

Scenic Regional Library
Board Minutes – January 12, 2017

Scenic Regional Library Board of Trustees met at the Zion United Church of Christ in Union, Missouri on January 12, 2017; at 7:00 pm. Carol Leech presided at the meeting. Those attending the meeting were John Barry, Leonard Butts, John Cheatham, Joy Dufrein, Kathleen Ham, Karen Holtmeyer, Bob Niebruegge, Susan Richardson, Carla Robertson, Paula Sutton, and Diann Wacker. Carol Bell was absent. Steven Campbell, Library Director, Dan Brower, Assistant Director, Kjersti Merseal, Business Manager and Human Resources Manager and Charlean Stockton, Administrative Assistant was also present. Guests in attendance included Michelle Bock, with Piper Jaffray & Co., and Mark Grimm, with Gilmore & Bell, P.C., Doug Dunlap, Scenic Regional Library Foundation Board President and Rachel Terbrock, Manager of Scenic Regional St. Clair Branch.

There were no public comments.

Public Comments

John Cheatham made the motion to approve the Minutes of the November 15, 2016 meeting. Karen Holtmeyer seconded the motion. All voted Aye. The motion carried 10/0.

Approval of Minutes

Joy Dufrein and Carla Robertson entered the meeting at 7:19 pm.

John Barry asked about the amount of employee reimbursements on the financial report. Kjersti Merseal explained it was due to Staff Development Day, as Scenic Regional staff was required to drive to Union.

Financial Report

Signs announcing the new branches have been placed on all of the building sites. A webpage has been created on Scenic Regional's website to post the plans for the new facilities. We will also place photographs documenting the construction throughout the year on the webpage. The address is www.scenicregional.org/newlibraries.

The passport service begun at Scenic Regional's Union branch on January 3, 2016, brought in \$175 during the first week. The Missourian has published two articles on the new passport service, which has helped to advertise the program.

Dave Politte, the library's attorney, drew up two resolutions concerning the Montgomery County annexation. The first resolution creates three library subdistricts in the county along school district boundary lines. The second resolution places a tax measure on the April 4, 2017 ballot. Steve Campbell plans to meet with the Montgomery County Commission to discuss the resolutions.

House Bill No. 568 was introduced to the Missouri House of Representatives by Representative Nate Tate on January 11, 2017. The bill is to address the representation issue created from the annexation of Sullivan.

Dan Brower has accepted a new position as Assistant Director with the Cass County Library system, south of Kansas City. His last day with Scenic

Regional Library will be February 3, 2017. The Assistant Director position has been advertised in Missouri, Illinois, Arkansas, Tennessee, Indiana, Iowa and with the Mid-America Library Alliance. Currently, two 2 applications have been received.

Bob Niebruegge made the motion to approve the Financial Report. Susan Richardson seconded the motion. All voted Aye. The motion carried 12/0.

The Board reviewed the Librarians Reports.

Steve Campbell introduced the new St. Clair Branch Manager, Rachel Terbrock. Ms. Terbrock began her duties on January 3, 2017. She was previously employed with Scenic Regional as a part-time circulation clerk at the library's Owensville branch. She has a bachelor's degree in psychology from Columbia College and served as a regional and area director in the Missouri First Steps system.

Doug Dunlap of the Scenic Regional Foundation Board spoke to the board about sponsorships for the new libraries. Steve Campbell said that with the groundbreaking coming up it would be nice to have the ideas in place, such as naming specific items or locations within the buildings, with a plaque to note the donations. Doug Dunlap mentioned offering metal plaques mimicking book spines with names of the donors engraved on them. He also feels that we should offer legacy-type sponsorships.

John Barry spoke of donations to the Scenic Regional's Warrenton branch that have been recognized and that he felt that it was a good idea to show the appreciation of the library. There was discussion about the various types of donations, levels and sponsorships that could be used. Leonard Butts said that he liked the idea of the book spines, he felt they were a classy approach. Karen Holtmeyer liked the idea of buying the naming rights to items yearly in order to raise more money for the library.

Doug Dunlap feels that we should get information about how to donate to the library out to those who may be looking for ways to donate. Doug Dunlap proposed annual auction events in each community for naming rights of different sections of the new buildings, allowing individuals or businesses the chance to bid on having their names on a space in their local branch just for a year. The board agreed to the Foundation Board's proposal for sponsorships. They did not feel a formal vote was necessary.

