Call to Order, Roll Call, and Determination of Quorum

Gerding called the meeting to order at 7:00 p.m. in the Virginia Young Room of the Columbia Public Library (CPL). Board members present were: Rosie Gerding, President; Mary Ann Beahon; Susan Breyfogle; Susan Daly; Linda Dellsperger; Mary Fennel; Tonya Hays-Martin; Terry K. Higgins; Jim Jones; Michael Luebbert, Warrant Officer; David McDonald; Patricia Powell; Tom Richards; Jessica Robinson, Vice President/Secretary; MaryEllen Sievert; and David Webber. Julie Baka, Bridget Canaday, and Jacob Thorne were absent.

Also present were Melissa Carr, Director; Elinor Barrett, Diana Buckner, Connie Bush, Kris Farris, Melanie Henry, Pat Kopp, Marilyn McLeod, Karen Neely, Greg Reeves, Jim Smith, and Lauren Williams, DBRL staff. Chris Cottone, LaBrunerie Financial and Zaki and Salma Patel were present for the first portion of the meeting.

Public Comment

Barrett introduced Zaki and Salma Patel, part of the family that will be operating the kiosk at the Columbia Public Library. The Patels shared their proposed menu and the hours they expect to be open.

Gerding congratulated Carr on her receipt of the Columbia Daily Tribune’s Women in Business - Professional Excellence Award.

Approval of Minutes

Gerding asked for corrections or changes to the minutes of October 15, 2009. Hearing none, she declared the minutes approved as written.

Retirement Investment Policy Update

Carr stated that the Retirement Investment Policy distributed in the board packet was approved at the previous board meeting. Cottone of LaBrunerie Financial explained that his firm has a concern about the change requiring all investments to maintain bonds with a B or higher rating. He said that among the library’s investment options there are three funds with one percent or less of their holdings in bonds rated lower than B, and with the way the policy reads, these funds would have to be eliminated. Cottone expressed the opinion that these funds are good options for staff. Cottone and the board discussed possible changes to the policy language and proposed the following changes to page three.

- Add the sentence “Securities rated lower than investment grade (BBB) may not make up more than 5% of the total portfolio” to the end of the Bond paragraph.
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- In the Balanced Fund paragraph, change “B” to “C” and reduce the allowed percentage of securities rated lower than investment grade from 20% to 5%.

ACTION: Richards moved to approve the DBRL Investment Policy amended as discussed. Daly seconded the motion. The motion passed.

Monthly Reports

Financial Report – There were no questions on the financial report.

Service Report – Carr stated that the library is on track to have two million check-outs region-wide in 2009, and it is great to reach this milestone during DBRL’s 50th anniversary year.

Carr explained the Wal-Mart Foundation’s matching gift program, through which the library received $250 because Wal-Mart employee Rebecca Gordon donated 40 hours of volunteer time to the library. The other monetary donations listed in the Service Report are memorial gifts.

Director’s Report – Carr said that MLA’s Legislative Day will be February 2, and staff will get more information to the board when it becomes available. Carr distributed information about a sunshine law presentation on December 7.

Carr reported that last Friday she and board member Canaday attended a Southern Boone County leadership breakfast, which was a great opportunity to hear about upcoming plans from the schools, elected officials and other public entities in the area.

Barrett reported on the progress in the new north lot at the CPL, saying that the electrician was able to pull the permit from the city and laid conduit and poured the bases for the light poles. She stated that the foundations of the former structures on the lot have to be partially excavated since they are above the grade intended for the parking lot. This requires a change order to the contract for the construction. In response to a question, Barrett said that while the library anticipated such excavation would be necessary, the foundations were covered over prior to the library purchasing the land. This meant that the engineers couldn’t see the foundations to estimate how much would need to come out. Barrett said she estimated that the lot would open some time in January.

Collection Development – Carr explained that as stated in the Director’s Report, the library has made changes in how materials are selected. She introduced Doyne McKenzie, Collections Manager. McKenzie stated that the library has made great strides in improving the process of ordering and processing materials to get them in the hands of patrons as quickly as possible. She described the previous paper-based process used by 18 selectors, and then introduced the new, nearly paperless process used by four main selectors. McKenzie demonstrated the online selection process used with vendor Baker and Taylor, showing how book and other reviews are integrated into the system and how the library’s profile allows the vendor to pre-fill shopping “carts” for our review. She
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showed how different formats of items can be selected at the same time and how items can be designated for specific locations within each facility during the ordering process, expediting the purchase and processing of materials. In response to a question, McKenzie confirmed that the library receives about a 40% discount off of the cover price for materials. McKenzie explained that patrons submit about 100 requests for materials to be purchased each week, and that staff considers cost, critical reviews and other items before purchasing items patrons request.

