



**CITY OF NOVI LIBRARY BOARD
MINUTES, REGULAR MEETING
May 16, 2012**

1. Call to Order and Roll Call

Library Board

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

Absent and Excused

Larry Czekaj, Board Member (7:01 arrival)

Student Representatives

Nishant Kakar
Torry Yu

Library Staff

Julie Farkas, Director
Marcia Dominick, Administrative Assistant
Laura Liddicoat, Communications Specialist

Guest

Patrick Brunett, Friends of Novi Public Library President

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 Mark Sturing, 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 May 16, 2012 Agenda as presented.

1st – Willy Mena

2nd – David Margolis

President Mark Sturing requested the following items be added to the May 16, 2012 agenda: Item #8C, President's Report, Committee Appointments; Item#16, Matters for Board Action - Consideration to change the November meeting date from November 21 to November 28, 2012.

Original motion was withdrawn.

A motion was made to approve the May 16, 2012 Agenda as amended.

1st – Scott Teasdale

2nd – David Margolis

The motion was passed unanimously.

4. Consent Agenda

It was noted that Trustee Scott Teasdale's name was omitted from the Call to Order and Roll Call on the minutes of the April 18, 2012 Library Board meeting and should be included.

A motion was made to approve the May 16, 2012 Consent Agenda as amended.

1st – Willy Mena

2nd – David Margolis

The motion was passed unanimously.

5. Correspondence

a. Thank you letter from Barbara Spreitzer-Berent

Assistant Director Margi Karp-Opperer received a letter of thanks for providing a program on the Affordable Care Act.

b. Thank you letter from Julie Farkas

Director Julie Farkas sent a letter of thanks to the Library Board of Trustees for their purchase and donation of a Kindle Fire for the Book It! Fundraising event, which was held on Friday, April 27, 2012. The fundraising event raised over \$11,000 and was a huge success.

6. Presentation

a. Laura Liddicoat – Library Geek Campaign and Website Enhancements

Communications Specialist, Laura Liddicoat, introduced the Library's involvement in the Geek Campaign, which is a year-long national public awareness campaign. Stop by the Library and tell us "What you Geek" and receive a gift. This is a new way to attract new users and promote the Library in a non-traditional setting. Funding for this national campaign came from the Gates Foundation.

Laura introduced the Novi Public Library's enhanced website to the Library Board, which is to go live on Friday, June 1 to the public. Laura worked with the City's website provider, MuniWeb, using the City's templates, redesigned the Library's website to make it more user friendly. The Library Board suggested that the Library provide mini videos highlighting programming held at the Library, or various locations, i.e. drive-up window, meeting rooms, etc.

7. Public Comment

Patrick Brunett, Friends of the Library President, addressed the Library Board and invited them to attend the Friends Summer Friendraiser on Friday, June 8 on the patio of the Library from 7-9 p.m. Great music, refreshments and friends will be on-hand. The Summer Friendraiser is being held to grow the Friends membership, which at this time, does not represent the size of the community. If you are not a member, the cost for a single entrance is \$10, family \$15, which will then entitle you to become a member.

Pat Brunett offered to be on the Library's Strategic Planning Committee, which was welcomed by Director, Julie Farkas.

8. President's Report

a. Recognition of Nishant Kakar, Student Representative, 2 years of service

Nishant Kakar was presented with a Certificate of Appreciation honoring him with his two years of service to the Novi Public Library Board of Trustees. Nishant accepted the certificate thanking the Board for the experience and knowledge he gathered while a student representative.

b. Library Goals 2011-2012

Report is provided on pages 16-19 of the May 16, 2012 Library Board Packet.

- The Library was highlighted on Fox 2 Money Matters.
- Tech Times are now being offered four times per month with many additional impromptu sessions being held.
- The second annual Book It! Fundraiser was a success with over \$11,300 raised. Plans are already in place for next year's event, which is to be held on April 26, 2013.
- With monetary gifts donated from Hugh Crawford's birthday party, the Library was able to purchase a Historical Display Case. The historical display will be changed every 4 months highlighting the people, events, and areas of Novi.
- The Management Team has begun reviewing policies that will be brought before the Board for review and approval.

c. Committee Appointments

Mark Sturing has appointed Board members to the following committees:

- Policy Committee – Margolis, Teasdale, Kilgore (chair)
- HR Committee – Kilgore, Verma (chair)
- Finance Committee – Czekaj, Teasdale, Margolis (chair)
- Fundraising Committee – Sturing, Mena (chair)
- Strategic Planning Committee – Kilgore, Sturing, Mena (chair)
- Landscape Committee – Kilgore, Margolis, Czekaj (chair)

If a Board member would like to be reassigned to a different committee, please contact Mark Sturing.

