

RAY TOWNSHIP BOARD OF TRUSTEES
JOINT MEETING MINUTES WITH THE LIBRARY BOARD
WEDNESDAY, OCTOBER 6, 2021, AT 7:00 P.M.
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Location: Ray Township Hall
64255 Wolcott, Ray, MI 48096

Present: Joe Jarzyna, Supervisor
Lori Lascoe, Clerk
Betsy Bart, Treasurer
Betty Grader, Trustee
Doug Stier, Trustee

Library Board: Terry Goike
Eli Minert
Heather Phipps
Wayne Conner II
Marla Stabile

Absent: Jim Jerse

Also Present: Christy DeMeulenaere, Library Director
Mary Barnes

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES & ROLL CALL.

Supervisor Jarzyna called the meeting to order at 7:00 p.m. The Pledge of Allegiance was recited. Clerk Lascoe called roll; Grader, Lascoe, Bart, Stier, Jarzyna and Library Board: Goike, Minert, Phipps, Conner, Stabile. Absent: Jerse.

Each Board member introduced themselves. Bart disclosed her daughter is an employee of the library.

2. APPROVAL OF AGENDA –

**MOTION by Lascoe supported by Stier to approve agenda as presented.
MOTION carried.**

3. PUBLIC COMMENTS: - For Agenda Items

Supervisor Jarzyna asked if anyone would like to speak to come to the podium and state their name and address.

There was no public input.

4. NEW BUSINESS

a. Lease Agreement between Township of Ray and Ray Township Public Library and Fiscal Agency Agreement

Christy DeMeulenaere, Library Director stated this meeting was requested after a discussion about insurance and unemployment. Public Act 164 requires the Township to collect the millage for the library and to pay the bills. The library has obtained their own Employee Identification Number and can take on the responsibility of processing their own payroll. The library contacted Ann Seuryneck of Foster, Swift, Collins & Smith., a firm that works with libraries throughout the State of Michigan.

Grader asked if both documents presented for tonight's meeting were drafted by the same attorney?

Goike advised Seuryneck is the attorney for the library.

Lascoe stated this is the attorney the library used to write the ballot millage language.

Jarzyna stated the current library lease was signed on December 26, 2007.

Lascoe stated she remembers hearing about the library paying for the electricity for the garage.

Goike stated the library at one time did pay for the garage electrical bill. She explained there was a pop machine outside, and the money collected from the pop machine help to offset the cost of electrical.

Grader stated she likes the current Use Agreement of the Library Building dated December 26, 2007. It is easy to read and understand. She stated she has questions on every page of the proposed document as it is very hard to understand. On page 3, 8D the word "reasonable" is a big word and can be interpreted differently. Page 3 item 9B "promptly repair" leaves too much open for interpretation and lots of room for disagreement. Item 9C quotes after hours snow removal at \$25.00 per hour which puts the cost on the Township and all the residents. This is the responsibility of the Library not the residents.

Connor stated the document should be something simple.

Grader stated it should be something that can be read easily and understood.

Goike stated the \$25.00 for plowing the lot was discussed in a meeting with the Supervisor, Treasurer, Eli and herself about the EIN number. She thought Jarzyna stated that would be the rate for Bob Prior to plow the snow. She explained from what she remembers the Township would pay for the snow removal during the day and that would not change. After hours, the library would be responsible for the cost of the snow removal.

Minert stated she could go home and pick up her notes. The cost has to be comparable to the cost of the fire department, not exorbitant.

Stier stated when the Township is not open, \$25.00 per hour is about what Bob would be paid after hours not \$25.00 for plowing the parking lot.

Jarzyna stated he does not remember stating a dollar amount.

Bart stated just a portion of the parking lot cannot be plowed. The whole parking lot has to be done.

Jarzyna stated on an off time/day, Bob would get paid a minimum of two hours pay at one and one-half times his normal rate of pay of \$16.00 per hour, overtime would be charged at \$24.00 per hour and double time on holidays (\$32.00 per hour).

Minert stated the only time the library is open and the Township is not on Saturdays.

DeMeulenaere stated it has never really been a problem. Whenever the fire department is plowed then the library is done.

Lascoe stated Bob has been called after his day is completed to plow the lot, sidewalks and holidays.

