

SUPERIORLAND LIBRARY COOPERATIVE  
MEETING OF THE BOARD OF DIRECTORS  
July 14, 2016

**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 Superior District Library, the Ironwood Carnegie Public Library, the Devereaux Memorial Library, the Dickinson County Library, and the West Iron District 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 Superior District Library (541 Library Drive, Sault Ste. Marie), the Ironwood Carnegie Public Library (235 E. Aurora St., Ironwood), the Dickinson County Library (401 Iron Mountain St, Iron Mountain), and the Devereaux Memorial Library (201 Plum St., Grayling). The Chair, John Schaeffer, called the meeting to order at 10:02 a.m. eastern.

**SLC BOARD MEMBERS PRESENT:** (\*denotes voting member) **John Schaeffer\***, Chair; **Tina Graber\***, Vice-chair; **Caroline Jordan\***, Secretary; **Sara Basso\***, **Debra Friedman\***, **Sharon Scholke\***, **Pat Cheski**, **Greg Rathje**, 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), Elaine Erickson (Ironwood Carnegie Public Library), Connie Meyer (Devereaux Memorial Library), Andrea Ingmire (Peter White Public Library), Amanda Winnicki (Menominee County Library), Cheryl Hoffman (Spies Public Library), Stephanie Swenski (West Iron District Library), Susan Jacobs (Alpena County Library), and Dillon Geshel (Portage Lake District Library)

**VOTING BOARD MEMBERS ABSENT:** Pat Houle and Kim Nowack

**APPROVAL OF THE AGENDA:**

The agenda was unanimously approved as presented on a motion by Debbie Friedman seconded by Bettina Graber. Later in the meeting, however, the agenda was amended twice.

After a presentation by Pat Cheski (see "Public Participation" below), it was agreed that a discussion about the reactivation of the Advisory Board of Librarians should be added to the agenda. A MOTION was made TO AMEND THE AGENDA TO INCLUDE A DISCUSSION ABOUT THE REACTIVATION OF THE SUPERIORLAND LIBRARY COOPERATIVE ADVISORY BOARD OF LIBRARIANS UNDER "NEW BUSINESS", ITEM "f" (MSC Sara Basso/Debbie Friedman). Motion carried unanimously.

Also, during the discussion of "Board of Directors appointments for FY 2017", it was noted that a resolution appointing Pam Christensen to the NMLN Board of Directors needed to be added to the agenda. A MOTION was MADE THAT THE AGENDA BE AMENDED TO INCLUDE THE APPOINTMENT OF PAM CHRISTENSEN TO THE NMLN BOARD OF DIRECTORS UNDER "NEW BUSINESS" ITEM "g" (MSC Sara Basso/Caroline Jordan). Motion carried unanimously.

### **PUBLIC PARTICIPATION AT ALL VIDEO CONFERENCE LOCATIONS:**

Pat Cheski, former director of Menominee County Library and a current member of the SLC Board of Directors, asked the SLC Board to consider reactivating the SLC Advisory Board of Librarians and to encourage the Advisory Board to meet within the next month. Pat began by thanking the SLC staff and Board members for their support over the years. Pat said that, with the new director in place at SLC, and with the many current and future changes in the library field, she feels this is an opportune time to reactivate the SLC Advisory Board of Library Directors.

Pat served on past SLC Advisory Boards. (She also served as the Chair of the Mid-Peninsula Library Cooperative Advisory Board.) The Advisory Board met in the summer, or more often as needed, and worked to develop the cooperative's service plan; the service plan was then incorporated into the next year's budget. The meetings also offered an opportunity for member library directors to network with each other and with SLC staff members. Pat said that the cooperative directors used the Advisory Boards to explore ideas for new programs and for ways to implement the programs for all sizes and types of libraries. SLC Board members agreed that re-establishing the Advisory Board would be a good idea and decided to add further discussion of the topic as a "New Business" agenda item. (See "Approval of the Agenda" above.)

**APPROVAL OF THE MINUTES:** A MOTION was made TO APPROVE THE MINUTES OF THE BOARD MEETING OF MARCH 10, 2016 AS PRESENTED (MSC Sara Basso/Debbie Friedman). Motion carried unanimously. A MOTION was made TO APPROVE THE MINUTES OF THE SPECIAL BOARD MEETING OF JUNE 6, 2016 AS PRESENTED (MSC Debbie Friedman/Bettina Graber). Motion carried unanimously.

**DIRECTOR'S REPORT:** Pam Christensen presented the Director's Report. The complete Director's Report is posted online at:

[http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/EDReport%20071416.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/EDReport%20071416.pdf).