9. Treasurer's Report

a. Library 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 20-21.

b. April 3, 2012: Budget Information for 2012-2013 by Kathy Smith-Roy

Information provided on pages 22-27 of the May 16, 2012 Library Board packet.

c. May 4, 2012: Multi-year Budget – Fiscal Analysis 2012-2015 by Clay Pearson

Information provided on pages 28-32 of the May 16, 2012 Library Board packet.

d. Library Financials and Walker Fund, April 30, 2012

Observation regarding Monthly Financials for the Month of April 2012 provided by David Margolis, Treasurer.

SUMMARY:

As we get closer to our current fiscal year-end, we're also getting closer to the time where we'll need to draw from Fund Reserves to cover our budgetary deficit. We continue to hemorrhage declining Tax Revenues (now taking us below the Current Year Approved Budgeted Amount of \$2,234,000 for the first time)

To further exacerbate the situation, the Multi-Year Budget projections (provided to us from the City – found on pages 28 thru 32) indicate a potential **(-\$744,000)** Library Fund deficit over the next three years, assuming NO increase in Personnel Services from what was budgeted for next year.

Financial activity for the month of April:

LIBRARY FUND (Fund #268)

BALANCE SHEET (pg #34)

Cash was decreased by **(-\$236,153)** during the month, with no other Asset changes

TOTAL ASSETS = **\$2,910,916** (**-\$236,153** or **-7.51%** lower than last month)

LIABILITIES – Changes for the month were only in **Accounts Payable**, which were decreased by **(-\$1,256)** for a net reduction in Liabilities of **-0.59%** for the month, with an ending balance = **\$212,572**.

FUND BALANCE – As a result, **NET Revenues and Expenses** (for the current fiscal year) were lowered another **(-\$234,897)** or **(-8.01%)**, leaving an Ending Fund Balance at 04-30-2012 of **\$2,698,344**.

REVENUES AND EXPENDITURES (pgs. 35 + 36)

REVENUES – We knew that the month of February was an anomaly when we failed to have a monthly decline in Tax Revenues, but we made up for it the last two months. Cumulative **Current Year Property Tax Revenues** are now actually **below** the budget amount for the first time @ **\$2,233,574** (with April's decline of **(-\$2,359)** posted. **Total Revenues** for the month of April 2012 actually increased **+\$14,342** or **+0.59%**, because of Staff efforts to mitigate areas of Revenue loss outside of their control. Miscellaneous Income (#665.000) was up **+\$2,565**; Meeting Room rentals stayed strong @ **\$2,120**; and Gifts and Donations (#665.400) were **\$2,051** for April.

EXPENDITURES – with Ten (10) months under our belts, the current fiscal year is now 5/6ths over, so our expectation is that expenditures utilization should be no

more than **83.33%** of the budget (if we were to assume equal monthly spending).

Personal Services – The total amount spent in this category during the month (**\$154,582**) is more in line with average monthly allocations. Temporary Salaries (#705.000) (**\$53,070**) continues to trend higher than average (\$45K per month). On a Ten-Month Year-to-Date basis, we've used **81.97%** of this category's budget. At the end of March, Personal Services expended (**\$1,446,233**) represent **59.24%** of Revenues (compared to the **60.92%** budgeted).

Materials and Supplies – No major categories of items spent in April exceeded prior month levels. The total of **\$23,668** spent for the month (in this category) was by far the lowest total since the start of the fiscal year (4.70% of Budget) and represents a combined Ten-month usage of (**\$369,075**) or **73.27%** of the Budget and **15.12%** of Revenues (compared to **17.39%** budgeted).

Services and Charges – for the month, we spent **\$62,743** (which is the highest monthly total this year), consuming 15.11% of this Category's Budget - with several line-items higher than normal. The cumulative Y-T-D total of **\$351,244** represents **84.57%** of the Budget allocations (vs. the expected 83.33% level previously mentioned) or **14.39%** of Revenues (vs. the **14.34%** budgeted). With April's (#900.000) posting, we've far exceeded the line-item originally budgeted.

