



**CITY OF NOVI LIBRARY BOARD
MINUTES, REGULAR MEETING
March 20, 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

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 March 20, 2013 Agenda as presented.

1st – Willy Mena

2nd – Ramesh Verma

The motion passed unanimously.

4. Consent Agenda

A motion was made to approve the March 20, 2013 Consent Agenda as presented.

1st – David Margolis

2nd – Willy Mena

The motion passed unanimously.

5. Correspondence

There was no correspondence.

6. Presentation

There was no presentation.

7. Public Comment

There was no public comment.

8. President's Report

A. Goals Document 2012-2013

- A taping announcing the Novi Public Library's Book It! Fundraising event was held at Steve & Rocky's, a sponsor for the event. Taping was completed by SWOCC.
- National Library Week is being announced on Cable. National Library Week is April 14-20.
- Novi Homeowners Associations are offered the usage of Library meeting rooms at no cost if they agree to have a tour of the Library or allow a manager on staff to speak about the Library and what we have to offer.
- Hold Shelf has been reduced to seven (7) days from 10 days allowing materials to be circulated more frequently.
- The Library received a \$1,000 grant from the American Library Association – YALSA, allowing for two youth interns to be available for the summer reading program this summer. This is at no cost to the Library.
- The Quality Services Audit Checklist (QSAC) application has been submitted to the Library of Michigan for the Essential Level. There are two more levels to yet to reach.
- The development of the Technology Plan, located on page 30 of the Goals document, is a three-year plan starting in 2013 and ending in 2016.

9. Treasurer's Report

A. Library Budget 2012-2013

The 2012-2013 Budget dated February 15, 2012 is included in the March 20, 2013 Library Board Packet on pages 31-32. There are no changes since the last meeting.

B. Library Financials and Walker Fund – February 2013

The Financials and Walker Fund report ending February 28, 2013 are included in the March 20, 2013 Library Board Packet on pages 33-38.

C. Financial Review – February 28, 2013 – by David Margolis, Treasurer

At the February 9, 2013 Budget Study Session, the Board approved a not-to-exceed \$50,000 stipend for the staff with the fund balance not to exceed \$305,000. This was indicated as a separate line item, but should be indicated as a footnote disclosure. The Board will not amend the budget to include this expenditure.

It was a better month for Library Revenues.

Despite another small reduction in recognized Property Tax Revenues for the month, we were able to collect the second portion of State Aid, have a strong month of Room Rentals, and recover a significant amount of market-value fluctuation gains that were recognized in the month of February.

As a result, February 2013 was the third best month of this fiscal year (ignoring the month of July 2012 when Tax Assessments skew results) with the second lowest depletion rate.

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 month) to use as a benchmark for comparing actual spending against.

Financial activity for the month of February:

LIBRARY FUND (Fund #268)

BALANCE SHEET

Cash was decreased by **(-\$183,325)** or **(-5.51%)** during the month.

Current Taxes Receivable were reduced again, this time in the amount of **(-\$2,452.75)** or by another **(-4.27%)**.

TOTAL ASSETS = **\$3,201,937.54**, which are **(-\$185,777.75)** or **(-5.49%)** lower than last month

LIABILITIES = Changes for the month were only in **Accounts Payable**, which decreased by **(-\$15,774.30)** or **(-25.27%)** for a net decrease in **Total Liabilities** of **(-\$15,774.30)** or by **(-7.99%)** for the month, with an ending balance down to = **\$181,664.16**.

FUND BALANCE = As a result, **NET Revenues and Expenses** (for the current month) were decreased by only **(-\$170,003.45)** or **(-19.36%)** leaving an Ending Fund Balance at 2-28-13 of **\$3,020,273.38** (down **-5.33%** from last month).

REVENUES AND EXPENDITURES

REVENUES – As previously mentioned, there was a small reduction in **Current Property Tax Revenues** **(-\$274.86 or -0.02%)**; the Second Portion of **State Aid** (A/C# 268-000.00-567.000) of **\$13,799.64** was collected; **Meeting Room Rentals** (A/C#268-000.00-665.300) were **\$2,350** (the highest monthly amount this fiscal year); and there was monthly **Investment Gains** (A/C# 664.500) of **+\$6,110.00** recognized. For the Eight-Month Year-to-Date, the Library Fund Portfolio has recovered its Net Valuation **Losses** and now shows a Positive Balance of **\$4,007.00**. **Total Revenues** for the month of February were **\$30,406.05** for a Year-to-Date total of **\$2,418,841.20**, which is **99.39%** of the total annual Budget.

