

Superiorland LIBRARY COOPERATIVE
MEETING OF THE BOARD OF DIRECTORS
July 20, 2018

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 (IVC) at the Dickinson County Library and the Devereaux Memorial 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 Street), or the Devereaux Memorial Library (201 Plum St., Grayling), or to dial in using ReadyTalk audio conferencing service.

Since the Chair, Caroline Jordan, was unable to attend the meeting, the Vice-chair, Dwight Sunday, called the meeting to order at 11:04 a.m. eastern. It was noted that the meeting was being recorded.

ATTENDANCE: Attendance Codes: RT: ReadyTalk audio conferencing, SLC: Superiorland Library Cooperative IVC, DCL: Dickinson County Library IVC, DML: Devereaux Memorial Library IVC

SLC BOARD MEMBERS PRESENT: (*denotes voting member) Dwight Sunday* (SLC), Vice-Chair; Pat Cheski*(RT), Secretary; Pat Houle* (RT), Cris Roll* (RT), Deb Grabowski* (SLC), Pam Adams* (RT), Kim Nowack (RT), Deb Friedman (DML), and Shawn Andary, Director (SLC)

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

LIBRARY DIRECTORS/STAFF/BOARD MEMBERS PRESENT: Megan Buck, Dickinson County Library (DCL), Connie Meyer, Crawford County Library (DML), Barb Bartel, West Iron District Library (RT), and Eric Magness-Eubank, Alpena County Library (RT)

VOTING BOARD MEMBERS ABSENT: Mary Kay McNamara, Caroline Jordan, and Sharon Scholke

APPROVAL OF THE AGENDA:

Pat Cheski **MOVED TO APPROVE THE AGENDA AS PRESENTED.** The motion was seconded by Pat Houle.

Roll call: Cris Roll: Yes, Deb Grabowski: Yes, Pat Cheski: Yes, Pat Houle: Yes, Dwight Sunday: Yes, Pam Adams: Yes. Total: Yes: (6), No: (0), Abstain: (0). Motion carries unanimously.

APPROVAL OF THE REGULAR BOARD MEETING MINUTES OF JUNE 8, 2018:

Deb Grabowski **MOVED TO APPROVE THE MINUTES OF THE REGULAR BOARD MEETING OF JUNE 8, 2018 AS PRESENTED.** The motion was seconded by Cris Roll.

Roll call: Cris Roll: Yes, Deb Grabowski: Yes, Pat Cheski: Yes, Pat Houle: Yes, Dwight Sunday: Yes, Pam Adams: Yes. Total: Yes: (6), No: (0), Abstain: (0). Motion carries unanimously.

FINANCIAL REPORT: Pam Malmsten presented the financial report.

June 2018 Cash Disbursements: Account number 3-801 (professional and contractual) includes \$100 summer programming stipends; RIDES delivery stipends are listed under account number 3-801.7. Account 3-865 (conferences and workshops) includes \$250 stipends for the Beginning Workshop (3-865.2) and \$250 stipends for the Rural Library Conference (3-865.3).

Total June 2018 Disbursements: \$68,754.23

Year to Date Reports as of 06/30/2018:

Expenses: Pam noted that she had made a mistake in the draft budget that was approved by the Board at the June 8 meeting: funds were transferred out of account 3-802 (accounting services), resulting in a line item shortfall. The line item will be adjusted when the next FY 2018 budget revision is presented to the Board in September.

Revenues: SLC has received the first 50% direct state aid payment (\$133,491) and the first 50% GLTB payment (\$20,537). A total of \$46,066 in indirect state aid payments has been received as of June 30, 2018.

As of June 30, 2018, revenues were \$459,810 and total YTD expenses are \$530,532.

Balance sheet as of June 30, 2018: The balance sheet as of June 30, 2018 showed total Assets of \$792,259.66 and total Liabilities plus Fund Balances of \$792,259.66.

