

SUPERIORLAND LIBRARY COOPERATIVE
MEETING OF THE BOARD OF DIRECTORS
July 16, 2015

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, 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); or the West Iron District Library (116 Genesee St., Iron River). The Chair, John Schaeffer, called the meeting to order at 10:08 a.m. eastern.

SLC BOARD MEMBERS PRESENT: (*denotes voting member) John Schaeffer*, Chair; Caroline Jordan*, Secretary; Bettina Graber*, Jeri Selthoffer*, Patti Jahn*, Sandra Kraai*, Kim Nowack*, B.R. Smith*, Marie Oja*, Joan Brown, Sara Basso, and Suzanne Dees (SLC Director)

SLC STAFF PRESENT: Pamela Malmsten (Recorder)

LIBRARY DIRECTORS/STAFF/BOARD MEMBERS PRESENT: Lisa Poignant-Waskin (Superior District Library), Megan Buck (Dickinson County Library), Denise Engel (Wakefield Public Library), and Elaine Erickson (Ironwood Carnegie Public Library)

VOTING BOARD MEMBERS ABSENT: None

APPROVAL OF THE AGENDA: There were three additions to the agenda: a comment from the Chair would be added after the approval of the minutes, and discussions about SLC building sound absorption issues and employee work space/sound absorption vendor proposals would be added under "New Business." [The Board later decided to discuss the workspace/sound absorption issues and proposals during the discussion of the FY 2014/2015 budget revision.] A MOTION was made TO APPROVE THE AGENDA AS AMENDED (MSC Bettina Graber/Jeri Selthoffer). Motion carried unanimously.

PUBLIC PARTICIPATION AT ALL VIDEO CONFERENCE LOCATIONS: The library representatives present had no comments at this time. There was no other public participation at any locations.

APPROVAL OF THE MINUTES: There was one correction to the minutes of March 5, 2015: Sara Basso should have been listed under "SLC Board Members Present". A MOTION was made TO APPROVE THE MINUTES OF March 5, 2015 as corrected (MSC B.R. Smith/Jeri Selthoffer). Motion carried unanimously.

Chair's Comment: John Schaeffer reported that, on July 16, he received a letter from SLC Director Suzanne Dees notifying him that, after 40 years of service to public libraries,

she would be resigning from her position as director of the Superiorland Library Cooperative effective April 30, 2016. In the letter, Suzanne stated that “The Cooperative is in good shape with financial resources, an outstanding staff, and an improved facility. This situation will have much to offer a new person in the way of opportunities for improving services to our members.” John read the entire letter aloud to the Board; Suzanne indicated that, after a new director is hired, she would be willing to phase out her hours between January and April so she could assist in training the new director. John added that the Board would need to talk about forming a search committee.

DIRECTOR’S REPORT:

Suzanne highlighted and updated the written Director’s Report that was distributed to board members and posted online. The Forsyth Township Public Library has now relocated to its beautiful, remodeled facility. Wayne State University is offering scholarships for its Master of Library Science program; Suzanne said that 5 or 6 library staff members have expressed interest in applying for scholarships and pursuing advanced degrees. The Library of Michigan has announced that next year it will use some LSTA money for professional development. Some bad news: Suzanne has been working with the library director/school superintendant of the L’Anse Area School Public Library to pursue a county-wide millage; the millage, however, was soundly defeated and library services will have to be reduced. HB 4182, the Open Meetings Act bill, has passed the House but is stuck in Committee in the Senate. The proposed bill now includes language stipulating that the provisions that would require board members to be physically present at public meetings (and disallowing the use of audio and/or video conferencing technology) would apply only to elected, not appointed, boards.

FINANCIAL REPORT:

February, March, April, May, and June 2015 Cash Disbursements, Balance Sheet, and YTD Reports: Suzanne presented the financial report. Year to Date expense and revenue reports, the balance sheet as of 06/30/2015, and cash disbursements for February 2015 through June 2015 were reviewed. Suzanne reported that expenses are under the 9/12 figure for total expenses and for most line items. Suzanne also summarized balance sheet figures as of June 30, 2015. A MOTION was made TO APPROVE CASH DISBURSEMENTS OF \$28,583.15 for FEBRUARY 2015, \$39,503.89 for MARCH 2015, \$42,858.62 FOR APRIL 2015, \$71,505.17 FOR MAY 2015, \$51,365.97 FOR JUNE 2015, AND YEAR TO DATE REPORTS AS OF 06/30/2015 (MSC Marie Oja /Tina Graber). Motion carried unanimously.

FY 2014/2015 Budget Revision: Suzanne reported that the Blue Cross employee health insurance plan, which renewed on July 1, showed only a 3 percent premium increase, however the value of the plan decreased since employee maximum out-of-pocket costs rose from \$1,500 to \$6,600.

The building maintenance line item is the only budget line item that needs to be adjusted. \$14,763 has been spent so far on building improvements, including the shelving removal, interior painting, restroom drywall repairs, installation of new carpeting, and installation of additional electrical wiring to accommodate relocated employee workstations. Suzanne recommended that \$6,500 be transferred out of the “contingency-administration” expense line item and added to the “building maintenance” line item.

