

May 23, 2006
Northland Library Cooperative
Board of Trustees Meeting

Call to order & Roll Call

Northland Library Cooperative Board of Trustees meeting was held at Presque Isle District Library. Vice Chair Randolph Mateer called the meeting to order at 10:05am.

Members Present: Rita James (Alcona), Mayford Meixell (Alpena), Warren Meyer (Topinabee), LaVerne Greenwood (Otsego), Karen Heide (Wolverine), Randolph Mateer (Cheboygan), Jeri Selthoffer (Member at Large)

Members Absent: Marcia Armstrong (Montmorency), Elden Johnson (Jordan Valley)

Others Present: Cindy Lou Poquette (Director of Indian River Area Library), Bambi Mansfield-Sanderson (Director of Crawford County Library System), Patti Webb (Director of Gerrish-Higgins School District Public Library), Jan Stevenson (Director Presque Isle District Library), Jennifer Dean (Director of Northland Library Cooperative), Maria Lefebvre (Northland Library Cooperative)

Additions and Approval of the Agenda

Randolph Mateer requested item, Director Evaluation, be added to the agenda under old business section.

Motion to accept the Agenda as amended was made by Rita James and seconded by Mayford Meixell. Motion approved

Approval of the Minutes

Motion to accept the February 21, 2006 minutes was made by Mayford Meixell and seconded by LaVerne Greenwood. Motion approved.

Treasurer Report – Mayford Meixell

Cash Statement as of May 4, 2006

Cash on Hand and in Banks	\$325,190.57
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First Federal Certificates of Deposit	<u>26,382.15</u>
Total Cash	\$351,572.72
Accounts Receivable/Assets	\$6,495.51
Pre-Paid Expense-telephone & MLC Deposit	0.00
Total Assets (does not include building or vehicle)	<u>\$358,068.23</u>
Accounts Payables/Liabilities	
Payroll Taxes	439.73
Deferred Revenues	180.00
PACII Server Fund	4,000.00
Total Payables/Liabilities	<u>4,619.73</u>
Available Cash for Expenses 05/06	\$346,952.99
Budgeted Income (NOT YET RECEIVED) 05/06	\$190,834.97
Budgeted Expense (NOT YET PAID) 05/06	\$140,697.21
PROPOSED CASH BALANCE 9/30/06	\$397,090.75

Treasurer's report was discussed.

Motion was made by Rita James and seconded by Karen Heide to accept the Treasurer's report as presented. Motion approved.

2005-2006 Budget

2005-2006 Budget was discussed. An increase in the Improvement and Repairs line item was due to the cost of replacing a water heater at NLC. The budget includes a new section for Pac2 Consortium, per NLC's auditor recommendation that the budget reflect revenue and expenses for Pac2. Other topics discussed were sources of Revenue, State Aid, USF and Internet services.

Motion to accept the 2005-2006 Budget dated 5/10/06 as presented was made by Mayford Meixell and seconded by Rita James. Motion Approved.

Director's Report – Jennifer Dean

STATE AID—Possible funding cuts to History Arts and Libraries Department, may be as much as \$900,000. Jennifer Dean will know more by June 12, 2006.

USF Funding—NLC, Wolverine, Indian River and Gaylord libraries are scheduled to receive their USF Funding in this round.

ADVISORY COUNCIL—Nancy Robertson (State Librarian) and Gretchen Couraud (MLA Executive Director) will be guest speakers at the August 17th Advisory Council Meeting, NLC Trustees are invited to attend.

INTERNET SERVICES—June/06 will be last billing period for this service. Director Dean has been discussing options with other ISPs for possible sale of NLC customer database and switching customers to new provider.

Advisory Council Report – Jan Stevenson

Main topics of discussion were the revision of the Plan of Service and Future Funding Resources and the decline in Penal Fines. Members also viewed the Thunder Bay Sanctuary Research Collection housed at Alpena County Library and toured the Thunder Bay National the Marine Sanctuary in Alpena.

Old Business

CORRESPONDENCE UPDATE—In revising the Plan of Service, it was noted that a letter concerning NLC's Fee structure was received in Aug/2004 from the Gaylord Library requesting NLC review their fee structure. The letter was received during the time that Christine Johnson was Interim Director and although a reply was sent the Gaylord Board acknowledging the letter, no action was taken on the topic at that time. Director Dean and the NLC Board will notify the Gaylord Board that the topic of NLC's Fee structure is being addressed at this time as a part of the revision of the Plan of Service and that the Gaylord Library Board's recommendations are being considered.

FINANCIAL MATTERS:

Three previous financial issues were raised as a result of the annual audit report (Funds on deposit exceeding FDIC insured amounts, MERS Retirement Fund under balance and NLC's Fund balance) have been investigated further with the following conclusions reached.

NLC Banking Institutions—Discussed allocation of NLC funds in FDIC banking institutions; NLC is making sure that funds are deposited in insured institutions as stipulated in the account guidelines. Only occasionally will balances exceed the insured limit when large amounts of funding are received until disbursement. It was found that the risk was minimal, compared to the potential lost of earned Interest and the inflexibility of placing excess funds in CD's or in institutions with lower interest rates.

MERS Retirement Fund—The fact that the balance is under funded was discussed further with the auditor. The MERS retirement fund is within an acceptable percentage range at this time. If it becomes an issue in the future NLC will be notified and will take steps to set aside funds to rectify the situation.

Reserve Funds—NLC currently maintains reserve funding for approximately 1 year of operation. Director Dean will investigate the percentage of funds held in reserve by other cooperatives and she will track NLC's cash flow over the next year to determine if this level of reserve funding should be lowered.

New Business

PLAN OF SERVICE REVISION—Copies the 5/22/06 Draft Plan of Service were distributed and discussed. The Plan of Service Draft includes original wording to be eliminated lined out and new wording to be added in bold print. The Advisory Council voted to send the draft to the NLC Board for review. The NLC Board asked Director Dean to forward a copy of the Draft Plan of Service to each of the NLC member library Boards for their review and approval. Director Dean also noted that some of the changes in the Plan of Service draft would require changes to the NLC By-Laws; amending NLC's By-Laws would require a minimum of two meetings, 1 to proposed changes and a 2nd meeting to enact the changes. The NLC board tabled this item for future discussion.

NLC DIRECTOR EVALUATION—Jennifer Dean and others excused themselves from the board meeting for a time while NLC trustees conducted her first annual evaluation of her job performance as director of NLC. Responses received from Member librarians were also used for input on Jennifer Dean's performance as director of NLC for this past year. Upon returning to the meeting Jennifer Dean was informed that the Board received positive feedback from member librarians and they have confidence in her abilities as Director of NLC. They recommend using the information given in her evaluation for setting goals for the coming year. The Board will continue with annual director evaluations.

Public Comments – None

Next Meeting

The next meeting of the Northland Library Cooperative Board of Trustees is scheduled for August 22, 2006 10:00am-12:00pm, at Cheboygan Area Public Library.

Adjournment

Meeting was adjourned at 12:45pm.

Warren Meyer, Secretary

Prepared by: Maria Lefebvre, Secretary to the Board