

**SUPERIORLAND LIBRARY COOPERATIVE
QUARTERLY BOARD OF DIRECTORS MEETING**

**Location: SLC Offices, 1615 Presque Isle Ave., Marquette MI 49855 Thursday
July 20, 2022
10 AM Central/11 AM Eastern**

Remote Access to Conference for Public Participants using Zoom:

<https://us02web.zoom.us/j/84204287040?pwd=anloeWN3cTlySzlaUUtsRkc0bEJEQT09>

Call to Order:

Brad Winnicki, President, SLC Board of Trustees called the July 20, 2022 meeting of the SLC Board of Directors to order at 11:03 AM Eastern Time.

Attendance:

SLC Voting Board Members Present: Donna Adams, Anne Donohue, Patti Jahn, Marion Luckey and Bradley Winnicki.

SLC Voting Board Members Absent: Ashley Kangas Smith, Jessica Luther, Kim Nowack and Barb Rice.

SLC Voting Board Members Attending Virtually: None

FY '22 Non-Voting Board Members Present: None

SLC Staff Present: Dillon Geshel, Director and Pamela Malmsten, Assistant Director for Finance

Library Directors/Staff/Board Members Present: None

Library Directors/Staff/Board Members Present attending Virtually: Andrea Ingmire, Peter White Public Library, Megan Buck, Dickinson County Library, Amanda Winnicki, Menominee County Library and Deb Friedman, Crawford County Library

Member of the Public Present: Chris Adams

Approval of the Agenda*

Donna Adams **made the motion to approve the agenda as presented.** The motion was seconded by Marion Luckey. Motion passed by roll call vote.

Approval of the Minutes*

Patti Jahn **made the motion to approve the March 17, 2022 minutes as presented.** The motion was seconded by Anne Donohue. Motion passed by roll call vote.

Director's Report

Dillon began his report with an update on a new bill introduced in Lansing, modifying the OMA (Open Meetings Act), allowing attendance virtually for Public Boards whose members are appointed. Public Boards whose members are elected would continue to attend meetings physically.

- I'm happy to share that Sharon Crotser-Toy is the new director at the St. Ignace Public Library. Welcome and congratulations, Sharon!
- We also have a new library director at the Portage Lake District Library – Welcome and congratulations to Katrina Linde-Moriarty!
- We are receiving a little less state aid this year than we anticipated at our March meeting, due to some library's not meeting the local match requirement and/or certification requirement for state aid.
- In April I attended a training for the St. Ignace Public Library board and am using what I learned to create a library trustee orientation presentation I can offer to our other member libraries.
- In August, I'll also be hosting a virtual trustee training alongside several other Michigan cooperative directors for MLA. This session will focus on preparing trustees for material challenges.
- Our Employee Assistance Program for interested Superiorland member libraries was made available in early May. We also offered an introduction to the EAP services over Zoom the same month. That presentation was recorded and is available for folks to view at any time.

- In early May I hosted a staff meeting that introduced our team to the concept of Customer Service Philosophies, and took the first steps in developing one for Superiorland. Next, I'll work with a committee of Superiorland staff to continue developing the service plan.
- In May I presented via Zoom to member libraries on the process for developing a Customer Service Philosophy. That presentation was recorded and is now available for members to view if they couldn't be at the live session.
- I worked with other cooperative directors in Michigan to plan a customer service training in early May as well. Over 150 attendees from the Michigan library community joined us for a great session that included some role-playing scenarios.
- On May 26 I spoke at the Michigan Library Association's (MLA) monthly Advocacy Hour event to highlight the Mi Right to Read coalition and resources available for addressing material challenges. I spoke on this topic again at a related MLA virtual event on June 21.
- Superiorland will be hosting an in-person event on July 21 here in Marquette, in collaboration with MLA, on Intellectual Freedom workshop. Debbie Mikula of MLA and I will review Mi Right to Read resources, and Kent District Library Director Lance Werner will discuss his experiences addressing material challenges.
- Currently I am working with two of our member libraries that are dealing with issues related to material challenges.
- I recently worked with John Chratska of EveryLibrary to negotiate a discounted group price for their annual Library Advocacy and Funding Conference, a virtual event hosted in September. All Michigan cooperative member libraries will have the opportunity to register at a discounted rate soon.
- We are working with Carpet Specialists out of Marquette to have our tiling replaced in the entryway near the back door. The slate tiling currently in place has cracked in places and separated from the floor. Work is anticipated for mid-August.
- We are also working on having our signage replaced on the front of the building, as the current letters are breaking and falling off the building. Work is anticipated for mid-August.
- Our Rides-delivery committee is active again and helping to address issues with the sustainability and longevity of one of the subcontracted couriers, WaltCo.
- Our Schedule of Services committee has also started meeting again, to assist with the development of our 2023 Schedule of Services. We are currently surveying members library's on their cooperative needs to help inform a new Schedule of Services document. We plan to present a 2023 Schedule of Services to the SLC board in September.

