SUPERIORLAND LIBRARY COOPERATIVE
MEETING OF THE BOARD OF DIRECTORS
March 26, 2014

CALL TO ORDER: A meeting of the Superiorland Library Cooperative Board of Directors was held at the Superiorland Library Cooperative, Marquette and via video conference at the Devereaux Memorial Library. Other participants dialed in via ReadyTalk audio service. The public was invited to participate at the Superiorland Library Cooperative headquarters (1615 Presque Isle Avenue, Marquette) or the Devereaux Memorial Library (201 Plum St., Grayling). John Schaeffer, Chair, called the meeting to order at 10:05 a.m. eastern.

SLC BOARD MEMBERS PRESENT: (*denotes voting member) John Schaeffer*, Chair; Kay Elzinga*, Secretary; Ginny Detterbeck*; Chris Homan*, Jeri Selthoffer*, Tina Graber, Kim Nowack, B.R. Smith, Sandra Kraai, and Sharon Sholke

LIBRARY DIRECTORS/STAFF/BOARD MEMBERS PRESENT: None

SLC STAFF MEMBERS PRESENT: Suzanne Dees, Director and Pamela Malmsten, Recorder

VOTING BOARD MEMBERS ABSENT: Joan Brown, Gwen Chapman, Pat Houle, and Susie Schwedler

APPROVAL OF THE AGENDA: A MOTION was made TO APPROVE THE AGENDA AS PRESENTED (MSC Jeri Selthoffer/Chris Homan). Motion carried unanimously. [Note: a discussion about reappointment of an NMLN Board Member was later added to the agenda under "New Business". The additional agenda item was approved by consensus.]

PUBLIC PARTICIPATION: The library directors present had no comments at this time. There was no other public participation at any of the video conference locations.

APPROVAL OF THE MINUTES: A MOTION was made TO APPROVE THE MINUTES OF DECEMBER 12, 2013 AS PRESENTED (MSC Jeri Selthoffer/Ginnie Detterbeck). Motion carried unanimously.

DIRECTOR'S REPORT:
        Suzanne updated and highlighted some items in the written Directors Report that was distributed to board members and posted online.
        The SLC interactive video conferencing center (IVC) has continued to connect the Marquette High School robotics class with the Taichung, Taiwan robotics class; the students recently discussed the movie "Forest Gump". For the next session, the students are planning to share video productions of short clips depicting their daily lives. In addition to the SLC headquarters, Ironwood, West Iron, Crystal Falls, Houghton, Bayliss, Crawford County, and Roscommon libraries currently have IVC capabilities; other libraries have expressed interest in the equipment. SLC has provided total subsidies of about $3,800 to

assist libraries with the IVC purchases. SLC staff has also located a high quality, less expensive (under $1,000) camera that works well in small spaces.

SLC Network Administrator Jean Montgomery has provided demonstrations of "Zoom", a cloud-based video-conferencing service that allows users to connect webcam-equipped computers and devices—such as PC's, laptops, iPads, iPhones, etc.—with room-based interactive video conferencing systems. The free version of Zoom can be used for one-to-one collaboration; SLC has purchased a one-year subscription to the paid version which can connect up to 25 participants. The Ironwood Carnegie Public Library recently used Zoom to host Steve Luxenberg, the Great Michigan Read author of *Annie's Ghost*. The author was able to connect with Ironwood's Aver IVC equipment using his iPad. Suzanne said that a committee will soon meet to discuss using the IVC equipment and software to develop shared programming.

The Governor's proposed budget for next year is encouraging and includes a state aid increase. Lobbyists are working to oppose proposed legislation that would limit the number of millage elections that could be held each year. There has been no further information on the proposal that would reduce personnel requirements for libraries or legislation that would amend the Open Meetings Act. A bi-partisan committee is working on legislation that proposes using a portion of sales and use tax receipts to reimburse revenues lost due to the elimination of certain types of personal property taxes. MLA and lobbyists are trying to assure that libraries are included in the units of government that would be reimbursed, and that the reimbursements would be on-going, rather than year-to-year. Suzanne noted that MLA has been an effective advocate for libraries and she encouraged institutions to join and continue to support MLA.

FINANCIAL REPORT:

December 2013, January 2014, and February 2014 Cash Disbursements and YTD Reports: Suzanne presented the financial report and summarized the balance sheet as of 2/28/2014. Suzanne noted that a few line items are over the 5/12 budgeted figure; this is mostly due to large one-time payments; the line items should balance out in a few months. The computer supplies line item budget figure will have to be increased; it includes a $21,416 February payment for Dell AppAssure backup and restoration software; $18,000 was budgeted for AppAssure, but an additional $3,416 was spent. SLC subsidized the one-time AppAssure license cost for member libraries' servers; SLC paid $800 of the $1,000 total cost for each server. Libraries were billed the remaining $200 for the server licenses and the $300 year one maintenance cost.   SLC also paid for the licenses to backup 100 desktop computers across the network.

