

Governing Board
Minutes – Approved 2-17-2010
October 21, 2009

**PLUM CREEK LIBRARY SYSTEM
GOVERNING BOARD**

TIME & PLACE:

The Governing Board met at the Regional Development Center, Slayton on October 21st, 2009 at 6:30 p.m. Chairperson Marcia Bork presided.

PRESENT:

Commissioner Don Evers, Lincoln County
Commissioner Bill Sauer, Murray County
Commissioner Tom White, Cottonwood County
Commissioner Rosemary Schultz, Jackson County
Commissioner Jane Wildung-Lanphere, Rock County
Commissioner Harold Miller, Pipestone County
Commissioner Diane Thier, Nobles County
Larry Arentson, Redwood County – Redwood Falls
Jeanette Sleeper, Murray County - Fulda
Cindy Albrecht, Jackson County – Jackson
Al Kruse, Lyon County - Marshall
Marcia Bork, Rock County - Luverne
Anne Lichtsinn, Lincoln County – Lake Benton
Nicole Elzenga, Cottonwood County – Westbrook
Anita Hallum – Nobles County
Martha Jongetjes, Pipestone County – Edgerton

Mark Ranum, Chris Lang, Cleo Wicks, Margie Salentiny, were PCLS staff in attendance.
Matt Taubert, CPA presentation of the FY 2008/09 Audit

ABSENT:

Commissioner Mark Goodenow, Lyon County
Commissioner John Schueller, Redwood County

1. CALL TO ORDER

Chairperson Marcia Bork called the October 21st meeting of the PCLS Governing Board to order at 6:30.

2. INTRODUCTIONS

3. PRESENTATIONS – FY 2008/09 Audit

The PCLS Audit for Fiscal Year ending June 30 2009 was distributed for review.

Matt Taubert, from the firm of Meulebroeck, Taubert & Co., PLLP Certified Public Accountants, presented the Audit. Taubert pointed out various aspects of the Audit, such as the balance sheet which reports a fund balance of 29,622 as of June 30, 2009 which is up significantly from the previous year; the Income and Expenditures Statement which reports Revenues and expenditures and Audit Compliance documents.

One control deficiency observed was the limited segregation of financial duties. Ideally, different employees would be responsible for various tasks, e.g., payroll, Accounts Receivable, Accounts Payable, etc. Due to the limited staff, this deficiency cannot be entirely eliminated but PCLS has implemented several internal procedures to reduce risk. According the Auditor Report, another area of deficiency is the “lack of expertise by the organization personnel to prepare financial statements in accordance with generally accepted accounting principles”. It was noted that this does NOT reflect negatively on staff and that it is a common finding among many small

organizations. In fact, Taubert stated that every small organization he works with has this deficiency. In order to cure this deficiency, an organization like PCLS would need to hire several more staff, including a CPA and additional staff to separate accounts receivable and accounts payable. PCLS staff were commended on the creation and implementation of the internal control policies and procedures manual as recommended by the Auditor. These policies and procedures place PCLS far ahead of most organizations of similar size for accounting and control practices.

Taubert further explained that PCLS is in compliance with all requirements under the US Generally Accepted Auditing Standards and Government Auditing Standards.

In times of limited resources, Taubert encouraged the PCLS Board and staff to continue to be cost conscious and conservative.

M/S J. Wildung/B. Sauer to receive and accept the FY 2008/09 PCLS Audit Report and to express appreciation to PCLS staff for being fiscally vigilant over the past fiscal year.

There was no further discussion.

Motion passed by unanimous vote.

4. PUBLIC COMMENT

PCLS welcomes comments from the public on agenda topics or other issues. The public is encouraged to notify Plum Creek prior to the meeting if they are interested in making comments on a specific agenda topic or issue. Individual's comments will be limited to five (5) minutes. PCLS will allow a maximum of twenty (20) minutes for public comment during any one Board meeting.

Ranum noted that PCLS has not had a "public comment" section on the agenda in the past but is recommending it be included in all future agendas.

Sauer commented that the according to the state auditor, the Board can not act on comments from the public during the regular meeting. He suggested that a phrase be added to the public comment language to explain that.

