

**GREAT RIVER REGIONAL LIBRARY
AGREEMENT**

**(Approved by GRRL Board of Trustees, April 9, 1985)
(Revised May 14 & July 16, 1985)
(Revised October 10, 1989)
(Revised March 16, 1993)
(Revised May 6, 1994)
(Revised December 31, 1996)
(Revised July 10, 2001)
(Revised January 10, 2006)**

WHEREAS, we the undersigned have each officially acted to establish public library service in our respective counties and provided for the financial support for such service; and

WHEREAS, it is the mutual desire to strengthen and improve public library service for said counties; and

WHEREAS, it appears advantageous to accomplish this in a practical and economical manner through the operation of the public library services in said counties jointly; and

WHEREAS, legal authority for the joint operation of such public library services is provided for in Minnesota Statutes Section 134.11, 134.12, 134.20 and 471.59.

NOW THEREFORE, we the undersigned, the County of Benton, the County of Morrison, the County of Sherburne, the County of Stearns, the County of Todd, and the County of Wright, all municipal corporations organized under the laws of the State of Minnesota pursuant to the Constitutions and Laws of the State of Minnesota, do hereby enter into the following Agreement with the full intent of establishing, strengthening and improving public library services in all the areas to which we are responsible.

1. **PURPOSE**

- 1.1 It is the purpose of this Agreement to establish, strengthen and improve public library services in said counties by operating a regional public library system, and combining its operations with such existing public libraries as may wish to join.
- 1.2 It is the purpose of this Agreement to continue library service to the counties of Benton, Morrison, Sherburne, Stearns, Todd and Wright, and such other municipalities located within the established geographical area as may wish to join.

- 1.3 It is the purpose of this Agreement to provide library services to all residents of that part of the geographical territory in which any member levies a tax for library purposes to the services of the library.

The governing board and its personnel hired to administer and operate the public library service herein provided for, shall be responsible to see that all areas receive their full and due share of attention and service.

2. THE GOVERNING BOARD

The Library shall be governed by a board of trustees, consisting of fifteen (15) trustees which shall have all the powers and duties of county library boards as provided in the Minnesota Statutes, Section 134.20 and shall be constituted as follows:

- 2.1 Trustees shall be appointed by the governing boards of the parties to this Agreement. The seats shall be distributed on the basis of budget shares except that no signatory shall have less than one seat.
- 2.2 Any trustee appointed by a party shall reside for voter qualification purposes within that part of the geographical territory of such party in which such party levies a tax to provide its contribution to the general operating fund of the Library.
- 2.3 No more than one trustee appointed by each party shall be a member of the governing body of such party.
- 2.4 Any party with two or fewer trustees is allowed to have an official alternate who, in the absence of the official delegate, may be seated and have the right to vote. This alternate will be paid per diem by GRRL when voting.
- 2.5 Terms of Trustees
- 2.51 The expiration dates of the terms of trustees serving on the board at the time of the adoption of this Agreement shall remain in force.
- 2.52 The terms of the trustees shall be three years and shall end with the calendar year, provided always, however, that each trustee shall hold office until the successor is appointed.

A trustee may serve a total of three three-year terms (no more than nine years total).

A trustee who has served nine years may be reappointed after a one year lapse of membership.

2.6 Termination of Trustee's Term

A trustee's term shall terminate immediately in the event such member:

Resigns as trustee; or

Is removed by the appointing authority for misconduct or neglect;
or

Ceases to reside for voter qualification purposes within that part of the geographical territory of the party who appointed him or her in which such party levies a tax to provide its contribution to the general operating fund of the Library.

Resignation shall be effective upon delivery in writing to the president of the board and the governing body of the appointing party. The governing body of a party may remove a trustee appointed by such party for misconduct or neglect. Trustees who are appointed by virtue of their elected office may be replaced if not re-elected.

2.7 Vacancies

Vacancies on the board shall be reported to the governing body of the party whose appointed trustee has left office and shall be filled for the unexpired term.

