

Approved Minutes of the
Ray Township Public Library
Regular Board Meeting
January 17th, 2022

Ray Township Public Library Board Chairperson Theresa Goike called the meeting to order at 6:31 pm at the Ray Township Public Library.

PRESENT: Jim Jerse, Vice-Chairperson
Theresa Goike, Chairperson
Marla Stabile, Member
Heather Phipps, Treasurer
Christy DeMeulenaere, Director

ABSENT: Elli Minert, Secretary
Wayne Conner, Member

ALSO PRESENT: N/A

APPROVAL OF AGENDA

MOTION by Jerse supported by Phipps to approve the agenda as presented.

AYES: ALL
NAYES: NONE
ABSENT: Elli Minert, Secretary
Wayne Conner, Member
MOTION: Carried.

APPROVAL OF THE DECEMBER 20th, 2021 BOARD MEETING MINUTES

MOTION by Conner supported by Jerse to approve the December 20th, 2021 Board Meeting minutes as presented.

AYES: ALL
NAYES: NONE
ABSENT: Elli Minert, Secretary
Wayne Conner, Member
MOTION: Carried.

REPORTS

Phipps reviewed the Bills List. Total bills for the month were \$9,717.12 which consisted of payroll, computer technical expenses, and books.

Wayne Conner arrived at 6:35 pm

APPROVAL OF THE JANUARY 13th, 2022 BILLS LIST

MOTION by Jerse supported by Phipps to approve the January 13th, 2022 Bills List for \$9,717.12 as presented.

AYES: ALL
NAYES: NONE
ABSENT: Elli Minert, Secretary
MOTION: Carried.

BUDGET TO ACTUAL REPORT

Phipps reviewed the budget to actual report. The Library should currently be at 75%. Revenue for the month totaled \$7,809.19 which was mainly driven by current property taxes. Expenses for the month totaled \$7,696.47, Goike stated the Budget Committee should meet prior to the next Board meeting.

MOTION by Conner supported by Jerse to receive and file the budget to the actual report.

AYES: ALL
NAYES: NONE
ABSENT: Elli Minert, Secretary
MOTION: Carried.

Director

DeMeulenaere stated that every Public Library In Michigan is eligible to select and drive content-specific digital materials through Overdrive due to the MI-83 Digital Library Connection project funded by an ARPA grant at no cost to the Library. Ray's allotment totaled \$1,225.00 and will be used as a group purchase with the Suburban Library Cooperative.

DeMeulenaere stated that the Library also received the SLC Early Literacy Grant of \$1,000.00 which will be used to purchase backpacks with items for virtual toddler storytime.

DeMeulenaere stated that the Suburban Library Cooperative is looking into alternative databases. There will be a POLARIS demonstration at the end of January.

DeMeulenaere stated that crafts and programs are running multiple times monthly due to high attendance.

DeMeulenaere stated that Fraser Library is currently curbside only, Mt. Clemens Library is Lobby only and Utica Library has limited hours due to COVID.

DeMeulenaere stated that the Library Board Agendas are now also posted on the website.

DeMeulenaere stated that during the month of February the Library will be holding a Miniature Art Gallery program, open to all ages. Patrons can come into the library anytime in February and paint on a 3x3 canvas which will be labeled and put on display for the month.

DeMeulenaere stated that Payroll through onpay is up and running. The first run was successfully completed. DeMeulenaere stated that the Library is still waiting for their UIA#. The paperwork has been submitted and is processing.

DeMeulenaere shared a demo with the Board of Onpay. Clerks will be notified and can review paycheck stubs on the onpay site. DeMeulenaere also reviewed the reports that are available for the Board. DeMeulenaere also provided a payroll packet which included the time clock sheet, payroll register, account numbers, and totals provided to the Township Accountant for review. DeMeulenaere stated that this is what the payroll will look like every other week. A discussion was had on one Board Member reviewing the paperwork. DeMeulenaere stated that the payroll could be emailed bi-weekly to Treseauer Heather Phipps for review. DeMeulenaere will train Barnes to process payroll and also will give access to Heather Phipps. DeMeulenaere stated that for her Governmental Accounting Class, she needs to write a policy and she will write a new policy for the new payroll process.

DeMeulenaere stated that now through March 10th, the Library will hold NASA at my Library display and activities. In partnership with the Library of Michigan and NASA, these kits were made possible. There will also be weekly programs on the events calendar.

