



**CITY OF NOVI LIBRARY BOARD
MINUTES, REGULAR MEETING
January 16, 2013**

**1. Call to Order and Roll Call
Library Board**

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

Student Representatives

Jessica Mathew
Torry Yu

Library Staff

Julie Farkas, Director
Marcia Dominick, Administrative Assistant

Guest

Nevrus Nazarko, Director of Finance, City of Novi

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 January 16, 2013 Agenda as presented.

1st – Willy Mena

2nd – Larry Czekaj

The motion passed unanimously.

4. Consent Agenda

A motion was made to approve the January 16, 2013 Consent Agenda as presented.

1st – Larry Kilgore

2nd – Willy Mena

The motion passed unanimously.

5. Correspondence

A. Thank you letter from Marian Reich, IVC Detroit

Visitors from Kazakhstan took a tour of the Library provided by Assistant Director, Mary Ellen Mulcrone. They were guests of the International Visitors Council of Metropolitan Detroit in participation with the US Library of Congress-sponsored Open World Leadership Program.

B. Thank you letter from Rebekah Craft, Rochester Hills Public Library

Librarians from the Rochester Hills Public Library were provided a behind-the-scenes tour of the Library given by Mary Ellen Mulcrone, Assistant Director. The Librarians were most impressed by the Library and the services that are provided.

C. Thank you letter from Greg Morris, City of Novi – Parks, Recreation and Cultural Services

A thank you letter was sent to the Library for our participation in the 2012 Light Up the Night program, which saw over 5,000 participants on Friday, November 30, 2012.

6. Presentation

A. Nevrus Nazarko – Finance Director, City of Novi

The Library Board welcomed Mr. Nazarko to the City of Novi and thanked him for attending this evenings meeting.

Nevrus Nazarko, the new Finance Director for the City of Novi introduced himself and provided the Library Board with his background. He stated that he is very excited to be working with the Library Board. With the departure of some key City finance staff, Mr. Nazarko has hired their replacements and is expecting them to start in the next month. At the

present time, Mr. Nazarko is working with Julie Farkas on the budget for the 2013-14 fiscal year.

The Library Board informed Mr. Nazarko that they are very interested in more long-term investments for their fund balance. Mr. Nazarko stated that he would take pride in giving feedback.

7. Public Comment

There was no public comment.

8. President's Report

A. Goals Document 2012-2013

- Delivered Welcome Brochures written in English and Japanese to the Novi School District.
- Met with the Novi School District media specialists to begin discussing the 2013 summer reading program.
- The Novi Public Library wins the Novi Business Recognition Award for Customer Service Excellence in the large business category from the Novi Rotary and Novi Chamber of Commerce. The award ceremony will be held on Friday, January 25 and will be attended by management staff and a librarian on staff.
- The current Customer Service Model is being updated and will be made available to new staff members and a reminder for present staff members.
- AED training for staff on new equipment will be conducted.
- Scrapbook for a Cause fundraiser netted \$400.

9. Treasurer's Report

A. Library Budget 2012-2013

The 2012-2013 Budget dated February 15, 2012 is included in the January 16, 2013 Library Board Packet on pages 22-23. There are no changes since the last meeting.

B. Library Financials and Walker Fund – December 2012

The Financials and Walker Fund ending December 31, 2012 are included in the January 16, 2013 Library Board Packet on pages 24-28. These documents were superseded and a revised version was distributed at the meeting.

C. Financial Review – December 31, 2012 – by David Margolis, Treasurer

At face value, these December 2012 Financials look outstanding. However, upon deeper review they're still very good – but not great.

First the good news, there were NO reductions in recognized Property Tax Revenues for the month. Then, there was collection of significant Investment Earnings and a rather large gain in market-value fluctuations

recognized in the month of December. When these items are added to the end-of-year Gifts and Donations, we're off to a good start.

Now (as Paul Harvey used to say) comes "the rest of the story". For the month of December, we fell well below normalized expenditures, spending only **5.17%** of the annual budget. This would appear to be a significant accomplishment, but I will identify several contributing factors that need to be accounted for.

