



Board of Trustees Regular Meeting & 2025 Budget Hearing MINUTES

Thursday, October 24, 2024 at 4:00pm
McGuire Community Room
610 Woodmere Ave., Traverse City, MI 49686

1. **Call to Order**

The meeting was called to order by President Pakieser at 4:00pm. Present were: Pakieser (President); Jones (Vice President); Vickery (Secretary); Beuthin, Gedman, and Deyo (Trustees). Odgers (Treasurer) attended remotely from Beaver Island. Also present were: Howard (Director); Baldwin and Carpenter (Staff).

2. **Pledge of Allegiance**

All members in attendance recited the Pledge of Allegiance to the Flag of the United States of America.

3. **Resolution Reading: Michigan Library Appreciation Month**

President Pakieser read highlights from the resolution prepared by the Michigan Library Association proclaiming October 2024 as Michigan Library Appreciation Month. It was **MOVED** by Jones, **SUPPORTED** by Odgers, to support the resolution as noted. Motion **CARRIED**.

4. **Approval of the Agenda**

Howard requested the removal of item 11b, since the policy had not yet been reviewed by Counsel. It was **MOVED** by Jones, **SUPPORTED** by Vickery, to approve the amended agenda as presented. Motion **CARRIED**.

5. **Public Comment**

President Pakieser opened the floor for public comment. The following people addressed the board: Margaret Meyers, highlighted Howard's achievements and positive character as TADL Director, and supported a significant raise that would bring her compensation up to those in comparable positions.

It was **MOVED** by Deyo, **SUPPORTED** by Jones, to open the public hearing on the 2025 budget. Motion **CARRIED**.

6. **Public Hearing on the 2025 Budget**

a. *Introduction of the 2025 Budget*

Beuthin thanked Howard and staff for the intense process and work behind the proposed 2025 budget and inquired about the reserves. Baldwin explained that there is no special line item and reserves show up in the general fund and in the Public Improvement Fund. This makes for a more functional money management system by making it accessible within established policies and necessary board approvals. TADL does, by past board action, reserve two months of operating costs at all times.

Discussion of the budget continued. Regarding the cost for security guards, Vickery emphasized that the library is recognizing that security guard costs are real and rising on a permanent basis due to the community's unhoused population issues and the failure of

public governance to address those consequences. TADL has been paying for that issue which is evident within the budget.

b. *Budget Overview and Details*

Howard noted that the biggest increase in revenue is due to the passage of the millage back to the original 1.1mils, providing a 37% increase in the 2025 budget. She expects a small increase in State Aid, while penal fine revenues are always unpredictable and estimated figures are conservative. Another big revenue change from last year is a significant increase in interest rates because of the change in investments that were made.

Baldwin discussed some of the expenses. Personnel will increase by 10 positions, some full-time and some part-time. Medical insurance costs go up every year, and there was an 11% increase in dental and vision coverage. The Friends of TADL budgeted about \$18,000 to purchase specific materials and/or programs including Ancestry.com, grade school visits to the library, and others.

c. *Public Comment*

There was none.

7. **Discussion and Action to Adopt the 2024 Budget**

a. *2025 Budget Resolution*

It was MOVED by Jones, SUPPORTED by Deyo, to approve the budget resolution as presented of \$8,852,066 with the following appropriations: \$4,617,384 for Personnel Services; \$1,463,160 for Supplies; \$2,498,722 for Other Services and Charges; \$272,800 for Capital Outlays. A roll call vote was taken with the following results:

| | | | |
|----------------|-------------|---------------|---------------|
| Odgers – aye | Deyo – aye | Gedman – aye | Vickery – aye |
| Pakieser – aye | Jones - aye | Beuthin – aye | |

Motion CARRIED with 7 aye.

It was MOVED by Jones, SUPPORTED by Gedman, to close the public hearing on the 2025 budget. Motion CARRIED.

8. **Consent agenda**

- a. Approval of Minutes: Regular Meeting – September 19, 2024
- b. Department Reports
- c. Finance and Facilities Committee Report – October 1, 2024
- d. Policy and Personnel Committee Report – September 16, 2024 | October 1
- e. Financial Reports
- f. Member Library Communications – FLPL | IPL | PCL
- g. Friends of TADL Report – Jud Barclay, President
- h. Correspondence

It was MOVED by Beuthin, SUPPORTED by Deyo, to affirm receipt and acceptance of the consent calendar information as presented. Motion CARRIED.