Pat Cheski **MOVED TO APPROVE JUNE CASH DISBURSEMENTS OF \$68,754.23, THE YEAR-TO-DATE EXPENSE AND REVENUE REPORTS AS OF JUNE 30, 2018, AND THE BALANCE SHEET AS OF JUNE 30, 2018.** The motion was seconded by Pam Adams.

Roll call: Cris Roll: Yes, Deb Grabowski: No, Pat Cheski: Yes, Pat Houle: Yes, Dwight Sunday: Yes, Pam Adams: Yes. Total: Yes: (5), No: (1), Abstain: (0). Motion carries.

MERS Actuarial Valuation As Of December 31, 2017: The MERS Actuarial Valuation as of 12/31/2017 was received at the end June. The Valuation was sent to the Board and member library directors and is posted on SLC's web site. Pam noted that page 5 of the Valuation shows that SLC's current defined benefit funded ratio is 75%. MERS defines the funded ratio of a plan as "the percentage of the dollar value of the accrued benefits that is covered by the actuarial value of the assets." Shawn and Pam recommended that the Board consider increasing the funded ratio by making a voluntary employer contribution to SLC's Surplus Division.

The table on page 6 indicates that SLC's phased-in required employer contribution beginning 10/1/2018 is 26.94%; this figure, however, is incorrect. On 9/27/2017, SLC's MERS Benefit Coordinator, Karima LaJoie, notified Pam Malmsten that SLC's required phased-in employer contribution as of 10/1/2018 would be \$2,356 per month. Pam had contacted SLC's current Benefit Coordinator, Sonia Tauqi, and was told that the figure provided by Karima LaJoie, not the figure listed in the Valuation, would be SLC's required employer contribution for FY 2019.

Table 3 on page 16 of the Valuation shows that in 2017 SLC had "0" active employees and \$0 annual payroll in 2017. Pam noted that this is misleading because, in

2017, SLC's former Director, Pam Christensen, was enrolled in the defined benefit (DB) plan and worked for SLC for the entire year. Pam Malmsten contacted MERS about this discrepancy and was told that, since Pam Christensen's official termination date was 12/31/2017, the Valuation showed \$0 wages and \$0 DB contributions for the entire year.

PUBLIC PARTICIPATION: There was no public participation at this time.

DIRECTOR'S REPORT: Shawn Andary presented the Director's Report. A complete written report was sent to the Board and member library directors in advance of the meeting. Shawn highlighted Cooperative and member library activities.

Welcome New Directors at SLC Member Libraries:

- Roscommon Area District Library has a new Director, Colleen Dyke.
- Brevort Township Community Library (Superior District Library affiliate) has a new branch manager: Josh Townley.
- Detour School Public Library (Superior District Library affiliate) has a new branch manager: Megan Stefanski.
- Drummond Island Library (Superior District Library affiliate) has a new branch manager: Laura Hintz.

Cooperative Directors Association Meeting – June 15, 2018

- State Aid increased about 9% - libraries will receive about \$12M for FY 2019. This works out to .39 per capita:
 - FY2019 Per Capita amounts: Cooperative Direct State Aid \$.39689475
 - Direct State Aid to Public Libraries per capita \$.39689475
 - Indirect State Aid to Public Libraries per capita \$.39689475
 - Density Payment \$7.94
- Results of the RIDES delivery study are available.
- OverDrive has a potential pilot to share eResources statewide.

New Resource Sharing Library for UPRLC: The Manistique School/Public Library joined the RIDES delivery and PII (Patron Initiated interlibrary loan) group on July 1, 2018.

SLC Summer Programming Stipends: Twenty-two libraries have requested summer programming stipends from SLC. Shawn noted that there are some amazing activities happening this summer.

