



**CITY OF NOVI LIBRARY BOARD
MINUTES, REGULAR MEETING
February 15, 2012**

1. Call to Order and Roll Call

Library Board

Larry Kilgore, President
Willy Mena, Vice President
David Margolis, Treasurer
Mark Sturing, Secretary
Larry Czekaj, Board Member
Scott Teasdale, Board Member

Absent and Excused

Ramesh Verma, Board Member

Student Representatives

Nishant Kakar
Torry Yu

Library Staff

Julie Farkas, Director
Diana Gertsen, Office Assistant

The meeting was held at the Novi Civic Center, Council Chambers, 45175 W. Ten Mile Road, Novi Michigan, 48375, and was called to order by Larry Kilgore, President, at 7:00 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Approval and Overview of Agenda

A motion was made to approve the February 15, 2012 Regular Library Board agenda as presented.

2nd – Willy Mena

The motion was passed unanimously.

4. Consent Agenda

Trustee Mark Sturing inquired about the charges on the February 2012 Warrant 491, for Northwest Lawn and Library Design Associates, Inc. Director, Julie Farkas clarified that the charges for Library Design and Associates, Inc. was payment for the permanent sign that the Friends of Novi Public Library are sponsoring for the "Battle of the Books" program. Money from the Friends will be transferred back into the Library account. The charge for Northwest Lawn was for salt purchases and snow removal for the winter.

Trustee Willy Mena made a clarification to the February 11, 2012 Special Board Budget Session minutes. Under item **#11 Microfilm Project Update**, the request to contact the Northville District Library for missing copies of the Novi News was to fill in the years that were missing with copies from the Northville Record editions.

A correction was made to the February 11, 2012 Special Board Budget Session minutes under item **#16 2nd Draft of the Library Budget**. The motion to increase the interest on investments from \$25,000 to \$90,000 failed with a 1-yes and a 5-no vote. The correction was made to Trustee Scott Teasdale's vote.

A motion was made to approve the January 18, 2012 Consent Agenda, the January 29, 2012 Consent Agenda, and the February 11, 2012 Consent Agenda as amended.

1st – Larry Kilgore

2nd – David Margolis

The motion was passed unanimously.

5. Correspondence

The Novi Library received a letter from Sweet Dreamzzz, Inc., thanking the Library for supporting their outreach programs in the Detroit area with donated books.

6. Presentation

There was no presentation.

7. Public Comment

There was no public comment.

8. President's Report

a. Library Goals 2011-2012

- Implemented Strategic Planning Committee; 1st meeting held on January 25, 2012.
- Additional security cameras have been ordered.
- Waiting for parts from the Company before installation can be scheduled.

b. Engage Publication Delivery Concerns

Following several discussions with Trustee Mena and City of Novi Business Relations Director, Sheryl Walsh concerning the timely delivery of the Engage Magazine to Homeowners and Businesses, no progress was made at the Post Office. Library Board President, Larry Kilgore suggested that the matter be brought to the attention of the City Manager, Clay Pearson, as to how the City would like to proceed.

9. Treasurer's Report

a. Library Board Budget 2011-2012

The 2011-2012 Budget dated March 16, 2011 and revised September 30, 2011 is included in the Library Board Packet on pages 35 and 36.

b. Proposed Library Budget 2012-2013

The 2012-2013 Proposed Library Budget dated February 15, 2012 is included in the Library Board Packet on pages 37 and 38.

The extrapolation of where we expect to finish the fiscal year, found on pages 37 and 38, have been slightly modified from prior versions. The results of the action taken at the last two Budget Session meetings, held on January 29, 2012, and February 11, 2012, shows account 704.000, Permanent Salaries, adjusted upward, account 880.267, the program for Library "Book It" removed from the Budget, and an increase in account 941.000, Grounds Maintenance. With these changes, it is anticipated that the Library will have a total Fund Balance deficit of **-180,532.00**.

c. Library Financials and Walker Fund, January 31, 2012

Financial Statements were not available from the City in time to be placed on the Agenda. A five page supplement hand out was provided at the Board Meeting, and was referred to in conjunction with the following report submitted by Trustee David Margolis, Library Board Treasurer.

