

MINUTES

Meeting of the Pioneer Library System Board of Trustees Tuesday, March 27, 2018 Minutes

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1. Meeting Called to Order.

Chuck R. Thompson, Chair, called the meeting to order at 6:32 p.m.

1.01 Roll Call.

Members present

Mike Box, Blanchard; Marilyn Bradford, Pottawatomie County; Lenora Burdine, Oklahoma City; Brenda Hill, McLoud; Allyson Horton, Slaughterville; Lynda Howeth, Newcastle; Karen Kinsey, Tecumseh; Susan Moffat, Lexington; Jon Myers, Noble, Bob Perry, Shawnee; Charlie Sherman, Purcell; Chuck R. Thompson, Norman, and Brent Wheelbarger, Moore.

Members absent

Mark Alfonso, McClain County, and Todd Gibson, Cleveland County, were absent.

Executive Director Lisa Wells was in attendance.

1.02 Introduction of Guests.

Andy Peters, Doug Buck, Amber Cole, Peggy Cook, Mike Pierson, Jennifer Marshall, Keith Merckx, Aiden Street, Pamela Holt, Donna Houck, Galyn Hembree, Jim Johnson, Leanne Lewallen, David Altimont, Alicia Turley, Janet Armbrister, and Vicki Tichenor.

Wells introduced Janet Armbrister, Pioneer's new Executive Business Specialist, to board and guests.

1.03 Branch Update and Board Recognition.

Typically Pioneer recognizes staff with longevity pay for their years of service during the annual Staff Development Day. Wells felt board members should also be a part of this recognition of staff longevity award winners, and honor them for their years of experience and commitment to PLS. In the future board members will see this type of recognition during board meetings.

Wells presented Programming Specialist Galyn Hembree with a Certificate of Recognition for her 15 years of service to the Pioneer Library System.

Norman West Branch Manager Mike Pierson welcomed board and guests to his branch. Pierson recognized the very important partnership Norman West enjoys with *Jazz in June*. *Jazz in June* is now in its 35th year. And for the past few years, the artists have visited the Norman West Library during the summer.

At night *Jazz in June* presents the best Jazz performers around, and during the day the artists come to the library and share their history, their writing style, and their story.

The library's partnerships with KGOU, University of Oklahoma, and the Norman Arts Council have all made this possible. Pierson wanted to recognize, KGOU, Hard Luck Jim Johnson, Program Chair for *Jazz in June*. Pierson presented Johnson with a Certificate of Appreciation.

Pierson shared a success story about the Norman West Library Branch that happened in February. A library customer needed help writing his resume, printing his resume, and then went directly to his job interview. Because he was going to his job interview, he brought a tie, but he didn't know how to tie his tie. So Librarian Nelson Dent, an impeccable dresser himself, was able to help him out with that. Staff captured that moment with a photo, and he got the job!

That story reminded Pierson why he works for the library. "We help people change the trajectory of their lives by connecting them to ideas they can find in a book, and helping them with their resume so they can ace a job interview."

1.04 Public Comments.

There were no public comments.

2. Consent Docket

2.01 Consider Approval of the Consent Items 2.01 – 2.05 in Accordance with the Recommended Action on Each Listed Below.

Motion by Jon Myers, second by Karen Kinsey.

Approval of Consent Items 2.01-2.05 in Accordance with the Recommended Action on Each Listed Below.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

2.02 Consideration of February 27, 2018, Minutes.

Motion by Jon Myers, second by Karen Kinsey.

Approval of Consent Items 2.01-2.05 in Accordance with the Recommended Action on Each Listed Below.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

2.03 Consideration of Annual Maintenance for EnvisionWare Equipment at a cost of \$147,914.31.

Motion by Jon Myers, second by Karen Kinsey.

Approval of Consent Items 2.01-2.05 in Accordance with the Recommended Action on Each Listed Below.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

2.04 Consideration of Annual Ratification of Library Automation Services Agreement Between Pioneer Library System and Independent School District I-29 of Cleveland County (Norman Public Schools) 2018-2019.

Motion by Jon Myers, second by Karen Kinsey.

Approval of Consent Items 2.01-2.05 in Accordance with the Recommended Action on Each Listed Below.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

2.05 Consideration of Samaritan Contract

Motion by Jon Myers, second by Karen Kinsey.

