A Board of Directors was held on Monday, June 6, 2005 at One Smithfield Street at 5:00PM in the Simmons Board Room. Present were Board members: Mr. Charles Zappala, Chairman, Ms. Joyce Baskins, Mr. Dan Griffin, Dr. Herman Jones, Mr. Rick Pierchalski and Mr. Gerald Voros. County Councilman Dave Fawcett, Chief Counsel Jim Norris, Executive Director David Donahoe and staff as well as members of the public and news media were also present. Notice of the meeting was published in accordance with the Act and By-laws.

**Public Comment Period**

Mr. Glenn Walsh of Mt. Lebanon read a statement calling into question the legality of the appointment of the new Executive Director of the Carnegie Library of Pittsburgh. He noted that for libraries the size of the Carnegie the state code requires the appointment of a person with at least five years of training from an accredited school of library science which the incumbent does not have. He urged the board to hold the Carnegie to the same standard as other libraries.

Mr. David Tessitor of Pittsburgh also spoke in opposition to the appointment of the new librarian at the Carnegie Library of Pittsburgh due to lack of appropriate academic credentials. He said that the Carnegie should not operate in competition with book stores as it is the repository of important but perhaps unpopular information. He contended that librarians at the Carnegie had gone to great lengths to protect collections slated for expulsion.

**Minutes**

Mr. Griffin moved approval of the minutes from the April 11, 2005 board meeting with Mr. Voros seconding the motion. The motion was unanimously approved.
Allocations Committee Report

Mr. Zappala then called on Mr. Voros to read the Allocations Committee report.

Board Members:

We are submitting for your consideration the outline of the 2006 budget process. The booklet prepared for you includes a calendar and the draft application documents for both contractual and annual grant assets.

The calendar and budget process are consistent with previous years. All legal deadlines are met and there is sufficient time for public review and board deliberations.

We are indicating to applicants that they will be evaluated in four areas: management capacity, financial stewardship, programming, and diversity. This change streamlines previous criteria and should give the Board a clearer picture of an applicant’s strengths and weaknesses.

There are several changes to the application based on policy directions that we discussed during the past year. These initiatives were also reviewed with the Citizens Advisory Board at meetings last November and again in April and May.

We have added a series of questions to determine applicant involvement and/or interest in the shared resources agenda. Including these questions will highlight the District’s endorsement of shared resource projects since it is clear that cooperative ventures will be needed for valuable programming to thrive.

Consistent with recommendations from the Advisory Board, we have revised the financial reporting forms requesting more historical information as well as data that will allow the District to evaluate the overall financial health of an applicant. Staff has been directed to provide more detailed financial analysis including information on whether deficits are the result of operating performance or the result of accounting rules for multi year grants.

Finally, the diversity section now includes questions designed to analyze an applicant’s effort to diversify its board consistent with the District policy adopted in April.
As indicated in the Treasurer’s report, revenue for the first six months of this year shows growth over 2004. We hope that this trend continues since it will take pressure off our reserve and allow the District to sustain operating support. Since even minimal growth will not provide funds for discretionary capital grants, we are recommending that the District not open the discretionary capital grant program in 2006. Capital grants would continue to the contractual regional parks as required by law. As RAD operating grants are unrestricted, applicants are free to use operating support for capital repairs and new equipment.

In order to communicate all of the changes, staff has scheduled a combined technical assistance and board diversity seminar for June 23. All prospective applicants have been strongly urged to send staff and board representatives to the session.

The committee believes that the 2006 program outlined in these documents emphasizes the Board’s commitment to preserve a group of quality, well-managed and diverse regional assets. We look forward to working with the Board and applicants during the coming months.

Submitted by
Allocations Committee
Joyce Baskins, Rick Pierchalski
Jerry Voros

Mr. Griffin then moved, with Mr. Voros seconding, that the report of the Allocations Committee be adopted.

Under discussion, Ms. Baskins asked Mr. Donahoe to provide information on the seminar to the board. Also, Mr. Zappala expressed his appreciation for the work of the Advisory Board.

Mr. Voros noted that while he preferred a stricter criterion on financial management, he respected the opinion of the Advisory Board subcommittee to first alert assets to the District’s concern.

The chairman then called the vote and the report of the Allocations committee was adopted unanimously.
Advisory Board Liaison Report

Mr. Zappala then called on Dr. Jones to give the following report:

Board Members:

As you know the Citizens Advisory Board met with us on April 11 for an exchange of ideas about the 2006 budget guidelines and the role the District has to monitor financial stewardship of assets.

That meeting led to the appointment of a subcommittee that further explored the issue with the Allocations Committee. Members informed me that it was a very thoughtful session and assisted them in reaching the conclusions contained in the Committee’s report this evening.

At the end of this year the terms of eleven members of the Advisory Board will expire. There are also three vacancies. I am proposing that we fill these slots as follows:

1. Thank the members who have not been able to attend a meeting during the term and consider those slots as vacant.

2. Invite the remaining members to serve another term.

3. Recruit new members from the Board, assets and community organizations and leaders keeping in mind our own emphasis on diversity.

We expect most of this process to begin in the fall but wanted to inform the Board in the event there are questions or suggestions. We would hope to have a slate ready by the time the terms expire.

The next formal meeting of the Advisory Board will be in the fall for a review of the budget recommendations. The members remain on call to review issues of concern to the Board.

Thank you.

Dr. Herman Jones
Advisory Board Liaison

June 6, 2005 Board Mtg.
Without objection, the chairman directed staff to carry out the recommendations contained in the report.

**Treasurer’s Report**

Mr. Zappala called on Ms. Baskins to give the following report:

Tax revenue for the first six months of 2005 totals $37.7 million, about $1.3 million ahead of the same period last year. It should be noted that all of the growth came in the first quarter of this year. Revenues in the second quarter were essentially the same as the second quarter of last year.

The District is required under the agreements with the contractual assets to examine revenues after six months to determine whether current budget commitments can be met. Despite the disappointing second quarter results, the District, with the help of about $2 million in reserve, should meet its 2005 revenue targets and be able fulfill its current obligations.

As a result of continually rising interest rates this year, interest earnings now total $203,000, exceeding both the total for 2004 and the 2005 budget estimate.

All 2005 grant contracts are now executed. Monthly financial summaries are now posted on the web site and are available in detail from the District office.

Thank you.

Submitted by,

Joyce A. Baskins
Treasurer

Mr. Pierchalski confirmed with the Executive director that the revenue and use of reserve was consistent with the adopted budget. Mr. Zappala then asked that the Treasurer’s report be filed.
**Executive Director’s Report**

Mr. Donahoe reported on plans for the Board Diversity and Technical Assistance session to be held on June 23, 2005 at the Regional Enterprise Tower. Representatives from organizations involved in recruiting board members will participate.

Mr. Donahoe also announced that the RADical Days event would be held beginning on September 29 and running through October 9. To date 22 assets have signed on to open their doors free of charge on one of more of the days.

**Old/New Business**

Mr. Voros expressed his concern with the proposed library distribution formula under consideration by the Allegheny County Library Association. He read a letter from the Shaler library which criticized the proposal for insufficient reliance on performance. Mr. Voros emphasized his concern with the survival of libraries in economically distressed areas and asked all of the members to study the proposal very carefully. He noted that he has been in favor of a per capital approach to library distribution.

Councilman David Fawcett advised the Board that he is serving a liaison to the County Council and will try to see that Council is informed of District programs and policies.

The chairman thanked the members and particularly the Allocations Committee for their efforts in preparing the 2006 application process.

The meeting was adjourned at 5:25 PM.