M/S D. Evers/J. Sleeper to approve the addition of the "Public Comment" section to future Governing Board agendas with the inclusion of language stating that action on public comment will not be made by the Board.

There was no further discussion.

Motion carried by unanimous vote.

5. AMENDMENTS TO THE AGENDA

Hearing no call for amendments, the October 21st Agenda of the PCLS Governing Board was declared approved.

6. MINUTES

6A. Governing Board – September 16, 2009

The Minutes of the September 16th meeting of the Governing Board were reviewed.

M/S A. Kruse/R. Schultz to approve the Minutes of the September 16th meeting of the Governing Board as presented.

There was no further discussion.

Motion carried by unanimous vote.

6B. Advisory Council – Information documents

6B1. No meeting in July, August or Sept

No Advisory Council meeting Minutes were reviewed.

7. REPORTS

7A. Director's Report

7A1. Notification of approved Legacy Grant

Ranum called the Board attention to the Legacy grant approval notification included in the agenda packet. He reported that PCLS's share of the 4.25 million dollars of Legacy Funds appropriated by the State Legislature is 2.67% or \$110,897.70. Legacy Fund payments will be issued in ten equal monthly installments of \$11,089.77.

7A2. Arts and Cultural Heritage Fund Planning Committee

Ranum made the Board aware that he has been appointed to serve on the statewide Arts and Cultural Heritage Fund Planning Committee (ACHF).

The committee's purpose is to develop a ten year plan and twenty five year framework for the use of the 19.8% in total revenue generated from the new sales tax implemented by the State Legislature.

Ranum is the only representative from the library community to serve on this committee.

7B. Financial Report

7B1. September

The September, 2009 financial report was distributed and reviewed.

Although the September ending cash flow balance appears inadequate, PCLS has since received the first Regional Public Library Basis System Support (RLBSS) grant payment (FY 09/2010) in the amount of \$98,037.12 as well as the October Legacy Fund payment of \$11,089.77. These amounts will be reflected in the October financial report.

Ranum reminded the Board that Legacy funds may be used to offset his, Chris', and Cleo's time as programs and services are facilitated, as long as these expenditures do not supplant current activities.

All September expenses were routine in nature.

There were no questions or concerns.

M/S N. Elzenga/R. Schultz to approve the September Financial report as presented.

There was no further discussion.

Motion carried by unanimous vote.

7C. InterLibrary Loan – 6-month report of usage

The Interlibrary Loan six-month report of usage was distributed and reviewed. Ranum called the Board's attention to the fact that 64,996 items were loaned member library patrons during the first six months of the year. This compares to 51,629 items during the corresponding period of time in 2008 (an increase of 25%)

Ranum encouraged the Board members to report to their local city or county boards that resource sharing works very well and that the number of items being shared is a direct representation of how well member library patrons are being serviced.

7D. Delivery – 6-month report of usage

The Delivery System six-month report of usage was distributed and reviewed. Ranum explained that the delivery system reports reflect the number of items being routed between and among the member libraries. 146,150 items were sent via the delivery system during the first six months of calendar year 2009 which is an increase of 24.52% over the corresponding time period in 2008.

In response to a question raised regarding the loaning of new materials, Ranum clarified that the open sharing agreement recommended by the Advisory Council and passed by the Board as part of the Circulation policy which indicates that the libraries would share all new materials with the exception of materials used for display and patron browsing for a limited period of time (three to four days). A process has been implemented for that purpose. Ranum explained that when a local patron places a hold on a new item that has been checked out to another library's patron, when the book is returned, the local patron's hold takes precedence.

7E. Bookmobile – 6-month report of usage (circ and patron count)

The Bookmobile six month reports of circulation and patron usage were distributed and reviewed. Ranum noted that the cost per bookmobile circulation remains competitive with that of member libraries.

F. Jackson County School – Update: SAMMIE funds, timeline, etc

Ranum reported that PCLS received a grant from SAMMIE in the amount of \$10,000 to off-set costs associated with adding four Jackson County schools' holdings to the PCLS automation online catalog. The Jackson County School District has also allocated dollars (approximately \$8,800) for the project.