2.8 Officers of the Board

The officers of the board shall be a president, a vice president, a secretary, and a treasurer.

Officers shall be elected at each annual meeting of the board. Each officer shall hold office until the next annual meeting of the board or until the successor is elected and qualifies or until he/she resigns as officer or ceases to be a trustee, except that any officer may be removed at any time, with cause, by the affirmative vote of a majority of the entire board.

2.9 Board Organization

The annual meeting of the board shall be held in January of each year at the time and place designated by the board. The board shall adopt such by-laws and policies for the governance of the Library as may be expedient and in accordance with the law. Except as otherwise

specifically provided in other provisions of this Agreement a majority of the trustees shall constitute a quorum for the transaction of business.

The President may appoint committees as needed.

3. FUNDING

- 3.1 The Library shall operate on a calendar year basis, and a budget shall be prepared and adopted by the board for each calendar year by a vote of not less than two-thirds plus one of the voting members present, copies of which shall be filed by the board with the county auditor of each participating county. Failure to pass a budget prior to August 1 of the preceding year for which the budget is being established shall mean that the budget will be the same for the next year, exclusive of a 3% inflationary adjustment.
- 3.2 The amount of the annual contribution to the general operating fund of the Library by each party for each year shall be determined as follows:
- 3.21 The library board shall present an annual operating budget for each year to the governing body of each party prior to August 1 of the preceding year.
- 3.22 Such annual budget shall state the total contribution to be made to the general operating fund of the Library for such year.
- 3.23 The contribution of each party to the general operating fund of the Library for each year shall be determined as follows:
- 3.231 The minimum contribution of any party to the general operating fund of the Library shall be the amount necessary for participation in state and federal grant programs.
- 3.232 The contribution of any party not falling within the minimum contribution requirements as set out in 3.231 above, shall be calculated as follows:
- a) The general operating fund of the Library shall be reduced by the minimum contribution made by any party whose contribution is calculated under section 3.231 above.
- (b) The resulting remainder of the general operating fund shall be assessed to each remaining party with

one-third of required funding assessed on a per capita basis, one-third of the required funding assessed on a net tax capacity basis and one-third of required funding assessed on the basis of percentage of total system patron registration.

All residents and property of non-participating municipalities shall be excluded from any formula calculations. For all purposes relevant to population, the population shall be determined by the most recent published estimates provided by the Minnesota State Demographer's Office. For all purposes relevant to net tax capacity, the net tax capacity shall be determined by the most recent figures determined by the Minnesota State Department of Revenue. For all purposes relevant to system patron registration, registered borrowers shall be determined by the figures from January 1st of the current year.

- (c) For purposes of setting the contribution of each party for the 1995 GRRL Operating and Capital Budgets, the formula shall be as specified as in Section 3.232 (b) except that four-ninths shall be assessed on a per capita basis, one-ninth on a net tax capacity basis and four-ninths on the basis of system patron registration.

For purposes of setting the contribution of each party for the 1996 GRRL Operating and Capital Budgets, the formula shall be as specified as in Section 3.232 (b) except that seven-eighteenths shall be assessed on a per capita basis, four-eighteenths on a net tax capacity basis and seven-eighteenths on the basis of system patron registration.

The formula for setting the contribution of each party in Section 3.232 (c) shall expire on January 1, 1997 and shall revert to the method as specified in Section 3.232 (b).

- 3.24 Each party's contributions to the operating fund of the Library shall be made in quarterly installments on or before January 2, April 1, July 1 and October 1, for each calendar year.

3.25 The parties shall agree to meet whatever requirements are established in statute and rules for participation in state and federal grant programs.

4. DISBURSEMENT OF FUNDS

4.1 The treasurer shall receive and be custodian of all money belonging to the Library from whatever source derived. The treasurer shall be the custodian of all bonds belonging to the Library.

The board may at its annual meeting delegate such custodial duties to the Finance Manager. That person shall be responsible for investments, maintaining cash receipts and disbursements, and preparing financial statements.

