Call to Order, Roll Call, Determination of Quorum, and Introduction of Staff and Visitors

Powell called the meeting to order at 7:04 p.m. in the Virginia Young Room of the Columbia Public Library. Board members present were Pat Powell, President; Mary Ann Beahon; Terri Brunner; Patsy Craghead; Linda Dellsperger; Mary Fennel; Rosie Gerding; Marie Glaze, Warrant Officer; Terry Higgins, Vice President/Secretary; Lynn Hostetler; Tiff Lauffer; Jim Loveless; Michael Luebert; David McDonald; Tom Richards; Jessica Robinson; and MaryEllen Sievert. Susan Breyfogle and David Webber were absent.

Also present were: Melissa Carr, Director; Elinor Barrett, Kris Farris, Melanie Henry, Linda Hodgkins, Pat Kopp, Karen Neely, Jim Smith, and Lauren Williams, DBRL staff; and Alex LaBrunerie, Ferd LaBrunerie, and Chris Cottone, of LaBrunerie Financial.

Powell introduced and welcomed new board members Mary Ann Beahon and Mary Fennel from Callaway County.

Public Comment

There was no public comment.

Board Committees – Report from the Risk Management Committee

Powell asked the board, if there was no objection, to skip ahead to item 7.b. in the agenda and hear the report from the Risk Management Committee since LaBrunerie Financial staff members were in attendance.

Dellsperger said that at the committee’s meeting on June 19 Smith presented LaBrunerie Financial’s report on the performance of the library’s retirement investment options. As a result of that report, LaBrunerie Financial and the staff feel that the performance of the investment options could be improved by reducing the fees charged to the plan by Hartford, the plan provider. The Risk Management Committee made the following motion:

The Risk Management Committee recommends the DBRL Board of Trustees authorize the Director or the Director’s designee to seek a new comparable plan platform with the Hartford or bid for a new 401(k) or 403(b) retirement plan provider in an effort to reduce fees charged both to DBRL and the plan participants.

Dellsperger turned the floor over to the LaBrunerie representatives to answer any questions. Ferd LaBrunerie said his firm set out to renegotiate the plan with Hartford and now have a verbal agreement from Hartford to reduce the fees for participants and DBRL. Chris Cottone of LaBrunerie explained that the current plan platform with the Hartford includes an outside percentage base expense fee charged to all participants. The range of this fee differs per fund, and on some funds this charge is over a full 1%. He reported that Hartford has agreed to
eliminate this charge with a move to a new plan platform. He said that Hartford also agreed to reduce its annual administrative fee charged to DBRL from $1,750 to $1,000 and eliminate the $25 per participant fee if we maintain our current average balance. In response to a board member’s question, Cottone confirmed that the percentage base charge did not show up as a fee on participants’ statements but instead reduced the participants’ returns.

Richards expressed the opinion that Hartford has taken advantage of the library by overcharging us relative to market conditions and questioned why the plan wasn’t being put out to bid. Cottone explained one reason to remain with the Hartford is the number of participants invested in a fund that is now closed, the Capital Appreciation Fund, which would not be available with another plan. He said that staying with Hartford would allow the library to offer virtually the same fund options now available for the employees. Richards suggested that there are numerous funds out there and that there would be funds comparable to what the current plan offers. Smith explained that when the plan was established in the 1980s, these fees were standard in the marketplace. He said that staff and the Risk Management Committee felt that staying with the Hartford would be less disruptive for employees and help the library avoid takeover fees associated with moving funds into a new plan. He said that LaBrunerie had investigated the costs of retirement plans with another provider, and the cost of what Hartford is offering is comparable if not better than the costs of the other provider’s plan. In response to a question, Cottone said that the plan’s assets totaled approximately $2.8 million and that the $1,000 annual administrative fee was a standard charge assessed by retirement plan providers.

Richards observed that if the library discovered it had been overpaying another vendor by 30% and we just gave them the opportunity to cut their fees versus putting the service out to bid, that would seem like a bad business practice. Dellsperger said at the committee meeting there was a lot of discussion and concern regarding the employees and their comfort level with the current plan, and several members felt that doing what was least disruptive for the employees was best if the cost savings could be achieved. Richards said that this view assumes the employees are not sophisticated enough to make their own investment decisions. He said that it may be true that the current plan is the best for employees, but there might be better opportunities out there, and putting the plan out for bid would allow the board to find that out.

