

Board of Trustees Meeting Minutes

Wednesday, June 9, 2010
MELSA Office
12:00 - 2:00 p.m.

Trustee Members Present:

Anoka: Jim Kordiak	Ramsey: David Norrgard
Carver: Gayle Degler	St. Paul:
Dakota: Nancy Schouweiler	Scott: Barbara Marschall
Hennepin: Jan Callison	Washington:

Staff Present: Chris Olson, Mona Scott and Judy Todd

Others Present: Susan Nemitz (RCL)

I. CALL TO ORDER

President Marschall called the meeting to order at 12:15 pm.

II. INTRODUCTIONS

III. PUBLIC COMMENT

IV. CONSENT AGENDA

A. Approval of Agenda

B. Approval of Meeting Minutes (May 12, 2010)

C. Approval of Bills

Motion by Degler to approve the Consent Agenda. Second by Norrgard. Motion carried.

V. ACTION ITEMS

A. Distribution of Phase Funds

Olson explained disbursement of the Phase funds happen twice a year, January and July.

Motion by Norrgard to release Phase funds in July 2010 of \$50,096 to Anoka County and \$180,000 to Dakota County. Second by Kordiak. Motion carried.

B. 2011 RLBSS Application

Olson requested each library system to send a certified letter stating the MOE amounts which were included in the RLBSS Application. These

numbers are used by the State in the future for 2011 and 2012 budgets for MOE. Callison had several questions regarding the MELSA budget versus the RLBSS Application. Olson explained that the two budgets reflected different periods of time: the RLBSS application reflects a fiscal year, the MELSA budget reflects a calendar year. There is complete documentation on how MELSA staff allocated the budget line items for RLBSS application. Olson will send out email explanation within the day to the Board explaining the difference between the MELSA budget and the RLBSS Application numbers that Commissioner Callison has questioned.

Motion by Schouweiler to accept the 2011 Regional Library Basic System Support Application subject to confirming the difference between the MELSA budget and RLBSS Application numbers. Second by Kordiak. Motion carried.

C. Finance Committee Report: Fund Balance

Kordiak reported the Finance Committee discussed the current fund balance and whether or not it is appropriate to classify the undesignated balance under a different title. The reserved portion deals with obligations on a regular basis, such as the lease, contracts, and monthly bills. Other obligations mentioned were the payments made to HCL to help with the transition during the merger with MPL. Kordiak also mentioned the Equalization dollars and the six month contingency plan for MELSA. Mona Scott reported that if you add the \$1.4M (Designated Funds) plus the \$657,816 (Undesignated Funds), MELSA has 34% of 2010 Unreserved Fund Balance. The State Auditor suggests that a company should have 35% to 50%. This figure does include the Legacy dollars. Kordiak said the Finance Committee felt comfortable with their report. They discussed what to call the Undesignated Fund Balance and suggested "Working Capital."

Motion by Kordiak to affirm the discussion from the Finance Committee regarding the Fund Balance and the title of the line item. Second by Norrgard. Motion carried.

D. Office Lease Renewal

Olson explained the current office lease is coming due in October 2010. After a couple of meetings with the current building management, MELSA has received a four-year and a six-year renewal. Olson also worked with an agent from the Welsh Company for comparative opportunities but recommended to the Board that MELSA stays in the same location with a four-year renewal. Lease improvements will be made with no cost added to the lease. Olson mentioned that MELSA and Metronet have written in the lease that if either agency loses any funding by more than 40%, the agency can withdraw from the contract.

Motion by Schouweiler to approve the renewal of its lease with the Richards Gordon Office Building for office space for a four-year period. Second by Degler. Motion carried.

E. 2010 Collaborative Projects Assignment

Olson reported the Legislature moved the 27 / 73% payment shift, which the Governor had implemented, and expanded it to be a 30 / 70%. 70% will be paid during the fiscal year and a final 30% payment will be made after the end of the fiscal year (usually during July or August). This year, the

shift causes a one-time shortfall of \$85,000. Olson recommended covering the shift dollars by not expending the dollars for the Urban Library Council Membership in July and instead waiting until January. That would coincide with the renewal date for HCL and SPL. The alternative would be to use some of the contingency funds and to pay for the Urban Library Council Membership in July. The Advisory Board recommended that the Urban Library Council Membership, Jobs and Small Business initiative and the Technology Measurements project be funded. Unassigned dollars would come from two places – collaborative projects line item and Equalization dollars. While the state funds information has not been released, Olson expects MELSA will earn Equalization dollars again to be used for collaborative projects.

When Marschall requested a summary of Technology Measurements, Nemitz offered the following clarification.

- Growth in business is centered on computers and digital content where there is no uniform way to collect data across the MELSA libraries. Currently there is no method to benchmark or compare. This project will create standardized measurements.

Motion by Kordiak to agree to assign \$125,000 for the Jobs and Small Business initiative and \$65,000 for the Technology Measurements project in CY2010. It also agrees to begin membership in the Urban Library Council (\$65,000) for one year and add \$25,000 to ongoing funds to the Jobs and Small Business initiative in CY2011. In addition, \$90,000 of CY2010 Collaborative Projects funds will be used to cover the formula funding shift shortfall in CY2010. Second by Callison. Motion carried.

- F. **Other**
None.

VI. **REPORTS**

A. **Report from Executive Director**

i. **Legacy Report**

Olson suggested a process which the Advisory Board has approved for viewing Legacy Program requests.

- Every library would submit the program onto a Legacy site.
- The library would report back how many people attended, what kind of outcomes, and library requests payments for performance.
- The summary would be sent via email, either weekly or biweekly.
- If there were any “red flags”, you could question the program to verify the cost and the importance.

The Board felt two weeks would be appropriate for the Trustees to view the report. It was agreed that the email subject line will read “Legacy Program Requests” to clearly identify the report. After a brief discussion, they decided to set \$15,000 or more for one event as a minimum when they would review a program. Olson confirmed the report will be on the website for both Boards to view at any time.

Motion by Schouweiler that a bi-weekly report containing information on each program submission (including title, location, short description, and \$15,000 or more for one event) be emailed to both the Board of Trustees and the MELSA Advisory Board for review. Second by Kordiak. Motion carried.

ii. Other
None.

B. Other
None.

VII. OTHER

A. MELSA Staff Reports

This was Commissioner Nancy Schouweiler's last meeting on the MELSA Board. Olson said Schouweiler started on the MELSA Board back in 2001, served as Vice President in 2003, 2004, and President in 2005 and 2006. She hired several staff, including Olson. He finished by thanking her for her dedication to the libraries.

VIII. ADJOURN

The meeting was adjourned at 1:45 p.m.