EXPENDITURES – with the current fiscal year commencing on July 1st and with eight (8) months under our belt, we're going to measure actual Expenditures utilization against the **66.67%** monthly pro-ration of the Budget estimated.

Personal Services – The total amount spent in this category during the month, **\$138,647.95** or **7.61%** of the annual Budget, is well below the average monthly allocations (of \$152K). On an Eight-Month Year-to-Date basis, we've used **60.01%** of this category's budget. At the end of February, Personal Services expended represent **45.18%** of Revenues (compared to the **49.89%** budgeted).

Materials and Supplies – Despite spending **\$13,941.33** (or **19.10%** of line-item #268-000.00-734.000 Computer Supplies + Software + Licensing) budget, we spent a total of **\$41,431.67** for the month (in this category) which is **8.53%** of Budget for a Year-to-Date total of **66.80%** (vs. the 66.67% benchmark); and which represents **13.41%** of Revenues (compared to **13.30%** budgeted).

Services and Charges – For the month, we only spent **\$19,632.44** or **4.71%** of this Category's Budget (the second lowest monthly amount in this category (and **66.77%** Year-to-Date) – with several line-items out of the norm (*see below*). The combined Eight-month Year-to-Date 2013 spending represents **11.51%** of Revenues (slightly more than the **11.43%** budgeted).

Some of the items worth citing for the month are:

#816.000	Professional Services	\$ 500.00
#855.000	TLN Automation Svcs.	-(4,820.66)
#921.000	Heat	+\$ 2,555.41
#941.000	Grounds Maintenance	+\$ 3,613.35

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

TOTAL EXPENDITURES – for the month of February, we spent a total of **\$199,712.06** (or **7.29%** of the budget vs. **8.33%** norm), (and below the equal monthly gauge of \$228,241.67). For the Eight-months so far this fiscal year, we've spent **62.46%** of the Budget (vs. normalized 66.67%). This amount is **70.73%** of Revenues, and is less than fiscal year budget expectations of **75.02%**.

WALKER FUND (Fund #269)

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 February, **Total Revenues** were up **+\$4,445.85** or +13.57% during the month, for a Year-to-Date total of **\$37,227.42**; with **\$1,627.74** or +6.36% from **Donations**, and with **+\$2,818.11** or +39.25% from **Investment Earnings** since last month. Of the **Interest Income Revenues** recognized, **\$131.61** was from direct **Interest** (A/C# 664.000) and **+\$2,686.50** in **Unrealized Market Valuation Gains** (A/C# 664.500), for a Positive Year-to-Date increase of **+\$541.50**.

Breakdown of February Donation Revenues:

#665.271	General – Youth Collections	\$	45
#665.267	Programming – Book It!	\$	281
#665.285	Community Read	\$	1,302

EXPENDITURES – there were expenditures for the month of February from the Walker Fund of **\$404.24** spent, with **\$400** for **Book It!** Costs and **\$4.24** for **Novi Newbies**.

NET REVENUES OVER EXPENDITURES – As a result, they increased by **+\$4,041.61** or **+17.19%** during the month of February, for a NET Year-to-Date balance of **\$27,557.52**.

BALANCE SHEET – as a result of February activity, **Cash** in the Fund was increased by **+\$3,111.61** or **+0.20%** along with settlement of the **Accounts Receivable** (due from the General Fund) of **(-\$45)** and an **Accounts Payable** liability decrease of **(-\$975.00)**; thus **Un-Restricted Current Year Fund Balance** increased by **+\$4,041.61** for the month of **+17.19%**.

TOTAL WALKER ASSETS =	\$1,562,972.83
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TOTAL LIABILITIES =	\$ 400.00

TOTAL FUND BALANCE =	\$1,562,572.83 =====
Restricted Fund Balance =	\$ 90,251.09
Un-Restricted Fund Balance =	\$1,472,321.74

COMBINED LIBRARY INVESTMENTS *(see separate Report)*

LIBRARY FUND (#268) @ 2-28-2013 FMV

TOTAL FUND #268 **\$ 3,146,379**

WALKER FUND (#269) @ 2-28-2013 FMV

TOTAL FUND #269 **\$ 1,562,973**

COMBINED LIBRARY INVESTMENTS = **\$ 4,709,352**
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During the month of February 2013, Library Fund (#268) Investments were decreased by **(-\$183,323)** or **(-5.51%)**; while Walker Funds (#269) went up in value **+\$3,111.61** or **+0.20%**.