DeMeulenaere stated that the Living Library has been well received and attended.

- The Basic Finance was canceled. No signups.
- Wheel Thrown Pottery, 9 in attendance
- Army Helicopter Pilot, 8 kids, and 9 adults
- Upcoming events, Digital Photography and Resume Workshop.

DeMeulenaere reviewed the monthly statistics with the Board.

DeMeulenaere stated that Employee performances will be completed by the end of the week.

Friends of the Ray Township Library and Historical Society

Goike stated the group has not met and will be meeting in February. 2022 Membership forms will be sent out. Camille Grabb has stepped down as Vice President for the group, and Ashley Stabile will step in to be the new Vice President.

Committees

Policies - Nothing to report

Personnel: The Director's review will be combined into a 2-year review. DeMeulenaere will send out a performance review for the staff to fill out on the Director and will have them forwarded to Jim Jerse.

Budget - A meeting will be set up before the next Board Meeting.

UNFINISHED BUSINESS

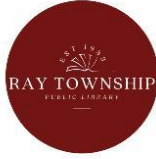
New EIN Number & Meeting with the Township

Goike stated the Township held a Special Board Meeting on December 20th at 11:00 am. The Township Board was discussing the Lease Agreement, Fiscal Agency Agreement, salt, and plowing for the Library. The Library Board was presented with a copy of the minutes from the Township's Special Meeting. In their minutes they approved the Library Lease agreement. The Township wants to charge the Library \$1,200.00 a year which will include snow removal. In the packet, there is a breakdown of Bob Prior, the Township Maintenance Supervisor's payroll for the snow removal for the Library. Also in the Packet is a breakdown of the Township's Accounts responsibilities and timeframe for the Library's accounting needs, Discussion was had amongst the Library Board Members about the Township special meeting. Goike stated that Phipps and Goike composed a letter for the Township Board to be addressed at the Township Board Meeting on January 18th, 2022. Goike stated that she would read the letter at the Township meeting. The Library Board reviewed the letter to be given to the Township. Jerse stated that he would like to see the lease be a 5-year term. The Library Board would like to see the Lease Agreement in effect for April 1st, 2022. Goike will retype the letter with the revisions that the Library Board discussed, Turn in a hard copy to the Township, and read it at the Township Board Meeting. Goike reviewed with the Board the breakdown of invoices, deposits, and responsibilities of what the Township Account provides for the Library.

Link to review Minutes of the Ray Township Special Meeting 12-20-2021

<https://www.raytpw.org/wp-content/uploads/2022/01/12-20-2021-Special-Board-Meeting.pdf>

Letter to the Ray Township Board of Trustee's



Ray Township Public Library

64255 Wolcott Road
Ray Township, Michigan 48096
Phone: 586-749-7130 Fax: 586-749-6190

Email: info@raylibrary.org | www.raylibrary.org

January 18, 2022

To: Ray Township Board of Trustees
64255 Wolcott
Ray Township, MI 48096

Members of the Ray Township Board of Trustees:

First, we would like to take the opportunity to thank the Township Board for working with the Library Board to finalize the revised Lease and new Fiscal Agency Agreement. As we work through the details, the best interest of our residents is always at the forefront of our decision making process.

As you are aware, Ray Township residents recently demonstrated their continued dedication to maintain and enhance our beautiful Ray Township Public Library by generously supporting an additional millage. Out of respect and appreciation for our patrons and residents who have supported our ongoing efforts to continually improve the Library and enhance technology services, the Library Board feels it is only appropriate to get their input on, and support for, the unexpected cost approved by the Township Board at its Special Meeting on December 20, 2021.

When the additional millage was presented to the residents of Ray, it was on the premise that the additional funding would be used for upgrades to Library materials and services, such as technology, as well as retaining and hiring qualified staff with competitive wages. The residents supported these improvements by passing the millage. At that time, the Library Board was unaware that the Township Board was considering charging the Library for the use of the building. Prior to the millage passing, the Library would have had a difficult time absorbing this additional cost along with the higher cost for the accounting services. Although we appreciate that the additional funding we received from the millage would help absorb these new costs, this was not what the funding was originally designated for, nor what was presented to the residents.

