

SUPERIORLAND LIBRARY COOPERATIVE  
MEETING OF THE BOARD OF DIRECTORS  
March 24, 2017

**CALL TO ORDER:** A meeting of the Superiorland Library Cooperative Board of Directors was held at the Superiorland Library Cooperative, Marquette and via interactive video conference at the Dickinson County Library. Other participants dialed in via ReadyTalk audio conferencing service. The public was invited to participate at the Superiorland Library Cooperative headquarters (1615 Presque Isle Avenue, Marquette), the Dickinson County Library (401 Iron Mountain St, Iron Mountain), the Devereaux Memorial Library (201 Plum St., Grayling) or the West Iron District Library (116 Genesee St., Iron River). The Chair, John Schaeffer, called the meeting to order at 11:00 a.m. eastern.

**SLC BOARD MEMBERS PRESENT:** (\*denotes voting member) John Schaeffer\*, Chair; Sara Basso\*, Vice-Chair; Pat Cheski\* Secretary; Debra Friedman\*, Sharon Scholke\*, Greg Rathje\*, Tina Graber, Caroline Jordan, Patti Jahn, Dwight Sunday, and Pam Christensen (SLC Director)

**SLC STAFF PRESENT:** Pamela Malmsten (Recorder) and Shawn Andary

**LIBRARY DIRECTORS/STAFF/BOARD MEMBERS PRESENT:** Megan Buck (Dickinson County Library), Andrea Ingmire (Peter White Public Library), Lisa Cromell, (Munising School Public Library), Dion Mindykowski (Tahquamenon Area Public Library), and Barb Bartel (West Iron District Library), and Dillon Geshel (Portage Lake District Library)

**VOTING BOARD MEMBERS ABSENT:** Kim Nowack, Lisa Koon-Bloomburg, and Carole Hiney

**APPROVAL OF THE AGENDA:** A MOTION was made TO APPROVE THE AGENDA AS PRESENTED (MSC Pat Cheski/Deb Friedman). Motion carried unanimously.

**PUBLIC PARTICIPATION AT ALL VIDEO CONFERENCE LOCATIONS:** No members of the public were present at any of the video conference sites, and no library directors had comments at this time.

**APPROVAL OF THE MINUTES:**

A MOTION was made TO APPROVE THE MINUTES OF THE BOARD MEETING OF DECEMBER 2, 2016 AS PRESENTED (MSC Sharon Scholke /Deb Friedman). Motion carried unanimously.

**DIRECTOR'S REPORT:**

Executive Director's Report: Pam Christensen presented the Executive Director's Report. Prior to the meeting, Board members received monthly director's reports for January, February, and March. Pam C. highlighted some of the items in the reports.

Streaming videos have been added to the Overdrive digital collection; Pam C. is working with Overdrive to promote the new service and to highlight the video feature on the Great Lakes Digital Libraries (GLDL) web site. The "Recommended Titles" feature,

which allows users to request titles that are not in the collection, has been activated on the GLDL web site. Pam C. said that, although she has to consider budget constraints, she tries to purchase most of the requested items.

Pam reported that a number of library directors have been asking for information on the Tax Capture legislation. The legislation exempts voter approved library millages from capture by most tax increment entities; many of the SLC libraries would like to opt out of tax capture authorities. Pam C. said that libraries can opt out of new tax captures, but it is much more difficult to opt out of existing authorities. Attorney Anne Seurnyck will be presenting more information and guidance on tax captures at the Cooperative Directors meeting on April 21, 2017. In other legislative news, State Representative John Kivela recently announced that he is co-sponsoring a new bill to address the Big Box “dark store” tax loophole issues that have had serious negative impacts on funding for libraries and other municipalities.

The L’Anse School Public Library has been awarded the most recent Clarke Historical Library at CMU Digi News Project grant. This \$2,500 grant will fund the digitization of the L’Anse Sentinel, L’Anse’s largest weekly newspaper. Mary Jean Thoreson, the director of the Crystal Falls District Library, has recommended a company that provides free digitization services; Pam C. said she will be looking at this service for SLC libraries. Cindy Bulmer, the Director of the Whitefish Township Library, will be leaving in April, the new Director will be Jody Halsey.

