I. CALL TO ORDER
President Degler called the meeting to order at 12:05 p.m.

II. INTRODUCTIONS.

III. PUBLIC COMMENT

IV. CONSENT AGENDA
A. Approval of Agenda
B. Approval of March 20, 2014 Meeting Minutes
C. Approval of Bills
Motion by Lehrke to approve the Consent Agenda. Second by Workman. Motion carried.

IV. PRESENTATION: 2013 MELSA AUDIT
Bill Lauer of Malloy, Montague, Karnowski, Radosvich & Co (MMKR)
This is the sixth year Bill Lauer has addressed the MELSA Joint Trustee and Advisory Boards regarding MELSA’s annual financial audit. His firm has issued an unqualified opinion without exception regarding MELSA’s financial statements which is the highest opinion they are able to give. They are also able to issue a letter on compliance with Minnesota state laws and have noted that due to the size of our office, MELSA relies on MMKR for some services to complete various
VI. DISCUSSION / ACTION ITEMS
A. CY2014 Budget: Cash or Modified Accrual
MELSA has historically created a cash budget. Olson explained a modified accrual format would offer a more straightforward approach that would be less affected by changes in the timing of state revenue payments.
Motion by Workman to request MELSA staff prepare the CY2015 budget on a modified-accrual basis rather than a cash-basis. Second by Johnson. Motion carried.

B. RLBSS Funding Formula Proposal: 2015
The joint ad hoc committee of regional public library systems and MELSA library directors prepared a recommendation to change the current funding formula. Olson explained the portion of the RLBSS Funding Formula that is fairly volatile is the Equalization dollars.
- The change would make the formula more stable for MELSA.
- The change would allow other systems to keep operations going.
- It is important for all Minnesota public libraries to be able to keep operating.
Several Trustees expressed concern because this current formula is beneficial to MELSA.
Motion by Johnson to support the proposed change to the RLBSS Funding Formula with the final percentages assigned to the Equalization and Basic System Services factors to be determined by the amount of increased funding appropriated by the 2015 Legislature. If the increase to the annual appropriation is less than $2 million, the formula in Chart A will be used; if the increase to the annual appropriation is $2 million or more, the formula in Chart B will be used. Second by Tolbert. Motion failed.
Yes – Degler, Johnson (2 votes), Tolbert.
No – Braastad, Lehrke, Rettman, Workman.

C. Other
None.

VII. REPORTS
A. Executive Director’s Report
   i. MELSA and 3M Cloud Link: Status Update
   Each MELSA System has its own 3M e-book collection and MELSA has a collection worth a total of $500,000 and 25,000 volumes. Library users can access all the collections and anything that is not checked out or has a hold on it is available to the user. There is a 20% share rate among libraries at this time. Hennepin has signed their contract and expects to be operational by mid-summer.

B. Other Staff, Team and MELSA Group Updates
None.
C. Other
Degler acknowledged this was Dimassis’ last meeting at the Joint
Trustee/Advisory Board Meeting and thanked him for his strong leadership.
Dimassis has accepted the position of Deputy Library Director for Hennepin
County Library.

VII. ADJOURN
The meeting was adjourned at 1:15 pm.