**Trustee Members Present:**

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<thead>
<tr>
<th>Anoka</th>
<th>Julie Braastad</th>
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<tr>
<td>Ramsey</td>
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<tr>
<td>Carver</td>
<td>Gayle Degler</td>
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<td>Saint Paul</td>
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<tr>
<td>Dakota</td>
<td>Liz Workman</td>
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<tr>
<td>Scott</td>
<td>Barbara Marschall</td>
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<td>Hennepin</td>
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<tr>
<td>Washington</td>
<td>Autumn Lehrke</td>
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**Advisory Members Present:**

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<tr>
<th>Anoka</th>
<th>Marlene Moulton Janssen</th>
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<tr>
<td>Ramsey</td>
<td>Susan Nemitz</td>
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<td>Carver</td>
<td>Heidi Hoks</td>
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<td>Saint Paul</td>
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<td>Dakota</td>
<td>Ken Behringer</td>
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<tr>
<td>Scott</td>
<td>Jacob Grussing</td>
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<td>Hennepin</td>
<td>Lois Thompson</td>
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<td>Washington</td>
<td>Pat Conley</td>
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**Staff Present:** Chris Olson, and Judy Todd

**Others Present:**

I. **CALL TO ORDER**

President Degler called the meeting to order at 10:05 a.m.

II. **INTRODUCTIONS.**

III. **PUBLIC COMMENT**

IV. **APPROVAL OF AGENDA**

Motion by Braastad to approve the Agenda. Second by Lehrke. Motion carried.

V. **CONSENT AGENDA FOR BOARD OF TRUSTEES**

A. Approval of June 19, 2014 Meeting Minutes

B. Approval of Bills and Financial Statements

Motion by Workman to approve the Consent Agenda. Second by Braastad. Motion carried.

VI. **ACTION / DISCUSSION / UPDATE ITEMS**

A. Approval of Applications and Reports to State Library Services

1. **FY2013 Legacy Funding Report (Final)**

   This report deals with dollars that were allocated to MELSA on 7-1-2013 and MELSA had three years to spend those dollars. 1,197 programs with an attendance of 85,519 and 95 new partnerships.
Motion by Braastad to approve the submission of the Final FY2013 Legacy Funding Report to State Library Services. Second by Lehrke. Motion carried.

2. FY2014 Legacy Funding Report (Interim)
MELSA received $1,141,083 and divided the dollars accordingly – 10% for a regional project, 30% for MELSA projects (i.e., Club Book, State Fair, Twin Cities Book Festival) and 60% for the MELSA Member Libraries based on population. Dollars for 2014 can be spent two years beyond. At this time there have been 275 programs with an attendance of 55,244 and 37 new partnerships.

Motion by Workman to approve the submission of the FY2014 Legacy Funding Report to State Library Services. Second by Marschall. Motion carried.

3. FY2014 RLBSS Results Accomplished Report
MELSA reports in four basic areas: Operations & Library Support, Customer Services, Delivery of Materials and Other.

Motion by Braastad to approve the submission of the FY2014 RLBSS Results Accomplished Report to State Library Services. Second by Degler. Motion carried.

4. FY2014 RLTA Report and CY2014 Distribution
This RLTA Report is provided by MELSA to State Library Services with the CY2014 distribution to the member libraries.

Motion by Workman to approve the submission of the FY2014 RLTA Report to State Library Services and the distribution of the CY2014 RLTA Funds (From Payments 1 and 2) to the Member Library Systems. Second by Lehrke. Motion carried.

The Advisory Board thanked the MELSA Staff for preparing the RLTA and E-Rate reports.

B. CY2014 MELSA Budget Revisions
Olson reviewed the following adjustments to the CY2014 Budget:

Revenue:
Macy’s Summer Reading Grant – Macy’s grant was reduced from $30,000 (prior year amount) to $10,000 in 2014.
Legacy – Using ½ of FY14 Legacy + ½ of FY15 Legacy (actual FY15 Legacy appropriation has been received); increase of $6,343 over estimate. At the end of year, an adjustment will be made to carry unspent Legacy funds forward to CY15, i.e., Legacy revenue will equal Legacy Expenses.
RLBSS (without Equalization) – Additional $10,666 added to reflect conversion of FY15 portion of CY14 revenue from cash basis to modified accrual budget adopted for CY15. (Reminder: State FY15 revenue is July – June; MELSA CY14 budget is January – December.)

Note: FY15 RLBSS appropriation has been received. FY15 revenue without Equalization, is $21,332 more than FY14. FY15 Equalization is $70,299 more than CY14.

Equalization – Added Equalization for FY15 RLBSS revenue for second half of CY14, using modified accrual method (CY14 Equalization = ½ of FY14 + ½ of FY15). This amount will be carried forward in the fund balance at the end of the year and spent in 2015.
Expenses:

Macy’s Summer Reading Grant - Expenses will be reduced from $30,000 to $10,000 as per above.

Legacy – Expenses adjusted to correspond to revenue adjustment above.

Mobile app for systems – Decrease of $18,020 to reflect renegotiated Boopsie price for 2014.

Undesignated Collaborative Projects – Increased $28,685 from additional RLBSS above and savings from mobile app.

Motion by Marschall to approve the adjustments to the CY2014 Budget. Second by Braastad. Motion carried.

C. Distribution of CY2014 Formula Funds

The Formula is distributed by Population, Interlibrary Loan, Crossover Services and Basic Grant. In previous years, the Advisory Board has suggested the Formula should be reviewed and gave a few reasons why during today’s meeting:

- Interlibrary Loan has become more time consuming.
- Collaboration should be addressed.
- How should electronic circulation be treated?

Olson included the review of the Funding Formula and criteria for use of Phase Funds in 2015 in the “Tactics” of the Strategic Plan. A sub-committee of Trustees and Advisory Board will be requested at that time.

Motion by Braastad to approve the release of funds for the 2014 Formula Distribution. Second by Degler. Motion carried.

D. Policy on Associate Libraries

Olson gave a brief history on associate libraries, independent city libraries which never joined their county library system. There are mandated services an associate library has to offer – interlibrary loan, reciprocal borrowing, and items are included in MnLINK. The Advisory Board approved the Policy on Associate Libraries which will be placed on the Trustee’s November agenda.

Conley added the city library would have to have an agreement with its home library.

E. Other

None.

VII. MEETING REPORTS

A. Executive Director’s Report

Olson announced Judy Todd’s retirement for December 5. Ray Kennedy from Dakota County may have some ideas for restructuring Todd’s position.

i. FY2015 RLBSS Update

MELSA will see an increase of approximately $91,000 due to Equalization Funds from Anoka County, Dakota County and Ramsey County.

ii. ELending Study and MELSA

None.

B. E-Resources Due Diligence Reports

None.
C. Other Reports
   None.

VIII. OTHER
   None.

VII. ADJOURN
   The meeting was adjourned at 11:15 a.m.