Pam reported that she will be taping an interview with Don Ryan on WLUC-TV’s “Ryan Report”. Pam will be discussing library services and the importance of libraries to the community. The segment will be broadcast on April 2 and the video will be available on the TV6 website on April 3. Pam has also written an article about online library services for the April issue of the Marquette Monthly.

**FINANCIAL REPORT:** Pam Malmsten presented the financial report.

December, January, and February Cash Disbursements: The December payment to Quest Software was for AppAssure backup renewal; \$1,237 was for SLC servers, \$3,151 was billed to member libraries. The payment to My Web Maestro (\$600) was for web page design for the Roscommon District Library. February payments included the Zoom renewal (\$599) and a one-year SurveyMonkey subscription (\$300). Surveys with more questions can be generated with the paid version of SurveyMonkey; Pam C. added that SLC member libraries are welcome to use SLC’s SurveyMonkey subscription.

A MOTION was made TO APPROVE CASH DISBURSEMENTS OF \$66,227.92 FOR DECEMBER 2016, \$41,675.92 FOR JANUARY 2017, AND \$55,096.86 FOR FEBRUARY 2017 (MSC Pat Cheski /Deb Friedman). Motion carried unanimously.

Year to Date Reports as of 02/28/2017: Pam M. noted that salary expenses are over the 5/12 budget figure; this was due to two part-time employees working more than usual for a period of time when workloads were greater. Expenditures for digital materials are also over the 5/12 expense figure. Regarding revenues, Pam M. said that the first half of the Great Lakes Talking Books state aid payment was received in March. The first cooperative direct state aid payment was received in December, however no indirect state aid to member libraries had yet been paid.

A MOTION was made TO APPROVE THE YEAR TO DATE REPORTS AS OF 02/28/2017 [with total expenses of \$297,729 and total revenues of \$221,261] (MSC Deb Friedman /Pat Cheski). Motion carried unanimously.

Balance Sheet as of 02/28/2017: Pam M. reported that, as of 02/28/2017, total assets were \$670,459.92 and total liabilities plus fund balances were \$670,459.92. A

MOTION was made TO APPROVE THE BALANCE SHEET AS OF 02/28/2017 (MSC Sharon Scholke/Pat Cheski). Motion carried unanimously.

Approval of the SLC Audit for the Year Ended September 30, 2016: The financial audit for October 1, 2015 – September 30, 2016 was reviewed. Pam M. said that the management discussion on pages 6 – 9 is important. SLC had revenues over expenditures of \$43,476; however at year end there was a decrease in net position of \$9,803. There is an explanation on page 8: the decrease in net position is mostly due to an increase in SLC's MERS defined benefit pension liability.

On 9/30/2016, general fund net income was \$52,546, but \$8,869 (required in-kind expenses), was transferred to the Great Lakes Talking Books fund, and \$2,051 was transferred to the Earned Leave fund balance. On October 1, 2016, the General Fund fund balance was \$667,510 and the Earned Leave fund balance was \$9,110. SLC paid out two years of Lilja Estate Interest in FY 2016, so at year end the Lilja Fund showed a loss of \$201; the Lilja fund balance on 10/1/2016 was \$24,235. Total equity on October 1, 2016 was \$700,855.

A MOTION was made TO APPROVE THE SLC AUDIT FOR THE YEAR ENDED SEPTEMBER 30, 2016 (MSC Deb Friedman/Greg Rathje). Motion carried unanimously.

Greg Rathje commented that SLC's auditor should be asked to speak with the Board about SLC's pension liability. Pam C. said that SLC's MERS representative could talk to the Board about the pension plan, and that she would ask the representative to speak to the Finance Committee first.

#### **OLD BUSINESS:**

Executive Director Evaluation Committee: Committee Chair John Schaeffer reported that the Executive Director's evaluation has been completed; however, since the committee's narrative and summary has not yet been sent to all of the Board members, the report will be deferred to the June 30 meeting. John thanked all of the Board members who served on the committee.

#### **NEW BUSINESS:**

SLC Board of Directors Committee Assignments: John Schaeffer said that part of being a Trustee is serving on one or more committees. John and Pam Christensen recently composed a letter that was sent to all voting and non-voting Board members that identified and described the existing standing committees and asked them to consider serving on a committee. John said that, ideally, committees should be a mix of voting and non-voting members. Current committees are: the Executive Committee, the Personnel Committee, the Budget and Finance Committee, the Property Committee, and the Strategic Planning Committee. Pam Christensen noted that, even though the existing committees do not have enough members to constitute a quorum of voting Board members, it would be best to publically post notices of all SLC Board committee meetings.