Therefore, I caution everyone to not get too euphoric.

As is my philosophy (*for monitoring purposes*), I've taken the entire year's expected Expenditures of **\$2,738,900** and divided them equally over the course of twelve months to create an Average Monthly Budget consumption of **\$228,241.67** (or **8.33%** per e as a benchmark for comparing actual spending against.

Financial activity for the month of December:

LIBRARY FUND (Fund #268)

BALANCE SHEET (*page #24*)

Cash was decreased by (**-\$112,665.98**) or (**-3.11%**) during the month, an relatively light amount.

Current Taxes Receivable were reduced in the amount of (**-\$4,783.95**) or by another (**-6.44%**).

TOTAL ASSETS = **\$3,590,312.45**, which are (**-\$117,449.93**) or (**-3.17%**) lower than last month)

LIABILITIES = Changes for the month were only in **Accounts Payable**, which decreased by (**-\$6,571.48**) or (**-20.96%**) for a net decrease in **Total Liabilities** of (**-\$6,571.48**) or by (**-3.95%**) for the month, with an ending balance down to = **\$159,782.89**

FUND BALANCE = As a result, **NET Revenues and Expenses** (for the current month) were decreased by only (**-\$110,878.45**) or (**-9.02%**) leaving an Ending Fund Balance at 12-31-2012 of **\$3,430,529.56** (down **-3.13%** from last month).

REVENUES AND EXPENDITURES (*pgs. 25 + 26*)

REVENUES – As previously mentioned, there was NO reduction in **Current Property Tax Revenues**, but **Investment Earnings** (A/C# 268-000.00-664.000) of **\$17,774.50** or (71.10% of Budget) was collected and there was monthly **Investment Gains** (A/C# 664.500) of **\$1,039.00** recognized. Additionally,

we recognized **Gifts and Donations** (A/C# 665.400) of **\$4,062.00** in December (of which \$2,700 was from the Friends of the Novi Library fundraiser event with Varsity Lincoln). **Total Revenues** for the month of December were **\$30,692.42** for a Year-to-Date total of **\$2,386,734.97**, which is **98.07%** of the total annual Budget.

EXPENDITURES – with the current fiscal year commencing on July 1st and with six (6) months under our belt, we're going to measure actual Expenditures utilization against the **50.00%** monthly pro-ration of the Budget estimated.

Personal Services – The total amount spent in this category during the month, **\$135,249.87** or **7.43%** of the annual Budget, is well below the average monthly allocations (of \$152K), reflecting yet another normal two pay-period month. On a Six-Month Year-to-Date basis, we've used **45.33%** of this category's budget. At the end of December, Personal Services expended represent **34.59%** of Revenues (compared to the **37.42%** budgeted).

Materials and Supplies – For whatever reasons - whether it be the Holiday season, the change in weather, or simply timing differences – we spent very little in the way of reading Materials (a combined **\$1,484.29** for **Books, Periodicals, AudioVisual and Electronic Media**) during the month of December. *As we've budgeted for roughly \$29,000 per month for these items (on average), you can see why total spending is down for the month.* As a result, we only spent a total of **\$3,529.16** for the month (in this **Materials/Supplies** category) that is less than **one percent** of Budget for a Year-to-Date total of **45.81%** (vs. the 50.00% benchmark); and which represents **9.32%** of Revenues (compared to **9.97%** budgeted).

Services and Charges – another category that begs explanation. For the month, we only spent **\$2,791.84** (by far the lowest monthly total so far this year) or **0.67%** of this Category's Budget (and **49.24%** Year-to-Date) - with several line-items out of the norm (*see below*). The combined Six-month Year-to-Date 2012 spending represents **8.60%** of Revenues (very close to the **8.57%** budgeted).

Some of the items worth citing for the month are:

#851.000	Telephone	-\$	(40.00)
#855.000	TLN Automation Svcs.	-\$	(4,605.55)
#880.271	Adult Programs	+\$	0.00
#921.000	Heat	+\$	0.00
#922.000	Electricity	+\$	0.00
#935.000	Vehicle Maintenance	+\$	413.80
#941.000	Grounds Maintenance	+\$	598.43

Capital Outlays or Contingencies – There were NO expenditures in this category during the month of December.