Barrett praised McKenzie and her staff, saying that with the online process they are in many cases ordering materials and getting records for these “on order” items into the catalog before patrons have a chance to request that they be purchased. She explained that many purchase requests are for popular fiction titles from best-selling authors.

District Board Reports

Columbia Board – Webber reported that earlier in the evening the Columbia Board closed out the Capital Project Fund and accepted some donated artwork.

Committee Reports

Finance Committee – Luebbert stated that the committee met on November 5 to discuss the CY 2010 DBRL Operating Budget and voted to recommend approval of the budget. Since that time, staff has new information and would like to present a revised budget. Dellsperger voiced her objection to being presented with new information on the evening the board is expected to approve the budget.

Smith stated that staff is proposing a change to the health insurance benefit that reduces the cost of salaries and benefits and correspondingly decreases the total expenditures line. He distributed a revised budget and said that since the Finance Committee reviewed the budget in detail, he would present just the highlights of the one-page budget and answer questions.

CY 2010 Operating Budget

Revenues
Smith stated that total budgeted revenue is projected to decrease slightly from the CY 2009 budget due to a decrease in interest income and State Aid. State Aid is decreasing because we are not budgeting to receive Athletes and Entertainers Tax revenue. The donations line includes estimates for both cash and non-cash contributions.

Expenditures
Smith explained that the approval of the expenditures budget gives the staff the authority to spend library district funds.
Salaries and Fringe Benefits

Smith stated that in the revised budget just distributed, salaries and fringe benefits are projected to increase four and eight-tenths percent over the CY 2009 budget. This includes the addition of three (3.1) FTEs, a two percent across-the-board raise, and an increase in benefits costs. The new positions include a part-time position in regional administration to assist with continued development of the digital branch; a part-time buildings and grounds position to cover the increased delivery schedule both for the branches and for the locker systems and remote book returns; a full-time librarian position to provide increased children’s services; and a full-time librarian position in regional technical services for materials selection. Smith added that this section also includes four additional staff hours per week for the Southern Boone County branch to keep that facility open on Friday evenings. Carr explained that staff reviewed these positions with the Finance Committee and their roles in the implementation of the Strategic Plan.

Carr said that at the Finance Committee meeting, staff explained the process employees went through with our health insurance broker, completing detailed applications reporting their medical histories in order to get true quotes from insurance providers. The broker provided several plan options right before the Finance Committee meeting, so staff hadn’t had time to thoroughly review these options. Carr said that the committee directed staff to evaluate the options before tonight’s meeting. She said that the committee also directed staff to investigate options for having staff participate in insurance premium costs. She explained that currently the library pays 100 percent of the premium costs for full-time employees. She said that the revised budget presented tonight includes a change in the health insurance line, thanks to the work of Tom Kayser of Sundvold Financial, Diana Buckner, and Melanie Henry. They identified an option that includes staff contributing 5% of the premium costs and that has just a slightly lower cost per employee than what the library paid in 2009. She explained that while the Finance Committee asked staff for cost sharing options by February, when staff saw that we could present an option that was budget neutral, they felt that it would be better to implement this change in January at the same time the raise goes into effect. This way, rather than having employee salaries go up in January and then decrease later in the year when cost sharing was implemented, the changes occur simultaneously.

Gerding explained that at the Finance Committee, members talked about the more than 13 percent increase in health insurance premiums quoted by the library’s current provider, which prompted the direction to staff to explore options for employees sharing some of the costs. Since then, Carr and her staff have been able to review the quotes from other insurance companies gathered by Sundvold, some of which the library received just yesterday afternoon. Gerding stated that the option from Mercy Health Plans makes it much more palatable to have the employees begin the cost sharing January 1.

In response to a question, Smith stated that he was fairly confident in the estimated 74% participation rate in the health insurance plan. He explained that some eligible employees waive coverage because they are on their spouses’ plans, and others are part-time
employees who cannot afford their portion of the insurance premium. Carr confirmed that under the recommended cost sharing plan the cost per month per employee for their share of the premium would be $25.36.

