



**CITY OF NOVI LIBRARY BOARD
MINUTES, REGULAR MEETING
June 20, 2012**

1. Call to Order and Roll Call

Library Board

Mark Sturing, President
David Margolis, Treasurer
Scott Teasdale, Secretary
Larry Czekaj, Board Member
Larry Kilgore, Board Member (left at 7:45 p.m.)
Ramesh Verma, Board Member

Absent and Excused

Willy Mena, Vice President

Student Representatives

Jessica Mathew
Torry Yu

Library Staff

Julie Farkas, Director
Diana Gertsen, Office Assistant

Guest

Richard Tuttle RLA, ASLA, Great Oaks Landscape

The meeting was held at the Novi Civic Center, Council Chambers, 45175 W. Ten Mile roads, Novi, Michigan, 48375, and was called to order by Mark Sturing, President, at 7:04 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Approval and Overview of Agenda

Trustee David Margolis requested that Item #9C, Treasurer Report, Library Café Revenue Report-due 15th of the Month, be deferred to item #10, Director's Report, since a report regarding the Café is already included.

Director, Julie Farkas requested to add a correspondence that was recently received under item #5, Correspondence.

A motion was made to approve the June 20, 2012 Agenda as amended.

1st – Scott Teasdale

2nd – David Margolis

The motion was passed unanimously.

4. Consent Agenda

It was noted by Trustee David Margolis that the amount of \$2, 500 for Keppler Speakers, on the Warrant, was reflected in the May Financials as a pre-payment. Also, the invoice of 4/24-5/23/12 for DTE Energy in the amount of \$14,027.93 was not included in the May Financials.

Director, Julie Farkas stated that she had been informed that half of the amount had been paid, and will check into this.

A motion was made to approve the June 20, 2012 Consent Agenda with the modifications as presented.

1st – David Margolis

2nd – Ramesh Verma

The motion was passed unanimously.

5. Correspondence

a. Thank You letter from Girl Scout Troop #40173

A thank you note addressed to Miss Margi, Miss Julie, and the Novi Public Library was received from Girl Scout Troop #40173. The Troop wanted to thank the Library for helping them collect books for their girl scout Bronze project, which benefits the Oakland County Child Protective Services. It was signed by Haley, Alyssa, and Reilly.

6. Presentation

a. Rick Tuttle – Great Oaks Landscaping

A detailed proposal for up grading and enhancement to the Library landscape was presented by Richard Tuttle, Vice President of Commercial Sales at Great Oakes Landscaping, who is also a Registered Landscape Architect. The proposal offered an Option I and an Option II, with an “a la-carte” approach to add more color and plant material.

A motion was made to take the Proposal back to the Landscape Committee for recommendation.

1st – Scott Teasdale
2nd – Ramesh Verma

Board members on the Landscaping Committee pointed out that the difference between Option I and Option II was whether or not to remove the grasses, and that the cost between the two Options was less than \$15,000. The purpose of the Presentation was to have the full Board make a decision on which Option to choose.

After hearing the discussion, Trustee Scott Teasdale withdrew his motion to take the Proposal back to the Landscape Committee. Trustee Ramesh Verma withdrew his second.

A motion was made to approve the whole plan as presented using Option #1 for the 10 Mile Frontage, with the exception of Option #2.

1st – Larry Czekaj
2nd – Larry Kilgore

As a point of order, Trustee Larry Kilgore questioned where the funding would come from if the motion is approved. Trustee David Margolis, Library Board Treasurer, suggested that the billing activity be deferred to July 1st, 2012, in order for it to fall into next year's budget. With some type of restriction of the Fund Balance, so as not to revisit the Operating Budget, use it as a Capital Expenditure, which will ultimately impact next year's budget.

President, Mark Sturing called for a vote, asking Board members who are in favor of the motion as presented, to respond with a “yes”.

Larry Czekaj - yes
Scott Teasdale- yes
Ramesh Verma – yes

President, Mark Sturing asked Board members who are opposed to the motion as presented, to respond with a “yes”

Mark Sturing – yes

David Margolis – yes

The motion passed 3-2, with (3) votes in favor, and (2) votes opposed. Trustee Larry Kilgore was not present for the vote.

7. Public Comment

There was no public comment.

8. President's Report

a. Library Goals 2011-2012

Report is provided on pages 17-22 of the June 20, 2012 Library board Packet.

