

SUPERIORLAND LIBRARY COOPERATIVE  
MEETING OF THE BOARD OF DIRECTORS  
September 27, 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 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 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 10:00 a.m. eastern.

**SLC BOARD MEMBERS PRESENT:** (\*denotes voting member) John Schaeffer\*, Chair; Tina Graber\*, Vice-chair; Caroline Jordan\*, Secretary; Debra Friedman\*, Sharon Scholke\*, Pat Houle\*, Kim Nowack\*, Pat Cheski, Greg Rathje, and Pam Christensen (SLC Director)

**SLC STAFF PRESENT:** Pamela Malmsten (Recorder)

**LIBRARY DIRECTORS/STAFF/BOARD MEMBERS PRESENT:** Connie Meyer (Devereaux Memorial Library), Megan Buck (Dickinson County Library), Andrea Ingmire (Peter White Public Library), Lisa Waskin (Superior District Library), Denise Engel (Wakefield Public Library), and Barb Bartel (West Iron District Library)

**VOTING BOARD MEMBERS ABSENT:** Sara Basso

**APPROVAL OF THE AGENDA:**

There were two corrections and two additions to the agenda:

(1) Insert "President's Remarks" after "Public Participation".

(2), (3) Correct two dates: items VIII (b) and VIII (c) should reference FY 2017, not FY 2016.

(4) Add "Approval of the Balance Sheet" to item VI "Financial Report".

A MOTION was made TO APPROVE THE AGENDA AS AMENDED (MSC Tina Graber/Sharon Sholke). 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.

**PRESIDENT'S REMARKS:**

John Schaeffer recommended that all library staff and SLC Board members use library e-mail servers for their library or cooperative-related e-mail communications. John explained that it is necessary to keep library and /or Board-related communications separate from personal e-mail; this is especially important in case of a FOIA request. Anyone who does not

currently have an “uproc” or library e-mail account should contact SLC’s Network Administrator, Jean Montgomery.

John also noted that the SLC Board needs to start thinking about conducting a Director evaluation; Pam Christensen will have been employed at SLC for one year in December 2016. It was agreed that an Evaluation Committee would be formed and that the committee would consist of SLC Board members and a couple of library directors. SLC Board members volunteering to serve on the committee included: John Schaeffer, Tina Graber, and Caroline Jordan; John said he would try to find two member library directors willing to serve on the committee. John added that the committee would try to complete the evaluation by March 31, 2017.

**APPROVAL OF THE MINUTES:** A MOTION was made TO APPROVE THE MINUTES OF THE BOARD MEETING OF JULY 14, 2016 AS PRESENTED (MSC Pat Houle/Debbie Friedman). Motion carried unanimously.

### **DIRECTOR’S REPORT:**

Executive Director’s Report: Pam Christensen presented the Director’s Report. Prior to the meeting, Board members received two director’s reports. Reports are posted on the SLC web site at:

[http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/execdirreportjuly16update.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/execdirreportjuly16update.pdf) and at: [http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/execdirreport092716.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/execdirreport092716.pdf).

Executive Director’s Goals Update: Pam Christensen’s Executive Director’s goals were originally presented to the Board in January 2016. Board members received an update to the report that summarized Pam C.’s progress on accomplishing the goals. The complete report is posted on the SLC web site at:

[http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/execdirgoalsupdate092716.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/execdirgoalsupdate092716.pdf).

UPRLC Annual Meeting—September 29, 2016: Pam C. reminded everyone that 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.

Advisory Board of Librarians Meetings: Advisory Board of Librarians meetings were held on August 16 in Marquette and on August 23 in St. Ignace. A consultant, Dave Bonsall, moderated the meetings. Notes from the August 16 meeting are posted on the SLC web site at:

[http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/slcadvbadmin081616.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/slcadvbadmin081616.pdf). Notes from the August 23 meeting are also posted online at:

[http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/slcadvbadmin082316.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/slcadvbadmin082316.pdf).

A summary of themes from both meetings is online at:

[http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/advisorybdthemes082016.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/advisorybdthemes082016.pdf).

Library directors and staff members gave feedback about current cooperative services and about other services they would like to see SLC provide. This information was then used in the development of the FY 2016/2017 Plan of Service and the FY 2017 budget. An Advisory Board update is posted online at:

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

A document summarizing Advisory Board services and budget information is online at: [http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/slcadvbdbudgetmemo.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/slcadvbdbudgetmemo.pdf).

Tina Graber commented that she was happy to see the good response to the Advisory Board meetings and was glad that meetings were scheduled in two locations. Pam C. said that she is considering holding three Advisory Board meetings in FY 2017.