4.2 The Finance Manager shall present comprehensive monthly financial and budget reports to the board.

The board shall have a comprehensive audit of the account of the Library made annually. Such audits shall be made by a certified public accountant and the report of such audits shall be rendered to the board and copies of such report shall be filed with the county auditor of each participating county.

4.3 The library board may, by resolution, adopt rules and regulations concerning accounting methods and disbursement of funds, not inconsistent herewith.

5. NEW MEMBERS

Any eligible municipality or governmental entity may join Great River Regional Library, with the approval of the board of trustees, upon accepting all the terms and conditions of the Agreement. The board of trustees shall establish such special provisions as are appropriate for integration of the new participating unit into its services and budget. New members must agree to a three-year commitment of membership.

6. TERMINATION

6.1 Voluntary Termination

A party may withdraw from the Library as follows:

- (a) A party may withdraw by giving written notice of its withdrawal to all other parties and to the director, or acting director, of the Library, said notice of withdrawal to be delivered before the start of a calendar year with said withdrawal to take effect at the end of such calendar year.
- (b) Upon delivery of such notice, trustees who are appointees of such party shall no longer vote on any matter which shall relate to the operation or maintenance of the Library from and after the effective date of such withdrawal.

Such trustees shall not be counted in the quorum for voting on any matters effective after the date of such withdrawal.

- (c) If the Library terminated on or sooner than the end of such final year, said party shall share in the distribution of the assets of the Library in accordance with the following provisions on termination.
- (d) If Section 6.3 below does not apply, then following the withdrawal of said party at the end of such final year, said party shall be entitled to receive the following full satisfaction of any rights it has as a party to this Agreement.
 - (1) If said party has one or more facilities which have operated as a party of the Library during such final year and it is the intent of said party to continue to operate such facilities as public libraries, the library shall transfer to said party a collection of books and other library materials which is representative of the kind of collection which such facilities have had on hand during such final year in an amount equal to the parties' capital account for library materials. This transfer of assets to said party shall be subject to a claim of a portion of such assets by the Minnesota Department of Children, Families and Learning as a revision of state and federal grants arising on the withdrawal of said party. The Library shall retain title to such collections until it receives a release from the Minnesota Department of Children, Families and Learning in respect to its revision claim.

- (2) All furniture and other tangible personal property (other than books and other library materials) which were originally owned by such party (or any political subdivision within the geographical territory of such said party) or which was directly paid for by such party other than through its contribution to the general revenue fund of the Library shall be transferred from the Library to such party.

6.2 Re-joining the Regional Library

A party which has withdrawn from the Library may seek to again become a party to this Agreement, but it may not do so unless all of the then parties to this Agreement agree in writing to the amendment of this Agreement to allow for the re-entry of such former party and to provide the terms and conditions upon which such former party may re-enter this Agreement as a party. One of the conditions which may apply to such former party's re-entry as a party to this Agreement may be that such party pay a re-entry fee to the Library to assist the Library in the development of its materials collection. The amount of this fee, if any, shall be determined by all of the then parties to this Agreement and it shall be in such amount as the then members deem appropriate. Members who re-join must agree to a three-year commitment of membership.

6.3 Total Termination

The Library shall continue until termination by mutual consent of the parties. Any party which has delivered written notice of its withdrawal as provided in Section 6.1, subdivision (1) shall be deemed to have consented to termination for purposes of the preceding sentence. Upon the termination of the Library, the assets of the Library shall be distributed or applied in the following order:

- (a) Payment of Library debts;
- (b) Delivery to each party of a collection of library materials equal to the amount of its capital accounts;
- (c) Distribution of the balance of assets in proportion to each party's total contribution to the general revenue fund of the Library from the commencement of the Library to its termination.

The board shall appoint a committee to make a distribution of the assets of the Library and such committee may make such distribution wholly or

partly in kind by allotting and transferring specific assets as a part of a whole of any one distributive payment or share at current values.