- A Digital Book Mobile, in Library parking lot on Wednesday June 20, 2012, welcomed about 125 visitors. The patrons were assisted with different types of devices to down load E-books and audio books
- The “Geek Program” has been launched since Memorial Day. This program encourages patrons to come into the Library and tell us what they are interested in. Communication Specialist, Laura Liddicoat, is putting this information on display, and is also working with some community members and Board members to get photos to use as advocates to this marketing campaign for the next year.
- Managers are meeting with Staff, and giving them their annual review.

b. Library Director's Review

Library Board President, Mark Sturing, asked Director, Julie Farkas, if it was her wish to have her annual review done in closed Executive Session. Director, Julie Farkas, responded that she would appreciate a closed session. President Sturing stated that it would be done at the end of the Regular Board Meeting, and that Trustee, Scott Teasdale, Library Board Secretary, would take the final minutes to adjournment.

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 23-24.

Correspondence from Kathy Smith-Roy, City Finance Director/Treasurer, regarding the Library property tax revenue for 2011-2012 is included on page 25 in the June 20, 2012 Library Board Packet.

b. Library Financials and Walker Fund, May 31, 2012

Observations regarding Monthly Financials for the Month of May 2012 provided by David Margolis, Treasurer.

SUMMARY:

As I mentioned last month, we're getting closer to our current fiscal year-end, where it is now certain that we'll need to draw from Fund Reserves to cover our budgetary deficit. We continue to hemorrhage declining Tax Revenues (with another **-\$2,293** hitting the books in May) and based up Kathy Smith-Roy's (City Finance Director/Treasurer) June 19th email warning, another **-\$36,122** negative adjustment coming in June. The estimated final Tax Revenues for this fiscal year are now projected to only be **\$2,192,800** (or **-1.85%** and **-\$41,200** lower than our Original Budgeted amount of \$2,234,000 to start the year). I don't believe we need to make any formal Board authorized changes to the Current Year Budget (reflecting these anticipated changes) since our Fund Balance Allocation (previously approved) will NOT be exceeded.

Financial activity for the month of May:

LIBRARY FUND (Fund #268)

BALANCE SHEET (pg #26)

Cash was decreased by **(-\$169,535)** during the month

Current Taxes Receivable were lowered by **(-\$38,790)** from the last estimate.

Prepaid Expenditures (New Account) of \$2,500 are established for a future Speakers' series.

TOTAL ASSETS = **\$2,705,091** (**-\$205,825** or **-7.07%** lower than last month)

LIABILITIES – Changes for the month were in **Accounts Payable**, which were decreased by **(-\$30,116)** and the annual lease deposit credit for the Café Vendor of **-\$500**, for a net reduction in Liabilities of **-14.41%** for the month, with an ending balance = **\$181,956**.

FUND BALANCE – As a result, **NET Revenues and Expenses** (for the current fiscal year) were lowered another **(-\$175,209)** or **(-6.95%)**, leaving an Ending Fund Balance at 05-31-2012 of **\$2,523,135**.

REVENUES AND EXPENDITURES (pgs. 27 + 28)

REVENUES – Library Book Fines (A/C# 657.000) were the highest monthly amount of the year at **\$7,115**, and the Miscellaneous Income (A/C# 665.000) of **\$3,078** (from the disposal of used F/F/E), helped to off-set the Tax Revenue decline. **Total Revenues** for the month of May, 2012 thus increased by **+\$10,582** or **+0.44%**.

EXPENDITURES – with Eleven (11) months under our belts, the current fiscal year is now 11/12ths over, so our expectation is that expenditures utilization should be no more than **91.67%** of the budget (if we were to assume equal monthly spending).

Personal Services – The total amount spent in this category during the month **(\$132,598)** was below the average monthly allocations, with no line-item outside of the norm. On an Eleven-Month Year-to-Date basis, we've used **89.48%** of this category's budget. At the end of May, Personal Services expended **(\$1,578,831)** represent **64.39%** of Revenues (compared to the **67.02%** budgeted).

Materials and Supplies – The only major category spent in May which significantly exceeded prior month levels was **Books** (A/C# 742.000) at **\$24,153**. We spent a total of **\$36,756** for the month (in this **Materials/Supplies** category) which represents a 16.55% of Revenues (compared to **19.13%** budgeted).