The Library employees and Board members are always working to enhance our residents' experiences while providing a wide variety of services. Even though our Library is considered a rural library and is one of the smallest in the county, it does not take away from our commitment to offer our residents the same high quality services of larger libraries with much larger budgets. The Library Board scrutinizes its spending and makes certain that the money is used in the best interest of the residents of Ray Township.

Some residents may not be aware that the Library is leased from the Township, making us tenants of the Township. Over the years, the Library has secured funding through various grants resulting in the stunning renovation and preservation of the Library building. With little cost to the residents and minimal funding from the Township, we have created a state of the art library in our beautiful community.

The members of the Library Board strive to be fiscally responsible with all of the Library's funding, from the millage and state aid to fees and donations, while also maintaining our high level tenant status, working with the Township to improve our relationship, and servicing our residents.

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Board of Trustees

Theresa Goike, Chairperson — Jim Jerse, Vice-Chairperson — Elli Minert, Secretary — Heather Phipps, Treasurer
Marla Stabile, Trustee — Wayne Conner, Trustee — Christy DeMeulenaere, Library Director

- c. The Landlord will be responsible for snow and ice removal from the Leased Premises. The Landlord will also provide regular trash and rubbish removal and any other incidental maintenance related to the Exterior of the building and surrounding premises at no additional cost to Tenant.

D. ADD a section on Insurance

Below is the Section on Insurance that is suggested:

21. **INSURANCE:** Landlord and Tenant intend that the risk of loss or damages shall be borne by responsible insurance carriers.
- a. **Duty to Insure.** Landlord shall, at its expense, insure the Leased Premises against loss or damage under a policy or policies of "all risk" fire and casualty coverage insurance, to the full extent of the replacement cost of the Leased Premises, underwritten by such carriers and on such other terms and conditions as are reasonably acceptable to the parties. Tenant shall be named as an additional insured in such policy or policies.
 - b. **Proceeds.** In the event of a loss covered by the policy or policies of casualty insurance referred to in subparagraph (A) above, the proceeds shall be paid to Landlord, which shall use such funds to restore the Leased Premises to their condition immediately prior to the casualty, unless the Lease Agreement is terminated as provided above.
 - c. **Liability.** The TENANT shall maintain workers' compensation insurance covering all persons working at the Leased Premises to at least the statutory limit set forth under Michigan law. The LANDLORD shall maintain a policy of commercial general public liability insurance with a minimum combined limit at least equal to One Million and 00/100 Dollars (\$1,000,000.00) for any accident. The limits for such policy of general public liability insurance shall be increased each year as may be necessary for an appropriate amount of insurance coverage for the use of the Leased Premises, and such policy of general public liability insurance shall name Tenant and Landlord as an additional insured and shall be underwritten by a carrier and on such other terms and conditions as reasonably acceptable to the parties.
 - d. **Contents Insurance.** Tenant shall maintain insurance on all of Tenant's contents and personal property.
 - e. **Policy Provisions.** To the extent permitted by the insurer, all policies of insurance required to be carried by this paragraph shall provide, by endorsement or otherwise, that such insurance may not be canceled, terminated, amended, or modified for any reason, except upon thirty (30) days' prior written notice to the other party. If permitted, such policies shall also waive all rights of subrogation against either party. Prior to the time such fire and casualty and general public liability insurance is first required to be carried by Landlord, and thereafter upon Tenant's reasonable written request, Landlord will deliver to Tenant either a duplicate original of the policy or

policies or a certificate evidencing each such insurance coverage, together with evidence of payment for the policy or policies.

f. Reimbursement of Insurance Costs. Tenant will promptly (upon presentation of a bill) reimburse Landlord for Tenant's reasonable share of Landlord's cost of providing liability insurance described in this Section.

The Ray Township Public Library Board of Trustees would also like to clarify and/or answer questions or comments from the draft of the Ray Township Board of Trustees Special Meeting Minutes from December 20, 2021.

As the Township Board members discussed raising the amount of the Library's yearly lease payments, the members commented on the costs the Township spent to remove trees, repaint, and for drainage. The Township did not take into consideration that the Library completed nearly \$80,000 in structural building improvements since 2009 from the Library's budget, donations and various fundraising activities, and grants, including grants from MCACA, 4CCF, Robert C. Reinhard, and DELEG. This does not include Library equipment, such as shelving, desks, chairs, computers; nor the amounts contributed by the Township of Ray. Now that the major improvements have been completed, building maintenance costs should be minimal for the foreseeable future.