Great Lake Talking Books

- Tonia is working on the summer newsletter for GLTB. She is also planning a virtual event this fall with a patron who has lost vision and is a champion of accessible mobile apps.

Tech Support

- Josh recently returned from vacation and has been catching up on support tickets, ordering a lot of upgraded parts for member library PCs, and covering for Gordon who is on vacation this week.
- Gordon has been helping to setup a new firewall at PWPL. He is helping the Wakefield library transition to a VOIP phone system, which includes bringing them under the Superiorland VOIP umbrella. We are already in discussions with additional libraries that want to explore this option as well.

ILS & Database Support

- Jeremy has been working on a lot of database maintenance. He is also running our Database Committee meetings, and recently held a meeting to review our OverDrive magazine subscriptions and the possibility of offering a new database to members.
- Lissa has been busy recently correcting an issue that occurred with the WorkFlows updates last Monday, and has been spending a lot of time with the ILS RFP proposals as that committee is reviewing them.
- Shawn recently helped a Superior District Library branch, the Mollie Kahl Library, go live with MeLCat. She is helping more of our libraries accept PayPal payments for fines and donations through their Enterprise pages. Shawn is also overseeing the ILS RFP committee, which is meeting weekly right now to review the four received proposals.

Financial Report: Pam Malmsten presented the following financial reports*

FY 2021/2022 Cash Disbursements and reports:

March, 2022 Expenses Highlighted: Account 3-801-payment of \$1,425 to Anderson, Tackman, and Company was a progress payment for SLC's FY 2021 financial audit. Total cost of the FY 2021 audit was \$4,725. Account 3-910: the payment of \$1,870 to VAST was for SLC's cyber insurance; this is the first year that we have purchased cyber insurance. Total March cash disbursements: \$63,249.60.

April, 2022 Expenses Highlights: Two payments to Financial Systems Corporation (\$822.12 under account number 3-730 and \$480 under account number 3-801) were for SLC's new security system. Total cost of the security system was \$1,377.12. The payment of \$3,308.16 to SHI international (account 3-730) was for 4 work-from-home laptop computers for SLC staff. Account 3-730: the credit card payment of \$999 to Amazon was for SLC's Meeting Owl, which was purchased to better facilitate hybrid meetings. Total April cash disbursements: \$81,337.33.

May, 2022 Expenses Highlighted: Account 3-801-payment of \$2,500 to Encompass EAP LLC was for a new employee assistance program for member libraries and SLC staff. The payment of \$609.29 (account 3-730) to My Web Maestro was for web site maintenance plans for SLC, GLTB, and UPRLC (\$450) and for member library maintenance plan subsidies (\$159.29). The My Web Maestro payment of \$1,020 (account 3-801) was for Word Press theme updates for some of our member libraries: these updates fixed some issues with mobile navigation. Total May cash disbursements: \$60,447.54.

June, 2022 Expenses Highlighted: The payment of \$1,152 to United States Liability Insurance Company (account 3-910) for SLC's officers and directors insurance policy renewal. Total June cash disbursements: \$80,762.34.

Year To Date Revenue as of June 30, 2022. Total Revenues (including rebilled items) of \$527,595.

Expenses: Most expense line items were under the 9/12 budget figure. Two exceptions are travel (over by \$2,883) and insurance (over by 2,878). Increases to both line items are included in the budget revision.

Total year-to-date expenses (including rebilled items): \$642,163.

Balance Sheet as of June 30, 2022. Total assets of \$705,34.72 and liabilities plus fund balances are \$705,034.72.

Marion Luckey made the motion to approve the following Financial Reports: Cash Disbursements for March, 2022, April, 2022, May, 2022 and June, 2022; Year to Date, June 30, 2022 Expense and Revenues; and Balance Sheet as of June 30, 2022 as presented. The motion was seconded by Anne Donohue. Motion passed by roll call vote.