SUMMARY:

Once again, Property Tax Revenues declined (for the fifth month), this time by **(-\$25,430)**. Absent this negative adjustment, we'd be generating positive Revenues.

The Walker Fund had significant activity during the month (*described below*).

Financial activity for the month of January:

LIBRARY FUND (Fund #268)

BALANCE SHEET (also found on page #1 of 5 in handout)

Cash was decreased by **(-190,392)** during the month, while **Current Taxes Receivable** were decreased by **(-\$16,125)**.

TOTAL ASSETS = **\$3,602,241** (**-\$206,517** or **-5.42%** lower than last month)

LIABILITIES – Changes for the month were only in **Accounts Payable**, which was increased by (+\$4,990) for a net increase in Liabilities of +2.55% for the month, with an ending balance = **\$200,913**.

FUND BALANCE – As a result, **NET Revenues and Expenses** (for the current fiscal year) were lowered another **(-\$211,507)** or **(-5.85%)**, leaving an n Ending Fund Balance at 01-31-2012 of **\$3,401,328**.

REVENUES AND EXPENDITURES (also found on pages 2+3 of 5 in the handout)

REVENUES - Due to the decline in Tax Revenues (as previously mentioned), **Total Revenues** for the month of January 2012 decreased **(-\$10,846)** or **(-0.45%)**, despite a strong month of Meeting Room rentals **(\$1,335)** and Miscellaneous Income (#665.000) **(\$3,317)**. Also of note, there were more year-end gifts or donations credited to the Library Fund **(\$1,451)** during the month.

EXPENDITURES – with the current fiscal year 7/12ths over, our expectation is the expenditures utilization should be no more than **58.33%** of the budget (if we were to assume equal monthly spending).

PERSONAL SERVICES - once again, no unusual occurrences in January (very similar to the prior Quarter) except for a reduction in Monthly Health Insurance (#716.000) below \$10,000 (due to the policy change adoption); so far Year-to -Date, we've used **54.28%** of this category's budget. At the end of January, Personal Services expended **(\$957,727)** represent **39.62%** of Revenues (compared to the **42.65%** budgeted).

MATERIALS AND SUPPLIES – No major category of items spent in January exceeded prior month levels. The total of **\$29,110** spent for the month (in this category) was the 2nd smallest monthly total since the start of the fiscal and represents a combined seven-month

usage **(\$251,884)** of **50.01%** of the Budget or **10.42%** of Revenues (compared to **12.17%** budgeted).

SERVICES AND CHARGES – for the month, we spent **\$43,723** (which is the highest monthly total this year and greater than the monthly average of \$34,611) – with several line-items higher than normal. The cumulative Y-T-D total of **\$237,908** represents **57.28%** of the Budget allocations or **9.84%** of Revenues.

Some of the items worth citing for the month are:

#802.100	Bank Services	+ 563 (more C.C. fees)
#855.000	TLN Automation Svc.	+\$10,974 (vs last mo's Rebate)
#921.000	Heat	+\$1,708 (winter is here)
#923.000	Water & Sewer	+\$1,185 (timing issue)
#934.000	Bld. Maintenance	+\$4,993
#941.000	Ground Maintenance	+\$7,163

Capital outlays or Contingencies – N/A

TOTAL EXPENDITURES - for the month of January, we spent **\$200,662** (well below the monthly average of \$223,624) for a year-to-date total of **\$1,45,777**, which is **54.32%** of the Total Budget – continuing the positive trend so far. This is **60.31%** of Revenues and **(-4.55%)** lower than Y-T-D budget expectations of **64.86%**.

