022**

MEMBERS PRESENT

Jim Hutcheson, Linda Ries, Allen Warshaw, Brian Robertson, Maggie Pepe, John McCrea, Megan Mancino

MEMBERS ABSENT

OTHERS PRESENT

Carolyn Blatchley (Executive Director), Jennifer Martek (Administrative Assistant), Jeff Swope (Bosler Director), Sue Erdman (Simpson), Cindy Thompson (Amelia Givin), Jean Foschi (Commissioner)

CALL TO ORDER

The CCLS Board held a regular meeting at Library System Headquarters, 400 Bent Creek Blvd, Mechanicsburg, PA 17050. Vice President Jim Hutcheson called the meeting to order at 4:08pm.

MINUTES & TREASURER'S REPORT

1. PREVIOUS MINUTES

The Library System Board unanimously approved the June 20, 2022 Board meeting minutes.

2. TREASURER'S REPORTS (CAROLYN BLATCHLEY FOR WILLIAM GOULD)

The Board reviewed the following pre-audit financial statements:

- June 2022
 - Balance Sheet (B1)
 - ~ On page 2, line 2920 –These are expenses paid out in a grant for shared library service and will be reimbursed by Commonwealth Libraries. They are liabilities because they are reimbursable expenses, similar to those payments we make on behalf of member libraries (lines 2901 through 2908) for which the libraries reimburse us.
 - Profit & Loss Budget to Actual (B2)
 - ~ On page 3, Line 5453 – This is money that was spent in 2021 and reimbursed by a grant. It was incorrectly noted as an expense in 2021 and a journal entry correction was made in 2022, after the books were closed. It will remain a negative figure throughout 2022.
 - ~ Carolyn pointed out a correction that was made on pages 4 and 5 of B2 after the Finance meeting (the Board was viewing a corrected version.) At the Finance meeting, Total Expenses / Net Income showed a budgeted loss of \$1.2 million.

An incorrect budget figure had been entered for each member library’s county tax payment (Line 5830) – it showed the full allocation for the year, not the amount budgeted to date. An email explanation was sent to the Finance committee and the report corrected for the Board meeting.

- Comparative Income & Expense (B3)

The Library System Board unanimously approved the June 2022 financial statements to be filed for audit.

REPORTS

1. FINANCE COMMITTEE REPORT (CAROLYN BLATCHLEY FOR WILLIAM GOULD)

The Board received, reviewed and discussed the written August 8 Finance Committee Meeting Summary.

2. EXECUTIVE DIRECTOR (CAROLYN BLATCHLEY)

The Board received, reviewed and discussed the written Executive Director’s Report. It has been archived and will be available on the library system intranet.

Carolyn explained that County Finance is estimating Library Tax collections to be \$4,330,441 in 2023. Below are the possible payment amounts for 2023 that they recommended to us. We can also select a different amount.

| Comments | Monthly Payment | Annual payment | Difference* |
|-----------------------|-----------------|----------------|-------------|
| | \$350,000 | \$4,200,000 | \$131,441 |
| Payment equal to 2022 | \$355,000 | \$4,260,000 | \$ 71,441 |
| Conservative increase | \$360,000 | \$4,320,000 | \$ 11,441 |
| | \$365,000 | \$4,380,000 | (48,559) |

****Estimated collections for 2023 (\$4,330,441) less the 2023 annual payment.***

Carolyn asked people at the meeting for their opinion as to which payment amount to use in the 2023 budget. Jeff Swope commented that he would be comfortable with budgeting for an annual payment of \$4,320,000 (conservative increase). The other directors in attendance and Board members agreed. Carolyn will work with the County Finance office to finalize the requested monthly allocation for 2023.

NEW BUSINESS

3. 2023 FORMULA DISTRIBUTION OPTIONS

The Library System Board had previously voted to eliminate the 2020 statistics from all future funding formulas. In accordance with this Board action and the funding policy, the statistics for the 2023 budget year are from 2018, 2019 and 2021, along with updated poverty statistics.

In 2021, the coronavirus pandemic continued to affect library hours and programs. In addition, major flooding damage from a burst pipe forced John Graham Library to close for

many months.

Member library directors reviewed several alternatives to running the formula as written in the policy manual. By a vote of 5-2, they recommended to again use the same statistics used for the 2022 libraries distribution formula: 2017, 2018 and 2019, along with poverty numbers from 2017. (Option 1)

At their August 8 meeting, the Finance Committee also reviewed formula options. By a vote of 5-2, they also recommended to again use the same statistics used for the 2022 libraries distribution formula. The committee also recommended revising the funding formula, to clearly address emergencies and better achieve the goals of funding. This is a strategic plan goal, and Carolyn plans to make this work a priority in 2023. It was not determined whether 2021 statistics should be eliminated in perpetuity.