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

July and August 2016 Cash Disbursements, YTD Reports, and Balance Sheet as of 08/31/2016:

*Cash Disbursements:* Professional and contractual disbursements in July included \$5,000 to EdTech Strategies for help with the e-rate process and \$621.50 to White Pine Library Cooperative for OCLC interlibrary loan. Line item 3-801.7, with a total disbursement of \$22,560, is for the RIDES delivery reimbursements; \$5,640 of that is for July – September 2016 service and will be applied to the current year expenses; the remaining \$16,920 is for October 2016 – June 2017 service and will be carried over to FY 2016/2017. A disbursement of \$12,544.24 (line item 4-959.9) to Securis was for new firewalls and 3 years of maintenance for some of SLC's member libraries. A few of the small libraries will be paying for their maintenance over 3 years, since they couldn't afford to pay for the entire 3 year period in the current year. August disbursements included a payout of \$13,660.60 (line item 3-977) to Custer for new furniture for SLC staff; this is 50% of the total cost of the furniture.

*Year to Date Reports:* Pam M. noted that there are several expense line items that are over or under the 11/12 budget figure and a proposed revised budget for FY 2015/2016 will be presented to the Board.

A MOTION was made TO APPROVE CASH DISBURSEMENTS OF \$103,861.27 FOR JULY 2016, \$73,630.06 FOR AUGUST 2016, AND THE YEAR TO DATE REPORTS AS OF 8/31/2016 [with total expenses of \$608,194 and total revenues of \$697,991] (MSC Caroline Jordan/Sharon Scholke). Motion carried unanimously.

*Balance Sheet as of 08/31/2016:* Pam M. reported that, as of 08/31/2016, SLC's total assets were \$750,211.88 and total liabilities plus fund balances were \$750,211.88. A MOTION was made TO APPROVE THE BALANCE SHEET AS OF 8/31/2016 (MSC Tina Graber/Caroline Jordan). Motion carried unanimously.

Proposed Budget Revision for FY 2015/2016: A proposed revised budget for FY 2015/2016 was reviewed; the budget had been distributed to the Board in advance of the meeting. Pam M. said that, at year end, revenues are projected to exceed expenditures by \$31,153. Because of the expected net income, the proposed budget includes the second 50 percent payment for the new staff furniture (\$13,660.60). Pam M. noted that the "contingency" line item included \$30,000 for member library fiber reimbursements (the Board had authorized up to \$38,000). Before September 30, SLC will be paying a total of \$2,310 for Ishpeming and Forsyth public libraries (the libraries' share is \$770). SLC will also be paying \$1,876 for Curtis Library (the library's share is \$804), but the invoice for that service will not arrive until after October 1 and is included in the FY 2017 budget.

A MOTION was made TO APPROVE THE SLC FY 2015/2016 REVISED EXPENSES BUDGET [with total expenses of \$702,343 and total revenues of \$733,290] AS PRESENTED (MSC Debbie Friedman/Tina Graber). Motion carried unanimously. The final SLC budget for FY 2015/2016 is posted on the SLC web site. Expenses are at: [http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/slccexp2016092716.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/slccexp2016092716.pdf).

Revenues are at:

[http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/slcrev2016092716.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/slcrev2016092716.pdf).

Schedule of Services, FY 2016/2017: The FY 2016/2017 Schedule of Services was sent to Board members in advance of the meeting and is posted on the SLC web site at: [http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/scheduleservices2017.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/scheduleservices2017.pdf).

Pam Christensen explained that the Schedule of Services is a blueprint for how the cooperative will operate and should not be confused with the Plan of Service. Pam said that the Schedule of Services includes many of the suggestions conveyed by member library directors and staff at the Advisory Board meetings. Caroline Jordan asked about streaming video, a new service listed in the Schedule of Services. Pam C. explained that streaming video is offered by Overdrive, SLC's current ebook and audio book vendor. There is no additional platform fee for the service, the only additional cost would be for content; there is currently \$10,000 in the proposed FY 2016/2017 budget for video content. The budget also includes \$15,000 for Overdrive audio books and ebooks and \$12,500 for the Overdrive platform fee. Pam C. said that audio books seem to be becoming more popular so she will be buying more audio books in the coming year. Pam C. noted that SLC has added significantly to the Overdrive collection in the past several months; she said that Overdrive tracks statistics for each library, and it will be interesting to see how much digital usage has increased over the past year. Several libraries have given extra donations for digital purchases; Pam said she will purchase any items requested by donors (if they are available on Overdrive) and noted that she tries to purchase all requested items.

A MOTION was made TO APPROVE THE FY 2016/2017 SCHEDULE OF SERVICES AS PRESENTED (MSC Pat Houle/Debbie Friedman). Motion carried unanimously.