[WALKER FUND \(Fund #269\)](#) (also found on page 4 of 5 in the handout)

REVENUES – increased by **+\$12,530** during the month of January or +30.17%, with a whopping \$5 coming from **Investment Interest** (#269-000.00-664.000); \$1,500 from Sponsorships to the **Book it** program (#269-000.00-665.267); and **+\$11,025** from various **Donations**.

Breakdown of Donation Revenues for January:

#665.271	General – Youth Collections	\$ 545
#665.274	Brick Pavers	\$ 125
#665.279	Youth Activity Room (Berman)	\$10,000
#665.285	Community Read	\$ 15
#665.287	Crop fir a Cause (Scrapbooking)	\$ 340

EXPENDITURES – were up **\$3,441** in January expended from the generous contribution of Funds from our *Friends of the Novi Library*

BALANCE SHEET - as a result of January activity, **Cash** in the Fund went up **+\$12,450** or **+0.85%** while **Account Payable** was increased

by **+\$3,361**, thus **Unrestricted Current Year Fund Balance** increased +\$9,089 or +25.14% to **\$45,252** for the fiscal year.

TOTAL WALKER ASSETS =	\$1,489,305
	=====
TOTAL LIABILITIES =	\$ 3,361
TOTAL FUND BALANCE =	\$1,485,944
	=====
Restricted Fund Balance=	\$ 47,430
Un-Restricted Fund Balance =	\$ 1,438,514

COMBINED LIBRARY INVESTMENTS (also found on page 5 of 5 in the *handout*).

LIBRARY FUND (#268)

Current Maturities (less than one year)	\$1,528,968
Long –term Maturities **	\$2,000,000

TOTAL Fund #268	\$3,528,968

WALKER FUND (#269)

Current Maturities	\$ 239,305
Long-term Maturities	\$1,250,000

TOTAL FUND #269	\$1,489,305

COMBINED LIBRARY INVESTMENT = **\$5,018,273**

Total combined Library Investments are **(-177,942)** or **(-3.43%)** lower than last month.

*** Long –term defined as a maturity greater than one-year from Balance Sheet date.*

The Library Board Finance Committee received an invitation to meet with the City Manager and the City Treasurer next week to talk about Library Investments. Trustee Mark Sturing asked if this Board could propose a resolution to direct the Library Finance Committee to accept the City's invitation to meet, since a number of the Library's investments are coming due on the lower scale. After a short discussion, it was determined that a resolution would be appropriate.

A motion, or resolution, was proposed that this Board direct the Library Finance Committee to meet with the City Manager and the City Treasurer to explore what options are available within the parameters that we have, to see if there is a way to increase the yield on some of these investments, in light of the fact that some of the things we have could be invested for longer terms.

1st – Willy Mena

2nd – Mark Sturing

The motion was passed unanimously.

1. Budget 2012-2013

The proposed budget for FY 2012-2013 found on pages 37&38 in the Board Packet, has been a work in progress for a full year. Even though the Total Revenues over the Total Expenditures shows a potential Fund Balance deficit of **-270,120.00**, it still reflects a positive trend.

A motion was made to approve the proposed budget for FY 2012-2013.

1st – Larry Czekaj

2nd – David Margolis

The motion was passed unanimously.

d. Library Café Revenue Report

There was no Café Revenue Report provided.

10. Director's Report

The report is provided on pages 39 and 40 of the February 15, 2012 Library Board Packet. Highlights include:

- A Listen at the Library concert was held on Sunday, February 5th. More than 150 people were in attendance to hear the Chamber Music Society of Detroit perform. The next concert will be held on Sunday, March 4th, and will feature pianist, Steve Wogaman, who is the Director of the Chamber Music Society of Detroit.
- Fundraising is doing well with sponsorships for the "Book It" event coming up at the end of April. The Scrapbooking event raised \$340.00.
- Getting on board with ALA's Geek the Library Campaign. Kick off for Geek the Library will be the Novi Memorial Day Parade on May 28, 2012. The public will have an opportunity to express their

passions, interest and hobbies, and see how they can connect them to the Library.