6.4 Capital Shares

Upon entering this Agreement, each party agrees to contribute to the Library its collection of library materials owned by it and devoted to use for library purposes. If a party to this Agreement has formerly been a party of the Great River Regional Library, the initial valuation of its collection of library materials shall be carried forward to this Agreement. The 1969 capital account or the capital account on the date of initial membership of each party, whichever date is later, is as follows:

Benton County	\$.00
Morrison County	\$9,585.00
Sherburne County	\$17,081.00
Stearns County	\$149,945.00
Todd County	\$.00
Wright County	\$35,512.00
St. Cloud	\$268,599.00

At the conclusion of the annual accounting, the parties' capital accounts shall be adjusted as follows:

- (a) Increased by the percentage of the annual increase in the Library's collection of library materials which corresponds to that party's contribution to the annual Library budget; and,
- (b) Decreased by the percentage of any decreases in the Library's collection of library materials caused by theft, loss, destruction or removal from circulation which corresponds to that party's contribution to the annual Library budget.
- (c) Increased by the stated or appraised value of any gift of library materials exceeding \$300 to a library located within the geographical territory of a party herein. Notwithstanding the language above, any such donation shall remain part of the permanent collection of that library, subject to circulation as permitted by the Rules and Regulations of the Library. In the event of withdrawal from the Library or termination of the Library system, such gifts shall be first applied to reduce the party's capital share.

Each party shall retain title to all other assets, including equipment, building and fixtures, that it had at the time of joining in this Agreement or any prior agreement respecting the Great River Regional Library system. In the event of withdrawal from the Library or termination of the Library system, all assets owned by a party shall continue to be their property.

Any non-collection assets owned by the Library at the time of this Agreement, or acquired thereafter, shall be and remain the property of the Library. The capital accounts of the parties shall not be adjusted to reflect the increase or decrease in the amount of such assets. Any such property owned by the Library shall be distributed to the parties only upon the total termination of the Library as provided in paragraph 6.3.

7. OTHER

7.1 Agreements with Other Bodies

The library board shall have authority to enter into agreements with other libraries or regional library systems or with other agencies or providers of library services as will in its opinion provide for efficient and economical library services in areas served by the Great River Regional Library.

7.2 Any amendment to the Agreement shall require the concurrence of at least all but two (2) of the parties to this Agreement at the time the proposed amendment is voted on with the following exception. Amendments to Article 3 will require unanimous consent.

7.3 The effective date of this Agreement shall be upon ratification provided, however, that 2.1 shall become effective on the next January 1st following ratification.

7.4 Default

In the event any party to this Agreement is in default under the terms of this Agreement, including but not limited to a failure to make payments when due, the library board may, in addition to any other remedies available to it, bring an action for specific performance to compel the performance by the defaulting party of its obligations according to this Agreement. In the event the library board brings an action to enforce any provision of this

Agreement and prevails, it shall be entitled to all its costs, disbursements and attorney's fees incurred as a result of said action.

If any party fails or refuses to contribute its allocated share of required funds, when and as the funds are required as herein set forth, time being of the essence of this requirement, the defaulting party may not exercise its voting rights pursuant to this Agreement while they are in default. If a member is more than (30) days in default, a penalty fee may be assessed. The penalty fee shall be a percentage of the amount due calculated at the treasury bill discount rate in effect on the 30th day of default. If any party is in default for a period of six (6) months, the library board may vote to terminate the defaulting party's membership in the Library. Such termination shall be treated as a voluntary termination of the defaulting party as of the date the payment was due.

