



**CITY OF NOVI LIBRARY BOARD
MINUTES, REGULAR MEETING
April 18, 2012**

1. Call to Order and Roll Call

Library Board

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

Absent and Excused

Larry Czekaj, Board Member (7:09 arrival)

Student Representatives

Nishant Kakar
Torry Yu

Library Staff

Mary Ellen Mulcrone, Assistant Director
Diana Gertsen, Office Assistant

Absent and Excused

Julie Farkas, Director

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 April 18, 2012 Agenda as presented.

1st – Scott Teasdale

2nd – David Margolis

The motion was passed unanimously.

4. Consent Agenda

It was noted by Trustee David Margolis that the significant amount of \$23,629.32 for item CDW-G in the Warrant, is actually four (4) invoices from the same vendor that are related to four (4) different software and licensing.

A motion was made to approve the April 18, 2012 Consent Agenda as presented.

1st – Mark Sturing

2nd – Ramesh Verma

The motion was passed unanimously.

5. Correspondence

a. Trish Rabinowitz and Beth Johnson, Co-Chairs, Novi Woods PTO

A thank you letter was received by Assistant Director, Margi Karp- Opperer for being a guest story reader at Novi Woods Elementary School.

6. Presentation

There was no presentation.

7. Public Comment

There was no public comment.

8. President's Report

a. Election of Officers

The nominating Committee, chaired by Trustee Verma, presented the slate of names running for Library Board Office for the coming year.

- President – Mark Sturing was nominated and accepted the position.
- Vice President – Willy Mena was nominated and accepted the position.
- Treasurer – David Margolis was nominated and accepted the position.
- Secretary – Scott Teasdale was nominated and accepted the position.

President Larry Kilgore accepted the report from the Nominee Committee. There were no other nominations brought forward from the floor. Library Board President, Larry Kilgore presented the slate as one vote and called for the election of officers.

The vote was unanimous in favor of the officers for the coming year.

b. Library Goals 2011-2012

Report is provided on pages 15-18 of the April 18, 2012 Library Board Packet.

- Strategic Planning Committee is working with the City's GIS Department to determine where our registered patrons live. This will be helpful in moving forward with planning.
- IT and Information Services are offering new technology training for the public with classes on how to use E-readers, and classes on how to convert VHS to DVD using the Library's Creation Station.
- Neighborhood Library Community, which co-ordinates the annual Community Read event, has been meeting regularly, and is in the process of selecting the book and author for this year.
- A number of staff members attended Conferences and Workshops.
- Worked with Sam's Club to sponsor the Annual Appreciation Breakfast for volunteers and staff during National Library Week.

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 19-20.

b. Library Financials and Walker Fund

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

SUMMARY:

We experienced the worst month (from a financial perspective only – not from the delivery of library services) of this current fiscal year during March 2012, with another significant reduction in Tax Revenues recognized and the largest outlay of expenditures over the past nine months. This isn't meant to imply that the "sky is falling" as we're still well within budgetary constraints, however it does reverse the positive trends experienced over the first eight months of the fiscal year.

The Walker Fund had a little better activity during the month, earning nearly 24% of its year-to-date Investment Income, while continuing to receive some donations.

Financial activity for the month of March:

LIBRARY FUND (Fund #268)

BALANCE SHEET (pg #21)

Cash was decreased by **(-\$247,114)** during the month, while **Current Taxes Receivable** were decreased by **(-\$10,365)**.

TOTAL ASSETS = **\$3,147,069** (**-\$257,479** or **-7.57%** lower than last month)

LIABILITIES – Changes for the month were only in **Accounts Payable**, which were increased by **+\$29,158** for a net increase in Liabilities of +15.79% for the month, with an ending balance = **\$213,828**.

FUND BALANCE – As a result, **NET Revenues and Expenses** (for the current fiscal year) were lowered another **(-\$286,637)** or **(-36.85%)**, leaving an Ending Fund Balance at 03-31-2012 of **\$2,933,241**.