Michigan Minimum Wage Requirement: Pam C. reported on Michigan minimum wage increases that will become effective beginning January 1, 2017. The Michigan minimum wage is currently \$8.50 per hour; it will increase to \$8.90 per hour on January 1, 2017 and to \$9.25 per hour on January 1, 2018. Pam C. said that this legislation applies to all Michigan employers with two or more employees over the age of 16. More information on the Michigan minimum wage requirements can be found at:

[http://www.michigan.gov/lara/0,4601,7-154-10573\\_11472-370158--,00.html](http://www.michigan.gov/lara/0,4601,7-154-10573_11472-370158--,00.html).

UPRLC Annual Meeting—September 29, 2016: The UPRLC Annual meeting is scheduled for Thursday, September 29, 2016 from 9 a.m. to 4:15 p.m. at the Peter White Public Library in Marquette. Pam C. said that the Annual Meeting Committee is planning a good program and that any SLC Board members who want to attend should let her know. The committee has reserved a block of rooms at the state rate at the Ramada Inn, and Pam C. said that SLC staff will arrange a hotel room for out of town Board members who want to attend. Pam C. said she would keep everyone informed and updated as meeting plans are finalized.

SLC Office Furnishings/Renovations Project Update: At its meeting of July 16, 2015, the SLC Board of Directors authorized the director to spend \$15,000 - \$20,000 for sound control measures and employee workstations. Since the new furniture was not purchased before the end of FY 2015, the money was carried over to the FY 2016 budget. Architect John Larson had developed a proposal for sound proofing measures and new employee workstations; Pam Christensen felt that some changes needed to be made to the architect's designs and has been working with Custer representative Russ Fure on amended plans, including the addition of two more workstations in the main area of the building. Russ and Pam C. have been meeting with SLC staff members to discuss the plans. Pam C. said the furniture will likely be purchased before the end of the current fiscal year.

RIDES Delivery Service Update: At a special meeting held on June 6, 2016, the SLC Board of Directors agreed that a Delivery Committee should be formed that would look at more cost effective delivery system alternatives beginning July 1, 2017. Pam Christensen reported that the RIDES Delivery Committee will begin meeting in August.

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

March, April, May, and June 2016 Cash Disbursements and YTD Reports as of 06/30/2016:

*Cash Disbursements:* Pam M. said that a total of \$7,164.32 in Rural Libraries Conference stipends was distributed to member libraries in May and June. In March, a new server was purchased for \$2,268. A MOTION was made TO APPROVE CASH DISBURSEMENTS OF \$57,952.65 FOR MARCH 2016, \$54,404.68 FOR APRIL 2016, \$51,073.42 FOR MAY 2016, and \$57,640.74 FOR JUNE 2016 (MSC Tina Graber/Debbie Friedman). Motion carried unanimously.

*Year to Date Reports as of 06/30/2016:* Pam M. noted that there are several line items that are over or under the 9/12 budget figure, most notably electronic subscriptions. At the March meeting, the Board had approved the expenditure of an additional \$11,000 for Overdrive digital books. The Overdrive increase and other recommended revisions to the FY 2016 budget were included in the proposed revised budget for the current year. Year to date revenues were as expected for this time of year. A MOTION was made TO APPROVE THE YEAR TO DATE REPORTS AS OF 6/30/2016 [with total expenditures of \$467,673 and total revenues of \$429,464] (MSC Tina Graber/Debbie Friedman). Motion carried unanimously.

*Balance Sheet as of 06/30/2016:* Pam M. reported that, as of 06/30/2016, SLC's total assets were \$660,738.49 and total liabilities plus fund balances were \$660,738.49. A MOTION was made TO APPROVE THE BALANCE SHEET AS OF 06/30/2016 (MSC Sharon Sholke/Debbie Friedman). Motion carried unanimously.

Proposed Budget Revision (Expenses) for FY 2015/2016: A proposed revised budget (expenses only) for FY 2015/2016 was reviewed; the budget had been distributed to the Board in advance of the meeting. Pam M. said that \$3,000 was added to the electronic resources line item for Overdrive books; the \$11,000 previously approved by the Board for digital books was also included. Pam M. also noted that an additional \$5,000 was added to the professional and contractual line item for legal bills. A MOTION was made TO APPROVE THE SLC FY 2015/2016 REVISED EXPENSES BUDGET [with

total expenses of \$676,099] AS PRESENTED (MSC Sara Basso/Debbie Freidman). Motion carried unanimously.