In response to a question Cottone clarified that if the library decided to go with a new retirement plan provider employees would be required to leave their current investment options and move the money in their accounts to funds available under the new plan. Powell asked if the board approves this motion how long will the library’s contract with Hartford be. Smith said that the commitment would be one year. Powell suggested that a compromise might be to stay with the Hartford for one year and then put the plan out to bid at the end of that year. At a board member’s request, Dellsperger reread the motion. Higgins called the question.

In response to a question Smith clarified that the elimination of the fees as discussed required a move to a new platform within Hartford in which all but three investment options currently available would remain the same, and these three unavailable funds would be replaced by comparable fund choices. Board members questioned whether the current motion from the Risk Management Committee was relevant because LaBrunerie had already negotiated with Hartford successfully. Smith said that they did not have a written contract from Hartford yet, so until
Hartford puts in writing what they promised verbally, he did not consider the negotiations finalized. He said this motion gives staff the option to back out of negotiations with Hartford and re-bid the plan if their written proposal does not match their verbal one.

Sievert asked if employees had been consulted on their feelings about changing plans and whether the assumption that they don’t want change is correct. Alex LaBrunerie said that when his firm was brought on as the plan’s broker last summer, they changed the plan by broadening the investment selections at that time from 7 options to 24. The library had a very old plan that hadn’t been updated in some time. He said a number of employees made investment decisions and changes in the fall, so if the library were to change plans at this time that would be two changes in a short amount of time. Glaze commented that at the Risk Management Committee meeting the sense from staff was that they were satisfied with the Hartford plan. Richards said he thought it was sound business practice, especially since we’ve had the same vendor for twenty years, to put the retirement plan out to bid.

Sievert asked for clarification as to what this motion actually means the library staff is going to do. Dellsperger said that the Risk Management Committee intended to instruct LaBrunerie to talk to Hartford to negotiate the fees down. Or, if that was unsuccessful, the library would bid for a new retirement plan. Carr clarified that the intent was that if Hartford agreed to eliminate some fees and reduce others as requested, then we would stay with the Hartford. Dellsperger commented that at the next meeting of the Risk Management Committee she would appreciate more employee input, and not just management’s input, to assist the committee in its decision making. Several board members said they read the motion as authorizing negotiation with the Hartford or a bidding process for a new plan, but that there was no language restricting the plan being put out to bid only if negotiations with Hartford were not successful. Powell clarified that the motion could not be amended since it came from the committee, and that if board members were uncomfortable with the way it was worded they would have to defeat the motion and offer a new motion. Powell called the question on the motion as recommended by the Risk Management Committee. The motion failed with three votes for and thirteen votes against.

Dellsperger moved to authorize the Director or the Director’s designee to negotiate down the fees with the Hartford or bid for a new 401(k) or 403(b) retirement plan provider in an effort to reduce fees charged both to DBRL and the plan participants. The motion died for lack of a second.

Richards moved that the retirement investment plan be put out to bid. Sievert seconded. In response to a board member’s question Carr said that the RFP process would be handled by the staff and not LaBrunerie. Smith added that if the plan were put out to bid LaBrunerie had indicated that they would stop being our broker so that they could respond to the request for proposals because they could not in good faith do both. Craghead asked how much impact would the fact that some of the investment options that are in the current plan would not be available in a new plan have on employees. Cottone said that over half of the participating employees are invested in one of the Hartford funds, the Capital Appreciation Fund, which would not be available outside of a Hartford plan. Richards expressed the opinion that no fund is irreplaceable and that there are other funds that will be comparable. Craghead said she felt that the board should not force the decision to change funds on the employees. Hostetler asked if Hartford
would be eligible to bid on our plan if we did put it out for bid. Cottone said yes. Higgins expressed concern that LaBrunerie did good work uncovering these fees that were affecting performance, and that if we put the plan out to bid they will no longer have us as a client, so it is almost as if they are being punished for bringing the issue to the library’s attention. Richards said that putting a service out to bid does not in any way reflect on the library’s opinion of LaBrunerie, but it is just sound business practice.