DeMeulenaere asked if the fire department is paying the overtime and holiday rate and if they are could the library share the cost of plowing, when plowing is needed?

Grader stated if plowing is needed for the library the entire lot would have to be done.

Minert stated the parking lot should be cleared for the residents to use the park, it should be a shared cost with the Township, other people are using the parking lot not just people coming to the library.

Jarzyna stated the parking lot is not plowed if the office is closed or on the weekends

Goike stated they do not want to be difficult. Maybe they misunderstood or misinterpreted.

Stier stated the cost for Bob to plow would be \$24.00 per hour as overtime and \$32.00 per hour (double time) for holiday pay.

Goike asked why are we having this meeting?

Lascoe stated you asked for the meeting.

DeMeulenaere stated Jarzyna said the Boards would get together.

Goike stated we want the parking lot plowed, we want the residents safe, and we want to provide a service. What do we need to do? No one on the Library Board thought the lease agreement was going to look like this. She stated they know snow removal is not something that is normally in a lease.

Bart asked why would a landlord accept a lease agreement from the tenant?

DeMeulenaere stated this is just what the attorney sent.

Stier stated this looks like a lease between the library and a private owner. The Township owns the building and has provided the use of the building to the library for years at the rate of \$1.00 per year. He stated the one-page agreement could be tweaked and make it work.

Grader stated again the proposed lease agreement has too many words. The library is a Township building. The residents have supported the millage of the library. There could be a first amendment to the one-page agreement and other amendments as needed.

Lascoe stated the Township Board can have the Township Attorney, Bob Seibert review and revise the one-page agreement.

Grader stated she appreciated the Library Attorney, Ann Seurdnck providing the fiscal agency agreement, but again there are a lot of words. She stated Bob Seibert could also review and make any changes that are necessary and send it back for review. She asked if the library does their own bank reconciliations?

Jarzyna stated yes, the library does their own bank reconciliations.

Goike asked how often the Township does the deposits?

Bart stated the Township makes at least one deposit each week and disburses taxes twice a month.

Stier stated the Township tries to fill a deposit slip before going to the bank, because the charges are the same for one deposit item or twenty-eight deposit items, but a deposit goes in at least once a month.

Grader asked if there is any problem with page 1, paragraph 1, in the Fiscal Agency Agreement regarding the Township investing the monies.

Stier stated there is a very limited market and it is up to the Treasurer where monies are invested.

Jarzyna stated the State of Michigan controls where monies can be invested. The Township banks with Huntington and we can now print bank recs when needed.

Grader asked about page 1, paragraph 2, Exclusive Control, does the Township need this?

Stier stated bills are not paid until they are signed with two authorized signatures.

Goike stated DeMeulenaere prepares, and the Library Board signs to approve their bills. Christy is on the board but does not have voting rights.

Grader asked if everyone is happy with the fee as stated in the fiscal agreement?

Jarzyna stated the fee for administrative services is \$1,200.00 per year if the Township will no longer be doing the payroll for the library.

Stier asked if the Township has to do the payroll?

Jarzyna stated the Township does not have to do the library payroll. Whoever the library chooses to do the payroll must be a company that is licensed, bonded and insured.

Grader asked if the library will obtain and EIN?

DeMeulenaere stated the library already has the EIN.

Grader asked what did we decide on snow removal?

Jarzyna stated he contacted Gresham Snow Removal to provide a price for snow removal at the Township Hall lot. Gresham advised it would be \$200.00 per push, sidewalks are extra, a seasonal price of \$1,600.00. There is no guaranteed time when the snow would be cleared.

Grader stated so it could only be one time per day.

Lascoe stated it may need to be plowed more than one time per day.

Goike stated she would recommend the Board discuss with the attorney and see what is reasonable.

Jarzyna asked if the library will maintain the phone service?

DeMeulenaere stated everything will stay the same. They would hire someone and do our own payroll.

Jarzyna stated you will need a company that is licensed, bonded and insured for payroll.

Goike stated she appreciated the residents supporting the library millage.

Stier stated the library has a healthy fund balance.

Goike stated it is nice to think we might be able to raise our employees pay.

Jarzyna asked if the Library Board ever discussed purchasing the building?

Goike stated no they have not, but what would that mean.