The Library System Board discussed the two options: follow the policy (Option 2) or re-using the statistics used in 2022 (Option 1)

Motion to follow the recommendation of the Finance Committee, which was Option 1:

Roll Call Vote:

John Graham – aye

Amelia Givin – nay

Shippensburg – aye

Bosler – aye

Fredricksen – aye

New Cumberland – aye

Simpson - aye

The Library System Board approved following the Finance Committee's Recommendation to use Option 1 (re-using 2022 statistics) by a vote of six to one.

4. BYLAWS CHANGE

It had been suggested at the June Board Meeting to adjust the meeting schedule to be something less than 12 meetings per year. In order to do this, the Bylaws must be amended.

Carolyn and Linda met and wrote a draft amendment to *Article VII-Meetings*. If approved, the amendment must be displayed for 30 days prior to a final vote. Proposed revisions are as follows:

A. The CCLSB shall meet on the third Monday of each month with exceptions made for holidays (if there is a holiday on the third Monday, the meetings will be held on the second Monday). No meetings will be held during the months of July, August or December.

C. Special meetings may be called by the President, ~~and must be called~~ or at the request of three (3) board members.

E. It shall further be the duty of the Executive Director and the President to effect such rescheduling as

necessary due to acts of God, anticipated lack of a quorum, ~~holidays~~, scheduling conflicts, etc. with due notice.

G. ~~Telephone~~ **Remote Participation.** To the extent permitted by the Sunshine Act, or any other applicable legislation, one or more Board members may participate in any meeting of the CCLSB by means of conference ~~telephone or similar~~ communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at the meeting.

On a motion by Maggie Pepe, seconded by Jim Hutcheson, the Library System Board unanimously approved the wording of the proposed amendment to the Bylaws Article VII.

This revision will be posted on the website for 30 days, to be voted on at the September Board meeting.

OLD BUSINESS

5. (none)

UPDATES

6. NEWS FROM VISITORS

News from Cumberland County and member libraries was shared.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:38pm. **The next meeting of the Cumberland County Library System will be held on Monday, September 19 at 4:00 pm, 400 Bent Creek Blvd, Green Room.**

Transcribed by Jennifer Martek, administrative assistant

Submitted by Carolyn Blatchley, executive director

MEETING DATES REMINDER:

400 Bent Creek Blvd., Green Conference Room

| CCLS Board Meetings (4:00pm, 3rd Monday monthly) | CCLS Finance Committee (4:00pm, Mondays, as needed) |
|--|--|
| <ul style="list-style-type: none">• 9/19/2022• 10/17/2022• 11/21/2022• 12/19/2022 | <ul style="list-style-type: none">• 10/10/2022 |

ADDENDUM TO THE CCLS BOARD MEETING MINUTES 8/15/2022

Executive Director Report Highlights:

2023 State Aid Subsidy Increase Estimated between 17% and 17.23%

The Governor signed the 2022-2023 State budget on July 8, 2022, which increased the Public Library Subsidy to \$70,470,000. (an historic \$11 million dollar increase.) As outlined on page 127 of the School Code, \$69,720,000 of the subsidy shall be distributed to each library under the following formula:

- I. Divide the amount of funding that the library received in fiscal year 2021-2022 under section 2325 by the total state-aid subsidy for fiscal year 2021-2022.
- II. Multiply the quotient under subparagraph (I) by \$69,720,000.

Having done the math using our 2021-22 subsidy amount, it appears to be a 17.23% increase. However, the State cautions that subsidy payment projections won't be available until applications have been approved and requests for waivers have been processed. This includes determining District allocations. They suggestion it is reasonable to estimate a 17% increase for eligible libraries, and note that library systems are permitted to use their local funding formulas to distribute payments to member libraries.

Amending the 2022-23 District Negotiated Agreement

To align District funding with the statutory-required minimum of \$200,000 and to provide some recovery from the long-standing oversight, \$750,000 of the 2022-23 Public Library Subsidy has been allocated to the affected Districts. Due to the increase and specific requirements for District Aid, the distribution methodology was reviewed by the PDE (PA Dept. of Education) administrative and budget offices, and the Office of Commonwealth Libraries received approval to proceed on July 29.

For District Aid payments to be approved and processed, District Negotiated Agreements must be amended to account for the increase. District Administrators and District Consultants received payment projections, instructions, and documents for this amendment process on August 2, 2022. The Capital Area Library District will be meeting on September 1 to discuss what to do with a little over \$71,000 in additional funding.