Alex LaBrunerie suggested that the board could take a middle ground approach, accept Hartford’s new proposal for the time being and then re-bid the plan later. He informed the board that LaBrunerie had bid the plan silently to get a feel for the marketplace, and they did not see that there would be a big cost savings to move to another plan. He said that they do recommend that their clients price the market every three years and document that, but at this time he does not see any big cost savings gained by moving to another plan.

The board discussed other issues related to the plan, including the political implications of putting the plan out to bid versus doing an informal silent bidding process to test the marketplace. LaBrunerie staff also clarified the role of the plan provider versus the role of the broker and why they could not act as our broker if they wanted to respond to our request for proposal should the plan go out for bid. In response to a board member’s question, Cottone said that there isn’t any one plan provider that they recommended to most clients because each client need is unique in terms of number of employees, requirements for the design document, preferences for plan features and structures, average values of existing accounts, and so on.

Powell called the question on the motion to put the retirement investment plan out for bid and asked for a show of hands. The motion failed with four votes for and twelve votes against.

Hostetler moved to accept the Hartford’s retirement plan proposal, if their written response corresponds to their oral proposal, for a period of one year, at the end of which the library will put the retirement plan out for bid. Dell sperger seconded the motion. The board voted with a show of hands, and the motion passed with fourteen votes for and two votes against.

Carr thanked LaBrunerie for its work with the staff this year, and Powell thanked the Risk Management Committee.

Higgins stated that when she called the question during previous discussion it was not handled as it should have been according to Robert’s Rules of Order. Powell acknowledged that this was not handled correctly and apologized.

**Approval of Minutes**

Sievert moved, McDonald seconded, to approve the minutes of June 14, 2007. The motion passed.
Monthly Reports

Financial Report – Smith said he wanted to clarify remarks from the last meeting regarding credits for unemployment claims. He said that since Melanie Henry has been HR Manager, the library has not paid unemployment claims until it has exhausted all appeals library staff has considered necessary.

In response to a board member’s question, Smith said that funds to pay for giveaways for the summer reading and One Read programs come out of the general operating PR supply budget if they are considered promotional items, but otherwise those items come out of the general operating programming budget. Carr added that some items, like the speaker fee for the One Read author and the plastic library card holders, are paid for with donated funds from the Friends of the Columbia Public Library.

Service Report – Carr said that the teen summer reading program already has 189 participants compared to last year’s total of 130. She complimented Callaway’s great display on teen reading and added that one of the activities for which teens get credit in the program is bringing a friend to the library to register, so this incentive probably has increased the number of sign-ups. Carr said that it is easy to be excited about library services this time of year with all of the activity going on in the facilities. She shared a story of helping three adults get library cards and sign up for computer training, and she reported that these people had been told the library was a great place to learn computer skills to help them find good jobs.

Brunner asked why the bookmobile visits were down, and Carr said this is partly due to a change in the way some bookmobile visits are now counted. She said that Neely is doing a trend analysis on the bookmobile and will report on this topic at an upcoming board meeting. In response to a question Neely defined delivery services as a combination of visits to shut-ins, retirement homes, jails, daycares, and similar facilities.

Director’s Report – Carr said that the Missouri Department of Mental Health received a grant to create a training video on providing customer service to patrons with disabilities, and they will be filming at both the Columbia and the Callaway facilities.

District Board Reports

Boone County Library District Board – Robinson reported that earlier in the evening the Boone County Board elected the following slate of officers:

Jessica Robinson – President
Tiff Lauffer – Vice President
Terri Brunner – Secretary
Linda Dellsperger – Warrant Officer

Robinson said Brunner gave a report on her trip to ALA in Washington, DC. Brunner said that she got some good ideas from the trustee sessions she attended, including the importance of treating communication and public relations as primary roles for trustees. She also won a
soundproof cell phone booth for making and taking cell phone calls, and she is donating this to the library.

Callaway County Library District Board – Craghead reported that earlier in the evening the Callaway County Board elected the following slate of officers:
- Mike Luebbert – President
- Mary Ann Beahon – Vice President
- Mary Fennel – Secretary/Warrant Officer

Craghead said the board also discussed preliminary plans for next summer’s celebration of the 100th anniversary of the library in Fulton. She said the Fulton library started in 1908, and the building itself was constructed in 1912.