Another issue was the cost for snow plowing the parking lot when the Township Offices are closed. As stated in the minutes, "Lascoe stated she provided the Board with a copy of the maintenance employee's time for snow plowing from 2020-21, which shows three times for double time due to a holidays and three times with over-time for plowing the library when the Township is closed. She stated the parking lot is snowplowed an hour before the library opens. Further stated it is not done when the Fire Department is done."

After reviewing the Ray Township Maintenance time sheet, Bob Prior spent 0.5 hour on five days and 0.75 hour on two days plowing and/or salting the parking lot. Three days were at double time due to a holiday and four days were at over-time. The actual total time spent was 4 hours. Accounting for the double and over-time charges, the amount compensated Mr. Prior was for 6.75 hours. If he is paid \$16 per hour, the amount would total \$108 for the season. In addition, six out of the seven days, Mr. Prior also plowed and salted the Fire Hall parking lot.

The minutes also state, "Bart stated the residents supported the library millage and she feels the Township should not carry the cost for the library. She stated the library millage is 2/3rd of the Township's millage."

In the 2020-21 fiscal year, the Library received \$110,955 from the millage which was 89% of its budget. Another 10% of the Library's budget came from grants. In comparison, the Township received \$165,466 from its millage which accounted for just 22% of its budget. Therefore, comparing only funds received through a millage does not show the full picture.

In regards to the Fiscal Agency Agreement, the Library Board would like to remind the Township Board, and the public, that the Township is legally required to hold, maintain, disperse, and invest monies deposited into the Library Fund. The payroll portion of the accounting service does not have to be done by the Township and the Library has recently hired an online company to provide its payroll service. This was done before January 1st, 2022, as requested, to avoid additional costs to the Township.

In the draft of the Ray Township Board of Trustees Special Meeting Minutes for December 20, 2021 related to the Fiscal Agency Agreement, Grader “questioned item 3 of the Library Obligations, if the Library Board provides a detailed budget to the Supervisor by March 31st of each year.” Supervisor Jarzyna stated, “He has not ever received a budget from the Library Board.”

The Ray Township Public Library Board of Trustees approves its annual budget at a public meeting held every March in the Ray Township Public Library. Afterwards, the approved annual budget is sent electronically to the Township’s Accountant prior to March 31st. Any approved amendments to the budget are sent promptly to the Township’s Accountant throughout the year. Going forward, the Supervisor will be specifically copied when the annual budget is submitted to the Township’s Accountant to alleviate any issues that may occur with the Township’s Supervisor not having access to the Library’s Budget.

In the draft of the minutes, Lascoe stated, “The accountant has provided a list of items that she does for the Library Board and a spreadsheet of credit card transactions and paying invoices, which is approximately five hours month.” Jarzyna stated, “\$1,200 would cover the accountant cost.”

The Library Board reviewed the spreadsheet provided by Lascoe. The five hours noted above is determined by adding the number of credit card transactions **and** bill pay invoices, multiplying by five minutes (the approximate time for entry, scan, approvals, and payments), and dividing by 60 minutes. The Township used only one month, December, to calculate the time spent which came to 4.83 hours. Five months of data was provided with only the highest month used in the calculations. Averaging the five months, August through December, the average hours per month based on this data totals 3.62 hours. If the accountant was paid \$20 per hour, it would cost \$72.40 per month, or \$90.50 if paid at \$25 per hour. If the Library agrees to the \$1,200 yearly cost (\$100 per month) for the accounting services, the additional money the Township receives should cover any incidental costs related to the accounting service, such as supplies and postage.

The Library Board would also like to note the Library Director has worked diligently on researching the law and requirements regarding the handling of the Library’s funds and for securing an Employee Identification Number (EIN) to allow for the separation of the payroll services from the Township of Ray as requested by the Ray Township Board of Trustees. Throughout the past year, the Director has kept the Library Board members abreast of all her findings and conversations with the Library attorney and the Ray Township Supervisor, Joe Jarzyna.