Draft Budget for FY 2016/2017 budget: A preliminary draft budget for FY 2016/2017 was reviewed; the draft budget had been distributed to the Board prior to the meeting. Pam M. noted that there are many uncertainties in this budget. State aid has not been determined, but is likely to be about the same as this year. The service plan for FY 2017, which has not yet been completed, will impact the budget; the service plan will be finalized after the SLC Advisory Board meetings in August. The Director is also looking at transferring SLC's phone service from analog to VOIP, but costs are very uncertain and not yet included in the budget. Funding for possibly hiring an additional staff member is included; also included are RIDES delivery subsidies for October 1, 2016 – June 30, 2017 and funding (\$5,000) for eRate consulting services. The conferences line item includes the \$100 per library "scholarships" for training or workshops, as well as \$2,000 for a face-to-face Librarian's meeting. The capital outlay line item includes \$15,000 for new furniture in case the planned new employee workstations are not purchased before the end of FY 2016. An updated budget for FY 2016/2017 will be presented to the Board at the September meeting.

**OLD BUSINESS:** Pam Christensen reported on old business items.

Update on UPRLC Request for Proposal for Cost Effective Broadband:

An RFP (Request for Proposal) requesting internet access and connectivity (with service to begin July 1, 2016) for up to five library locations--Curtis Library, Brevort Library, Forsyth Township Library, Ishpeming Carnegie Library, and North Dickinson Library--was issued in January 2016. The North Dickinson Branch Library dropped out since cost proposals from all vendors were too high. After receiving and evaluating the 3 vendor proposals that were received, the UPRLC Contract Committee chose the most cost-effective vendor: Peninsula Fiber Network (PFN). Since some installation and monthly costs associated with project may not be eligible for eRate funding, the SLC Board decided to assume the risk of paying for monthly costs up to \$10,000 for up to 6 months of delayed installation and one-time installation costs up to \$28,000 if eRate funding for installation is eliminated.

Pam C. said that there has still been no determination on USF funding for the installation costs. PFN has indicated that installation at Ishpeming and Forsyth Township libraries should be completed by the end of August. Some work has also been completed at Curtis. Since installation was not completed by July 1, SLC will have to pay for the Merit T-1 lines for July and August.

Set Policy Committee Meeting: Current members of the SLC Policy Review Committee are John Schaeffer, Tina Graber, Dion Mindykowski, Pam Christensen, and Pam Malmsten; Pam Christensen. said that anyone else interested should let her know. The committee will be working on the SLC Personnel Policy manual first. Pam C. said that she is considering setting up a September meeting and will be sending out possible dates and times to committee members.

**NEW BUSINESS:**

2015 MERS Annual Actuarial Valuation: The 2015 MERS Annual Actuarial Valuation was sent to the Board prior to the meeting. The actuarial valuation provides SLC's MERS

defined benefit pension plan's liabilities, funding levels, required employer and employee contributions, and necessary GASB information. Pam Malmsten also sent Board members a document explaining some of the information in the report. Based on the results of its most recent Experience Study, MERS implemented three changes that were reflected in the 2015 valuation: the mortality table was adjusted since people are living longer, the investment rate of return was decreased from 8% to 7.75%, and amortization periods were shortened. These changes alone contributed to an increased required employer contribution for SLC's plan beginning October 1, 2017. The report stated that SLC's required employer contribution rate beginning October 1, 2017 would be 167.93% of defined benefit wages. Pam M. explained that, when calculating the employer required contribution rate, MERS looked at SLC's 2015 total defined benefit (DB) wages. SLC had only 1 active DB employee in 2015—Pam Christensen; Pam C. began working in December 2015 and only 2 days were included in 2015 wages. The very low figure reported to MERS for 2015 DB wages probably contributed to the high employer contribution rate stated in the valuation. Pam M. said that, if MERS had based the employer contribution on 12 months of current defined benefit wages, SLC's employer contribution rate would have been about 17%. SLC's required employer contribution beginning October 1, 2016 is a flat \$663 per month and was reflected in SLC's 2014 Actuarial Valuation; the SLC director, however, recommended that SLC pay a voluntary increased employer contribution rate of 17% of DB wages beginning October 1, 2016. Pam M. noted that the 2015 Annual Actuarial Valuation stated that SLC's defined benefit plan is currently 80% funded.