REVENUES AND EXPENDITURES (pgs. 22 + 23)

REVENUES – As we suspected from last month (when we were cautioned by Kathy Smith-Roy that there was most likely to be a further decline in Tax Revenues before the end of the fiscal year), we just didn't think it would hit all at once. Cumulative **Current Year Property Tax Revenues** are now actually **below** the budget amount for the first time @ **\$2,233,574** (with no way of telling if further reductions are imminent). **Total Revenues** for the month of March 2012 only decreased **(-\$1,782)** or **(-0.08%)**, because of another strong month of Meeting Room rentals **(\$2,584)** – **which surpassed last month as the highest monthly rental revenue generated since we opened this facility** - and Miscellaneous Income (#665.000) **(\$1,705)**. Also of note, was the Café Rental Income (collected in March), which on a year-to-date basis through nine-months exceeds our annual budget expectation of **\$4,500** (with three months left to go).

EXPENDITURES – with Nine (9) months under our belts, the current fiscal year is now 3/4ths over, so our expectation is that expenditures utilization should be no more than **75.00%** of the budget (if we were to assume equal monthly spending).

Personal Services – The total amount spent in this category during the month **(\$193,662)** is the highest level of this fiscal year (**10.98%** of the annual budget), primarily due to the timing of pay periods. However, there were jumps in several categories – Temporary Salaries (#705.000) **(\$64,854)** and Social Security Taxes (#715.000) **(\$12,187)** – both of which hit single month highs for the year. Also, there was a spike in monthly Pension Expense **(\$2,299)** which is 50% greater than the previous monthly accruals of \$1,533. On a Nine-Month Year-to-Date basis, we've used **73.20%** of this category's budget. At the end of March, Personal Services expended **(\$1,291,651)** represent **53.22%** of Revenues (compared to the **54.83%** budgeted).

Capital Outlays or Contingencies – N/A

TOTAL EXPENDITURES – for the month of March, we spent a whopping **\$284,855** (or **10.57%** of the budget), the single highest monthly amount and (well above the monthly average of \$223,624) for a year-to-date total of **\$1,935,817**, which is **72.14%** of the Total Budget – bringing us much closer to our predicted year-end short-fall - than previously experienced. This is **79.76%** of Revenues and is only **(-4.23%)** lower than Y-T-D budget expectations of **83.99%**.

WALKER FUND (Fund #269) (pg. 24)

REVENUES – increased by **+\$6,678** during the month of March or +11.82%, with **\$3,263** coming from **Investment Interest** (#269-000.000-664.000); another **\$785** from Sponsorships to the **Book It** program (#269-000.00-665.267) – bringing the pre-event total up to \$4,285; and **+\$2,630** from various **Donations**.

Breakdown of Donation Revenues for March:

| | | |
|----------|--------------------------------|----------|
| #665.271 | General – Youth Collections | \$ 45 |
| #665.288 | NEW – In Memory of Carol Davio | \$ 2,585 |

NET REVENUES OVER EXPENDITURES – increased by **+\$5,898** (or +12.36%) during the month of March, for a Nine-month year-to-date total of **+\$53,617**.

EXPENDITURES – for the month of march 2012, **\$780** was expended, of which **(\$654)** was for the *Book It!* Fund-raiser.

NET REVENUES OVER EXPENDITURES – increased by **+\$5,898** (or +12.36%) during the month of March, for a Nin-month year-to-date total of **+\$53,617**.

WALKER FUND (Fund #269) (pg. 24) (continued)

BALANCE SHEET – as a result of March activity, **Cash** in the Fund was increased by **+6,678** or (+0.45%), while Accounts Payable increased +\$780 (from last month's zero balance), thus **Unrestricted Current Year Fund Balance** increased **+\$5,898** or (+0.02%) for the fiscal year.