Victoria Wolf Estate Committee: The committee to investigate possible uses for the Victoria Wolf Estate funds met on 6/28/2018 to discuss the results from a survey of GLTB patrons. Based on the survey results, Great Lakes Talking Books (GLTB) Reader Advisor Lynn Brown will be working to identify a book that can hopefully be recorded by the end of 2018. GLTB staff will work with the Library for the Blind in Lansing to ensure that applicable copyright laws are followed and that the audio output is in the proper format. GLTB patrons also indicated that they would like to receive the GLTB newsletter in audio format, and Lynn will be implementing that right away. Additionally, interest was expressed in a conference, and GLTB staff is looking scheduling an event in mid-May, 2019. Scott Norris from the Library of Michigan will be the keynote speaker, and ideas for breakout sessions are being discussed.

SLC Internet Consortium: Shawn and Suzanne Dees have been working with SLC's eRate consultant to fill out a 470 form so that SLC can begin to receive bids for its Internet Consortium for FY 2018/2019. SLC's lawyer is looking the document over at this time. Shawn noted that the SLC Board would be asked to approve a Net Neutrality Policy before the 470 form is posted. This item will be considered later in the meeting under the "New Business" agenda item.

Michigan Humanities Council Listening Tour: Jennifer Rupp, Michigan Humanities Council Policy and Program Officer, facilitated two listening sessions at the Superiorland Library Cooperative on June 19th and 20th. Attendees included Library directors and staff from Alpena County Library, Superior District Library, Dickinson County Library, Wakefield Library, L'Anse School/Public Library, Richmond Township Library, and the Peter White Public Library. The Michigan Humanities Council is considering restructuring the way funding is made available; currently institutions from the northern Lower Peninsula and the Upper Peninsula do not apply for opportunities as frequently as those in other parts of the State. The Humanities Council is exploring different ways to communicate about opportunities and encourage more eligible institutions and organizations from the Upper Peninsula and northern Lower Peninsula to take advantage of their grant programs.

TV Whitespace Equipment: The TV Whitespace equipment arrived last week. Shawn reported that SLC staff is moving forward with getting the equipment installed.

Superiorland Library Cooperative Ticketing System: SLC staff is experimenting with a new ticketing system called Freshdesk. The base plan is free of charge and it allows all of SLC's support requests to be organized in a shared database. Requests can be initiated by member libraries by simply emailing support@uproc.lib.mi.us. This system will allow more efficient handling of requests, will provide information on how SLC staff members are spending their time, and will allow staff to add documents to a searchable knowledge base that can be accessed by member libraries.

Upcoming Workshops and Meetings:

- July 31: MeLCat Users Day at NMU
- August 8: SLC Programming Committee Meeting
- August 15: Regional Plan of Service Meeting – Escanaba Public Library
- August 16: Regional Plan of Service Meeting – St. Ignace Public Library
- August 17: Regional Plan of Service Meeting – Carp Lake Township Library
- September 13 and 14: New and Advanced Directors Workshop
- September 18: Advisory Board of Librarians Meeting
- September 25 and 26: UPRLC Annual Meeting at Bay College in Escanaba
- September 27: SLC Board Meeting

COMMITTEE REPORTS:

Advisory Board of Librarians Report: Megan Buck, the Chair of the Advisory Board of Librarians (ABL) reported. ABL officers met on June 6 and decided that they would send a survey to library directors; respondents would be asked to prioritize, comment, and make suggestions about the Cooperative's services. Megan reported that the survey has been created and is available at: <https://www.surveymonkey.com/r/C9XT65J>. Megan noted that 100% survey participation is the goal; she said that library directors should submit their surveys even if they need to skip some questions. Survey results will be

discussed at 3 mid-August regional meetings and, based on feedback at the regional meetings, recommendations for SLC's FY 2018/2019 Plan of Service will be developed. Megan strongly encouraged library directors to attend one of the regional meetings; SLC will be offering stipends to offset travel costs. The next ABL meeting is scheduled for September 18, 2018 at 10:30 a.m. eastern.

