

Library System of Lancaster County  
Minutes of the Board of Directors Meeting  
May 16, 2006

Attendance:

Board Members: Voting: Greg Diehl, President; Bud Rettew, Vice President; Dale Reinecker, Secretary/Treasurer; Glenn Landis; Sue Leggett. Absent: Rose Eckman; Marianne Melleby.  
Non-voting: Patricia Cox; Martin Hudacs; Kay Rohrer; Fay Snyder. Absent: Bernard Gordon; Virginia McGrath.

System Staff: Susan L. Hauer, Administrator; Donna J. Westerhoff, Internal Operations Manager; Sue Young, Accountant; Mary Ann Heltshe-Steinhauer, Community Relations Coordinator; Donna Hopkin, Acquisitions Manager; William Hudson, Manager, Information Technology; Rhonda Kleiman, Business Information Coordinator; Mary Lou Walker, Cataloging Manager.

Guests: Deborah Beisell, Executive Director, Elizabethtown Public Library; Sandra Dinoff, Director, Strasburg-Heisler Library; Jennifer Raimo, Director, Ephrata Public Library; Joyce Sands, District Consultant; Robert Spotts, President, ELANCO Library Board.

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 7:08 PM on Tuesday, May 16, 2006, at the Library System office. A quorum was present.

General Comment None.

Secretary's Report  
Minutes Dale Reinecker, Secretary/Treasurer, referred to the minutes of the April 18, 2006, meeting, as included in the Board mailing. The minutes were  
**Approval** approved as presented.

Treasurer's Report Reinecker referred to the April 2006 financial reports, as included in the Board mailing, and reported that the Finance Committee has reviewed the information. He noted that at this point in the year, expenses should be at approximately 33%. He reviewed and explained the items that exceed that number. Reinecker reported a cash balance of \$1,202,637.83. After discussion, the following motion was made.

- Motion** On motion by Dale Reinecker, the System Board of Directors directed that the April 2006 Financial Report be filed for audit. Motion carried 4-0.
- County Basic Aid Payment Reinecker referred to the *Proposal for Distribution of 2006 County Basic Aid* spreadsheet included in the Board mailing. He reported that disbursement to libraries is typically made in two payments, in June and October. Because the County has changed its payment method to the System from monthly to quarterly, the Finance Committee recommends that one payment for the year's disbursement amount be made to libraries, on or about June 15.
- Susan Hauer, Administrator, reported that a library Board President contacted her, asking that the distribution formula be reviewed. There was agreement from other System Board members to study the funding formula for 2007. All are invited to join the Funding Task Force to revisit the funding formula used in the past.
- After discussion, the following motion was made.
- Motion** On motion by Glenn Landis, the System Board of Directors approved paying the entire 2006 County Basic Aid payment in one payment, on or about June 15, 2006. Motion carried 4-0.
- Capital Expenditure Policy Dale Reinecker reported that in the auditor's management letter last year, it was suggested that the System adopt a capital expenditure policy whereby any purchase over \$2,500 and/or that has a useful life of more than one year be capitalized and depreciated over its useful life. He noted that the auditors recommended making this policy retroactive to January 1, 2005.
- There was a question about making the policy retroactive to 2005 and whether or not the books were closed. Sue Young, Accountant, reported that the audit for 2005 is being conducted now, so books are not closed. The wording of the motion is on the recommendation of the auditors.
- Motion** On motion by Dale Reinecker, the System Board of Directors approved that retroactive to January 1, 2005, capital expenditures in excess of \$2,500 and/or with a useful life of more than one year, be capitalized and depreciated over its useful life. Motion carried 4-0.
- {Note: After the meeting, the auditors reported that "and/or" is incorrect. The motion will be amended at the next meeting. }

Banking Relationship Policy	Reinecker reported that currently, the System earns approximately \$20,000 per year in interest and pays approximately \$3,000 in bank fees. Because the System has dealt with Fulton bank for many years, it makes good business sense to get bids from other banks to search for the best deal. After discussion, the following motion was made.
<b>Motion</b>	On motion by Dale Reinecker, the System Board of Directors approved that the System adopt a Banking Relationship Policy that calls for a review with convenient banks to get quotes for the best and least expensive deal. It will be the responsibility of the Finance Committee to assure that this review occurs every three years. After further discussion, the motion carried 4-0.
<b>Motion</b>	On motion by LaVerne Rettew, the System Board of Directors approved that System management implement the new Banking Relationship Policy beginning this year. After discussion, the motion carried 4-0.
President's Report	President Diehl reported on the following: 1) On May 10, the Bylaws Committee met. A Board quorum attended the meeting. To remain in compliance with the Sunshine Laws, he reported that there was discussion, but no action taken. The Committee explored other alternatives for System Board structure, as there is very little room for flexibility with the state. The Committee has met twice, and will meet again on Tuesday, June 5, 7:00 PM, at the System office. 2) The System Board, Library Directors and System staff have been extremely active in the past month. He attended numerous meetings, and thanked everyone who is making things happen.
Library System Administrator's Report	In addition to her written report included in the Board mailing and sent electronically to Library Board Presidents and the News mail list, Susan Hauer reported the following: 1) Management reports from Donna Westerhoff, Internal Operations Manager; and Sue Young, Accountant, have been added to the monthly System Departmental Reports. 2) The "come to Harrisburg" portion of Legislative Day has been canceled, but the Legislative Council will meet to develop a strategy for local legislative visits. Fay Snyder will report more during the committee reports portion of the meeting.
District Center Library	Joyce Sands, District Consultant, reported on the following: 1) She has been promoted to Deputy Director of the Lancaster Public Library. A search is underway for a District Consultant, and she will continue to serve in that capacity until her replacement is hired. She expressed her appreciation to library directors, with whom it's been a pleasure to work. 2) The Duke Street Business Center Grand Opening was well attended. 3) She requested that the District Advisory Council meetings, normally held three times per year, be increased to quarterly, in January, April, July