Public Participation: None

Committee Reports:

Advisory Board of Librarians:

Andrea Ingmire reported the Advisory Board of Librarians met June 16, 2022, welcoming new Directors and discussing the following:

- Basic SLC Services
- The proposed RIDES subsidy
- The proposed FY '22 budget Amendments.
- COVID
- SRP (Summer Reading Program)
- Intellectual Freedom workshop on July 21, 2022
- The October MLA Conference to be held in Port Huron. Dillon along with Lisa Waskin and Andrea are on the Planning committee for this event.

Database Committee:

Dillon Geshel reported the Database Committee met recently. Usage for Overdrive Magazines is under review. Currently SLC is paying the \$18,000 annually for this service. If it is recommended that this service be maintained, Pam will suggest collaborative payment options among the SLC members.

Programming Committee: Mini-grants in support of Summer programming are due July 31, 2022. The Committee will meet to determine programs to receive awards and the amount to be awarded.

Professional Development Committee: Megan Buck, Dickinson County Library Director reports that the Committee is working with Dillon on the Intellectual Freedom workshop offered at Peter White Public Library,

July 21, 2022. The Committee has suggested a new discussion group which would include specific topics of interest to Library staff, Library Officers and/or friends of the Library. The Professional Development Committee will meet in August to determine prospective topics and suggested dates for meetings.

Nominating Committee: Inactive until nominations are required for FY '23. The Committee needs 3 weeks or more to contact voting members, receive nominations and prepare a ballot. The Bylaws state that officers be elected before the first regular meeting of the new Fiscal Year. The Nomination Committee is a standing committee and should be included on the SLC's website. The Committee is also seeking additional Committee members. Reminders should go out to member Libraries soon about appointing SLC representatives. It was the consensus of the SLC Board to have a special meeting continuous to the regular September meeting to hold the election of officers. Officers would then take their place at the first regular Board meeting of the new FY (Fiscal Year) which is December.

Schedule of Services Committee: The Committee met recently to generate a survey to determine priorities of Services. The survey has been out for two weeks. A reminder will go out to Directors to complete the survey if they have not already done so. The Committee will then meet and determine the Schedule of Services for FY'23.

Personnel Committee: Dillon's annual review is approaching. The review is due at the regular SLC Board meeting in September.

Old Business:

COVID Workplace Preparedness Plan Review: Dillon surveyed staff concerning the mask requirement. It was determined that no change would be made at this time.

New Business:

Approval of FY 2021/2022 Budget Revision*: Indirect state aid was reduced for four libraries that did not fully qualify for state aid due to a shortage of local funding. Health insurance expenses increased 9.48%; 5% increase was originally budgeted. Increase in Computer Supplies: \$1,700 for local network upgrades; \$200 for a new tool kit; funding for a new p.c. for GLTB Reader Advisor. \$2,000 for Word Press or Ploud web site design subsidies for Joomla libraries. Retirement of the Joomla server is anticipated. \$6,624 was added for tech staff travel and \$300 for board travel. \$785 for cyber insurance. An additional \$1,000 for new signage for the building.

Revenues in current budget: \$947,509

Expenses in current budget: \$942,231

Approved fund balance transfers in current budget: \$22,000

Projected net income in current budget (without fund balance transfers): \$5,278

Revenues in revised budget: \$912,267

Expenses in revised budget: \$928,665

Approved fund balance transfers in revised budget: \$22,000

Projected net loss in revised budget (without fund balance transfers): (\$16,397) *Projected net income after fund balance transfers in revised budget: \$5,603

At year end, we would only transfer enough money from the fund balance to cover any deficit.

Anne Donohue **made the motion to approve FY '22 Budget Revisions as presented.** The motion was seconded by Donna Adams. Motion passed by roll call vote.

2021 MERS Actuarial Valuation Report:

MERS ACTUARIAL VALUATION AS OF DECEMBER 31, 2021 FOR SLC'S CLOSED DEFINED BENEFIT PENSION PLAN

The current MERS Investment Return Assumption is 7% per year. The report reflects the impact of COVID-19 experience through December 31, 2021. In February 2020, MERS completed a five-year (2013 – 2018) Experience Study and adopted changes to certain demographic assumptions. Demographic assumption changes were effective with fiscal year 2022 contributions. Alternate projection scenarios are listed in the table on page 10 of the report.

The table on Page 7 of the AV shows that SLC's required employer contribution (with phase-in) beginning 10/1/2023 will be \$2,952 per month (\$35,424 per year). If we choose to pay the no-phase in contribution, the amount will be \$3,322 per month (\$39,864 per year).

SLC's current (FY 2022) required employer contribution is \$2,859 per month (\$34,308 per year). FY 2022/2023 (beginning October 1, 2022) required employer contribution will be \$2,958 per month (\$35,496 per year.)