TOTAL EXPENDITURES – for the month of December, we spent a total of **\$141,570.87** (or **5.17%** of the budget vs. **8.33%** norm), (and below the equal monthly gauge of \$228,241.67). For the Six-months so far this fiscal year, we've spent **46.31%** of the Budget (vs. normalized 50.00%). This amount is **53.14%** of Revenues, and is less than fiscal year budget expectations of 56.27%. *As described above, this total is artificially lower because of the timing differences for expenditures not recognized for the month-end closing.*

WALKER FUND (Fund #269) (pg. 27 + 28)

REVENUES –To reiterate from earlier meetings, with the start of a new fiscal year, we re-set our Cumulative Revenues and Expenditures to zero and begin anew with NO budgetary expectations. There will be some Interest earned on Investments and we'll track Market Value fluctuations over the course of the year. However, we've set NO formal expectations for Donations or Event Transfers (*i.e.* next year's Book It!), so anything generated will all be positive.

For December, **Total Revenues** were up **+\$29,817.71** or (+748.07%) during the month, for a Year-to-Date total of **\$33,803.66**; with **\$20,320** or (+745.69%) from **Donations** and **\$9,497.71** (or +753.22%) from **Investment Earnings** since last month. Of the **Interest Income Revenues** recognized, **\$9,058.21** was from direct **Interest** (A/C# 664.000) and **\$439.50** in **Unrealized Market Gains** (A/C# 664.500).

Breakdown of December Donation Revenues:

#665.271	General – Youth Collections	\$ 45
#665.273	Friends of the Novi Library	\$ 20,000
#665.283	Novi Newbies	\$ 150
#665.287	Crop for a Cause	\$ 50
#665.402	Specific Collections	\$ 75

EXPENDITURES – there were NO expenditures for the month of December from the Walker Fund

NET REVENUES OVER EXPENDITURES – As a result, they increased by **+\$29,817.71** (or **+763.64%**) during the month of December, for a NET Year-to-Date balance of **\$25,913.00**

BALANCE SHEET – as a result of December activity, **Cash** in the Fund was increased by **+\$29,808.51** or (+1.95%) along with an **Accounts Payable** liability decrease of **(-\$9.20)**; thus **Un-Restricted Current Year Fund Balance** increased by **+\$29,817.71** for the month or (+763.64%)

TOTAL WALKER ASSETS = \$1,560,928.31

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TOTAL LIABILITIES = \$ 0.00

TOTAL FUND BALANCE = \$1,560,928.31

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Restricted Fund Balance = \$ 90,251.09

Un-Restricted Fund Balance = \$1,470,677.22

COMBINED LIBRARY INVESTMENTS (see separate Report)

LIBRARY FUND (#268) @ 12-31-2012 FMV

TOTAL FUND #268 \$ 3,520,637

WALKER FUND (#269) @ 12-31-2012 FMV

TOTAL FUND #269 \$ 1,560,928

COMBINED LIBRARY INVESTMENTS = \$ 5,081,565

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During the month of December 2012, Library Fund (#268) Investments were decreased by (-\$112,348) or (-3.10%); while Walker Funds (#269) went up in value +\$29,808 or +1.95%

If we combine the Balance Sheets of both Funds (#268 and #269), we would show Total Combined Fund Balances = \$3,430,529.56 + \$1,560,928.31 = \$4,991,457.87

This reflects a net decrease in Combined Fund Balances of (-\$81,060.74) or (-1.60%) during the month of December.

D. Library Café Revenue Report – due the 15th of the month

There was no report provided by the café for December.

10. Director's Report

A. City of Novi – Goal Setting Report, January 4, 2013

- Julie and Trustee Sturing attended the City of Novi's Goal Setting Session for 2013-14 hosted by the Novi City Council. Many ideas were presented along with the need for increased library hours.
- The Library was awarded the Customer Service Award presented by the Novi Chamber of Commerce and the Novi Rotary.
- Julie held One-on-One meetings with the staff in December and January for those members who wanted to meet. These meetings

are confidential and allowed the staff to speak freely. Many ideas are brought forward during these sessions.