Since the remaining contingency line item funds will not be needed this year, Suzanne suggested that the board consider authorizing additional expenditures for soundproofing measures and new employee workstations. After the compact movable shelving was removed from the premises, SLC employees noticed that the noise level in the main work area of the building markedly increased; apparently the shelving had absorbed some of the sound. Since all of the employees working in the large room spend a significant amount of time providing telephone support services, the sound level has been distracting. Suzanne has received two vendor proposals for soundproofing and ergonomic workstation designs and recommendations. Suzanne summarized the proposals and, after discussion, board members agreed that the board should specify a budget for the soundproofing/workstation project and the director could choose a vendor and decide how to spend the budgeted funds.

A MOTION was made TO AUTHORIZE THE DIRECTOR TO SPEND \$15,000 - \$20,000 FOR SOUND CONTROL MEASURES AND EMPLOYEE WORKSTATIONS (MSC Tina Graber/Jeri Selthoffer). Motion carried unanimously.

A MOTION was made TO ACCEPT THE FY 2014/2015 BUDGET REVISIONS AS RECOMMENDED BY THE DIRECTOR [including transferring \$6,500 from the contingency line item to cover completed building renovations, and another \$15,000 - \$20,000 to be transferred from contingency to building maintenance to cover new furniture and designs for sound proofing measures and employee workstations] (MSC Marie Oja/Tina Graber). Motion carried unanimously.

FY 2015/2016 Draft Budget: A FY 2015/2016 preliminary budget was reviewed; a final budget will be approved in September. The budget includes funds to pay a full-time director as soon as January 2016; Suzanne's time would be phased out between January and April. Suzanne added that, if necessary, she is willing to phase out her time sooner than April 2016, however, Board members agreed that they would like Suzanne to retain her position as long as possible.

Suzanne reported that the position of Communications, Outreach, and Public Relations Manager was advertised and several qualified applicants were interviewed. Subsequently, however, Suzanne decided to resign from the Director's position. Board members agreed that the new director should decide on cooperative staffing needs. The draft 2015/2016 budget includes funding to contract for marketing and public relations services.

The Board discussed the process of searching for a new director. Suzanne recommended that the board consider hiring a consulting firm, Hartzell-Mika Consulting, LLC, to conduct the director search and bring the best applicants to the Board for interviews and final selection. Marianne Hartzell, a former MLA Executive Director, would be the primary consultant. Jeri Selthoffer related the positive experiences Crawford County Library Board had with Hartzell-Mika Consulting during that library's director search. Elaine Erickson, the director of the Ironwood Carnegie Public Library, suggested that the unique qualities of northern Michigan libraries be conveyed to applicants. Lisa Waskin, the director of the Superior District Library, said that collaboration should be stressed. Elaine Erickson also suggested that Suzanne send a short SurveyMonkey survey to library directors and staff members to determine what cooperative director characteristics are most important to them; everyone agreed that a survey was a good

idea. [On July 17, Suzanne sent an e-mail to the listserv with a link to a SurveyMonkey survey regarding the cooperative director position.]

Board members discussed the timeline and expenditures involved with the selection process. Suzanne said that there is enough money in the current (FY 2014/2015) budget to pay all, or most, of the search-related expenses before the end of the fiscal year. A MOTION was made to RETAIN HARTZELL-MIKA CONSULTING, LLC TO ASSIST IN THE COOPERATIVE DIRECTOR SELECTION PROCESS AND TO AUTHORIZE SELECTION RELATED EXPENDITURES OF UP TO \$6,000 TO BE INCLUDED IN FY 2014/2015 EXPENDITURES AS APPROPRIATE (MSC Tina Graber/Jeri Selthoffer). Motion carried unanimously.

The Board discussed the formation of a search committee. A MOTION was made TO ESTABLISH A COOPERATIVE DIRECTOR SEARCH COMMITTEE (MSC Tina Graber/Jeri Selthoffer). Motion carried unanimously. It was agreed that members of the committee would include:

SLC Board members: John Schaeffer, Tina Graber, and Jeri Selthoffer [Note: on July 17, Kim Nowack was also appointed to the committee.]

Member library directors: Lisa Waskin (Superior District Library) and Elaine Erickson (Ironwood Carnegie Public Library)

Suzanne Dees will serve as the liaison to the consultant and Pam Malmsten will serve as the committee recorder.

MERS Pension Annual Report as of December 31, 2015: The MERS 2014 Annual Actuarial Valuation has been completed and was distributed to board members prior to the meeting. Suzanne reported that Page 12 of the report states that SLC's division is closed to new hires. Suzanne contacted SLC's MERS representative, Terra Langham, and indicated that the division should *not* be closed to new hires. On July 13, Terra replied via e-mail that [SLC's] "...annual is showing closed since there are no actives but once you report the new employees it will show open..." SLC's current pension plan funding ratio is 88% and the required employer contribution beginning October 1, 2015 is 12.41%. Suzanne noted that SLC has been making voluntary extra contributions to the pension plan for the past several years.