In response to a question, Carr said that the idea of having employees pay a portion of their health insurance premiums has not been discussed with all staff, but it has been discussed with the managers. She said she felt that this option balances the needs to provide a good plan for the staff and to choose a plan that does not over burden the library operationally for the future, as requested by the board.

Henry shared information regarding the benefits peer libraries provide.

Robinson stated that the board should be aware that this is going to be a question each year, and the board should decide whether it wants to address the issue year by year or establish a forward-looking policy that perhaps states the maximum increase in health insurance costs per year the organization will cover.

In response to a question, Carr said that the proposed plan with Mercy provides the same basic level of coverage for the employees as the existing plan with Anthem. She explained that whereas the library currently offers two plans – an HMO option with no deductible and a PPO option – the new option is just a single PPO plan with a deductible, which reduces the cost for the library. She stated that without the employee cost sharing, the increase in health insurance costs for the library in 2010 would be 4.6 percent.

ACTION: Sievert moved to change the library’s health insurance provider to Mercy Health Plans and to pay 95% of the premium costs for full-time employees and prorated amounts of the premium costs for employees working 20 or more hours per week. Powell seconded the motion.

In response to a question, Carr said the Mercy plan appears to be budget neutral for those paying for family members to participate in the library’s plan. She confirmed that she had staff run numbers for every category of employee to see how much the cost sharing would offset the two percent raise.

Robinson stated that in her opinion, a 13 percent increase in benefit costs is not palatable, but a 4 percent increase is. She suggested continuing to pay 100% for employees for this year but informing staff that cost sharing will likely be implemented next year. McDonald voiced his support of this opinion. Other board members stated that the library, like other organizations, will continue to see increases and should get employees used to the idea of sharing costs for health insurance now. Richards said he would defer to the director’s judgment on this topic, but he thought that the intent of the motion from the Finance Committee was to review the library’s benefit structure from a big picture perspective, as well as options for cost sharing and spouse and family coverage. The motion passed.
Dellsperger asked about employee participation in the retirement plan since the changes to the plan were implemented. Smith confirmed that the changes approved by the board go into effect with the November 15 payroll, and Buckner said that five more employees have enrolled in the plan. She added that nearly every participating employee increased their contribution to six percent. Smith said that the increased participation is estimated to have an impact of about $50,000 in 2010, and this is reflected in the budget.

Library Materials
Smith stated that the Library Materials line is projected to increase from the 2009 budget due to improving the collections at all facilities and implementing the Strategic Plan items listed in the budget message. He explained that this line shows a decrease from the projected actual amount for 2009 because it does not include donation spending, which is instead included under contingency.

General Operating
Smith said that the General Operating line is projected to decrease slightly from the 2009 budget because of the 2010 budget including fewer special requests for supplies and some vendors passing on cost savings to the library in 2010. This line includes professional fees for reviewing three recommendations included in CM Engineering’s Energy Assessment report. Smith commended IT Manager Mike Mullett for participating in the Tech Soup program for software licensing, which saved the library more than $7,000 over the past two years.

Building Operations and Maintenance
Smith said that this budget category is expected to increase slightly due to increased costs for electric and phone utilities, maintenance agreements, and Strategic Plan implementation steps. These steps include expanding the delivery schedule, which will require more gas and vehicle maintenance expenses.

Expenditures from Operating
Smith stated that total operating expenditures are projected to increase four percent from the 2009 budget, with one percent of this increase resulting from normal operations and three percent resulting from Strategic Plan implementation items. Smith said that comparing operating income to expenditures, the revised budget shows $522,670 in revenue over expenditures, which is an improvement from the budget reviewed with the Finance Committee.

Contingency
Smith stated that the Contingency line contains funds to offset the $120,000 in donations and the $20,000 in grants budgeted under revenues. This allowance allows the library to spend the grant and donation funds without overspending the budget in total, which would be a violation of state statute.

Capital Outlay
Smith explained that Capital Outlay decreased from 2009, largely because in 2009 the library purchased land for the parking lot. Smith said that the capital outlay items on the
enclosed furniture and equipment list were reviewed in detail with the Finance Committee.