BENTON COUNTY

By Duane Granly
Chairperson

By Montgomery Headley
Auditor
County Administrator

MORRISON COUNTY

By Bobb Block
Chairperson

By William H. Hank
Auditor
County Administrator

SHERBURNE COUNTY

By Ray St. John
Chairperson

By Samona Daehler
Auditor

STEARNS COUNTY

By Mark Selby
Chairperson

By Paul B. Schaff
Auditor

TODD COUNTY

By [Signature]
Chairperson

By Loren Busch
Auditor

WRIGHT COUNTY

By Arly C. Hester
Chairperson

By [Signature]
Auditor

AMENDMENT OF
GREAT RIVER REGIONAL LIBRARY AGREEMENT

WHEREAS, the Great River Regional Library was established and maintained in accordance with the Great River Regional Library Agreement dated September 2, 1969, and last revised on January 10, 2006, between the County of Benton, the County of Morrison, the County of Sherburne, the County of Stearns, the County of Todd and the County of Wright, each a governmental unit in the State of Minnesota.


WHEREAS, the representatives of these parties met on August 19, 2015 to discuss the Great River Regional Library Agreement and recommend that Section 3.1 of Article 3 of the Great River Regional Library Agreement be amended to remove any reference to a 3% inflationary adjustment.

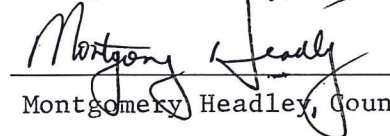
NOW THEREFORE; In exercise of the power to amend said Great River Regional Library Agreement reserved to the signatory parties in Article 7.2 of the Agreement, the six (6) member counties unanimously agree to repeal, amend and modify Article 3.1 of the Great River Regional Library Agreement by substituting the following Article 3.1:

“3.1 The Library shall operate on a calendar year basis, and a budget shall be prepared and adopted by the board for each calendar year by a vote of not less than two-thirds plus one of the voting members present, copies of which shall be filed by the board with the county auditor of each participating county. Failure to pass a budget prior to August 1 of the preceding year for which the budget is being established shall mean that the budget will be the same for the next year.”


In witness whereof, the County of Benton, the County of Morrison, the County of Sherburne, the County of Stearns, the County of Todd and the County of Wright have each caused this Amendment to the Great River Regional Library Agreement dated September 2, 1969 to be executed by its proper officers, to be effective the 1st day of January, 2016.

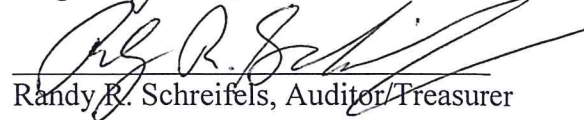
BENTON


Allen "Jake" Bauerly, Chairman

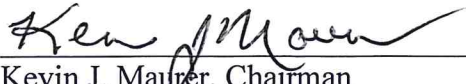

Montgomery Headley, County Administrator

STEARNS

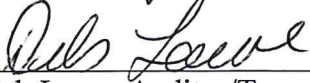

Leigh Lenzmeier, Chairman


Randy R. Schreifels, Auditor/Treasurer

MORRISON



Kevin J. Maurer, Chairman

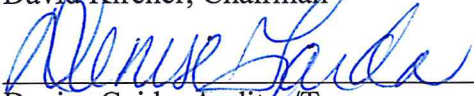


Deb Lowe, Auditor/Treasurer

TODD

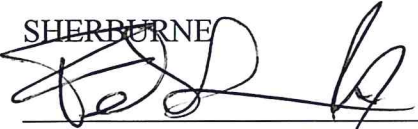


David Kircher, Chairman

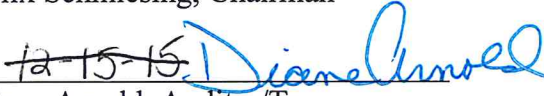


Denise Gaida, Auditor/Treasurer

SHERBURNE

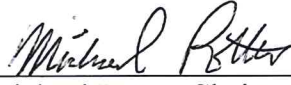


Felix Schmiesing, Chairman

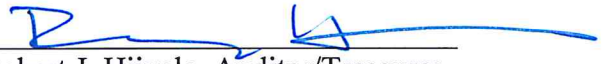
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Diane Arnold, Auditor/Treasurer

WRIGHT



Michael Potter, Chairman



Robert J. Hiivala, Auditor/Treasurer