TOTAL WALKER ASSETS = \$1,495,089

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TOTAL LIABILITIES = \$ 780

TOTAL FUND BALANCE = \$1,494,309

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Restricted Fund Balance = \$ 47,430

Un-Restricted Fund Balance = \$1,446,879

COMBINED LIBRARY INVESTMENTS (pg. 25)

LIBRARY FUND (#268)

Current Maturities (less than one year) [1] \$1,778,991

Long-term Maturities [2] \$1, 30,000

TOTAL FUND #268 \$3,078,991

WALKER FUND (#269)

| | |
|------------------------|--------------------|
| Current Maturities | \$ 545,089 |
| Long-term Maturities | \$ 950,000 |
| | ----- |
| TOTAL FUND #269 | \$1,495,089 |
| | ----- |

COMBINED LIBRARY INVESTMENT = \$4,574,080

Total Combined Library Investments are **(-\$240,436)** or **(-5.00%)** 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

c. 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 26-27 of the April 18, 2012 Library Board Packet. Highlights of the report were presented by Assistant Director, Mary Ellen Mulcrone.

- The Book It event, to be held on Friday, April 27th, 2012, will be advertized to the public this coming Thursday in the Novi News. Tickets can be purchased, Monday through Friday from 10:00 a.m. to 5:00 p.m. by coming to the Administration Office, or by phone, with a credit card payment. Tickets are not sold online.
- The Director is requesting Library Board consensus on the language of a proposed letter that will be sent to the Novi Public Schools, on the safety of underage, unattended children in the Library.
 - o Board members were concerned about the perception the letter would send to the parents; the Library is a dangerous and unsafe place.
 - o Board is referring the current policy on underage, unattended children to the Policy Committee for review and recommendation on the appropriate age of unattended children and proper methods of enforcing the Policy.

a. **Circuit Agreement with City of Novi**

A draft of the **Intergovernmental Agreement For Shared Internet Fiber Circuit** is provided on pages 28-31 of the April 18, 2012 Library Board Packet for the Library Board to review.

b. **Public Services Report**

Report is provided on pages 32-34 of the April 18, 2012 Library Board Packet.

c. **Building Operations Report**

Report is provided on page 34 of the April 18, 2012 Library Board Packet.

- A report of the Car Charging Station is provided on pages 35-36 of the April 18, 2012 Library Board Packet.
- Two thirds of the usage has been at the Library location versus one third at the Police Station.

d. **Library Usage Statistics – March 2012**

The March statistics are located on pages 37-39 of the April 18, 2012 Library Board Packet.

- 346 Library cards issued
- 69,785 items checked out
- Number of items borrowed from TLN – 4,295
- Number of items borrowed from MEL – 117
- Number of items loaned through TLN – 4,676
- Number of items loaned through MEL – 270
- 56.62% of all items checked out were completed on self check stations.
- Daily average of people using the Library was 1,114

11. Friends of Novi Library Report

There was no report provided, as the Friends were having their first meeting of the year the same evening as the Library Board meeting. Information on upcoming events was presented by Assistant Director, Mary Ellen Mulcrone.

- The 26th Annual Book and Author Lunch will be held on May 29th, featuring Kevin Boyle, a historian and author of **Arc of Justice**. Tickets can be purchased at the Library in the Administration Office.
- A new event that the Friends are planning is the 1st Annual New Friend Fundraiser. At this event, Friends tickets will be complimentary when you bring a new friend.

12. Student Representative Report

Report is provided on pages 40-41 of the April 18, 2012 Library Board Packet.

- Community Clothing Drive is one month away. It runs from Monday, May 14th to Saturday, May 19th.
- Currently working on PR to get the word out to the public.
- Teen writing contest ended March 9th, with Kristin West taking 1st prize.
- The last TAB (Teen Advisory Board) meeting was held on March 9th.

- Topics for discussion included:
 - Memorial Day Parade involvement
 - Creating Japanese Crafts and Haiku event
 - Handwriting Analysis classes
 - College Planning events
- Helped make door hangers during National Library Week
- Election of Officers at next meeting in May

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)

There was no report provided.

15. Public Comment

There was no public comment.

16. Matters of Board Action

a. Circuit Agreement - 1st Draft Reading

No action required at this meeting.

17. Adjourn

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

1st – Mark Sturing

2nd – Larry Czekaj

The motion was passed unanimously.



May 16, 2012

Mark Sturing, Secretary

Date