OLD BUSINESS:

Automated Library Services Data Move to Hosted Environment: The UPRLC Automated Library Services (ALS) Group had formed a committee to consider whether ALS should replace a server that will soon be reaching end-of-life, or to purchase SaaS, the SirsiDynix data hosting solution. On June 17, the SaaS Committee met to discuss the current SirsiDynix offer for SaaS and, if the offer was rejected, to make decisions regarding the purchase of a new server. It was noted at the meeting that SaaS data security issues, which had been a concern in the past, have been resolved, and SaaS would offer several advantages over the server replacement option. After analyzing the SirsiDynix SaaS quote however, the Committee agreed that the cost was too high and decided to replace the central site server.

Two days later, however, SirsiDynix returned with a revised offer that included a price reduction. The SirsiDynix representative also indicated that UPRLC could return to hosting its data on central site servers when the current maintenance agreement expires. Since this was an exceptional deal, the ALS group accepted the offer. Suzanne noted

that ALS staff members will have the same level of access to UPRLC data as they have now. ALS will gain a test server and Oracle database management software for improved product functionality; somewhat lower utilities; and, less staff time involved with upgrades. SaaS migration will probably occur in mid-January.

Great Lakes Talking Books Annual Reader Survey: Board members received a summary of a Great Lakes Talking Books patron survey that was included with the GLTB spring/summer newsletter; survey responses indicated that most patrons were very pleased with the service. Suzanne reported that Lynn Buckland-Brown, the GLTB Reader Advisor, is doing a great job and especially enjoys outreach activities. Lynn is planning to introduce a book club in the fall; GLTB patrons can come to SLC or participate via ReadyTalk audio conferencing service.

OCLC Interlibrary Loan FY 2014/2015 YTD Transaction Report: The Board reviewed a report comparing cooperative OCLC interlibrary loan activity (ILL) for the first 3 quarters of FY 2015 with FY 2013/2014 activity. In FY 2015, SLC began contracting with the White Pine Library Cooperative (WPLC) for OCLC interlibrary loan services; SLC pays WPLC \$5.50 per transaction; costs are offset because SLC no longer has to pay the OCLC ILL subscription fee or local labor costs. Activity dropped in a few libraries and Suzanne contacted some of the library directors to find out why. Most indicated that the reduced OCLC activity was because more requests were filled using PII or MeLCat. Suzanne said that staff members in some of the smaller libraries are having difficulty finding time to process requests since they had previously directed all ILL requests to SLC. Suzanne added that the OCLC successful fill rate is 74% and cooperative libraries are lending more materials on OCLC than they were in the past.

NEW BUSINESS:

Adopt FOIA Policies and Procedures in Compliance with Changes to Freedom of Information Act: Board members reviewed and discussed Freedom of Information Act (FOIA) policies and procedures that were prepared by attorney Anne Seuryneck.

A MOTION was made TO ADOPT A RESOLUTION TO APPROVE FOIA PROCEDURES AND GUIDELINES, A WRITTEN PUBLIC SUMMARY, AND DETAILED COST ITEMIZATION (MSC Tina Graber/Marie Oja). Motion carried unanimously (Yeas: Tina Graber, Caroline Jordan, Kim Nowack, Marie Oja, Jeri Selthoffer, and Patti Jahn; Nays: None). Note: Board members B.R. Smith and Sandra Kraai, who had dialed in to the meeting via ReadyTalk audio conferencing service, were no longer present.

Cafeteria Plan Amendment: Board members reviewed a proposed Summary of material Modifications to Superiorland Library Cooperative's medical premium conversion plan. The change is pursuant to IRS notice 2014-55, which expands the application of the permitted change rules for health coverage under a section 125 cafeteria plan. IRS notice 2014-55 permits a cafeteria plan to allow an employee to revoke his or her election under the cafeteria plan for coverage under the employer's group health plan during a period of coverage in certain specific situations in order to purchase a health plan through the ACA marketplace. The situations include (1) a reduction in hours of service and (2) enrollment in a Qualified Health Plan through the ACA; conditions for each situation are specified in IRS notice 2014-55. The Board voted on a resolution that would allow employees to make election changes as specified in IRS Notice 2014-55.

A MOTION was made TO ADOPT THE AMENDMENT ALLOWING ADDITIONAL EMPLOYEE ELECTION CHANGES PURSUANT TO IRS NOTICE 2014-55 TO THE SUPERIORLAND LIBRARY COOPERATIVE PREMIUM CONVERSION PLAN EFFECTIVE JANUARY 1, 2015 (MSC Tina Graber/Marie Oja). Motion carried unanimously.

NEXT MEETING: The next meeting of the Board of Directors is scheduled for Tuesday, September 29, 2015 at 10 a.m. eastern.

ADJOURNMENT: There being no further business, the Chair declared the meeting adjourned at 11:50 am eastern.

Caroline Jordan, Secretary

Pamela Malmsten, Recorder