- Julie attended the Novi Chamber's B2B breakfast and the American Business Women Association dinner, where she was the guest speaker.
- Phyllis Weeks retired from the Library after nearly 10 years of service to spend more time travelling and sharing time with her family.
- Christina Salvatore has joined the Library as the Communications Coordinator. She was hired as a full-time employee spending 15 hours per week at the Library and 25 hours with the City of Novi.
- The Library has an intern graphic designer who will be with us until the end of March. He will be bringing a new look to our brochures.
- Two Library Policies are being presented to the Library Board for consideration; P1 – Library Card Issuance; and P4 – Miscellaneous Provisions. Both are existing policies.

B. Summary of Tax Changes Affecting 2013 Payrolls by Tia Gronlund-Fox, HR Department

There were new tax changes provided to the staff affecting the 2013 payrolls. See pages 35 - 36 of the January 16, 2013 Library Board Packet.

C. Public Services Report

The Public Services Report is provided on page 42 of the January 16, 2013 Library Board Packet.

- Margi Karp-Opperer was interviewed for the Novi Middle School newspaper. The article is provided on page 43 of the January 16, 2013 Library Board Packet.

D. Building Operations Report

The Building Operations Report is provided on page 44 of the January 16, 2013 Library Board Packet.

- There were no major changes to the building operations this month.
- The entrance doors are on a cycle to stagger their openings. There are not as many complaints from the staff this year. It is cold and it is never going to be 100% since there is a constant flow of traffic through the doors.

Trustee Verma attended the Indian Cooking program and found that it was well attended and there was good feedback provided from those who attended.

E. Library Usage Statistics – December 2012

The December statistics are located on pages 45-48 of the January 16, 2013 Library Board Packet. Highlights include:

- 255 Library cards issued
- 54,805 items checked out
- Number of items borrowed from TLN – 3,171
- Number of items borrowed from MEL – 68

- Number of items loaned through TLN – 3,953
- Number of items loaned through MEL – 89
- 56.14% of all items checked out were completed on self – checkout stations
- Total Circulation 54,805
- Daily average people using the Library was 1,019
- Workstation usage 675
- Daily average Computer Logins 857

Trustee Verma requested that if a staff member wanted to rent any of the meeting rooms that they are to be provided with a discount. The request would be reviewed by the Policy Committee.

Trustee Czekaj commented on the Coffee with the Superintendent provided by the Novi Community Schools. The Superintendent meets with residents at the Library two times each month that school is in session.

11. Friends of Novi Public Library Report

A. December 12, 2012

There was no representative of the Friends Board present.

Minutes of the December 12, 2012 Friends Board Meeting are included in the January 16, 2013 Library Board Packet on pages 49-50.

B. January 9, 2013

Minutes of the January 9, 2013 Friends Board Meeting are included in the January 16, 2013 Library Board Packet on pages 51-52.

The Library Board wanted to thank the Friends for their generous \$20,000 donation to the Library, as well as the Varsity Lincoln donation.

12. Student Representatives' Report – December 2012

The Student Representatives' Report provided on page 52 of the January 16, 2013 Library Board Packet is from the previous month's report. The December 2012 report was distributed at the January 16, 2013 Library Board Meeting.

Highlights of the report are:

- The Teen Advisory Board held their last meeting on December 14 with the following discussed:
 - Novi Youth Assistance donated \$200.00 to purchase furniture and games for the Teen Space.
 - The annual teen writing contest will be kicked-off at the end of January and will run until March. Last year there were 65 entries and their goal is to exceed this number.
 - In conjunction with the Oakland County Health Division, they are helping teens prepare for emergencies and what they will need.
 - A teen volunteer program is underway for teens to assist the Library staff with special projects.

o The teen Animanga club program met in December.
On January 31, 2013, there will be an unveiling of the new games and furniture, as a result of the generous donation by the Novi Youth Assistance, in the Teen Space with the anticipation of the Patch and Novi News in attendance.

13. Historical Commission Report – no meeting in December 2012

The Historical Commission did not hold a meeting in December 2012.