RIDES Delivery Costs and Approval of Delivery Subsidies for FY 2016/2017: At a special meeting held on June 6, 2016, the SLC Board passed a motion stating that SLC would subsidize member libraries' RIDES delivery costs above two delivery days per week; libraries were responsible for paying for two delivery days at the Lower Peninsula rate and SLC would pay for the additional cost for the period July 1, 2016 to September 30, 2016. Pam Christensen reported that she had asked MCLS to bill each of the SLC libraries for two days of delivery service at the Lower Peninsula rate (\$1,683), and to bill SLC for the remaining amount, however MCLS sent the libraries invoices for the entire amount of their delivery service for 7/1/16 – 6/30/17. At the June 6 meeting, the Board expressed support for subsidizing RIDES delivery for 9/1/2016 – 6/30/17, but did not take any formal action since SLC staff had not yet presented a draft budget for FY 2016/2017. Pam C. reported that RIDES delivery subsidies for the period October 1, 2016 – June 30, 2017 were included in the preliminary draft budget presented to the Board earlier in the meeting (See "Draft Budget for FY 2016/2017" under "Financial Report" above. Pam C. said that the total FY 2016/2017 cost for subsidizing SLC RIDES libraries above 2 days per week at the Lower Peninsula rate would be \$16,920. The total subsidy that will be included in FY 2015/2016 expenses is \$5,640. Pam C. asked the Board to consider passing a motion approving the FY 2016/2017 total RIDES delivery subsidy so that SLC could immediately distribute reimbursement checks to the RIDES libraries for the full amount of the subsidies for the period July 1, 2016 – June 30, 2017.

A MOTION was made APPROVING THE PAYMENT OF \$16,920 FOR A RIDES DELIVERY SUBSIDY TO SLC MEMBER LIBRARIES FOR THE PERIOD OF OCTOBER 1, 2016 TO JUNE 30, 2017 (MSC Bettina Graber/Caroline Jordan). Motion carried unanimously.

SLC Board of Directors Meeting Dates 2017: Pam Christensen sent the Board a possible list of meetings for 2017. All meeting dates were scheduled on Thursdays. John Schaeffer said that Thursdays are not the best days for him in the summer. Pam C. said that

Board members should let her know what days work for them so the meeting schedule can be finalized.

Board of Directors Appointments for FY 2016/2017: Pam Christensen reported that about 1/3 of SLC's member libraries have identified a board member; she said that, in order to determine FY 2016/2017 Board members and the voting rotation, she will need the names of each library's appointee by September 16, 2016. Pam C. said she would send out a sample resolution that library Boards can use to appoint their SLC representatives.

Superior District Library Friends of the Library Workshop: John Schaeffer reported that SDL's Friends of the Library groups attended a Friends of the Library Appreciation Day in July at the Mollie R. Kahl Community Library in Rudyard. John said the workshop was "incredible" and very well-attended. Friends group volunteers networked and shared ideas, and attorney Anne Seurnyck presented information on legal issues regarding Friends groups. John said he would send more information to Pam C. and ask Anne Seurnyck if we could share her Power Point presentation. John also said that SDL's Director, Lisa Waskin, did a great job putting the workshop together. Caroline Jordan added that the Library of Michigan has partnered with the American Library Association's ["United for Libraries"](#) and provides excellent programs for trustees and Friends groups.

Superiorland Library Cooperative Advisory Board of Librarians: Board members expressed support for reactivating the Advisory Board of Librarians. Pam Christensen said she would like to schedule two meetings in August: one in the central U.P. and one in the eastern U.P. Pam C. said she would send out the current SLC Service Plan and meeting dates; she said people who couldn't attend a meeting could submit written comments. A MOTION was made THAT THE SUPERIORLAND BOARD OF DIRECTORS SUPPORTS THE REACTIVATION OF THE SUPERIORLAND LIBRARY COOPERATIVE ADVISORY BOARD OF LIBRARIANS WITH MEETINGS TO BEGIN SOMETIME IN AUGUST (MSC Tina Graber/Sara Basso). Motion carried unanimously. .

Resolution Appointing Pam Christensen as SLC's Representative to the Northern Michigan Library Network (NMLN) Board: Suzanne Dees, one of SLC's former representatives to the NMLN Board, resigned for her position effective June 27, 2016. (Elaine Erickson is SLC's other NMLN representative.) SLC Board members agreed that Pam Christensen should be appointed to replace Suzanne Dees on the NMLN Board. A MOTION was made TO APPOINT PAMELA CHRISTENSEN TO SERVE AS SUPERIORLAND LIBRARY COOPERATIVE'S REPRESENTATIVE ON THE NORTHERN MICHIGAN LIBRARY NETWORK BOARD OF DIRECTORS TO REPLACE SUZANNE DEES FOR A TERM ENDING MARCH 20, 2019 (MSC Sara Basso/Debbie Friedman).

**NEXT MEETING:** The next regular meeting of the Superiorland Library Cooperative Board of Directors is scheduled for Tuesday, September 27, 2016 at 10:00 a.m. eastern.

**ADJOURNMENT:** There being no further business, the Chair declared the meeting adjourned at 11:23 a.m.

Caroline Jordan, Secretary

Pamela Malmsten, Recorder