Annual Adoption of 80/20 Percentage Option for Employer/Employee Health Insurance Premium Share: Michigan Public Act 152 of 2011 limits the amount public employers can contribute to employee health insurance plans. The law stipulates that public employers can opt for an 80/20 plan: employers pay 80 percent of premiums and employees pay 20 percent. Pam C. recommended that the Board again adopt an 80/20 premium share policy for all employees eligible to participate in the SLC group health plan. A MOTION was made TO ADOPT AN 80/20 PLAN [Employer pays 80 percent and employees pay 20 percent] FOR PAYMENT OF HEALTH INSURANCE PREMIUMS FOR ALL EMPLOYEES ELIGIBLE TO PARTICIPATE IN THE SLC GROUP HEALTH PLAN (MSC Tina Graber/Caroline Jordan). Motion carried unanimously.

Adopt FY 2016/2017 Budget: A proposed budget for FY 2016/2017 was reviewed; the budget had been distributed to the Board prior to the meeting. Pam M. said that revenues are based on the assumption that state aid will be the same in the next fiscal year. All of the items included in the Plan of Service are included in the budget.

The budget includes an employer contribution of 15% for MERS. SLC's required employer contribution for FY 2017 is a flat \$663 per month (\$8,000 for the year), but this is based on the assumption that the cooperative has no active employees. Next year, the required contribution will be 17% of MERS payroll. To further reduce SLC's unfunded liability, an employer contribution of 15% of payroll was budgeted.

The capital outlay-furniture line item includes \$7,500, which is for new furniture for the Director's office. The Professional and Contractual line item includes the \$16,920

October 2016 – June 2017 RIDES subsidies, the fiber reimbursement for Curtis (\$1,876), \$5,000 for e-rate services from EdTech Strategies, and \$3,300 for OCLC interlibrary loan services from the White Pine Library Cooperative. A total of \$37,500 was budgeted for Overdrive digital media, including the platform fee (\$12,500), streaming video (\$10,000), and ebook and audiobook content (\$15,000). Libraries will contribute \$32,950 to Overdrive content. Total expenses in the proposed budget are \$739,540 and total revenues are \$738,180; the projected deficit of \$1,360 will be transferred from the fund balance.

A MOTION was made TO APPROVE THE SLC FY 2016/2017 BUDGET [with total expenses of \$739,540 and total revenues of \$738,180] AS PRESENTED, (MSC Tina Graber/Sharon Scholke). Motion carried unanimously. The MOTION was then AMENDED TO STATE THAT THE FY 2016/2017 BUDGET BE APPROVED AS PRESENTED AND INCLUDES A TRANSFER OF \$1,360 FROM THE FUND BALANCE TO BALANCE THE BUDGET (MSC Tina Graber/Sharon Scholke). Motion carried unanimously.

The final SLC budget for FY 2016/2017 is posted on the SLC web site. Expenses are at: [http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/slcbudgetfy17expsumm.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/slcbudgetfy17expsumm.pdf). Revenues are at: [http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/slcbudgetfy17revsumm.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/slcbudgetfy17revsumm.pdf).

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

Update on UPRLC Broadband Project: Pam C. presented an update on the UPRLC broadband project. After completing the competitive bid process, the Peninsula Fiber Network was chosen by the UPRLC Contract Review Committee to provide fiber internet access for Curtis Library, Brevort Library, Forsyth Township Library, and Ishpeming Carnegie Library. Since there was concern that some installation and monthly costs associated with project may not have been 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 was eliminated. Construction was delayed and SLC ended up paying \$2,310 for Merit T-1 Internet access for Ishpeming and Forsyth, and \$1,876 for Curtis. One-time installation costs were eligible for e-rate discounts. Costs for Ishpeming and Forsyth were paid in FY 2016 and costs for Curtis are included in the FY 2017 budget.

Pam C. reported that all construction has been completed for Ishpeming and Forsyth and the two libraries are up and running, and a notice to proceed has been received for Curtis and Brevort. When the project is complete, four more SLC libraries will have high speed, reliable fiber optic internet access; Pam noted that this is a benefit for the entire cooperative.

Update on Headquarters Work Space Plan and Furniture Installation: Pam C. reported that new furniture for all SLC staff members, except the Director, will be installed during the first week of October. A contractor was also hired to remove the sliding glass doors from the conference room, install drywall, and paint the new wall; the total cost of the project was \$1,500 and was included in the FY 2016 budget. Pam added that the conference room renovations will result in better soundproofing and the new furniture will help the staff operate more efficiently.