Services and Charges – for the month, we only spent **\$16,437** (which is by far the lowest monthly total this year), consuming just 3.96% of this Category's Budget - with just one line-item higher than normal – Custodial Services (A/C# 817.000) at **\$4,877**. The cumulative Y-T-D total of **\$367,681** represents **88.53%** of the Budget allocations (vs. the expected 91.67% level previously mentioned) or **14.99%** of Revenues (vs. the **15.78%** budgeted). With another **\$950**

added to May's Design, Printing, & Publishing (A/C# 900.000) posting, we've continued to exceed that line-item's original budget.

Some of the items worth citing for the month are:

However, if we include the **\$14,028** due DTE Energy (*included in tonight's warrants*) for the period thru May 23rd (*but not posted in the month of May*), our category total jumps to **\$381,709** (or **91.91%** of Budget) – putting us slightly behind schedule.

Capital Outlays or Contingencies – nothing spent this month.

TOTAL EXPENDITURES – for the month of May, we spent **\$185,791** (or **6.89%** of the budget), (*unofficially*) the second lowest monthly amount and (well below the monthly average of \$223,624) for a year-to-date total of **\$2,370,847**, which is **88.35%** of the Total Budget – again bringing us much closer to our predicted year-end short-fall - than previously experienced. This is **96.69%** of Revenues but is **(-5.23%)** lower than Y-T-D budget expectations of 101.92%. This only leaves a balance of **\$81,198** to handle June's expenditures (which should include the deferred Electricity costs) – so the **Fund Balance Allocation** (of **\$270,037**) we authorized at the start of the year will DEFINITELY come to fruition.

WALKER FUND (Fund #269) (pg. 29)

REVENUES – increased by a whopping **+\$156** during the month of May or +0.22%, with only **\$62** coming from **Investment Interest** (#269-000.000-664.000); another **\$49** from the **Book It** event (#269-000.00-665.267); and **+\$45** from various **Donations**.

Breakdown of Donation Revenues for May:

#665.271	General – Youth Collections	\$ 45
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EXPENDITURES – For the month of May 2012, **\$251** or +2.31% was expended, of which **\$34** was for the *Book It!* Fund-raiser; **\$303** for a new category (A/C# 742.267) **Books-Parenting**; **(-\$252)** returned from the **Druschel Collection?** **\$70** for **Engraving, Trees, Brick Pavers, etc.**; and another **\$97** of the Friends of the Novi Library's generous \$10,000 gift was spent.

CAPITAL OUTLAY – N/A

NET REVENUES OVER EXPENDITURES – decreased by **(-\$95)** (or **-0.17%**) during the month of May, for an Eleven-month year-to-date total of **+\$56,163**.

WALKER FUND (Fund #269) (pg. 29) (continued)

BALANCE SHEET – as a result of May activity, **Cash** in the Fund was decreased by **(-\$685)** or **(-0.05%)**; while **Accounts Payable** was decreased by **(-\$740)** from last month's balance; **Restricted Fund Balance (A/C# 390.288) in Memory of Carol Davio** grew by **+\$150**; thus **Unrestricted Current Year Fund Balance** decreased **(-\$95)** or **(-0.01%)** for the fiscal year.

TOTAL WALKER ASSETS = **\$1,497,478**

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TOTAL LIABILITIES = **\$ 474**

TOTAL FUND BALANCE = **\$1,497,004**

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Restricted Fund Balance = **\$ 47,580**

Un-Restricted Fund Balance = **\$1,449,424**

COMBINED LIBRARY INVESTMENTS (pg. 30)

LIBRARY FUND (#268)

Current Maturities (less than one year) [1] \$1,373,303

Long-term Maturities [2] \$1,300,000

TOTAL FUND #268 **\$2,673,303**

WALKER FUND (#269)

Current Maturities \$ 547,478

Long-term Maturities \$ 950,000

TOTAL FUND #269

\$1,497,478

COMBINED LIBRARY INVESTMENT = \$4,170,781

Total Combined Library Investments are **(-\$170,220)** or **(-3.93%)** lower than last month

- [1] Long-term defined as a maturity greater than one-year from Balance Sheet date
- [2] We obviously have too much of our funds in “current maturities”, but some of this is timing related – as we’re now participating in the new LGIP investment option (Oakland County Local Government Investment Pool) for the first time, and nearly \$550K of Walker Fund monies with Fifth-Third bank was converted on 6-07-2012 (after the close of the May Statements)

Following the Treasurer’s Report, Director Julie Farkas made two points of clarification in Revenues.