9. **Items removed from the Consent Calendar**

There were none.

10. **Director Report**

Howard confirmed her report and highlighted the following:

- TADL is a voting precinct and staff is preparing for the election day, making sure safety measures and procedures are addressed. Although she doesn't anticipate problems, all precincts have been advised to be watchful for any threats or safety issues that could arise in a highly contentious election.
- TADL is partnering with NorthEd again providing life skills learning tasks that will help developmentally disabled students grow and engage in meaningful relationships within the community.
- TADL hosted the Annual Michigan Library Conference Reception for over 250 librarians. It was a disco theme and everyone had a good time, gave compliments about what a beautiful library we have, and one trustee from another library was very impressed with the joy he felt walking into the building.

11. Old Business

a. *STT Contract*

Howard noted that the year-round security guard contract presented was for a period of three years and was discussed in the Finance and Facilities Committee. She suggested a one-year contract instead to see how it goes and renew next year if desired. Discussion was had around a possible price increase for one-year versus three years. Howard suggested making a one-year contract motion not to exceed \$80,000. It was MOVED by Beuthin, SUPPORTED by Vickery, to follow the Director's recommendation and approve a one-year contract with STT Security for security services not to exceed \$80,000. A suggestion was made by Deyo to limit the amount to \$75,000 to keep the cost increase down. Beuthin then amended her motion to not exceed \$75,000. More discussion ensued. Gedman felt that it should stay at \$80,000 with the understanding that Howard would negotiate the best rate for the year. Beuthin then expressed trust in Howard's ability to negotiate the rate and she MOVED, with SUPPORT by Vickery, to return to her original motion to approve a one-year contract with STT Security for security guard services in an amount not to exceed \$80,000 as recommended by the Director. A roll call vote was taken with the following results:

| | | | |
|----------------|-------------|---------------|---------------|
| Odgers – aye | Deyo – aye | Gedman – aye | Vickery – aye |
| Pakieser – aye | Jones - aye | Beuthin – aye | |

Motion CARRIED with 7 aye.

b. *Policy Revision: 4.6 Meeting Room Policy*

This item was removed from the agenda.

12. New Business

a. *MERS Contribution*

The Finance and Facilities Committee recommended that the board consider designating 50% of the 2023 fiscal year surplus of \$384,598 for a payment toward the MERS Unfunded Accrued Liability. As the unfunded liability has been continually decreasing with this payment past-practice, Howard noted that MERS representative, Tony Radjenovich, had in the past explained that while it is possible to fully pay off the current liability at any point in the future it could be over or under-funded at any time because that balance is reliant on the market. It was MOVED by Vickery, SUPPORTED by Jones, to designate 50% of the surplus funds from 2023 to be applied toward the MERS Unfunded Accrued Liability in the amount of \$192,299. A roll call vote was taken with the following results:

| | | | |
|----------------|-------------|---------------|---------------|
| Odgers – aye | Deyo – aye | Gedman – aye | Vickery – aye |
| Pakieser – aye | Jones - aye | Beuthin – aye | |

Motion CARRIED with 7 aye.

b. *TBL PIF Request*

Howard noted that Chouinard, Larry Gorton TBL Manager, would like to use some of the department's Public Improvement Funds to purchase a desktop video magnifier for TBL patrons to use. It was MOVED by Vickery, SUPPORTED by Deyo, to allow the Director to pay for a Vispero High Definition Desktop Video Magnifier with funds from the Public Improvement Fund – TBL for the not to exceed amount of \$3,300 as presented. A roll call vote was taken with the following results:

| | | | |
|----------------|-------------|---------------|---------------|
| Odgers – aye | Deyo – aye | Gedman – aye | Vickery – aye |
| Pakieser – aye | Jones - aye | Beuthin – aye | |

Motion CARRIED with 7 aye.

c. *Local History Collection Resolution of Support*

Howard explained that despite the new compact shelving, the Local History Collection will outgrow the space it is in. She would like to move forward with board support to seek an alternative space for the collection. There is interest in moving it to the Carnegie building on Sixth Street, or another location, and combine the collection with a local history/cultural center/museum which the community is lacking in. She noted that TADL has the staff to accommodate this kind of change. It was MOVED by Jones, SUPPORTED by Beuthin, to support the Director in looking at alternative locations for the local history collection. Motion CARRIED.