SLC Programming Committee Report: Shawn Andary reported that 22 libraries have applied for \$100 summer programming stipends. She added that, for next year, the Programming Committee is looking at coordinating performer tours and booking author Steve Hamilton.

OLD BUSINESS:

MERS Pension Update: Pam Malmsten presented an update on the MERS pension options. Shawn and Pam had asked MERS to provide estimated employer contributions and defined benefit funded percentages based on two possible scenarios. One scenario involved enrolling all SLC employees in a defined contribution plan with a 9% employer contribution rate; the second scenario involved enrolling the director in a defined benefit plan with lower benefits and placing all other employees in a defined contribution plan. On July 19, MERS sent the ballpark projections to Shawn and Pam forwarded the document to the Board.

Dwight Sunday **MOVED TO REFER CONSIDERATION OF THE RETIREMENT PLAN TO THE FINANCE COMMITTEE.** The motion was seconded by Pat Cheski.

Discussion: Pat Cheski commented that she feels that all employees should be enrolled in a defined contribution plan since this would be a cleaner way to know exactly how much SLC is spending.

Roll call: Cris Roll: Yes, Deb Grabowski: Yes, Pat Cheski: Yes, Pat Houle: Yes, Dwight Sunday: Yes, Pam Adams: Yes. Total: Yes: (6), No: (0), Abstain: (0). Motion carries unanimously.

SLC Personnel Update: Shawn reported that the Network Administrator position has been filled: Tony Ditty accepted the job offer and will begin working on Monday, August 13. Shawn added that the open System Administrator position has been posted.

NEW BUSINESS:

Net Neutrality Policy: Shawn recommended that the SLC Board adopt a Net Neutrality Policy as part of its erate policies. The draft policy was sent to the Board in advance of the meeting.

Pat Cheski **MOVED THAT THE NET NEUTRALITY POLICY BE ACCEPTED AS PRESENTED** [The policy is copied at the end of these minutes.] The motion was seconded by Cris Roll.

Roll call: Cris Roll: Yes, Deb Grabowski: Yes, Pat Cheski: Yes, Pat Houle: Yes, Dwight Sunday: Yes, Pam Adams: Yes. Total: Yes: (6), No: (0), Abstain: (0). Motion carries unanimously.

MERS Surplus Division Recommendation: Pam and Shawn asked MERS to provide a funding level calculation that would list the lump sum payment that would be required to bring SLC's defined benefit plan funding level from 75.2% funded (as of 12/31/2017) to 80% funded. MERS indicated that a lump sum payment of \$51,085 made by July 31, 2018 would bring the funding level to 80%. Pam and Shawn recommended

that the Board pass a resolution to transfer \$51,085 from SLC's General Fund balance and apply the voluntary employer contribution to SLC's MERS Surplus Division. Pam provided more details on the rationale for the lump sum payment recommendation; she also summarized SLC's current financial situation and the Fund Balance policy that was adopted by the Board on June 30, 2017.

Pat Cheski **MOVED TO TRANSFER \$51,085 FROM THE SLC GENERAL FUND BALANCE--UNRESTRICTED AND APPLY THE VOLUNTARY EMPLOYER PAYMENT TO SLC'S MERS SURPLUS DIVISION.** The motion was seconded by Cris Roll.

Discussion: Pat Cheski noted that the Board would have to approve a budget amendment at the next meeting.

Roll call: Cris Roll: Yes, Deb Grabowski: No, Pat Cheski: Yes, Pat Houle: Yes, Dwight Sunday: Yes, Pam Adams: Yes. Total: Yes: (5), No: (1), Abstain: (0). Motion carries.

OCLC Deposit Account Recommendation: Pam Malmsten reported that SLC's budget includes a yearly OCLC cataloging subscription fee; this subscription covers cataloging costs for SLC and all of its member libraries. The OCLC cataloging subscription cost for July 1, 2018 – June 30, 2019 is \$19,480.41. (FY 2017/2018 cost was \$18,686.28). OCLC offers an optional subscription deposit payment program which pays interest on deposit funds. Since the OCLC deposit account interest rates have been substantially higher than bank interest rates, SLC has been participating in the deposit payment program for many years. Pam presented further information on how the deposit account, deposit account interest, and monthly OCLC payments are entered in SLC's accounting program.