If we combine the Balance Sheets of both Funds (#268 and #269), we would show Total Combined Fund Balances = \$3,020,273.38 + \$1,562,572.83= **\$4,582,846.21**.

This reflects a net decrease in Combined Fund Balances of **(-\$165,961.84)** or **(-3.50%)** during the month of February.

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

The Library Café Revenue Report for the month of January 2013 was not included in the March 20, 2013 Library Board Packet. The revenue received was \$411.24.

E. Proposed Library Budget 2013-2014

On pages 43-44 of the March 20, 2013 Library Board Packet is the proposed 2013-2014 fiscal year budget. This is a 5-column budget worksheet.

- Column #1 shows the approved 2012-2013 budget
- Column #2 shows the 2012-2013 Year End projected budget figures.
 - The Property Tax Revenue (A/C#403.000) of \$2,279,000 is a valid figure. Indicated in Column #1, the approved Fund Balance usage was at \$305,120, but the estimated fund balance usage is to be approximately \$135,334.41.
- Column #3 lists the proposed 2013-2014 budget
- Column #4 shows the projected 2014-2015 budget
- Column #5 shows the 2015-2016 projected budget figures.

Columns #5 and #6 are not official figures and are not approved.

President Sturing thanked the Library Board and staff for coming together to work through all the issues presented, and for Julie Farkas for providing all the figures requested by the Library Board.

Treasurer Margolis informed the Library Board that with the increase in hours effective September 1, 2013 this is the reason account #268-000.00-704.000 (Permanent Salaries) and 268-000.00-705.000 (Temporary Salaries) have increased.

President Sturing stated that the Library Board had two goals that were based on the budget:

- Increase hours of operation
- Dedicate more resources within the Library

A motion was made to approve the 2013-2014 fiscal year budget for the Novi Public Library.

1st – Larry Kilgore

2nd – David Margolis

The motion was passed unanimously.

F. City of Novi – Library Budget Report as of 3/13/2013

The Finance Department at the City of Novi provided a Budget Report dated 3/13/13 with calculations as of 2/28/2013 (pages 45-48 of the March 20, 2013 Library Board Packet). This report was provided to validate the budget numbers and the changes in the Property Tax Revenues for the 2012-2013 and 2013-2014 fiscal year budgets.

10. Director's Report

The planning of the 3rd Annual Book It! Fundraising event is underway and \$3,800 in sponsorships have been received to date. Sponsors recognized this year are Walmart, Twelve Oaks, Global Office Solutions, Novi Town Center and Chasing Fotos. The proceeds from this year's event will be going towards the Fiction and Electronic Book collections. Postcards will be going out to over 600 past donors and tickets are now on sale. This year's entertainment will be the Sundowners Duo. Mayor Bob Gatt has agreed to be the emcee for this year's Book It! Fundraising event. There will also be silent raffles and live auctions with items donated by local businesses. The liquor license request has been sent to the State of Michigan for approval.

The Read-A-Latte Café lease is being reviewed by the Café Subcommittee (Trustees Mena and Czekaj) and will be brought to the April 2013 Library Board Meeting for approval. The lease is expected to be extended for a three year period.

An explanation of the Library Card Requirement, effective September 1, 2013, can be found on page 49 of the March 20, 2013 Library Board Packet. Information has been provided to the public informing them of the new policy requiring a library card for service.

A small change to the Family and Medical Leave Act (FMLA) Policy was proposed.

A. Public Services Report

The Public Services Report is provided on pages 55-56 of the March 20, 2013 Library Board Packet.

B. Building Operations Report

The Building Operations Report is provided on page 56 of the March 20, 2013 Library Board Packet and a more lengthy report was presented at the Library Board meeting.

Two staff members attended a webinar provided by Foster Swift – Guns and the Library – which indicated changes brought forward through legislation. Information received will be shared with the staff.

1. Technology Plan June 2013-July 2016

The Novi Public Library's Technology Plan was completed for July 2013 – June 2016 and is located on pages 57-62 of the March 20, 2013 Library Board Packet.

C. Library Usage Statistics – February 2013

The February statistics are located on pages 63-67 of the March 20, 2013 Library Board Packet. Highlights include:

- 303 Library cards issued
- 61,916 items checked out
- Number of items borrowed from TLN – 4,315
- Number of items borrowed from MEL – 148
- Number of items loaned through TLN – 4,686
- Number of items loaned through MEL – 208
- 56.21% of all items checked out were completed on self – checkout stations
- Total Circulation 61,916
- Daily average people using the Library was 1,136
- Workstation usage 855
- Daily average Computer Logins 965

On page 66 of the March 20, 2013 Library Board Packet is a list of all the Technology Sessions provided to our patrons. This month there were 21 classes offered with 24 participants. Some of the classes offered are one-on-one sessions allowing for special training and questions answered. To date, there have been 112 sessions offered with 183 participants.

