

*The Mission of LARL is to link people and communities
to resources and experiences
for learning and enrichment.*

**LARL BOARD OF TRUSTEES
EXECUTIVE/FINANCE COMMITTEE MEETING
MINUTES**

A joint meeting of the Lake Agassiz Regional Library Executive Board and Finance Committee was held on Thursday, April 19, 2012 at the Moorhead Library.

Executive Committee Members Present: Bunes, Bursik, Ingersoll, Lindgren, Perry (Chair),
Vinz.

Executive Committee Members Absent: Hooper

Finance Committee Members Present: Chevalier, Fox, Ingersoll, Nelson, Perry (*ex officio*),
Viz (Chair).

Finance Committee Members Absent: Winterfeldt.

Others Present: Fredette, Sprynczynatyk, Anne Fredine – Assistant Regional Library Director.

President Perry called the meeting to order at 5:30 p.m.

There was no public input.

APPROVAL OF AGENDA

(Bursik/Fox) Move to approve the agenda of the April 19, 2012 Executive/Finance Committee Meeting as presented. MCU.

APPROVAL OF MINUTES

(Vinz/Lindgren) Move to approve the February 16, 2012 Executive Committee Meeting Minutes as presented. MCU.

(Bunes/Chevalier) Move to approve the February 1, 2012 Finance Committee Meeting Minutes as presented. MCU.

FINANCIAL REPORT

We are 25% of the way through 2012 and as of March 31st, 24.16% of budgeted expenses have been spent. The expense line items that currently appear high are: Summer Reading Program due to items being ordered to prepare for the 2012 Summer Reading Program;

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FINANCIAL REPORT (continued)

Regional Board Meetings/Mileage due mainly to mileage for board members to attend union negotiation meetings; Accounting/Bank Fees due to the audit having been paid; and, Recruitment due to advertising for positions in Barnesville, Crookston and Moorhead.

Sprynczynatyk discussed the Directors and Officers Insurance Policy and Employment Practices Liability Insurance Policy. LARL received quotes for \$1,000,000 of coverage for each policy, which is the coverage LARL currently has, and a quote to increase coverage to \$2,000,000 of coverage. After discussing the options the Committee decided LARL should keep the coverage at the current \$1,000,000.

(Bursik/Vinz) Move to approve payment of the Directors and Officers Insurance Policy/Employment Practices Liability Insurance. MCU.

Sprynczynatyk discussed the 2013 Preliminary Budget which is largely based on the 2012 Final Budget. Expense items that changed from the 2012 Budget to the Preliminary 2013 are: Salaries increase \$58,775 due to the salary increase proposed to the union, although this projection is only based on a proposal that hasn't been approved by the Board nor the union; Health Insurance estimated to have a 10% increase; and, Automation System increased by \$9,176 due mainly to increases in annual maintenance costs. There is a new expense line item for Materials Recovery: Unique Management for \$3,200, for the collection service that LARL started using in 2012.

Revenue items that changed from the 2012 Budget to the Preliminary 2013 are: Basic Support – MN (RLBSS), this \$20,101 decrease is just an estimate we won't know the funding we will receive from the State until August. Miscellaneous Revenue has been decreased by \$9,650 due to LARL's savings balance decreasing which will result in lower interest earning. In order to not increase the amount budgeted to come from reserves to cover LARL's budget deficit, the Fund Account Transfers were kept at \$313,054. The additional funds needed to balance the budget were determined to be \$133,098 which was put into the LARL funding formula and an increase was calculated for each Signatory.

Fredette discussed LARL's upcoming budget challenges. A few unknown items could be significant to the 2013 budget and those items are: health insurance, further cuts in State Aid (RLBSS), and the response from Signatories regarding LARL requesting an increase. Some items that the Board could consider to decrease expenses are: reducing hours of service, reducing staffing, less frequent delivery, reducing the Library Materials budget, closing LINK Sites and/or branches.

Sprynczynatyk discussed a proposed change to LARL's Shared Leave Policy. Under the current policy if an employee earning \$20 per hour were to donate an hour of leave to an employee earning \$10 per hour, the \$10 per hour employee would received 1 hour of sick leave. Under the proposed new plan if an employee earning \$20 per hour were to donate an hour of leave to

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FINANCIAL REPORT (continued)

an employee earning \$10 per hour, the \$10 per hour employee would received \$20 worth of leave. By the employee receiving the value of the leave, the \$10 per hour employee would received 2 hours of leave.

(Ingersoll/Bursik) Move to approve the revised Shared Leave Policy as reviewed by Management and Hub Supervisors. MCU.

Sprynczynatyk discussed proposed changes to the Working Guidelines for Supervisory and Confidential Employees. A proposal the union negotiating team proposed to the union was a change (increase) in the vacation hours schedule. To keep non-union employees in line with the proposed new union schedule a new schedule was also calculated for non-union employees. While the Working Guidelines were being updated it was noted that Vision Insurance needed to be added to page 2. The Assistant Regional Library Director also needed to be added to the employees listed on page 6, section 4A who are to earn 26 days of vacation per year. The schedule in section 4B was updated to proportionately increase the same as the union schedule has been proposed to increase.

(Fox/Nelson) Move to approve the revised Working Guidelines for Supervisory and Confidential Employees, contingent on approval of Union contract changes proposed at the most recent Union negotiating meeting. MCU.

DIRECTOR'S REPORT

Fredette thanked Perry, Bursik, Ingersoll and Sprynczynatyk for serving on the Union Negotiating Team. The Union is voting on the proposals at this time.

There will be a new Board member from Clay County at the May meeting, Wendy Ward from Barnesville.

Fertile Branch hours have been expanded, effective April 16th.

A building in Bagley is being looked at for possible renovation/moving the Bagley Library. An architect/professor from NDSU, David Crutchfield, is donating his time to help LARL with the building. Planning meetings are happening and the building can be converted, but the City of Bagley needs to agree and be willing to keep up the new building before the project can move forward.

The Frazee LINK site is possibly moving. The LINK Site is currently sharing a building with a Thrift Store. The city has proposed a downtown site for the LINK Site.

Fredette discussed a proposed change to the Legacy Formula. Currently the State Library distributes the money based on the Regional Library Basic System Support (RLBSS) Formula.

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DIRECTOR'S REPORT - continued

The new formula would be based on service points rather than the equalization factor in the RLBS formula.

(Vinz/Buness) Resolve that: The LARL Governing Board endorse and support the proposed change to the Library Funding Formula which removes the equalization portion and replaces it with the qualifying system entities portion while retaining the current percentages for each formula factor. MCU.

(Ingersoll/Bursik) Move to approve the 2012-2013 Contract with AFSCME, presented by the LARL Negotiating Team on April 3, 2012, assuming it is approved by the Union voting members. The proposal includes a 2% increase in 2012 and a 2% increase on the grid, as well as a 1% increase in 2013, plus a revised vacation schedule. MCU.

PRESIDENT'S REPORT

No report.

The meeting adjourned at 6:43 p.m.

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