A meeting was held on February 18, 2021 in the Ray Township Senior Center with Library Board Chair Theresa Goike, Secretary Elli Minert, Director Christy DeMeulenaere and Ray Township Supervisor Joseph Jarzyna and Treasurer Betsy Bart. During the meeting, the participants discussed the Library applying for its own EIN and setting up its own payroll service as the cost for the Township’s company (BSA) to set up the program would be expensive and the company didn’t want to provide this service. The cost for bookkeeping and snow plowing was also discussed. The information about this meeting was reported to the Library Board by Elli Minert at its March 15, 2021 Regular Meeting.

At the suggestion of the Library’s attorney, the Library Board had its attorney draft a Fiscal Agency Agreement and a new Lease. After some changes, these two documents were sent to the Ray Township Board of Trustees to review. At the August 16, 2021 Library Board meeting, Vice-Chair James Jerse stated the Library Board received correspondence from the Township that the two documents were

received and filed. Further stated that Elli Minert and Christy DeMeulenaere met with Supervisor Joe Jarzyna and Treasurer Betsy Bart to review the documents and various changes were recommended. The Library Board approved most of these changes.

On October 6, 2021, a Special Joint Meeting was held with the Ray Township Board of Trustees and Ray Township Public Library Board in the Ray Township Hall. The Library Board members heard of the Township's concerns regarding the snow plowing related to more than just the maintenance employee's pay, increasing costs for the Library's accounting service, the Township Board members asking, "if the Library Board ever discussed purchasing the building" or saying the Township used to take "care of everything for the Library", "when was the last time the Township Board got a raise?", and "the Township has expenses, the Fire Department has to be rebuilt at a cost of \$1.5 million dollars". Comments like this demonstrate the need for better communication between the Library Board and the Township Board.

A suggestion to improve communication would be to have a liaison from each Board. This liaison could attend each other Board's regular meeting at least once a year to bring up any concerns. We can look for ways to streamline costs and improve services. If we can bring all the concerns to the forefront, we can find a way to work through our differences and come to a compromise that works for everyone involved, especially the residents of Ray Township.

At the Ray Township Public Library Board of Trustees Regular Meeting on January 17, 2022, members agreed to consider leasing the building from the Township of Ray at a cost of \$1,200 per year with the changes noted in this letter and with a commitment of five years rather than one year. The suggested changes to the term are below:

1. **TERM** – The term of this Lease Agreement shall be for a period of **five (5) years** commencing _____, 202____. The term of the Agreement shall automatically renew for **another five (5) year term on the fifth anniversary year of the effective date** of this Agreement unless either party provides a written notice of non-renewal six (6) months prior to the renewal date.

The Library Board would like to finalize the revised Lease and Fiscal Agency Agreement before April 1, 2022 if possible. If a joint committee meeting is needed to work on the details, please contact me at 586-291-8710.

Sincerely,

Theresa Goike
Chairperson
Ray Township Public Library Board of Trustees

Annual performance review of Director - Tabled.

The Director's review will be combined into a 2-year review. DeMeulenaere will send out a performance review for the staff to fill out on the Director and will have them forwarded to Jim Jerse.

NEW BUSINESS

Retain Nickel & Saph for Worker's Compensation Insurance

The Board reviewed the summary of the Worker's Compensation Insurance provided by Nickel & Saph. Total for the year \$367.00.

APPROVAL OF RETAINING NICKEL & SAPH FOR WORKERS COMPENSATION INSURANCE

MOTION by Jerse supported by Conner to retain Nickel & Saph for Workers Compensation Insurance for a yearly total of \$367.00

AYES: ALL
NAYES: NONE
ABSENT: Elli Minert, Secretary
MOTION: Carried.

Budget & Salary Compensation

DeMeulenaere provided the Board with an updated suggested pay increase sheet as well as the original sheet that was provided last year. The Board will review the sheets. DeMeulenaere will provide the Board with how many hours worked over the past year and how much payroll will total with the suggested raises. Tabled.

ITEMS FOR FEBRUARY

Draft of new Fiscal Budget from Budget Committee
Set up Public Hearing for the Library Budget Meeting for March

PUBLIC COMMENTS/CORRESPONDENCE:

N/A

ADJOURNMENT

MOTION by Conner supported by Jerse to adjourn the meeting at 7:37 pm

AYES: ALL
NAYES: NONE
ABSENT: Elli Minert, Secretary
MOTION: Carried.

Respectfully submitted by:

Christy DeMeulenaere, Director

Approved by:

Elli Minert, Secretary

Theresa Goike, Chairperson