Trustee Verma commented on the umbrella stand located in the lobby of the Library and what a great job it was in getting it for our patrons.

11. Friends of Novi Public Library Report

A. February 2013

There was no representative of the Friends Board present.

There was no report offered as they did not hold a meeting in February.

12. Student Representatives' Report

The Student Representatives' Report is provided on page 68 of the March 20, 2013 Library Board Packet.

- The Teen Advisory Board (TAB), which had a low turnout, held their last meeting on February 8, 2013 with the following discussed:
 - Summer Reading 2013 and the TABs role.
 - Teen Space Extravaganza was held on February 12; fun was had by all.
 - Teen volunteers assisted with a DVD sorting project.
 - Coloring Page De-stressor will be held on Thursday, March 21
 - ACT/SAT Test Prep to be held on Wednesday, March 27
 - Animanga Club will meet on Wednesday, April 10.

13. Historical Commission Report

The Historical Commission draft minutes of the February 27, 2013 meeting are included in the March 20, 2013 Library Board Packet on pages 69-70.

The Historical Commission approved minutes of their January 23, 2013 meeting are included in the March 20, 2013 Library Board Packet on pages 71-72.

The Historical Commission has commissioned the etching of the glass overlooking the entrance of the Library in the Local History Room. There will be seven (7) panes that will depict six (6) Novi historical sites and the City of Novi Historical Commission's logo and tagline. This is being paid for by the Novi Historical Commission. The project will begin this spring and an unveiling of the etchings will take place upon completion – expected completion by mid-summer.

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.

There will be an election of Library Board Officer positions held at the April 2013 Library Board meeting. Trustee Verma and Trustee Kilgore are on the ad-hoc committee to solicit officers.

15. Public Comment

There was no public comment.

16. Matters for Board Action

A. Approval of the 2013-2014 Library Budget

The 2013-2014 Library Budget was approved at the March 20, 2013 Library Board Meeting and the motion and approval can be found in Section 9., Treasurer's Report, Item #E, Proposed Library Budget 2013-2014.

B. Resolution for Library Board to obtain a one-time liquor license for event on April 26, 2013

Resolution: That the application from Novi Public Library for a special license to serve alcohol on April 26, 2013 to be located at 45255 W. Ten Mile Rd., Novi, MI 48375 be considered for approval.

Resolved: That Novi Public Library, through its duly authorized officers, make application to the Michigan Liquor Control Commission (MLCC) for a special license for the sale of beer and wine for consumption on the premises to be in effect for its annual fundraising event on Friday, April 26, 2013, at 45255 W. Ten Mile Rd., Novi, MI, 48375 in Oakland County.

1st – Larry Czekaj

2nd – David Margolis

The motion was passed unanimously.

C. Family and Medical Leave Act (FMLA) revisions

The Family and Medical Leave Act (FMLA) revision was reviewed by Trustee Kilgore and he approved the clause stated:

The Novi Public Library (NPL) has adopted this policy to implement the terms of the Family and Medical Leave Act of 1993 (FMLA) and any subsequent changes that are enacted. Eligible employees are entitled to family and medical leave on the terms and conditions stated in this policy, the regulations issued by the Department of Labor under the FMLA and in NPL's other applicable leave policies.

2. "FMLA Leave" means leave that qualifies under the Family and Medical Leave Act of 1993 and any subsequent changes that are enacted, as amended by the National Defense Authorization Act of 2008,

Pub. L. I 100181. and the Department of Labor's regulations and is designated by NPL as so qualifying.

The remaining sections of the Family Medical Leave Act (FMLA) have not been amended. The proposed amended Family Medical Leave Act (FMLA) can be found on pages 49-54 of the March 20, 2013 Library Board Packet.

A motion was made to approve the additional language for the Family Medical Leave Act (FMLA).

1st – Larry Czekaj

2nd – Larry Kilgore

The motion was passed unanimously.

17. Adjourn

A motion was made to adjourn the meeting at 7:59 p.m.

1st – Ramesh Verma

2nd – Larry Czekaj

The motion was passed unanimously.



April 17, 2013

Scott Teasdale, Secretary

Date