Some of the items worth citing for the month are:

#855.000	TLN Automation Svcs	+\$14,326	
#880.000	Community Promotion	+\$ 1,959	
#900.000	Design, Printing, Publishing	+\$14,987	<i>(Engage Magazine)</i>
#923.000	Water and Sewage	+\$ 1,157	<i>(Quarterly billing)</i>
#934.000	Bldg. Maintenance	+\$13,385	<i>(Carpet Cleaning ?)</i>

Capital Outlays or Contingencies – Following the City's Capitalization policy, it was deemed that the Surveillance Equipment bought through Vidcom Solutions should be reclassified into Category #976.000, so we've recorded the **\$8,246** spent in April, here (where we had NO budget provision in this current fiscal year).

TOTAL EXPENDITURES – for the month of April, we spent **\$249,239** (or **9.24%** of the budget), the third highest monthly amount and (well above the monthly average of \$223,624) for a year-to-date total of **\$2,185,056**, which is **81.43%** of the Total Budget – bringing us much closer to our predicted year-end short-fall -

than previously experienced. This is **89.50%** of Revenues and is only **(-3.16%)** lower than Y-T-D budget expectations of **92.66%**.

WALKER FUND (Fund #269) (pg. 37)

REVENUES – increased by **+\$8,897** during the month of April or +14.08%, with only **\$377** coming from **Investment Interest** (#269-000.000-664.000); another **\$8,180** from the **Book It** event (#269-000.00-665.267) – bringing our major annual Fund-Raiser project total up to **\$12,465**; and **+\$340** from various **Donations**.

Breakdown of Donation Revenues for April:

#665.271	General – Youth Collections	\$ 145
#665.274	Brick Pavers	\$ 125
#665.402	Specific Collections	\$ 70

EXPENDITURES – For the month of April 2012, **\$1,276** or +13.31% was expended, of which **\$425** was for the *Book It!* Fund-raiser; **\$252** went towards the Druschel Collection; and another **\$599** of the Friends of the Novi Library’s generous \$10,000 gift was spent.

CAPITAL OUTLAY – Shown as a separate expenditure, the beautiful display case provided by Hugh and Kathy Crawford was recorded **(\$4,980)**.

NET REVENUES OVER EXPENDITURES – increased by **+\$2,641** (or +4.93%) during the month of April, for a Ten-month year-to-date total of **+\$56,258**.

WALKER FUND (Fund #269) (pg. 37) (continued)

BALANCE SHEET – as a result of April activity, **Cash** in the Fund was increased by **+3,074** or (+0.21%), while Accounts Payable increased another **+\$433** (from last month’s balance), thus **Unrestricted Current Year Fund Balance** increased **+\$2,641** or (+0.18%) for the fiscal year.

TOTAL WALKER ASSETS =	\$1,498,163
	=====
TOTAL LIABILITIES =	\$ 1,213
TOTAL FUND BALANCE =	\$1,496,950
	=====
Restricted Fund Balance =	\$ 47,430

Un-Restricted Fund Balance = \$1,449,520

COMBINED LIBRARY INVESTMENTS (pg. 38)

LIBRARY FUND (#268)

Current Maturities (less than one year) [1]	\$1,542,838
Long-term Maturities [2]	\$1,300,000

TOTAL FUND #268 **\$2,842,838**

WALKER FUND (#269)

Current Maturities	\$ 548,163
Long-term Maturities	\$ 950,000

TOTAL FUND #269 **\$1,498,163**

COMBINED LIBRARY INVESTMENT = \$4,341,001

Total Combined Library Investments are (-\$233,079) or (-5.10%) lower than last month

- [1] As described in her 3-19-2012 Memorandum, Kathy Smith-Roy is striving to find ways to increase investment yields, but is powerless to prevent "profitable" instruments being called.
- [2] Long-term defined as a maturity greater than one-year from Balance Sheet date.

Trustee Czekaj questioned if the Library needed to keep \$850,000 in liquid funds and could a portion of these funds be placed in a Certificate of Deposit or means of obtaining higher interest? He was advised that the Library's funds are a piece of larger funds with the City. The Finance Committee will take this into review.

e. Memorandum by Kathy Smith-Roy, Fund Balance Reporting Information (GASB 54)

A memo provided by Kathy Smith-Roy dated May 11, 2012 was provided regarding GASB Statement #54, Fund Balance Reporting and Governmental

Fund-type Definitions. GASB 54 no longer allows governmental units to use the term "reserved" for financial reporting purposes. There are now five (5) classifications that affect the Library; nonspendable, restricted, committed, assigned and unassigned. Treasurer Margolis recommends the Library use restricted or unrestricted for our fund balance.

f. Library Café Revenue Report – due 15th of the Month

There was no Café Revenue Report provided.