- Strategic Planning Committee held their 1st meeting on Wednesday, January 31st. The scope and timeline for committee will begin to develop with approval from the Library board.

a. Public Services Report – Margi Karp-Opperer

The report is provided on page 45 of the February 15, 2012 Library Board Packet.

The variety of programs offered in January included speakers like Joe Gagnon, the Appliance Doctor, Mark Rothman, co-writer of TV sitcoms, and a Yoga instruction class from St. John Providence Park Hospital.

The Library will send condolences to the Family of Author Jeff Zaslow, who was scheduled to appear at Novi Public Library during National Library Week to promote his new book, ***The Magic Room***. In honor of Mr. Zaslow, the Library will not schedule anyone in his place.

b. Building Operations Report – Mary Ellen Mulcrone

The report is provided on page 45 of the February 15, 2012 Library Board Packet.

A survey with the Staff that relates to Building Operations and the IT Department is included on pages 47-50 in the February 15, 2012 Library Board Packet.

c. Library Usage Statistics – January 2012

The January statistics are located on pages 51-53 of the February 15, 2012 Library Board Packet.

- 384 Library card issued
- 66,403 items checked out
- Number of items borrowed from TLN – 4,728
- Number of items borrowed from MEL – 149
- Number of items loaned through TLN – 5,373
- Number of items loaned through MEL – 190
- 57.21% of all items checked out were completed on self check stations.
- Daily average of people using the Library was 957

11. Friends of Novi Library Report

There was no report provided.

12. Historical Commission Report

The report is provided on page 54 of the February 15, 2012 Library Board Packet.

13. Student Representatives Report

The report is provided on pages 54 and 55 of the February 15, 2012 Library Board Packet. Highlights include:

- The large meeting room was packed with students studying for mid-term exams.
- Open study sessions will be offered in May for students studying for AP exams.
- A teen writing contest began on January 9th for teens in grades 9-12. Teens can enter a poem, or a short story. All entries are due March 9th.
- The date of the Teen Community Clothing Drive has been extended, and will now run from Monday, May 14th to Saturday May 19th.
- Students from Novi Public School and Walled Lake Western will sort and bay the clothing.
- The Teens are lining up media to publicize this event.

14. Committee Reports

a. Policy Committee (Margolis, Vacant, Kilgore)

There was no report provided.

b. HR Committee (Vacant, Verma, Kilgore)

There was no report provided.

c. Finance Committee (Margolis, Czekaj, Sturing)

There was no report provided.

d. Fundraising Committee

There was no report provided.

e. Strategic Planning Committee (Kilgore, Sturing, Mena)

There was no report provided.

f. Nominating Committee(Verma, Sturing, Teasdale)

There was no report provided.

15. Public Comment

There was no Public Comment.

16. Matters for Board Action

1. Budget 2012-2013

Included under item **#9 Treasurer's Report.**

2. Strategic Planning Scope and Timeline

An outline of the scope and timeline for the Strategic Planning Committee was included in the February 15, 2012 Library Board Packet for the Library Board members to review. Library Director, Julie Farkas was requesting that the Library Board approve the direction in which the Committee would proceed. It was determined that Library Board approval was not necessary because it is for the Committee to decide the scope and manner in which they go about the task. It was therefore suggested that the Library Board would offer a resolution of support.

A motion was made to offer a resolution of support for the outline of the Strategic Planning Committee as presented in this Packet.

1st – Mark Sturing
2nd – David Margolis

The motion was passed unanimously.

17. Adjourn

A motion was made to adjourn the meeting at 7:51 p.m.

1^s – Larry Czekaj
2nd – Willy Mena

The motion was passed unanimously.



March 21, 2012

Mark Sturing, Secretary

Date