The regular monthly meeting of the Manistee County Library Board was held on Tuesday, July 24, 2018, in the Upper Level Meeting Room of the Manistee County Library. President Lind called the meeting to order at 9:03 a.m. with the Pledge of Allegiance.

Present: Barry Lind, Joyce Valentine, Rosalind Jaffe, and Barbara Sleder

Absent: Tamara Buswinka (with prior notification)

Others: Richard Schmidt, Manistee County Board of Commissioners Liaison; David Richards, Vanderwal, Spratto & Richards (9:03 – 10:30 a.m.); Lisa Sagala, HR Manager/Assistant Administrator (9:03 – 10:30 a.m.); David Kieft Jr., Controller Administrator - Manistee County (9:03 – 10:30 a.m.); Debra Greenacre, Executive Director; and Helen Grabowski, Recording Secretary

Approval of Agenda
Motion by Jaffe, supported by Sleder, to approve the meeting’s agenda as presented. All voting in favor. Motion carried.

Minutes
Mrs. Sleder requested clarification on the minutes of the June 26 meeting as she did not attend the meeting. She has concerns about the remarks Mr. Quinn made on moving the Tech Room to the main level and the cost of rewiring the area. She suggested it would be advisable for the Library to partner with the Armory Youth Center for technology services. Mrs. Sleder understands the Library is changing from a place to check out materials to a community gathering space and wanted to know the definition of a gathering space. In response to Mrs. Sleder’s comments, President Lind noted that some of Mr. Quinn’s concerns are valid. This is a process and there will be much more opportunity to discuss moving the Tech Room to the main level. The Library’s Strategic Plan guides the Board’s decision making process and everything the Board talks about in relationship to some of these changes are really coming from the Strategic Plan that the Board has been working on annually. The Board is trying to implement changes as opportunities arise. As the Library exists today, it is a wonderful resource and a lot of people do not realize what we have to offer. The community gathering space comes from the Library’s Strategic Plan and it is more of a transitioning of the Library to the needs of the modern day era. It is not a radical shift, but a progression of bringing the Library in an era where the Board is meeting the needs of the community as it exists today.

Motion by Jaffe, supported by Valentine, to approve the minutes of the June 26, 2018, regular meeting as presented. All voting in favor. Motion carried.

Public Comment
As the Armory Youth Center Board Treasurer, Mr. Richards suggested contacting the Center’s Executive Director Rob Carpenter to see if the Youth Center and the Library can partner in using resources.

Correspondence
Mrs. Greenacre received the following correspondence:

> Notice of Approval from the State of MI Department of Treasury that the retirement waiver application for MERS has been approved.
Financial Reports
In reviewing the Financial Reports for the period ending June 30, 2018, Mr. Richards noted the following:
- Received $10,524.05 in Penal Fine revenue. Total for the fiscal year will exceed budgeted amount.
- Cash is relatively high as the balance of the property tax collections has been received.
- Prepaid Expenditures (1041.00) does not vary from month-to-month. Any adjustments will be made at the end of the year.
- Accounts Payable to Manistee County (2005.00) is higher than normal.
- Accounts Payable (2002.00) is lower than normal.
- Current Property Tax collections are approximately $49,000 less than budgeted.
- The transfer of $70,000 approved at the May meeting has been requested from the Treasurer’s office.
- Personnel line items are where they should be at this time in the fiscal year.
- Nine months into the fiscal year, expense line items should be at 75% of budget. This is not true with all line items as materials/supplies/etc. are ordered and paid at different times throughout the fiscal year.
- Net Income as of June 30, 2018 is $529,034.47.

Motion by Sleder, supported by Valentine, to accept as presented the Financial Reports for the period ending June 30, 2018. All voting in favor. Motion carried.

New Business (MERS Discussion was moved up on the agenda.)
At their April meeting, the Board discussed the Library’s unfunded MERS liability and requested someone from the County attend a Board meeting to provide more information. Lisa Sagala began by explaining the County’s two pension plans to the Board. When the County first started with MERS, employees were covered under a defined benefit plan which guarantees monthly benefits once an employee retires if all the criteria are met. Employees hired after September 30, 2011, are enrolled in a MERS Hybrid Plan. The Hybrid Plan is part defined benefit and defined contribution and employees can contribute between 1 and 10 percent of their pay for the defined contribution portion.

MERS would like every entity to be 100% funded in the next ten years and the County would like to extend that out to get some relief in the upcoming budget years. As a group, the County is approximately 70% funded. The County hoped the amount submitted from the hospital and timber sale would greatly reduce the group’s unfunded liability. MERS changed their assumptions, and that increased the unfunded liability. In reality, the 1.5 million dollars from the sale did not help greatly with the unfunded liability.

One of things the County is doing is separating the GEA union group into a Library division and a Courthouse division. This will help in reporting when the audit is done and hopefully bring the funding percentage up.