Approval of Consent Items 2.01-2.05 in Accordance with the Recommended Action on Each Listed Below.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

3. Other Items for Board Consideration

3.01 Consideration of Report on Fourth Quarter Investments by Lockton Retirement Services.

David Altimont and Leanne Lewallen, Lockton Retirement Services, presented their annual report on Fourth Quarter Investments and were available to answer board and staff questions.

3.02 Consideration of February 28, 2018, Financial Statement.

There were no questions or comments from board members or staff.

Motion by Charlie Sherman, second by Marilyn Bradford.

Approval of February 27, 2018, Financial Statement.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

3.03 Consideration of Encumbrances in the Amounts and to the Accounts as Charged, March 1 – March 28, 2018.

There were no questions or comments from board members or staff.

Motion by Lynda Howeth, second by Allyson Horton.

Approval of Encumbrances in the Amounts and to the Accounts as Charged, March 1 - March 28, 2018.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

3.04 Consideration of Retirement Plans Committee Report.

Retirement Plans Committee Co-Chair Charlie Sherman gave the Committee report. The Committee met with Altimont and Lewallen, Lockton Retirement Services, at 4:30 p.m. prior to the board meeting. Nate Belshaw, with MassMutual, provided a plan review by speaker phone.

The Committee reviewed a 143 page report covering the same information that was covered by Lockton during the board meeting. Items discussed included fiduciary governance, cyber security, investment review, a market commentary, and plan level analysis. There was a lengthy discussion on how to improve the training for PLS employees to encourage more people to sign up for the retirement plans.

Overall, all three retirement plans are doing well. With the market as it is, all plans showed a profit, and income was up on all three. During the meeting the Committee discussed new formulas for the DC and the DB plans, and also new formulas for participants. The board considered new contribution amounts the Committee suggested for contributions. The RPC recommended passage of all remaining retirement plans items on the agenda, and were available for clarification and questions.

Motion by Lynda Howeth, second by Bob Perry.
Acceptance of Retirement Plans Committee Report.
Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

3.05 Consideration of New Formula for Participants in DC and DB Plans.

Board members reviewed a copy of the actuary's report showing the contribution percentage of employees who are members of the Defined Benefit Plan to the Defined Contribution Plan. Buck reported that the total change in percentage contribution is negative because several employees retired which reduced their contribution to zero. In addition, some employees reached age 65 which caused their contribution to decrease. When the DB plan was frozen, the goal was to contribute an actuarial equivalent percentage to DC plan members who were in the DB plan. So, when they reached age 65, they would receive approximately the same benefit as if the DB plan was never frozen.

Once these employees reach age 65 their contribution is reduced to 5% which is the maximum contribution new employees can receive in the DC plan. Therefore, a majority of our employees had their contribution decrease this year.

Motion by Charlie Sherman, second by Susan Moffat.
Approval of New Formula for Participants in DC and DB Plans.
Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

3.06 Consideration of New Formula for Participants in DC Plan Only.

The actuarial percentages did not change and these percentages are in the Defined Contribution Plan document. Since PLS adopted the DC Plan in 2009, the percentages have not changed. Our legal counsel advised us to have the Board approve these percentages every year. So, it's 3% for less than 5 years, 4% for 5–10 years, and 5% for over 10 years.

Motion by Charlie Sherman, second by Susan Moffat.
Approval of New Formula for Participants in DC Plan Only.
Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

3.07 Consideration of DC Plan Amendment.

This item was tabled as no information was available by board meeting date.

3.08 Consideration of Contribution Amounts for all Participants.

Sherman reported that the total contribution amount for the Defined Benefit Plan is \$356,638.79, and the total contribution amount for the Defined Contribution Plan is \$101,598.13. The total for both is \$458,236.92. Buck added the information also includes what their percentage is if they are in the DC Plan and where they are in years of service.

In comparison from 2017, the contribution for the DB Plan participants was \$369,522. For the DC Plan participants the contribution was \$94,909. The total for both is \$464,432.

Over the last two years, as participants in the Defined Benefit plan retired, the amount of the overall contribution has diminished.

Motion by Charlie Sherman, second by Karen Kinsey.

Approval of Contribution Amounts for all Participants.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

3.09 Consideration to Adopt DC Plan Resolution.

This item was tabled as no information was available by board meeting date.

3.10 Consideration of New DB Plan Valuation Report.

Buck highlighted the funding status as of January 1, 2018. The Defined Benefit Plan is 92.2% funded. By 2020 we should reach 100%. For 2018, the actuary recommended the minimum contribution of \$157,203.00. We have 130 total members left in the Defined Benefit Plan, 67 of those are active. Last year it was 73 and 137, so it is trending down.