Ranum shared an evaluation prepared by Mollie Pherson, SELCO, who has facilitated similar projects in the SELCO region. Pherson and Ranum visited the JCC schools to determine the best strategy for moving the project forward.

The expected timeline would be that over the next couple of months, the Jackson schools' collections would be weeded; initial barcoding of materials would be completed as well as patron registrations in preparation for the holdings migration to SIRSI shortly after the first of the year. Staff training will also be scheduled.

Delivery service will be implemented to all four schools when implementation has been completed.

7G. Other

There were no other reports.

8. OLD BUSINESS

8A. Other

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There was no Other Old Business brought to the table.

9. NEW BUSINESS

9A. Pipestone County Libraries

Ranum provided the Board with background information on the kinds of reports that he has run from the automation system. Of the reports, for example, provides information on who the consistent and heavy users are and where they are from. In his research, Ranum found that one of the heaviest users in the region was a fictitious name on a library card issued by the Edgerton Public Library. From the information gathered from talking to the Edgerton librarian, Ranum wrote a letter to the Board, Pipestone County Board, as well as Edgerton Public Library Board and the Meinders Community Library Board outlining his concerns.

Pipestone County distributes its library funding to the libraries in Edgerton and Pipestone based on a formula which uses circulation and hours open as contributing factors. Due to a procedure to restrict access to some materials in Edgerton, circulation statistics have been inflated. Since circulation is a factor in the distribution of funds, the inflated circulation statistics would have also inflated the dollar amount that Edgerton would receive from the county.

Ranum met with County Commissioners Butch Miller and Marv Tinklenberg and County Administrator Sharon Hanson to see how to proceed. A meeting with the Edgerton Library Board is being planned as well.

Miller commented that perhaps PCLS could provide additional training and a reiteration of the rules so that there is no misunderstand or misinterpretation of the rules.

Ranum will keep the Board informed as information is gathered and resolutions to the issue are found.

Ranum noted that the financial issue that is involved is an issue that would need to be resolved by the Board of County Commissioners. The other issue for Plum Creek is the issue of restricting access to materials which is against PCLS policy. That issue will be addressed when he meets with the Edgerton Public Library Board.

9B. Nominating Committee

9B1. Vice Chair (Commissioner Harold Miller – advances to Chair)

Ranum noted that Commissioner Harold Miller will advance to PCLS Governing Board Chair for 2010.

Ranum noted that a nomination for Vice Chair is needed for 2010. This person would traditionally be a citizen member of the board to keep on an alternating basis between commissioner and citizen member.

Jongetjes requested that Nicole Elzenga be on the slate of officers as Vice Chair for calendar year 2010.

9B2. Treasurer (current Treasurer Diane Thier)

Commissioner Diane Thier volunteered to service as Treasurer for calendar year 2010.

9B3. Secretary (current Secretary Nicole Elzenga)

Commissioner Thier requested that Anita Hallum be on the slate of officers as Secretary for calendar year 2010.

M/S T. White/D Evers to nominate and cast a unanimous vote for the following slate of Officers of PCLS Governing Board for calendar year 2010: Vice Chair: Nicole Elzenga; Treasurer: Diane Thier; Secretary: Anita Hallum.

There was no discussion.

Motion carried by unanimous vote.

9C. PCLS Legacy Sponsorship Committee

Ranum provided the Board with a list of potential PCLS Legacy Sponsorship Committee members. He noted that this committee would meet to make decisions on what programs to sponsor with Legacy dollars. Ranum reminded the Board that they had authorized him to make those decisions in the interim. Only one such decision was made and that was the program co-hosted by the Meinders Community Library and Pipestone County Historical Society entitled *Haunted Minnesota*.

Ranum made the Board aware that the Library Directors have a process in place for submitting applications for Legacy programs as well as an evaluation process. PCLS can not directly “grant” money to the libraries, however PCLS can “sponsor” programs. This could mean that all program costs are covered by PCLS Legacy funds or PCLS staff could coordinate the programs, etc. whichever is needed by the libraries.