Suzanne reported that 22 libraries will be sending at least one staff member to the Rural Library Conference which is scheduled for April 30 – May 2, 2014 at the Grand Hotel on Mackinac Island. SLC will be providing a $250 Rural Library Conference expense subsidy to each member library; this expenditure is included in the Conference/Continuing Education line item. Suzanne said that proposed budget line items revisions will be presented to the board at the next meeting.   A MOTION was made TO APPROVE DECEMBER 2013 CASH DISBURSEMENTS OF $42,017.88, JANUARY 2014 DISBURSEMENTS OF $41,950.35, FEBRUARY 2014 DISBURSEMENTS OF $74,988.19, THE YEAR TO DATE EXPENSE AND REVENUE REPORTS AS OF

2/28/2014, AND THE BALANCE SHEET AS OF 02/28/2014 (MSC Jeri Selthoffer /Chris Homan). Motion carried unanimously.

FY 2012/2013 Audit Report: The independent audit of SLC's financial records for the year ended September 30, 2013 has been completed; the audit report was previously sent to each board member. Suzanne summarized some of the information in the audit, including the balance sheet on page 10. Note "N" on pages 23 and 24 of the audit describes upcoming (GASB (Governmental Accounting Standards Board) 67 and 68 requirements regarding accounting and financial reporting for pension plans. The new standards will require governmental units to report a Net Pension Liability" (NPL), which is the difference between the total pension liability and the market value of the assets. NPL uses the actual market value of the assets, not the long-term "smoothed" value that is currently used in the MERS Actuarial Valuation reports. The new standards will become effective beginning in FY 2015. Suzanne noted that SLC has already implemented a plan to pay down its unfunded pension liability. A MOTION was made TO ACCEPT THE INDEPENDENT AUDIT REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2013 (MSC Kay Elzinga/Chris Homan). Motion carried unanimously.

OLD BUSINESS:

Update on AppAssure Critical Data Backup System: Dell AppAssure, cloud-based backup and restoration software, has been installed on a new central site server and is currently remotely backing up servers across the network; Jean Montgomery will be contacting library directors to determine which desktop computers they want backed up. The software works by initially taking a snapshot of the computer's hard drive and subsequently looking for changes to the data. AppAssure was further discussed above under the "Financial Report" agenda item.

Update on UPRLC Automated System – SirsiDynix Long Term Maintenance Agreement: For the past year, UPRLC and SirsiDynix have been negotiating a new long-term maintenance contract. A 5-year contract was officially approved by the UPRLC Contract Review Committee on March 7, 2014. The contract includes one new product, Enterprise, which is a catalog "discovery layer" with "fuzzy logic" and federated searching capabilities. UPRLC staff is currently working with Gale and the Library of Michigan to develop a work-around that would allow Enterprise users to access the MeL Gale databases from within the UPRLC online catalog. Suzanne expressed appreciation to the members of the UPRLC Long Term Planning Committee for all of their hard work and for successfully negotiating a favorable maintenance contract.

Update on the UPRLC Internet Consortium – Merit 5-Year Contract: UPRLC recently signed a new 5-year contract for Internet access with Merit Network; the new contract includes up to 80 MB of shared bandwidth. Suzanne said that all of the libraries with fiber connections elected to continue on fiber, and 7 additional libraries joined the Internet Consortium, increasing participation from 16 to 23 libraries. Merit is responsible for filing for the libraries' E-rate discounts with USAC (Universal Service Administrative Company) and then billing UPRLC for the non-discounted portion of the Internet access. Suzanne said that Merit recently informed her that they had over-billed USAC for the amount of the UPRLC consortium's' E-rate discount payment and, as a result, received an over-payment from USAC. The invoice that Merit sent to UPRLC for the consortium's non-discounted internet service was also incorrect. Suzanne said she is very concerned

about the e-Rate overpayment and has been in contact with both Merit and UPRLC's e-Rate consultant. The consultant advised Suzanne on how to handle the situation and said that Merit would have to file a form and return the funds that were overpaid. Suzanne said she is continuing to work on resolving this issue.

