Metropolitan Library Service Agency

Joint Board of Trustees & Advisory Board Meeting Minutes

Thursday, November 16, 2012
MCIT Office
10:00 a.m. – 12:00 p.m.

Trustee Members Present:

<table>
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<tr>
<th>Anoka:</th>
<th>Jim Kordiak</th>
<th>Ramsey:</th>
<th>Jan Parker</th>
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<tr>
<td>Carver:</td>
<td>Gayle Degler</td>
<td>St. Paul:</td>
<td>Russ Stark</td>
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<td>Dakota:</td>
<td>Liz Workman</td>
<td>Scott:</td>
<td>Barbara Marschall</td>
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<td>Hennepin:</td>
<td>Jeff Johnson</td>
<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>
<th>Ramsey:</th>
<th>Susan Nemitz</th>
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<tr>
<td>Carver:</td>
<td>Nick Dimassis</td>
<td>St. Paul:</td>
<td>Kit Hadley</td>
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<td>Dakota:</td>
<td>Ken Behringer</td>
<td>Scott:</td>
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<td>Hennepin:</td>
<td>Lois Thompson</td>
<td>Washington:</td>
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Staff Present: Chris Olson, Mona Scott, and Judy Todd

Others Present:

I. CALL TO ORDER
President Kordiak called the meeting to order at 10:05 a.m.

II. INTRODUCTIONS
None.

III. PUBLIC COMMENT
None.

IV. APPROVAL OF AGENDA

V. CONSENT AGENDA FOR BOARD OF TRUSTEES
A. Approval of Meeting Minutes (September 27, 2012)
   Motion by Degler to approve the September 27, 2012 minutes. Second by Workman. Motion carried.

B. Approval of Bills and Financial Statements
   Olson commented the 2nd quarterly payment for RLBSS was just received but is not reflected in the statement the Trustees received in this board packet. Payments for Legacy dollars have not been received yet during the year.
Olson understands a large payment should arrive 12-1-12 and then monthly payments thereafter.

**Motion by Stark to approve the bills and financial statements. Second by Degler. Motion carried.**

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

**A. Personnel Committee Report**

1. **2013 MELSA Staff Compensation Packages**

   Lehrke reported on the recommendations from the Personnel Committee. The committee reviewed the 2013 salary matrix as provided by Dakota County. It features: A 2% grid increase from 2009 rates; 3% of Q-3 merit increase over 2012 rates; and a 1%, one-time, lump sum payment if employees maintain the Dakota Advantage medical plan. MELSA pays for single coverage medical plans with employees receiving $175 HRA contribution to offset one-half of the medical deduction (if employee uses the Advantage plan).

   The net impact between the 2013 preliminary budget estimate and the recommendation is -$123.

   **Motion by Lehrke to agree to follow the Dakota County model for the 2013 MELSA staff compensation package. Second by Degler. Motion carried.**

2. **Employee Dishonesty Insurance**

   After the MCIT representative suggested MELSA’s coverage could be reduced, Olson contacted MELSA’s auditor and found there were no required levels to carry. The Employee Dishonesty Insurance covers those board members who sign checks or MELSA staff who handle money. The reduction in coverage means a savings of $300/year.

   **Motion by Degler to approve the change of coverage levels for the Employee Dishonesty Insurance. Second by Workman. Motion carried.**

3. **CY2013 MELSA Budget Adoption**

   The Trustees adopted a preliminary 2013 budget in June with the expectation there would be additional adjustments made later in the year.

   **Revenue**

   - New Legacy payment schedule from State: three payments during the grant year instead of ten. For 2013 recorded 2nd and 3rd FY13 payments to be received in 2013. Used FY13 amount and schedule as estimate for FY14 payment to be received in 2013.

   - $29,338 decrease in RLBSS revenue (without Equalization) due to population factor in RLBSS formula and Lake Elmo withdrawal from regional system.

   - Equalization for FY13 received in 2013 is $56,175 more than estimated placeholder in budget.

   - Equalization for FY13 received in 2012 and carried forward in fund balance in $95,285 more than estimated placeholder in budget.

   **Expenses**
- Legacy expenses match above anticipated revenue.

- $15,146 increase in Equalization due to earning library systems due to above increase in FY13 Equalization.

- $102,615 net change in expenses from Collaborative Projects. Updated with actual FY13 Equalization: 25% of 1,019,746 = $254,937 plus reallocation of $162,835 from Additional Phase Allocation from Equalization $417,772 assigned for:
  - $20,000 increase in children/teen summer reading programs
  - $75,000 increase for Jobs/Small Business Initiative
  - $17,000 for promotional collateral for existing programs (e.g. Homework Help, JobNow)
  - $25,000 for Digital Literacy Initiatives
  - $4,000 for increase CRPLSA dues
  - $123 for net of salary increases/benefits decreases
  - $174,034 to balance budget

Remaining $102,615 for collaborative projects to be identified.

- Reallocation of $500,000 from Additional Phase Allocation from Equalization to E-book collaborative project.

- Reassign funds allocated to discovery tool project to other OPAC enhancement purchases: Syndetics and NoveList. No financial impact on budget.

- $25,000 allocated from Collaborative Projects to Digital Literacy Initiatives (identified as priority in MELSA strategic plan).

- $4,476 increase in salaries as per Dakota model. Decrease of $4,353 in benefits expense per actual Dakota rates; net impact is increase of $123.

- $4,000 allocated from Collaborative Projects for increase in CRPLSA dues.

  Motion by Parker to adopt the CY2013 Budget as presented. Second by Johnson. Motion carried.

D. Legacy Fund Contracting Policy / Procedures

Olson worked with Karen Schaffer from the Dakota County Attorney’s office to draft the Legacy Amendment Contract Operating Policy and Procedure in response to suggestions made by the Trustees, the State Auditor’s Office and the Legislative Auditor’s Office.

Key Procedures:
- Any Legacy contract $15,000 and above will require a field visit for all eight member systems.

- MELSA will prepare a written agreement between each system outlining the expectations for using Legacy dollars.
Olson clarified MELSA will continue to do partnerships with other regional library systems but only after the agreement has been brought before the MELSA Trustees for approval. CRPLSA is currently creating a Fiscal Agent Agreement with SELCO to be used by all the regional library systems. After further discussion, the Trustees decided to table this discussion until further information is available. They would like to see additional language in “Signature Authority” section.

Motion by Marschall to table the Legacy Fund Contracting Policy and Procedures Document. Second by Degler. Motion carried.

E. 2013 Meeting Dates
The Trustees agreed to meet on the third Thursday of the following months: January, March, May, June, September and November. Olson will bring the actual dates to the January 17 meeting.

Motion by Workman to agree to meet in 2013 on the third Thursday in the months of January, March, May, June, September and November. Second by Stark. Motion carried.

F. MELSA Trustees’ Nominating Committee
Lehrke and Degler volunteered to work with Olson on the Nominating Committee for 2013 to determine the slate of officers for the Board.

Motion by Marschall to appoint Lehrke and Degler to serve as the 2013 Nominating Committee. Second by Stark. Motion carried.

G. Other
None.

VII. MEETING REPORTS
A. Executive Director’s Report
   1. Databases Renewal Update
      Olson noted the e Resource Team had gone through three due diligence processes for three different databases this past fall. Summaries of the processes were included in the board packet with renewal confirmation on the three databases.

   2. Recognition of Board Members
      Olson thanked Jan Parker and Jim Kordiak for their many years of dedicated service to the MELSA Board and their commitment to the library world.

B. Other Reports
   None.

VIII. OTHER
None.

IX. ADJOURN
The meeting was adjourned at 11:30 a.m.