and October, at 6:00 PM, just prior to the System Board meetings. It was determined that the January meeting will conflict with the System's Annual Meeting, so that date will have to be scheduled by the library directors. 4) A Reference Workshop is scheduled for June 7, with two sessions, "The Invisible Web" for adult services staff, and "Web Tots" for children's services staff. 5) The negotiations for the District Agreement have been completed. If additional funds are made available, focus will be given to translations service, workshop reimbursement for libraries, summer programming, mobile reference, and marketing District services.

Directors Council  
Report

In the absence of Katrina Anderson, Directors Council Liaison, Deb Beisell reported on the following: 1) The Directors Council/System Board Retreat was held on Saturday, April 29. Topics discussed included input for the Strategic Plan and changes to the Internet policy. 2) Roseanne Perkins, Director at the Adamstown Library, has resigned, and a director has been hired.

Standing Committees

Executive

President Diehl reported that Executive Committee business was addressed previously.

Finance

Dale Reinecker, Treasurer, reported that Finance Committee business was addressed previously.

Human  
Resources

Bud Rettew, Chair, reported that the Committee has reviewed and discussed the Modified Per Diem and recommends that the System adopt the policy as stated below.

**Motion**

It was moved by Bud Rettew that the Library System Board of Directors approve the adoption of a modified per diem, whereby employees could be reimbursed up to \$46.00 in a 24-hour period. To qualify for the full per diem rate, it is necessary for an employee to leave home prior to 7:00 AM and to return home later than 7:00 PM. There will be no reimbursement for alcoholic beverages. Employees need to submit actual receipts. Meal reimbursement must be for reasonable expenses as determined by the Accountant and System Administrator. After discussion, the motion carried 4 – 0.

Legislative  
Council

Fay Snyder, Chair, reported that PaLA canceled the "come to Harrisburg" part of Legislative Day on May 23. Susan Hauer distributed handouts recommended by PaLA to use locally with elected officials. The Council will schedule a meeting in the near future to plan the local strategy. Two library directors, Deb Beisell and Jennifer Raimo, have volunteered to serve on the Council. Other persons wishing to serve should contact Snyder.

Ad Hoc Committees

Funding Task Force	Sue Leggett, Chair, reported that there is still a need to define the job of the Funding Task Force. The group will then begin work on the 2007 budget and distribution issues. The next meeting is scheduled for Tuesday, June 27, 6:00 PM, at the System office.
PLEDGE	Sue Leggett reported that the PLEDGE checking account is closed. She showed the assembly the plaque that will be presented to Jim Raffensberger for his generous donation.
Bylaws	Greg Diehl, Chair, reported that the Committee met on May 10 and determined possible options available for the Board structure. The next meeting is scheduled for Tuesday, June 5, 3:00 PM, at the System office.
Unfinished Business	None.
New Business	None.
General Comment	Deb Beisell cautioned the Board on banking professionals being involved in the Banking Relationship Policy, and her belief that, when choosing a bank, the least expensive is not always the best.
Next Meeting	The next meeting is scheduled for Tuesday, June 20, 2006, 7:00 PM, Library System office.
Executive Session	
<b>Motion</b>	It was moved by Bud Rettew to adjourn to Executive Session at 8:15 PM for contract issues. Motion carried 4-0.
	The Board meeting reconvened at 8:55 PM.
<b>Motion</b>	It was moved by Bud Rettew to request a proposal for a contract with Life Management Associates (LMA) for a representative from their company to facilitate System relationships at an open meeting involving all constituencies. Motion carried 4-0.
Adjournment	
<b>Motion</b>	It was moved by Glenn Landis that the meeting be adjourned at 9:10 PM. Motion carried 4 – 0.

Respectfully submitted,

Donna J. Westerhoff  
Recording Secretary