Table 5 on page 17 shows that SLC's pension assets as of December 31, 2021 were \$943,719. Table 5 also shows required and voluntary employer payments from 2009 through 2021. SLC set up a Surplus Division in 2017; the \$31,512 payment was the first payment into the new Surplus Division and all subsequent voluntary payments have been directed to the Surplus Division. Prior to 2017, all voluntary employer payments went into the regular defined benefit division. Voluntary payments to the regular division reduce the required employer contribution; voluntary payments to the Surplus Division reduce the future unfunded defined benefit plan liability. Table 5 also shows required active employee contributions to the plan; the last employee contributions were made in 2018; on August 28, 2018, the defined benefit plan was closed to new hires and a new Defined Contribution plan was adopted by the Board. SLC's defined benefit plan currently has 4 inactive members receiving benefits and 1 inactive employee not yet receiving benefits.

Table 7 on page 19 shows that SLC's DB plan was funded at 83% as of December 31, 2021, and unfunded accrued liabilities were \$189,765. The funded percentage increased by 9% from 2020, when the plan was funded at 74%. The substantial funding increase was due to a larger-than-usual FY 2021 voluntary contribution of \$50,000 to SLC's Surplus Division. This year's budget includes a voluntary contribution of \$20,000, but the board may want to consider increasing that contribution in order to further increase the plan funded percentage. SLC contributes 9% to the new Defined Contribution plan for current employees. Employees may contribute additional funds into the contribution plan.

Patti Jahn **made the motion to approve the FY '21 MERS Actuarial Valuation Report as presented.** The motion was seconded by Anne Donohue. Motion passed by roll call vote.

UPRLC - SLC Management Contract:

The Operations Agreement between UPRLC, Inc. and Superiorland Library Cooperative was updated including 24/7 support, cyber security and length of agreement to three years.

Patti Jahn **made the motion to approve the Operations Agreement between UPRLC, Inc. and Superiorland Library Cooperative.** The motion was seconded by Anne Donohue. Motion passed by roll call vote.

RIDES Delivery Subsidies 2022/2023:

SLC provides subsidies to member libraries, offsetting the cost of RIDES. Traditionally the subsidy has been a flat rate. To be more equitable, more dollars will be directed to smaller class libraries. Class 1, 2 and 3 libraries will see a subsidy increase. 74% of participating libraries will see an increased subsidy. More than half the membership participate in the RIDES program.

Total Subsidies without Curtis Glennie: \$24,595

FY 2022 Expense without Glennie (7/1/22 - 9/30/22): \$6,149

Curtis Glennie 7/1/22 - 9/30/22: \$250.00

Total FY 2022 Expense for Rides (7/1/22 - 9/30/22): \$6,398.75

Total FY 2023 Expense (Glennie not included): \$18,446

Total Subsidies for 7/1/22 - 6/30/23: \$24,845

FY 2021/2022 Budget:

RIDES Subsidy Expense 7/1/21 - 6/30/22: \$16,950

RIDES Subsidy Expense 7/1/22 - 9/30/22: \$6,399

TOTAL FY 2022 EXPENSE: \$23,349

Amount Budgeted for FY 2022: \$24,100

Amount remaining in budget for delivery subsidies: \$751

Patti Jahn **made the motion to approve the RIDES Delivery Subsidies for 2022/2023 as presented.** The motion was seconded by Anne Donohue. Motion passed by roll call vote.

Public Participation: Comments were made by:

Chris Adams

“Beautiful budget”. Would support contributing additional dollars available to MERS.

Consider increase in wages to help our employees offset the effects of inflation.

Give some thoughts to guidelines in regards to future contractual diseases.

Megan Buck, Dickinson Country Library Director:

Dickinson posts an organizational meeting with the regular meeting to follow. Since SLC officers will not be seated until the December meeting, officers could be elected during the regular September meeting.

Dickinson is also in a Defined Contribution Plan similar to SLC's and it is very beneficial to staff.

Thank you for approving the RIDES subsidy.

A huge thank you to Dillon and others in support of the material challenges Dickinson has been experiencing.


Adjournment:

The Meeting was adjourned at 12:48 AM Eastern.

Next meeting: Thursday, September 22, 2022 at 10AM Central/11AM Eastern

***Items Requiring a Vote of the Board**

Respectfully submitted

A handwritten signature in black ink that reads "Donna Adams". The signature is written in a cursive, flowing style.

Donna Adams, Secretary