Ranum noted that the state is doing an “Asset Identification” project in which all the various arts, history and cultural entities will be identified by community and region.

The following people have been recommended to serve on the Legacy Sponsorship Committee:

Mark Ranum, Director
Chris Lang, Legacy Projects Administrator
Cleo Wicks, Finance (ex officio)
Stephanie Hall, Pipestone County (member librarian)
Carol Lehman, Cottonwood County (member librarian)
Nicole Elzenga, Redwood County (PCLS Board)
Robin Chaney, SAMMIE

M/S M. Jongetjes/A. Kruse to approve the Legacy Sponsorship Committee members as per Ranum’s recommendation.

There was no discussion.

Motion passed by unanimous vote.

9D. Jackson County School Agreement

Ranum presented the Jackson County School Agreement in draft format. The Advisory Council of Library Directors reviewed the draft agreement earlier in the day and suggested the following minor revisions:

Item 2A second paragraph beginning with “Remote telecommunications...” should be deleted.

Item 2B. The following sentences have been added: “Equipment required for operating the system will be purchased by PCLS. PCLS will be reimbursed by the online library.” These statements ensure that equipment purchased to run the automation system will have all the requirements needed for use.

Item 4B the phrase “upgrade or backup” has been added to the statement.

Item 4H has been revised to state that PCLS will not be responsible for Internet performance or connectivity between the central site and the Online Library. A similar statement will also be added to the Responsibilities of the Online Library (5J).

Item 8 paragraph 1 “Interlibrary Loan policy and procedures” will be changed to “Circulation policy and procedures.”

Item 14 Policies and Responsibilities Statement. This statement reflects the fact that all Online Libraries (which would include member public libraries) will agree to follow the policies and procedures approved by the PCLS Governing Board.

Ranum noted that the intention is to create a similar Agreement for all the schools on the PCLS database.

Ranum requested approval from the Board to have the School Agreement signed by himself and Board Chair and to forward the Agreement on to the Jackson County School District.

M/S D. Evers/A. Hallum to approve the School Agreement for signature as presented and revised.

Schultz asked if training would be provided to library staff and teachers. Ranum clarified that initial and ongoing training on the automation system will be conducted as needed. Ranum noted that he is also working with Robin Chaney (SAMMIE Director) to provide ELM database training as well.

Motion carried by unanimous vote.

9E. 2010 LSTA Grant application

Ranum made the Board aware that each year the State of Minnesota receives LSTA (library services and technology act) funds from the Federal Government which are made available to libraries and regional systems through a competitive grant process.

At this point Ranum has ideas for projects that might be funded with LSTA funds such as technology related projects like Open Source software. Ranum sought authorization from the Board to approve the Chair’s signature on all LSTA related letters of intent or applications should he decide to apply for LSTA funding.

M/S A. Kruse/N. Elzenga to approve the Director and Chair’s signatures on all LSTA related documents and applications should the Director elect to apply for LSTA funding.

There was no further discussion.

Motion carried by unanimous vote.

9F. Other

There was no other New Business brought to the table.

10. DISCUSSION

10A. Other

There were no topics of discussion brought to the table.

11. EXECUTIVE SESSION

11A. Legal issue

No legal issues were brought to the table for executive review.

12. REPORTS FROM THE BOARD MEMBERS

Reports from the Board members were heard.

13. CALENDAR OF EVENTS

- A. October 14-16 2009 St. Cloud Civic Center
- B. October 28, 2009 ELM Training – Slayton Library 9-12 or 1-4
- C. November 3, 2009 Legacy Funds Workshop – RDC Slayton 9:30-12:30

14. PENDING AGENDA ITEMS

- A. PCLS Agency Agreement review

15. NEXT MEETING

- A. Date: January 20, 2010
- B. Location: Regional Development Center, Slayton (not yet confirmed)
- C. Time: 6:30

16. ADJOURNMENT

Having completed the agenda, Board Chair Marcia Bork declared the October 21st meeting of the Governing Board adjourned.

Respectfully submitted

Chris Lang
PCLS Office Administrator