Cris Roll **MOVED TO APPROVE THE PAYMENT OF \$19,500 TO BE PAID INTO SLC'S OCLC SUBSCRIPTION DEPOSIT ACCOUNT TO BE USED FOR CATALOGING SERVICES FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019.** The motion was seconded by Pat Cheski.

Roll Call: Pat Cheski: Yes, Pat Houle: Yes, Dwight Sunday: Yes, Pam Adams: Yes. Total: Yes: (6), No: (0), Abstain: (0). Motion carries unanimously.

Updated Board Rotation Information: Shawn reported that, according to the SLC bylaws, the board rotation is based on the slate of member library-appointed board representatives as of September 15, 2018. Shawn said she would be contacting member library directors and asking them to designate a board representative. Beginning October 1, 2018, the voting representation will change from the current 4-3-2 group split (4 members from classes IV and V; 3 members from classes II and III; and 2 members from class I) to equal representation for the three class size divisions (3 members from classes IV and V; 3 members from classes II and III; and 3 members from I). Shawn said she would be sending the revised bylaws to the Library of Michigan for approval.

PUBLIC PARTICIPATION: Megan Buck thanked the Board for taking steps to increase SLC's DB pension plan funding level by approving the lump sum Surplus Division payment. She added that the Dickinson County Library Board is also looking at increasing its pension plan funding level.

NEXT MEETING: The next regular meeting of the Board of Directors is scheduled for September 27, 2018 at 11 a.m. eastern.

ADJOURNMENT: There being no further business, the Vice-chair declared the meeting adjourned at 12:17 p.m. eastern.

Respectfully submitted,

Pat Cheski, Secretary

Pamela Malmsten, Recorder

Net Neutrality Policy

Adopted by the Superiorland Library Cooperative Board of Directors on July 20, 2018

In December 2017, the United States Federal Communications Commission dismantled the previously existing net neutrality rules governing broadband internet service providers. Although the regulations requiring net neutrality have only been in effect since 2015, net neutrality was the position of the federal government for over a decade. The 2015 rules required internet service providers to treat all websites equally. Internet service providers could not use their power over the internet infrastructure to serve their own interests or restrict access to certain information by blocking content or altering the speed at which specific information could be uploaded or downloaded. The net neutrality rules prevented internet service providers from creating choke points for the flow of information between internet users.

The Internet has become integral to the lives of most individuals and, for some, serves as the primary method of obtaining and sharing information. The end of net neutrality gives internet service providers tremendous influence over what individuals learn, how individuals communicate with each other, and what decisions individuals make. Allowing corporations unfettered discretion to restrict information is antithetical to the free exchange of ideas, which has always been the bedrock of American ideals and the goals of the library, which seeks to spread access to knowledge and information, rather than restrict them.

Therefore, the library finds that the Internet should be equal and open to all to ensure that a few corporations do not become the sole arbiters of the information individuals are able to access. Accordingly, the library has determined that the following policies should be applied to all future broadband Internet access and connectivity contracts, as applicable.

Vendors providing broadband internet access service or other connectivity services to the library shall not:

- 1) Block lawful content, applications, services, or nonharmful devices, subject to reasonable network management;
- 2) Impair or degrade lawful internet traffic on the basis of internet content, application, or service, or use of a nonharmful device, subject to reasonable network management;
- 3) Engage in paid prioritization; or
- 4) Unreasonably interfere with or unreasonably disadvantage:
 - a. End users' ability to select, access, and use broadband internet access service or the lawful internet content, applications, services, or devices of their choice; or
 - b. Edge providers' ability to make lawful content, applications, services, or devices available to end users