**Fund Balance**

Smith stated that after considering all of the revenue and expenditure projections, staff estimates a projected ending fund balance of $7,385,386. He said that the DBRL Board has established three categories for saving funds for future needs. The Future Improvements of the Buildings Owned by the Library Districts line contains an estimate for the projected needs for major building repairs and maintenance over the next five years. Smith said that the Future Furniture and Equipment line includes the amount staff estimated for replacement of existing furniture and equipment over the next five years. Smith said that the Implementation of the Strategic Plan and Unrestricted Fund Balance lines contain funds that can be spent at the discretion of the board, and that the 2010 budget includes the expenditure of some of these funds set aside for the Strategic Plan.

Richards stated that he would like to see the total amount budgeted for Strategic Plan implementation items made more prominent, with a total dollar figure assigned. He expressed concern with the percent increase in expenditures in a year of zero revenue growth. He stressed the importance of getting the story out that the amount spent on ongoing operations isn’t increasing four percent, but the majority of additional expenditures are due to Strategic Plan implementation and service enhancements.

**ACTION:** Luebbert moved to recommend the CY 2010 DBRL Operating Fund Budget as revised to the individual library district boards for their approval. Sievert seconded the motion. The motion passed.

**Public Comment on CY 2010 Operating Budget** – There was no public comment on the CY 2010 DBRL Operating Budget.

**Recess to Individual Library District Board Meetings** – Daly moved to recess to individual library district board meetings. Dell sperger seconded the motion, and the motion passed. Gerding recessed the meeting at 8:45 p.m. The meeting resumed at 9:00 p.m.

**Reports from Individual Library District Board Meetings**

**Boone County** – Dell sperger reported that the Boone County Library District Board unanimously approved the CY 2010 DBRL Operating Fund Budget.

**Callaway County** – Beahon reported that the Callaway County Library District Board unanimously approved the CY 2010 DBRL Operating Fund Budget and adopted a resolution to require only one signature for the CCPL savings account at the Callaway County Bank.

**Columbia** – Webber reported that the Columbia Library District Board unanimously approved the CY 2010 DBRL Operating Fund Budget.
Evaluation Committee – Webber announced that the following day board members would receive an email with a link to the board self-study survey, and he asked for members to complete the survey within a week. Higgins thanked Webber for his work on the survey.

Old Business

There was no old business to discuss.

New Business

Library Policy Review – Carr explained that the revised Materials Selection Policy includes three attachments, ALA’s Freedom to Read statement, Freedom to View statement and Library Bill of Rights. She said that in the past, these documents were approved as separate policies, but because they are worded as belief statements and not policies, staff would like to have them approved as part of the Materials Selection Policy instead. She pointed out that other minor changes to the policy are in red. The board discussed the wording of the last sentence on page one and how it could be made clearer.

ACTION: Powell moved to approve the DBRL Materials Selection Policy with the last sentence on the first page worded as a positive statement and in a clearer manner. Dellsperger seconded the motion. The motion passed.

Carr pointed out the small wording changes in the procedure accompanying the Patron Comments Regarding Library Materials Policy.

ACTION: Dellsperger moved to approve the DBRL Patron Comments Regarding Library Materials policy as amended. Powell seconded the motion. The motion passed.

December Board Meeting – Gerding stated that in the past the board typically has canceled the December meeting due to there being little business for discussion.

ACTION: Luebbert moved, Dellsperger seconded, to cancel the DBRL Board’s December 10 meeting. The motion passed.

Public Comment

There was no public comment.

Staff Comments/Announcements

Carr said that some board members previously discussed having an event to celebrate the library’s receipt of two Columbia Image Awards and to view the video that accompanied the library’s nomination. Gerding offered to host an event at her home and suggested the
evening of December 10 if the board meeting is canceled. The majority of board members stated that they would be available that evening, and Carr said that staff would send out invitations and include some former board members involved in the building process.

**Board Comments/Announcements**

Board members shared their experiences completing October’s trustee activity of using a library service they previously had not used, including borrowing a book through interlibrary loan, attending a story time, and helping grandkids participate in the Reading to Rover program.

Gerding reminded the board members of their November and December activities: tell someone about what you learned last month or about your new experience; and get caught at the library – use it as an alternative site to meet a friend for a visit, have a cup of coffee (CPL), sit and enjoy a book or magazine, play on the Internet, bring an out of town visitor by, admire the artwork, etc.

**Adjournment**

There being no further business to discuss, Gerding adjourned the meeting at 9:23 p.m.

Minutes recorded by Lauren Williams, DBRL staff.

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Board Secretary