When the County was putting together the budget for 2018/2019, they realized there was a substantial increase in the cost of MERS. Part of that was MERS provided the County with the wrong information when they went from the Defined Benefit Plan to a Hybrid Plan. MERS did not provide a percentage amount of the payroll, but a flat dollar amount for each group. In order to budget, the County needed to know the percentage of payroll because the way the budget forms was completed. Back in 2011, MERS gave the County a formula to use and it affected the capped groups the most. The County has two union contracts where the employer’s rate is capped at twelve percent. The Library’s cost has been the
New Business (continued)
same for the last six to seven years and never paid more than 12% for the defined benefit plan. Any cost above 12% is added to the employee cost. With the changes in assumptions, even with the funds from the hospital and timber sale, employees could be contributing over 15%. The County feels there is no way that those employees are going to be able to afford putting in this percentage every pay period towards their pension. The County is waiting on information from MERS and hopes to bring employees cost down by reallocating funds from another division.

Going forward, it might be necessary for the Library to allocate funds each fiscal year toward the unfunded liability. Once the Library is separated from the Courthouse, the Library will have a better understanding from the actuarial what the Library’s cost will be.

Administrative Report
Mrs. Greenacre additions to the Administrative Report included she will be on vacation next week and State Librarian Randy Riley visited on Friday, July 20.

Committee Reports
Facilities - The Facilities Committee met on July 16 and discussed the Library’s major projects. Mrs. Greenacre will start reworking the Reference Room project which includes paint, carpet, furnishings and possible electric and lighting. The Spicer Group has been contacted for a structural analysis of the mezzanine. It is uncertain as to what the cost will be to do an analysis, but the Library may need to get other bids. Replacing chairs in the Meeting Room was discussed, but that was placed on hold until other projects are started.

Personnel - The Committee met on the 27th of June and meeting notes will be available at next month’s meeting.

Technology - The Technology Committee met on the 11th of July and the following was discussed:
- Obtaining two quotes to assess the structure housing of the technical area that was modified approximately 20 years ago.
- The Executive Director will obtain quotes for scanning paper building blueprints now in storage.
- A general email box will be developed for the Board. Home addresses and contact numbers will be removed if requested by the individual Board member.
- Merit hook-up has been disconnected. It has not been used since 2012 and saves the Library $3,450 annually.
- The ILS contract terminates at the end of 2019 and Mrs. Greenacre will explore other resources with a decision by January 2019 whether or not to renew the contract with TLC (The Library Corporation).

Old Business
Library Projects Update - The Board received an outline at the meeting from Mrs. Greenacre of what needs to be done on the Library projects discussed and approved at the May meeting.
Old Business (continued)
Animal Service Policy – In May, Mrs. Greenacre received an email inquiring if the Library has a policy on dogs in the Library. At that meeting, the Board implemented a temporary policy that no pets, except service animals, are allowed in the main Library and Branches. Since that meeting the Policy Committee has discussed what defines a service animal.

Motion by Sleder, supported by Valentine, to adopt a Service Animal Policy as follows: The Manistee County Library welcomes service animals in compliance with the Americans with Disabilities Act and Michigan Law:

- Americans with Disabilities Act – 2010 Federal Guidance on Service animals
- Public Act 144 of 2015 (Service animals, prohibition of assault and interference, refusal of entry of service dog)
- Public Act 145 of 2015 (Service animals, licensing fees, exemptions.)
- Public Act 146 of 2015 (Service animals, ID and patches, MDCR powers and duties.)
- Public Act 147 of 2015 (Service animals, fraudulent use, reporting, penalties.)

The library is unable to allow pets, comfort animals or therapy animals in the Library, even if you have a note from your doctor, unless arranged by the Executive Director or Assistant Director. All voting in favor. Motion carried.

Board Personal Information - Mrs. Greenacre requested that the Board let her know what information they wanted listed on the Library’s website and Board posting.

Board Trustee Comments
The following comments were received:
- Rosalind Jaffe attended the Village of Onekama and Onekama Township meetings earlier this month to answer question about the millage renewal.
- Barry Lind updated the Board on a Library employee compliant against the Executive Director. This has been resolved and the issue closed.

Information Items
The Board received the following Manistee News Advocate articles: Library announces WiFi hotspots programs (06/23/18), Manistee Library to take part in Great American Read (06/26/18), Flowers at the Library (07/03/18), Library officials seeking millage renewal on August 7 (07/17/18)

Adjourn
Motion by Sleder, supported by Valentine, to adjourn the meeting at 10:55 a.m. All voting in favor. Motion carried.

The next regular meeting of the Manistee County Library Board will be held 9:00 a.m. on Tuesday, August 28, 2018.

Helen Grabowski
Recording Secretary