Gedman inquired about grant funding opportunities. Howard noted that there is a lot of money available for historical preservation. Odgers also noted that there are a lot of local history items in the area in basements and other storage scenarios that would be appropriate items for TADL's local history collection so a space in a historical building would seem appropriate.

d. *Staff Holiday Party Approval*

Howard requested approval to serve food and alcohol on the premises, December 6th, for an after-hours staff holiday party. The food and drink would be paid for by Howard and the party would give staff a time to celebrate together. It was MOVED by Beuthin, SUPPORTED by Jones, to approve the serving of alcohol at the Main library for the staff holiday party. Motion CARRIED.

e. *Annual Director Review & Compensation*

Howard said that she was honored to be TADL's Director for another year and appreciates the board leadership and the staff's hard work. She believes that there is no bar higher than passing a millage and that was accomplished. The voters approved TADL's 10-year millage with a 65% approval rate, affirming that TADL is on the right track and the public wants the library to keep going. She noted that Baldwin, Finance and Human Resources Manager, compiled a wage study for the TADL board to use in considering compensation.

Buethin thanked Baldwin for the comparison stats. Vickery emphasized the need for a formal set of benchmark principals to use, now and in the future, for review and justification of compensation from a fiduciary and fiscal point of view that focuses on concepts including commitment to excellence driven by the values of the library, leadership temperament and initiative, industry experience and expertise, equity, merit, and the interplay of social and cultural components. Howard noted that she uses the union staff agreement as a benchmark for the leadership team compensation increases. Beginning in 2025 that means a 4% increase for union staff, plus a step scale for newer staff and a longevity payment for long-term staff amounting to 3%, totaling a 7% increase. President Pakieser said the board

was given a challenge to determine a set of guidelines that could not be figured out at this meeting, but could be worked out over the next six months. The trustees agreed to that plan of action.

The recommendation from the Finance and Facilities Committee settled at a 9% pay increase. Much discussion was had adjusting the percentage that corresponded to the aspirational attributes discussed earlier and how it corresponds with the wage study. It was MOVED by Beuthin, SUPPORTED by Vickery, to give the Director a raise up to \$141,906 commensurate with the 25th percentile in regional comparison reflecting longevity and her agenda to advance the interest of the library. She emphasized that Howard would be difficult to replace in the community. More discussion ensued. President Pakieser highlighted that in full transparency, the purpose of the increase is to recognize the excellent work Howard is doing with an understanding that the board must be responsible using public money. The board would expect this same performance from Howard or any other Director. Jones noted that although Howard started at a lower rate, which was fair and accepted at the time, the board can be conservative as long as it is fair. Following the discussion Beuthin amended her motion and MOVED, SUPPORTED by Vickery, to award Howard compensation of \$134,809, beginning January 1, 2025, a 17.2% raise reflecting the middle point with 5 years longevity as presented in the wage study. Odgers felt that the base midlevel wage of 127,711 was a fair offer. A roll call vote was taken with the following results:

| | | | |
|----------------|-------------|---------------|---------------|
| Odgers – nay | Deyo – aye | Gedman – aye | Vickery – aye |
| Pakieser – aye | Jones - nay | Beuthin – aye | |

Motion CARRIED with 5 aye, 2 nay.

13. Public Comment

President Pakieser opened the floor for public comment. The following people addressed the board: Betsy Myers, thanked the board for discussion regarding director compensation. Melissa McKenna, Head of Adult Services, thanked the board for passing the 2025 budget with an increase in staff because the current staff has been working really hard, and in order to continue running at the same high level of achievement and efficiency that means more staff.

14. Trustee Comment

Vickery noted that with the approval of the millage return to 1.1 mils indicates that library services are valued in the community. The commitment of the library to provide extraordinary programs, materials, and services means that staff must be the highest priority, where wage increases recognize what it takes to maintain the library as a touchstone center of the community.

President Pakieser thanked the staff for their work in hosting the MLA reception. The conference was a great experience for her and she encouraged all trustees to attend at least one during their time as a trustee. She also commended Odgers for her insightful conference lecture on disabilities.

Odgers thanked the Finance and Facilities Committee for their work regarding the Director compensation. She appreciated the conversation and is proud to be a part of the board.

15. Closed Session (if needed)

A closed session was not needed.

16. Adjournment

With no more business to address and a motion by Vickery, President Pakieser adjourned the meeting at 5:49pm.

Respectfully submitted,

Approved by board vote on November 21, 2024

V. Carpenter, Recording Secretary

M. Vickery, Board Secretary

APPROVED