



# LIBRARY SYSTEM OF Lancaster County

Library System of Lancaster County  
Minutes of the Board of Directors Meeting  
September 18, 2019

**Attendance:**

**Board Members:** Christina Diehl, President; Dale Hamby, Vice President; Ken Kohlmaier, Treasurer; Elizabeth A. Flaherty, Secretary; Shel Lundquist (via conference phone), Jeanne Grimsley, Dennis Stuckey, Lancaster County Commissioner.  
**Absent:** Rich Frerichs

**System Staff:** Karla Trout, Executive Director; Mark Sandblade, Manager, Information Technology; Stephanie Zimmerman, Training and Development Manager; Brenda Emerich, Cataloging/Acquisitions Manager; Renee Christiansen, Youth Services Manager; Amanda Hatcher, Administrative Assistant.

**Guests:** John Murr, Sager, Swisher & Company, LLP; Trish Vandenbosch, Moores Memorial Library; Sylvia Drennen, Quarryville Public Library; Joyce Sands, Manheim Township Public Library; Dr. Jane Hershberger, Penny Talbert, Ephrata Public Library; Deb Drury, Elizabethtown Public Library.

**Call to Order** The regular meeting of the Board of Directors of the Library System of Lancaster County was called to order by President Diehl at 6:30 PM on Wednesday, September 18, 2019, at the Library System office. A quorum was present.

**Secretary's Report Minutes** Christina Diehl, referred to the minutes of the August 21, 2019, Regular meeting as included in the Board mailing.

**Motion** Ken motioned that the minutes be approved as presented. Dale seconded. The minutes were approved as presented.

**Treasurer's Report** Ken Kohlmaier, Treasurer, referred to the August financial report. A hard copy of the report was distributed. The numbers look good.

**Motion** Ken motioned that the report be approved as presented. Elizabeth seconded. The report was approved as presented.

Dale asked about the Funds to Member Libraries line on the report, and Karla explained that it is an annual contract that has been paid for the year.

Motion approved

**Presentation of the 2018 Audited Financial Statements** John Murr, CPA, Partner of Sager, Swisher & Company, LLP, presented the 2018 audit of the LSLC financials. He indicated that there were no findings or concerns of any kind with the audited statements, and all internal controls were in place. He noted that there was a major change in the format of the non-profit statements so he could not provide a year to year comparison to last year.

**Motion** Ken motioned to accept the audit. Shel seconded.

Dale asked John how many years they've done the audit – more than 10.

Motion carried.

**President's Report** Christina Diehl – discussed the need for better board evaluation and succession plan with the objective to be more intentional about how to run the board. She and Karla will work on this in the coming months and will bring info back to a future board meeting. Karla noted that at the recent Office of Commonwealth Libraries (OCL) District and System meeting, the same topic was discussed, and OCL will be providing tools in the coming months to assist boards.

**Executive Director's Report** Karla sent the monthly department reports as the Executive Director's report. It is taking a great deal of time to reinvent the same material in a different report. There were no questions about her printed report.

**Auditor RFP** Ken Kohlmaier/Karla Trout –As a general practice an auditor is kept for 3-5 years. From the perspective of our responsibility and to maintain the independent opinion of the audit firm, it would be prudent to send out an RFP for an auditor.

**Motion** Ken made a motion to seek a Request for Proposal (RFP) for an auditor for the 2019 audit. Dale seconded.

Jeanne pointed out that Sager, Swisher & Company could also respond to an RFP.

Motion carried.

**Approval of 2020 State Aid Distribution** Funding Distribution Committee – Dale, Ken, Christina, and Karla. For 2020 State Aid will be increased by 9.18% overall for the county. In the packet was the spread sheet that the committee reviewed. The committee considered three possible scenarios. They were as follows:

1. Increase state aid funding for each of the libraries by 9.18% over the amount distributed in 2019.
2. Increase state funding by 9.18% in total, running the total state aid through the approved county formula, which would include an update to the statistics for the 3-year rolling average of 2016-2018. (Note: for the years 2016-2019, state aid has been distributed based on statistics from 2013-2015.)
3. Distribute 5% of the 9.19% increase in state aid as a flat increase over 2019, then run the remainder of the state aid through the approved county formula, which would include an update to the statistics for the 3-year rolling average of 2016-2018.

The recommendation:

The committee recommends the full run of the formula as discussed in scenario #2 above.

**Motion** Motion to approve the full run of the formula made by Dale to allocate the state aid. Ken seconded.

Shell asked what the dollar difference is between scenarios. The difference turned out to be very small.

Motion carried.

Funding Formula  
Change Request  
from Manheim  
Township Public  
Library

The Funding Distribution Committee met to discuss changing the formula. Joyce explained Manheim Township's request to the board last month. The first request was to change local financial effort to gross financial effort. The committee did discuss that. With the Guidelines for Distribution of State Aid by Pennsylvania Public Library Systems, requiring certain criteria to make a formula change, it would be difficult to change in the time remaining this year.

The second part of the request is that the County funding be distributed based on the same formula used to distribute State Aid. How the county aid is distributed is approved by the county commissioners.

Dennis stated with the new commissioner coming on next year, it would be a discussion for next year.

Shell Motion to table the discussion of these requests until next year. Dale seconded.

Motion carried.

Director's Council  
Report

The Director's Council did not meet in September.

3-Point Summary to  
Directors' Council

The Board chose the following three points to include in the summary for reporting to the Directors' Council:

- 1) A decision was made about state aid distribution.
- 2) The LSLC 2018 audit was accepted by the board.
- 3) Request for Proposal for an auditor.

Public Comment

Deb – related to the auditor RFP. You can hire an auditor for one year for fresh eyes with the understanding Sager, Swisher & Company could come back unless a problem was identified. This is a peer to peer audit.

Joyce – thanked the System Board for addressing the funding formula. She is looking forward to the coming discussion.

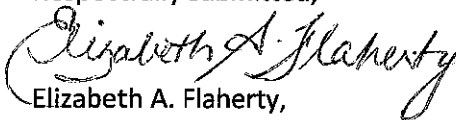
Adjournment

Dennis motioned to adjourn at 7:23.

Minutes and Financials are available at  
<http://tinyurl.com/LSLCBoardDocs>

Next Meeting: Wednesday, October 23, 2019, 6:30 PM

Respectfully submitted,

  
Elizabeth A. Flaherty,  
Secretary

Transcribed by  
Amanda Hatcher,  
Administrative Assistant