Michelle Bock, the library's municipal advisor with Piper Jaffray stated that rates are still up since the election, but things have somewhat stabilized. Currently, the library is looking to obtain \$17.8 million to \$17.9 million in project funds at a rate of 3.9% over 30 years. The bonds will be sold and the funds available by February 1, 2017. Scenic Regional received a bond rating with S&P of "A", due to the district being so recently consolidated and the library running on a cash basis, not accrual. This means there will be about \$200,000 to \$220,000 less in project funds for the library.

Mark Grimm, the library's bond counsel with Gilmore & Bell, presented the board with the resolution. The board was also presented with the Summary

Librarian's Reports

Introduction of the New St. Clair Branch Manager

Sponsorships for the New Libraries

Proposed Building Project Financing Resolutions

of Documents Related to the Issuance of Certificates of Participation, explaining the documents the board was being asked to sign and laying out the parameters of the resolution authorizing the issuance of the Certificates of Participation including the following:

- Principal amount cannot exceed \$20,000,000
- Final maturity cannot be later than April 1, 2047
- Interest rates cannot be greater than 5.00%
- True interest cost cannot exceed 4.75%
- Underwriting discount cannot exceed 0.80%
- Weighted Average Maturity of the Certificates cannot be more than 19.5 years

It was explained to the board that while the interest rate parameter was no greater than 5.00%, the proposed rate is 3.9%. The bonds will be double tax exempt and have an 8-9 year call with no prepayment penalty.

John Cheatham made the motion to approve the Resolution Authorizing Scenic Regional Library District To Enter Into a Lease Purchase Transaction, the Proceeds of Which Will Be Used to Pay the Costs of a Project for the District; and Authorizing the Execution of Certain Documents and Approving Certain Actions in Connection Herewith. Bob Niebruegge seconded the motion. All voted Aye. The motion carried 12/0.

Steve Campbell told the board that The Missouri Library Association's annual Library Advocacy Day will be held on Tuesday, February 7, 2017 in Jefferson City. It is common to have a few staff members attend; some years Scenic Regional has had a Board member or two attend as well. Scheduled is an orientation in the morning, lunch for the attendees, then a visit with the library districts' legislators to discuss issues related to libraries. Steve Campbell asked if any Library Board members be interested in attending this year's Library Advocacy Day. Susan Richardson and Carol Leech expressed interest in attending and said they would contact Steve Campbell after checking their schedules.

Library Advocacy Day

Steve Campbell informed the board he has scheduled the ground breaking events for the new facilities. Construction will begin on April 19, 2017, according to JEMA. It was decided to hold two events each Saturday and schedule them as close to the beginning of construction as possible in order to avoid bad weather. The ground breaking events will be held on Saturdays because most people, including some Library Board members, have jobs and wouldn't be able to attend an event during a week day. Events being held within the same county were scheduled for different weeks in an effort to improve news coverage.

Groundbreaking Events for the New Libraries

Steve Campbell after much research there appeared to be a wide range of activities that can occur at groundbreaking events, but that he didn't want them to become too elaborate. Steve Campbell then asked the board what they would like to do, what ideas did they felt should be implemented. Carla Robertson stated she felt that we should stay simple and save all the expensive ideas for the grand openings.

For each community's event, the Scenic Regional will invite Library Board members, Library Foundation Board members, the local newspapers, state legislators, county commissioners, city council members, city administrators, mayors, school board members, school superintendents, Friends of the Library members, Chamber of Commerce directors, and other notable people.

The event schedule is as follows:

- Saturday, March 25 - Owensville – 3:00 PM
- Saturday, April 1 – St. Clair – 11:00 AM
- Saturday, April 1 – Warrenton – 3:00 PM
- Saturday, April 8 – Pacific – 11:00 AM
- Saturday, April 8 – Wright City – 3:00 PM
- Saturday, April 15 – Sullivan – 11:00 AM
- Saturday, April 15 – New Haven – 3:00 PM

The board was presented with the 2015-2016 annual audit. The auditor had several recommendations for the board. Steve Campbell said that they were going to segregate duties to adopt most of the recommendations once QuickBooks could be placed on the server. The board agreed that complying with the recommendation to have bills paid through auto draft, such as utility bills, pre-approved was unnecessary.

2015-2016 Audit

John Cheatham made the motion to approve the 2015-2016 Audit. Bob Niebruegge seconded the motion. All voted Aye. The motion carried 12/0.