NEW BUSINESS:

Publishing Local eBooks in our Great Lakes Digital Media Collection: Suzanne Dees and Shawn Andary talked about a new SLC service that allows local authors to give SLC permission to upload their copyrighted materials onto the Great Lakes Digital Libraries (GLDL) website using OverDrive's Local Content module. The Pickford Community Library's Young Writers Workshop members created an anthology of original fictional short stories and poetry. With the help of Pickford Library manager, Ann Marie Smith, the young adults were able to publish their works in eBook format using "Smashwords", a free eBook publishing and distribution service. The anthology has been uploaded onto the GLDL web site and is available to the public. Suzanne said that Ann Marie Smith has compiled a "best practices" self-publishing guide. Local authors interested in publishing their works on the GLDL web site would have to sign a document giving SLC the right to circulate their works. OverDrive can also support Mp3 audio, WMA music, and WMV video formats.

Policy Revision for Ownership of Equipment Placed in Member Libraries: The Board reviewed proposed revisions to the 1998 policy regarding ownership of equipment placed in member libraries. Suzanne said that the policy needs to state that libraries own video conferencing equipment purchased with SLC funds and placed in their library buildings. The original policy and recommended revisions are below.

 From the Cooperative's ADMINISTRATIVE POLICIES AND PROCEDURES

OWNERSHIP OF EQUIPMENT PLACED IN MEMBER LIBRARIES (adopted 25 June 1998)
Superiorland library Cooperative may seek grants or other funding to place computer equipment, software, and other equipment and adaptive technology in its member libraries. Under most circumstances, ownership of Local Area Network hardware and software will be transferred immediately to the member library when the equipment is delivered.
1.1. A description of items (model, serial number, value, vendor & date of purchase) shall be provided to the member library at the time ownership is transferred.

1.2. After delivery, the member library is responsible for insurance.

1.3. After the warranty period, the member library is responsible for maintenance and repair.

1.4. Ownership of some equipment, including but not limited to 2-way interactive video equipment and Wide Area Network hardware and software, will be retained by the Superiorland Library Cooperative. Other exceptions to this policy will be made as necessary and noted in writing to the member library before the item is placed in the Library.

RECOMMEND:
1.1. Ownership of some equipment, including but not limited to, **2-way interactive video equipment** and Wide Area Network hardware and software, will be retained by the Superiorland

Library Cooperative. Other exceptions to this policy will be made as necessary and noted in writing to the member library before the item is placed in the Library.

A MOTION was made TO ACCEPT THE REVISED POLICY ADDRESSING OWNERSHIP OF EQUIPMENT PLACED IN MEMBER LIBRARIES AS RECOMMENDED BY THE DIRECTOR (MSC Chris Homan/Kay Elzinga). Motion carried unanimously.

  Reappoint Elaine Erickson to the NMLN Board: Suzanne reported that SLC's NMLN (Northern Michigan Library Network) representative, Elaine Erickson, needs to be reappointed to the NMLN board. Elaine's term expired on March 20, 2014. A MOTION was made TO REAPPOINT ELAINE ERICKSON AS A SUPERIORLAND LIBRARY COOPERATIVE REPRESENTATIVE TO THE NORTHERN MICHIGAN LIBRARY NETWORK BOARD (MSC Kay Elzinga/Chris Homan). Motion carried unanimously.

  Update on MEBS, the TPA for Cooperative's Group Health Insurance Plan: Michigan Employee Benefit Services (MEBS), SLC's current health plan third party administrator (TPA), is phasing out of TPA services for health plans and Section 125 flexible spending plans. SLC's Section 125 plan, which includes flexible spending and premium pay plans, has already transitioned to a new TPA: Employee Health Insurance Management (EHIM). SLC's medical and vision plans will transition to EHIM in April. Beginning July 1, 2014, Blue Cross Blue Shield of Michigan (BCBSM) will discontinue SLC's current high deductible plan because it doesn't meet Affordable Care Act (ACA) standards. SLC will have to select an ACA "medal plan", and BCBSM will not allow the new plans to be wrapped. Medal plans are designated as bronze, silver, gold, and platinum based on the value of services provided and new premium rates will be based on the age of each employee and his or her dependents. Third quarter rates have not yet been released, but may be available in April.   SLC employees have been notified about the upcoming changes.

  Patron Photo ID's: Library staff can now use digital photographs to identify patrons. According to UPRLC ALS System Administrator Shawn Andary, the new patron photo identification feature, which is available to all UPRLC automated system member libraries, works with a web camera, and photos can be loaded in batches or individually. Several school libraries are already using the feature, and Shawn said it could be turned on for public libraries as well. Shawn also noted that Jean Montgomery has recommendations for web cameras.

  Confirm Next Meeting Date of July 17, 2014.   The next meeting of the Superiorland Library Cooperative Board of Directors is scheduled for July 17, 2014 at 10 am eastern.

ADJOURNMENT: There being no further business, the Chair declared the meeting adjourned at 11:28 a.m. eastern.

Kay T. Elzinga, Secretary

Pamela Malmsten, Recorder