One change they made this year in Exhibit 10 is that we are not a public sector plan so we are not required to break it out this way. This is the first year the actuary broke it down in his report. If you look at the annual recommended contribution, there is a column for 2017, and there is a column for 2018. He has added in 2018 expected expenses, and those are the estimated expenses for MassMutual plan fees and legal fees that are paid from plan assets. Last year the total recommended contribution from the actuary was \$169,607, and this year it is \$157,203. So the required minimum has gone down.

Motion by Bob Perry, second by Brent Wheelbarger.

Approval of New DB Plan Valuation Report.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

3.11 Consideration of New Quarterly Contribution Amount to DB Plan.

The board recommended that PLS make a \$100,000 contribution to the Defined Benefit Plan immediately. Any additional contribution will be considered in August.

Approval of New Quarterly Contribution Amount to DB Plan.

Motion by Charlie Sherman, second by Susan Moffat.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

3.12 Consideration to Purchase a 2018 Ford Escape, at a cost of \$18,799.

Typically we rotate out the fleet by replacing the oldest vehicles, and not take a big hit any budget year on a number of different vehicles. This new vehicle will go to the Moore Library replacing a 2011 Ford Fusion that will move to the Norman area, and a 2002 Ford Taurus will be surplus.

The cost of the vehicle under consideration is in the budget.

Motion by Marilyn Bradford, second by Jon Myers.

Approval of Purchase of a 2018 Ford Escape.

Final Resolution: Motion Passes

Yes: Allyson Horton, Lynda Howeth, Karen Kinsey, Susan Moffat, Jon Myers, Bob Perry, Charlie Sherman, Chuck Thompson, Brent Wheelbarger, Marilyn Bradford, Lenora Burdine, Brenda Hill, Mike Box

4. Reports/Updates

5.01 Executive Director and Staff Reports.

Wells reported eleven Pioneer staff attended the Public Library Association 2018 Conference in Philadelphia, March 20-24. Thirteen staff were approved to attend but, due to weather, not everyone could make it. There were about 620 submissions for 100 program slots, and two PLS presentations were selected to present.

Pioneer submitted three presentations and two of those were selected. One presentation was *Healthy, Wealthy, and Wise*, which was creating inclusive and sustainable employee wellness initiatives presented by Aiden Street, Rebecca Lynam, and Kelly Sitzman. And a Saturday morning presentation on Pioneer's Impact Program called *Imagine the Impact, Empowering Employees to Leave from Where They Are*.

During the February 27 board meeting, a Study Session on Reducing and/or Eliminating Fines on Youth Materials was presented. On Wednesday, March 28, from 2:00-3:00 p.m., three board members who were unable to attend that session, Howeth, Moffat, and Wheelbarger, will attend a repeat of the Study Session in the Pioneer Board Room. Wells encouraged board members who have more questions, or would like to hear the presentation again, to contact PLS.

Wells added we plan to bring that issue back during the April 17 board meeting as an action item on the agenda.

5.02 Branch Highlights.

During dinner, a PowerPoint presentation featuring highlights of library branch activities during the month of March, 2018, was enjoyed by board members, staff, and guests.

5.03 Board Comments.

Thompson and Howeth thanked the Retirement Plans Committee and PLS staff for the hard work they did on the retirement actions voted on during the meeting.

Wheelbarger added it was exciting that Pioneer staff are presenting at national conferences about things we are doing here. "It should be a huge complement to our staff and Executive Director to be invited to do that."

If traveling in Norman, Thompson invited everyone to drive by the construction site of the new Norman Central Library. "It's starting to come together, and is a very imposing structure. Also the Norman East Library on East Alameda is more dynamically associated with its environment than even hoped for. It is really built in there nicely."

Thompson serves on the Public Art Selection Board, and will meet Thursday to review the finalists in the public art category for the downtown Norman Central Library. "There were several hundred artists who applied, and it has been a challenge to pick the finalists as these are significant pieces of public art associated with the two new Norman Libraries. That money was put in Norman Forward so those public pieces of art are paid for by the sales tax program that was passed by the voters of Norman. The new library buildings themselves are paid for by sales tax revenue from Norman as well."

6. Adjournment.

At 7:25 p.m., hearing no further business or comments, Thompson adjourned the meeting.



~~Chuck R. Thompson, Chair~~
Charlie Sherman, Vice-Chair,
signed in Chair's absence



Lisa Wells, Executive Director