Jarzyna stated some of the land south of the building connects, would need an easement to cross, the parcels have not been combined.

Goike asked if the Township would have to pay the library for the easement?

Jarzyna stated the library could pay for the use of the parking.

Lascoe stated she has a concern with the \$1,200.00 administration fee. She stated currently it is \$2,400.00 with the Township doing the payroll. Further stated costs are going up.

DeMeulenaere stated the administrative cost would be reviewed annually.

Jarzyna asked if anyone has done the numbers to see what it will cost to do payroll? The building department pays \$2,400.00 per year for the administration with one full time employee.

Goike stated the township and the library are doing a great job, but the Township Board feels the library should contribute. The Township Board wants more and more for the administration services being provided to the library. The Library Board is all volunteers and we have been struggling. She stated the library started in 1983 and the millage did not start until 2008. The Township cut out the 2% they used to provide to the library. Now the library has a budget, they want to use that money for the residents and spend it wisely. She explained they get money from grants and now have some money, she stated they want to work with the Township Board. She stated they feel the parking lot is not just the responsibility of the library. She explained it is the nitpicking and drawing a line. Let's work together to provide the best services to the residents. Further stated again, they did not ask for a 20-page lease and fiscal agreement. She stated the library cannot split completely from the Township the Treasurer has to take care of the monies.

Grader stated the Township residents have supported the Board and the millage. The library building belongs to the Township residents. The Board did not know this type of agreement was what the library was looking for.

Phipps stated the agreements are templates provided by the attorney.

DeMeulenaere stated the Library Board did know what the agreements would look like.

Graded stated there are too many words.

Lascoe asked if anyone on the Library Board has any idea how much time it takes for the accountant to do the bills for the library?

DeMeulenaere stated a couple of hours per week.

Stier asked the Library Board for the bottom line - what are they are going to spend this year? The winter tax amount for this year is \$116,000.00.

Goike stated the total expenditures for this year will be \$121,500.00 and the total revenue will be \$129,500.00.

Jarzyna stated grants are included.

Bart stated the administration cost kind of bothers her. The current costs of \$2,400.00 for bills and payroll is very reasonable. She felt the Township provides a great service, and it is not unreasonable.

Goike stated over the years when our budget was \$60,000.00, the library paid \$1,200.00 and it was a lot. Now that the library has more money, the Township wants more.

Jarzyna stated costs have increased.

Goike stated until this year our Library Director was making between \$13.00 & 14.00 per hour. Certain monies have to be paid to keep the library running. We have to make sure our expenses are covered.

Lascoe stated she agrees with paying employees. She asked how many hours do you think it takes the accountant to complete the bills and payroll for the library?

Goike stated when the Township pays their employee more the costs of services provided to the library go up. They can't pay their employees more; they pay \$20.00 per hour for the accountant. Now they are looking to pay their employees more per hour. The animosity between the Township Board and the library has increased over the years, first snow and salt, now administrative costs.

Stier stated it took 21 years to get to this point, before the library got a millage. The Township took care of everything for the library. Stier asked when was the last time the Township board got a raise?

Minert stated the library employees make minimum wage.

Stier stated if you want to keep good employees you have to pay them.

Jarzyna stated the Township has expenses, the Fire Department Building has to be rebuilt at a cost of \$1.5 million dollars. The Township has no tax base and has limited industrial and commercial property.

Bart stated the Township costs keep increasing and they are going up even more, \$1,200.00 per year or \$100.00 per month is not unreasonable for the administration fees.

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Goike stated the Library Board is willing to look at an increase. She asked the Board to come up with a reasonable cost and come back to Library Board. She stated they thought \$25.00 for plowing the parking lot was reasonable.

Motion by Bart supported by Stier to have Township Attorney Bob Seibert review the proposed Lease Agreement and the Fiscal Agency Agreement and the current Lease Agreement and draft new documents for review by Township Board.
Motion carried.

5. PUBLIC COMMENTS: None.

6. ADJOURNMENT

MOTION by Stier supported by Grader to adjourn the meeting at 8:08 p.m.
MOTION carried.

Joe Jarzyna, Supervisor

Lori R. Lascoe, MiPMC
Clerk

Date

Lisa Hall, Recording Secretary