Columbia Library District (CLD) Board – Richards said the Columbia board heard a report from a traffic engineer and asked staff to work with the appropriate consultants to further develop proposals to deal with pedestrian/vehicle congestion in the parking lot. He reported that the board approved the recommendation of the Citizen’s Art Advisory Committee and accepted a gift of artwork from Frank Stack.

**Board Committees**

Ad Hoc Election Review Committee – Richards reported that a small group of designated committee members and staff had gone through the request for proposal process and interviewed several survey vendors. He said that the group selected ETC out of Kansas to develop and conduct the survey and will work with that company to outline a proposal. He said that the City of Columbia regularly uses ETC for its survey work. Richards explained that the committee needs the survey results to complete the information gathering phase of its process. He added that the next meeting of this committee would be devoted largely to communication issues and planning. In response to a question, Richards said that the estimated cost of the survey was approximately $20,000.

**Old Business**

There was no old business to discuss.

**New Business**

Powell distributed the committee assignments for the 2007-2008 board year. She said she made an effort to leave some committees intact so as not to interrupt or delay their work in progress. She said that while she has appointed an Ad Hoc Communications Committee, that committee will not get its charge nor meet until the Election Review Committee finishes some of its current work.

Powell said that each year the board usually holds its retreat in the fall, and she suggested having the retreat in September or October. The board discussed the relative merits of September versus October, including conflicts with One Read events and whether or not the survey results would
be available in September for discussion. The board discussed holding the retreat on the Thursday evening of the regularly scheduled board meeting versus having a more substantial retreat on a weekend day. Gerding suggested that Ellen Miller, who she heard speak at ALA, would be a great person to invite to speak about the role of the library trustee, but there would be a fee associated and the board would probably want to have at least a half-day event to justify the expenditure. The board discussed having Miller speak at an event separate from the retreat. Powell said the board could investigate State Library grants for trustee education that might fund such a speaker. Carr also pointed out that after the survey results the board may want to have longer work sessions on specific topics.

Higgins moved, Brunner seconded, to hold the annual board retreat in September. The motion passed.

Powell appointed Brunner, Higgins, and Gerding to work on logistics for inviting Ellen Miller to speak to the board, including possible grants to pay for associated fees. Craghead suggested that perhaps inviting the trustees of other libraries to participate in this event would create goodwill and help the board win grant funding. Gerding said that her only reservation was that she hoped Miller could discuss specifically the problems of this board and its communication with the public and offer solutions. Barrett suggested that if Miller came for a full day, maybe the first half of the day could be for just the DBRL Board and the second half could include board members from other area library districts.

Powell asked the Callaway Board to let the DBRL Board know if having the October meeting in Fulton was agreeable to them.

Powell expressed the opinion that the topic for the board retreat would probably come from the Election Review Committee. She asked board members to contact her with other topic ideas for the retreat.

**Public – Comments on Agenda Items**

There was no public comment.

**Staff – Comments/Announcements**

Farris reported on some inaccurate information about the library published by local media, including several wrong program names, descriptions, and times on the VOX online calendar and an inaccurate location for a program listed in Inside Columbia Magazine.

**Board – Comments/Announcements**

Higgins suggested the board pass resolutions for retired board members Debbie Reed, Larry Nolte, and Jo Sapp. Higgins and Robinson volunteered to help draft the resolutions.

Powell reported that Helene Holroyd recently passed away. Carr said Holroyd served nine years on the Columbia Board, from 1981 to 1990, and was treasurer of the Friends of the CPL until a
Daniel Boone Regional Library  
Minutes, Meeting of July 12, 2007

few days before her death. Powell said that the family requested donations be made to the
Friends. Carr said that she sent a note to the family on behalf of the board, and books in the
areas of art and history, as requested by Holroyd’s family, would be added to the collection in
Holroyd’s honor.

Adjournment

Higgins moved to adjourn and Powell adjourned the meeting at 8:44 p.m.

Minutes recorded by Lauren Williams, Executive Assistant.

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Board Secretary