Report of SLC Personnel Committee: Pam Christensen reported that the Personnel Committee completed the Executive Director's job evaluation and recently approved a job description for a new part-time position: the Online Library Database Maintenance Assistant. The Personnel Committee made a recommendation to the Finance Committee that the new position be posted at 18 hours per week, with a starting wage of \$13 per hour.

Report of SLC Budget and Finance Committee: The Finance Committee met on March 15, 2017 in Munising. The committee looked at year-to-date expenditures and approved hiring

the 18-hour-per-week Online Library Database Maintenance Assistant at \$13 per hour. The Committee asked Pam M. and Pam C. to revise the budget to include the new position, but to keep total expenditures the same as in the original budget. The Committee also talked about the SLC Fund Balance; Pam M. recommended that the SLC Board consider developing a Fund Balance policy.

Approval of SLC Online Library Database Maintenance Assistant: The SLC Personnel and Finance Committees both recommended that the Online Library Database Maintenance Assistant position be approved.

A MOTION was made TO APPROVE HIRING A PART-TIME [18 hours per week] ONLINE LIBRARY DATABASE MAINTENANCE ASSISTANT AT A STARTING WAGE OF \$13 PER HOUR (MSC Sharon Scholke/Deb Friedman). Motion carried unanimously.

Revise the SLC FY 2016/2017 Budget (Expenses): Pam Malmsten reported. The Personnel and Finance Committees recommended hiring a new employee, the Online Library Database Maintenance Assistant, at 18 hours per week with a pay rate of \$13/hour. Pam M. said that, if the new employee starts in early May, the cost for wages, social security, Medicare, and unemployment would be \$5,339.55 through 9/30/2017. The finance committee talked about this position and looked all of SLC's budget line items, especially the ones that were over the budgeted line item amounts. There was also considerable discussion about the SLC Fund Balance and the pension liability issue.

The Committee recommend that Pam C. and Pam M. make the necessary additions and cuts to the line items without increasing the bottom line total expenditures. Pam M. gave the Board a spreadsheet that showed the recommended line item changes compared to the current budget. Total expenditures in the proposed revised budget were the same as the total expenditures in the original budget.

Proposed budget revisions included increasing the salary expense line items to include a new part-time employee and adding \$600 to the professional and contractual line item to subsidize one-time fiber internet installation costs for the Tahquamenon Public Library; the Tahquamenon internet subsidy was approved by the Board at the December meeting. Budget cuts were made in the professional and contractual, computer supplies, conferences, and printing line items. Pam M. noted that some of the reductions were spending cuts, and others were adjustments to reflect actual expenditures.

A MOTION was made TO APPROVE THE REVISED SLC EXPENSE BUDGET [WITH TOTAL EXPENSES OF \$739,541] (MSC Pat Cheski/Deb Friedman). Motion carried unanimously.

**PUBLIC PARTICIPATION:** Megan Buck, the Director of the Dickinson County Library, commented that the DCL Board recently developed a fund balance policy for the library. The policy addressed the issues of fund balance maintenance levels, what expenditures can be paid with the fund balance, and what to do if the fund balance falls below a certain level. [Megan later sent Pam Malmsten the DCL fund balance policy, along with other information she had gathered; anyone interested in receiving this information can contact Pam Malmsten.]

**NEXT MEETING:** Pam Christensen asked how people felt about the 11:00 a.m. eastern (versus 10 a.m.) meeting time. There was consensus, especially among people in the central time zone, that the 11:00 a.m. time worked well. It was agreed that the next regular meeting of the Board of Directors would be scheduled for Friday, June 30, 2017 at 11 a.m. eastern. Pat Cheski asked if SLC's MERS representative could speak to the Board at its next regular meeting on June 30. Pam C. said she would try to arrange to have the MERS representative

speak to both the Finance Committee at its April meeting and to the full Board at the June 30 meeting.

**ADJOURNMENT:** There being no further business, the Chair declared the meeting adjourned at 12:03 p.m. on a motion by Pat Cheski, seconded by Deb Friedman.

Respectfully submitted,

Pat Cheski, Secretary

Pamela Malmsten, Recorder