14. Committee Reports

A. Policy Committee (Margolis, Teasdale, Kilgore – chair)

There was no report provided.

B. HR Committee (Kilgore, Verma – chair)

There was no report provided.

C. Finance Committee (Czekaj, Teasdale, Margolis – chair)

There was no report provided.

D. Fundraising Committee (Sturing, Mena – chair)

There was no report provided.

E. Strategic Planning Committee (Kilgore, Sturing, Mena – chair)

There was no report provided.

F. Landscape Committee (Kilgore, Margolis, Czekaj – chair)

There was no report provided.

15. Public Comment

There was no public comment.

16. Matters for Board Action

A. Instituting a Policy that requires a patron to present a library card for library related services and resources effective September 1, 2013 **P1: Library Card Issuance Policy – amendment to policy**

This policy is already in existence, with the only revision being that a library card must be presented at check-out. Policy is located on pages 37-38 of the January 16, 2013 Library Board Packet. On page 31 is a list of reasons for requiring a library card for checking out materials.

With the change to the Policy, effective September 2013, this allows the Library 6-months to inform the patrons of the pending change. There is a national campaign, "Smartest Card in Your Wallet" at the present time. If the Library doesn't come up with a different campaign slogan, we will use this one. September is National Library Card Sign-up Program and we will take part in this program.

At this time, a patron cannot use their Smartphone to check-out materials, but we anticipate that it will be available in the near future. When this does become available, the Policy will be brought back with the added verbiage.

When the Policy becomes effective September 1, 2013, if a patron comes to the Support Services Desk and has items to checkout but doesn't have their library card, then there will be a one-time free library card issued. After that, there is a charge to purchase a replacement card of \$2.

Trustees stated that they are endorsing the Policy, as it's not meant to be punitive. This is a reward for all the patrons who follow the protocol and play by the rules and are forced to wait in line for somebody, for whatever reason, mostly isn't prepared to process their items. We want to reward those people who have worked with us and carried their card and make the process more convenient for them.

Trustee Czekaj requested if approved effective September 1, 2013, that a follow-up be presented at the December 2013 Library Board meeting from Director, Julie Farkas, of what the experience has been. To continue with the Policy, cancel or modify it.

A motion was made to adopt the amendment to the Library Card Issuance Policy located on pages 37 - 38 (January 16, 2013 Library Board Packet) with an effective date upon adoption and enforcement on September 1, 2013.

1st – Larry Kilgore
2nd – David Margolis

The motion was passed with a 6-yes and 1-no vote.

A motion was made to place on the December 2013 Library Board Meeting agenda for Board Action a review of the Policy that was effective September 1, 2013.

1st – David Margolis
2nd – Larry Kilgore

The motion was passed unanimously.

P4: Miscellaneous Provisions Policy – amendment to policy

A motion was made to accept Policy P4 (Miscellaneous Provisions) as amended with an enforcement date of September 1, 2013.

1st – Willy Mena
2nd – Ramesh Verma

The motion was passed with a 6-yes and 1-no vote.

B. Communication Device Purchase and Usage Policy – amendment to policy

The Policy mirrors the City's policy.

It was requested to remove iPad and replace the verbiage with Tablet.

A motion was made to approve the amended policy.

1st – Larry Czekaj

2nd – Larry Kilgore

The motion was passed unanimously.

Future Events:

- o Homeowner Association Leaders Appreciation Reception & State of the City Address, Thursday, January 17, 2013, 6 p.m. at the City of Novi.
- o Martin Luther King, Jr. Day, Monday, January 21, 2013; Library Open
- o Listen @ the Library, Sunday, February 3, 2013, 3 p.m.
- o Friends of the Novi Public Library meeting cancelled for February 13, 2013.
- o Budget Study Session, Saturday, February 9, 8 a.m., Novi Public Library.

17. Adjourn

A motion was made to adjourn the meeting at 8:55 p.m.

1st – Larry Kilgore

2nd – Ramesh Verma

The motion was passed unanimously.



February 20, 2013

Scott Teasdale, Secretary

Date