**NEW BUSINESS:**

USF Erate Coordinator Appointment: Suzanne Dees: USAC/Erate has changed the required procedures for receiving reimbursements on phone and internet service. In the past, USAC paid the service provider and the service provider sent the library a check. Starting with reimbursements after July 1, 2016, USAC will pay libraries directly and payments will only be made by direct deposit into a bank account. Banking information will have to be provided to USAC when a new Form 498 is filed for the first time. After approving the Form 498, USAC will send a 498 ID number, which is required under the new BEAR reimbursement process. In order to receive Erate reimbursement for the UPRLC Internet Consortium for the period of July 1, 2015 – June 30, 2016, the SLC Board (and the governing boards of all libraries that receive eRate reimbursements) will have to pass a motion authorizing a library employee to file the Form 498.

A MOTION was made THAT SUZANNE DEES IS THE LIBRARY OFFICIAL AND COMPANY OFFICER WHO IS AUTHORIZED TO START, COMPLETE, SUBMIT, MODIFY, AND DEACTIVATE FORMS 498 FOR PURPOSES OF THE ERATE SCHOOLS AND LIBRARIES PROGRAM (MSC Debbie Friedman/Caroline Jordan). Motion carried unanimously.

Pam C. added that Suzanne's help as the e-rate coordinator has been invaluable: this year libraries received over \$125,000 in e-rate refunds. Pam said that SLC is looking at getting more libraries on VOIP (Voice Over Internet Protocol) since POTS (Plain Old Telephone Service) is no longer eligible for USF reimbursement.

Annual Affirmation of E-Rate Policies for FY 2016/2017: FY 2016/2017 e-rate policies were sent to the Board in advance of the meeting. A MOTION was made TO APPROVE THE FY 2016/2017 E-RATE POLICIES, INCLUDING THE E-RATE GIFT POLICY, AS PRESENTED (MSC Tina Graber/Pat Houle). Motion carried unanimously. The approved E-Rate Policies are posted on the SLC web site at: [http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/eratepolicies2017.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/eratepolicies2017.pdf). The e-rate gift policy is also posted on the SLC web site at: [http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/erategiftpolicy2017.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/erategiftpolicy2017.pdf).

Annual Approval of Financial Investment Institutions for FY 2016/2017: A MOTION was made TO APPROVE THE FOLLOWING FINANCIAL INSTITUTIONS FOR FINANCIAL INVESTMENTS IN FY 2016/2017: WELLS FARGO BANK, RANGE BANK, MBANK, NORTHERN MICHIGAN BANK, FIRST MERIT BANK, PEOPLE'S STATE BANK, RIVER VALLEY BANK, AND THE MARQUETTE COMMUNITY FEDERAL CREDIT UNION (MSC Caroline Jordan/Debbie Friedman). Motion carried unanimously.

Board Membership and Election of Officers for FY 2016/2017: Pam Christensen reported that libraries appointed four new SLC Board members, and that the voting rotation for FY 2016/2017 changed. Pam said that the exact list of voting members is still uncertain, she is still waiting to hear if one of the Board members will pass on voting in FY 2017. The election of officers will also have to wait until the list of voting members is finalized. After discussion, it was agreed that a special meeting should be held early in the new fiscal year for the purpose of electing the officers. A MOTION was made THAT PENDING THE CLARIFICATION OF VOTING BOARD MEMBERSHIP, A PROCEDURAL MEETING WILL BE CALLED EARLY IN THE NEW FISCAL YEAR FOR THE PURPOSE OF ELECTING THE OFFICERS FOR FY 2016/2017 (MSC Tina Graber/Sharon Scholke). 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 Fridays. Board meeting dates for FY 2016/2017 are: Friday, December 2, 2016; Friday, March 31, 2017; Friday, June 30, 2017; and Friday, September 29, 2017.

Calendar of SLC Holidays FY 2016/2017: A proposed calendar of holidays for 2016 and 2017 was presented to the Board. A MOTION was made TO APPROVE THE CALENDAR OF HOLIDAYS FOR FY 2016/2017 AS PRESENTED (MSC Pat Houle/Debbie Friedman). Motion carried unanimously. The complete list of holidays is posted on the SLC web site at: [http://joomla.uproc.lib.mi.us/SLC/Images/pdf\\_files/holidayschedule2017.pdf](http://joomla.uproc.lib.mi.us/SLC/Images/pdf_files/holidayschedule2017.pdf).

**NEXT MEETING:** The next meeting of the Board of Directors will be a special procedural meeting. The next regular meeting of the Board of Directors is scheduled for December 2nd, 2016 at 10:00 a.m. eastern.

**ADJOURNMENT:** There being no further business, the Chair declared the motion adjourned at 11:27 a.m.

Caroline Jordan, Secretary

Pamela Malmsten, Recorder