10. Director's Report

A detailed report from Director, Julie Farkas is provided on pages 40-43 of the May 16, 2012 Library Board Packet. Highlights of the report:

- National Library Week was held April 8-14, 2012 with many programs provided. There was a Volunteer Appreciation breakfast held on Tuesday, April 10, 2012 recognizing all those who help us at the Library during the year. A highlight of the day was the unveiling of the Historical Display Case located on the first floor near the Youth area. The display case was provided through the generosity of the Crawford family in honor of Hugh's birthday. Kathleen Mutch, the Library's Historian, will take charge in changing out the displays on a quarterly basis.
- Battle of the Books is in its 9th season with another successful Battle. There were 80- fifth and sixth grade students who participated.
- The Strategic Planning Committee will be meeting on June 6th to discuss service and priorities for the Library's 5-year plan. This meeting will be used to set goals and objectives.
- On Sunday, May 6, PBS presented Finding Your Roots featuring Dr. Sanjay Gupta. Novi Public Library was credited with providing materials for this report.

a. 2012 Book It! Financial Statement

A detailed report is provided on page 41 of the May 16, 2012 Library Board Packet.

The Book It! Fundraising Event was quite successful with over \$11,300 raised for our Multimedia Collection. Many thanks go out to the committee who worked on the event this year: Jennifer Pearson, Kathy Mutch, Kathy Crawford and Whitney McClellan Stone; and staff members – Mary Ellen Mulcrone, Margi Karp-Opperer, Barbara Rutkowski, Laura Liddicoat, Diana Gertsen, Kelly Kolchuk, Bill

Bembeneck, Marcia Dominick and Keith Perfect. There were close to 150 people in attendance.

b. Public Services Report

Report is provided on page 42 of the May 16, 2012 Library Board Packet.

c. Building Operations Report

Report is provided on page 43 of the May 16, 2012 Library Board Packet.

- A tornado drill was performed during open Library hours to include the public. Fire drills will be performed in August.

d. Library Usage Statistics – April 2012

The April statistics are located on pages 44-46 of the May 16, 2012 Library Board Packet.

- 367 Library cards issued
- 64,478 items checked out
- Number of items borrowed from TLN – 3,922
- Number of items borrowed from MEL – 86
- Number of items loaned through TLN – 4,456
- Number of items loaned through MEL – 260
- 57.63% of all items checked out were completed on self check stations.
- Daily average of people using the Library was 1,154

11. Friends of Novi Library Report

- The Friends report was provided during the Public Comment portion of this meeting.

12. Student Representative Report

Report is provided on pages 47-48 of the May 16, 2012 Library Board Packet.

- The Community Clothing Drive is underway and so far there have been many donations dropped off at the Library. At the conclusion of the drive, students from Novi High School and Walled Lake Western High School, along with the help from both Interact Clubs, will gather the clothes and divide them into types of clothing and sizes. Clothes collected will be taken to Holy Family Church for their Clothes Bank.

13. Historical Commission Report

There was no report provided.

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 (Mena, Sturing, Vacant)

There was no report provided.

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

There was no report provided.

f. Landscape Committee (Kilgore, Czekaj, Margolis)

The committee met to explore options on seeding, laying sod, or hydro-seeding the area in front of the Library's parking lot along Ten Mile Road; awaiting feedback from the City professionals. Mary Ellen Mulcrone reached out to various landscaping companies and is waiting on bids.

15. Public Comment

There was no public comment.

16. Matters of Board Action

Consideration to change the November meeting date from November 21 to November 28, 2012.

A motion was made to change the November 21, 2012 Regular Library Board meeting to November 28, 2012 allowing for location.

1st – David Margolis

2nd – Larry Czekaj

A friendly amendment was made to cancel the December 19, 2012 Regular Board Meeting.

Due to this being a separate issue, it will be brought before the Board as a separate motion.

The motion was passed unanimously.

A motion was made to cancel the December 19, 2012 Regular Board meeting due to scheduling.

1st – Larry Czekaj
2nd – Willy Mena

The motion was tabled.

Larry Czekaj withdrew his motion to cancel the December 19, 2012 Regular Board meeting. Willy Mena withdrew his second.

17. Adjourn

A motion was made to adjourn the meeting at 8:29 p.m.

1st – Willy Mena
2nd – Larry Czekaj

The motion was passed unanimously.



June 20, 2012

Scott Teasdale, Secretary

Date