Proposed Unattended Children Policy

Dan Brower presented the board with the proposed Unattended Children Policy. He explained that he examined policies of other libraries and compared the data with Missouri state statutes concerning the ages at which a child can be left unattended, but that the board could change the ages if they felt it was necessary. The proposed policy mirrors that of other libraries. Karen Holtmeyer said that she felt that the parents needed to be held responsible for the care and supervision of their children. Bob Niebruegge stated that if the age is raised too high, the children will have a difficult time attending the summer reading programs, and he does not want them to feel as if they are being turned away. Many children in Owensville ride their bicycles to the library. Rachel Terbrock, St. Clair Branch Manager, stated that while she worked at the Owensville branch there were children that rode their bikes to the library, but they were overall well behaved. John Barry says he agrees that the parents should be responsible for their children; it should not fall on the library. Carol Leech asked if the policy could be worded differently to offer the branch managers discretion. John Cheatham suggested speaking to the branch managers and Dan Brower said that he planned to speak to them at the upcoming branch managers meeting.

John Cheatham made the motion to table the Unattended Children Policy until the February 2017 meeting. John Barry seconded the motion. All voted Aye. The motion carried 12/0.

Hoopla Usage Fees

Steve Campbell explained that Hoopla was added in the spring of 2015 by Scenic Regional as one of the library's "big ticket" digital resources promised during the tax levy campaign, along with Freegal and Zinio. Hoopla is paid per checkout/download/stream, unlike many of our other digital services. Initially, usage was very low, but the service has been published heavily over the past year and growth has steadily risen.

\$15,000 was budgeted for Hoopla for the 2016-2017 fiscal year based on 2015 usage. However, the first five months of the 2016-2017 fiscal year, the library experienced \$3,300 a month of usage. This increased to \$4,100 in December 2016. The usage was on pace for \$45,000 for the fiscal year; triple the budgeted amount. While the library has wanted increased usage, it's grown much higher than expected over the past 6 months.

A cushion in Scenic Regional's electronic resources budget line was used to accommodate the Hoopla overages between July and December 2016. However, in order to remain within budget for the electronic resources line, a \$2,000 per month cap was placed on the Hoopla usage. The cap is actually implemented daily. Once the library's funds for a given day are spent, when patrons attempt to download/checkout/stream an item they're given a message that the item is currently unavailable and they should try again the next day. The caps went into effect on January 1 and the branches have received several phone calls from unhappy patrons. This is similar to a patron attempting to checkout a physical item, like a book or DVD, that's already checked out. The difference is that for the past two years, these e-users have been accustomed to unlimited and unrestricted usage.

Steve Campbell asked the board to increase the cap on Hoopla temporarily until the other issues with electronic materials are worked out. The board agreed to the temporary increase to \$4,000 per month and did not feel a formal vote was necessary.

On December 1, the library moved from Overdrive to Cloud Library for its e-books and e-audiobooks. There have been multiple issues with the Cloud Library services, and while many of the log-in and other technical issues have mostly been resolved, device compatibility remains the biggest issue. Not all devices are compatible and the patrons using those devices are now unable to access the services. Scenic Regional has offered take-a-ticket training to patrons and also purchased RCA Voyager tablets to patrons who have been unable to use the services due to device incompatibility.

Resolving Cloud Library Issues

Scenic Regional's eBook usage was reduced by 50% during the month of December. While patrons have the other options of One Click Digital and Hoopla, most have been very discouraged with the loss of Overdrive. Bob Niebruegge stated that the holds that were supposed to transfer from Overdrive to Hoopla were not all carried over.

After discussion, Steve Campbell suggested bringing back Overdrive to assist the patrons who may not have access to devices compatible with Cloud Library. However, the \$12,000 platform fee was not in this year's budget. He would need the board's approval to over-spend the electronic materials line by that much. He also asked if it would be acceptable to the board to spend

\$20,000--\$25,000 to buy titles for Overdrive prior to re-launch.

Carla Robertson made the motion to allow up to \$12,000 to be spent to re-add Overdrive to Scenic Regional's digital collection and additional \$20,000-\$25,000 to buy titles for Overdrive prior to re-launch. Susan Richardson seconded the motion. All voted Aye. The motion carried 12/0.

There was a roll call vote to move into Executive Session: John Barry—Aye, Leonard Butts—Aye, John Cheatham—Aye, Joy Dufrain—Aye, Kathleen Ham—Aye, Karen Holtmeyer—Aye, Carol Leech—Aye, Bob Niebruegge—Aye, Susan Richardson—Aye, Carla Robertson—Aye, Paula Sutton—Aye and Diann Wacker—Aye.

The Board moved into Executive Session at 9:15 pm.

The Board returned from Executive Session at 9:29 pm.

There being no further business, Carol Leech adjourned the meeting at 9:30 pm.

Secretary

Approved: _____
President, Scenic Regional Library Board of Trustees

Date: _____