- Library did receive the second State Aid check of over \$12,000 that is not showing in the Financials, but will be added to the revenue for the end of the year.
- Items sold from the disposal were technology equipment and old DVD cases that were brought over from the old building and not furniture.

Trustee David Margolis pointed out that July 1st begins a new taxable year, and with only one month left in our fiscal year, a surplus of approximately \$160,000 of the \$270,000 that was allocated in the Fund Balance could be used to amend next year’s budget. By adding the surplus to next year’s budget, an amount of \$15,000 could be used as Capital Outlay for the landscape design that was previously approved today.

A motion was made to amend next year’s budget to add \$15,000 from surplus funds as Capital Outlay for the landscape design plan previously approved today.

1st – David Margolis
2nd – Scott Teasdale

The motion was passed unanimously

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

Included in item #10 under the Director's Report.

10. Director's Report

A detailed report from Director, Julie Farkas is provided on pages 31-43 of the June 20, 2012 Library Board Packet.

Strategic Planning Committee Meeting June 6, 2012

- Productive (2) hr. meeting with (16) members brainstorming visions and Library needs.
- Focus groups with staff will begin next week.
- Open sessions for Novi residents will be held at the Library on Monday, June 25th at noon and 7pm., and on Saturday, June 30th at 10am.
- Library Service Responses will be discussed at the August 25th meeting.
- Board will receive full report after the August meeting.

Advocacy meeting with Friends Board – June 7, 2012

- Meet with new Board members.
- Discussed various ways that Friends can be advocates for the Library.

Annual Review – Read a Latte Café – June 3, 2012

- Meet with Gary Bernstein, owner of the Café
- Annual report is provided on page 39 of the June 20, 2012 Library Board Packet.

Early Bird Registration for MLA Conference in Dearborn, Michigan (November 7-9, 2012)

- Director Julie Farkas is the chair this year.
- Director would like to have representation from the Novi Public Library Board.
- Opportunity to network with other Library Board members from other Libraries.
- Web site is provided for details.
- Early Bird Registration is July 15th, 2012.

Memorial Day Parade – Geek kickoff

- Details provided on page 43 of the June 20, 2012 Library Board Packet
- Program is doing well; good response.

Special Birthday Celebration for Novi Library – Friday, June 1st

- Library Building celebrated its 2nd birthday.
- Special Birthday Story time for young children.

Donation in Memory of Carol Davio

- Received a very generous donation in memory of Carol Davio.
- Long time Novi Library patron who read many books.
- Working with family members on some type of unique artwork for Library.

Essentials for a Safe and Secure Library

- Several staff members attended a Safety Webinar in June.
- A security plan for 2012-2013 FY will be put in place as a result of viewing the Webinar.

a. Public Services Report

Report is provided on page 44 of the June 20, 2012 Library board Packet.

b. Building Operations Report

Report is provided on page 45 of the June 20, 2012 Library Board Packet.

c. Library Usage Statistics – May 2012

The May statistics are located on pages 46-48 of the June 20, 2012 Library Board Packet.

- 295 Library cards issued
- 61,930 items checked out
- Number of items borrowed from TLN – 3,654
- Number of items borrowed from MEL – 133
- Number of items loaned through TLN – 4,688
- Number of items loaned through MEL – 271
- 57.77% of all items checked out were completed on self check stations.
- Daily average of people using the Library was 1,099

Monday, June 18, 2012 was the kickoff for the Summer Reading Program. The first “Tremendous Tuesday” event held on June 19, 2012 at Fuerst Park, had over 300 children and parents attend to see a Magician.

The Friends Party on the Patio held on June 8, 2012 was a huge success. They had over 70 people in attendance, and 30 new people were added to their membership at the event.

The minutes from the Friends Annual Meeting, that was held on May 30, 2012 are included on pages 50-51 of the June 20, 2012 Library Board

Packet. Also included is the 2012-2013 Friends Wish List on pages 51-52 of the June 20, 2012 Library Board Packet. The Wish List items that were approved at the June meeting include:

- Summer Reading 2012- Youth and Adult (\$2,500)
- Battle of the Books – Spring 2013 (\$500)
- Community Reads – Fall 2012 (\$2000)
- Technology (\$300)
- Replacement Toys (\$200)
- Marketing of Youth Programs and Resources (\$500)
- Early Learning Resource (\$1500)
- Novi Newbie Bags and Bibs (\$700)
- Morning Arts Program (\$1600)
- Staff in –Service – November 16, 2012 (\$500)

They did not approve the following:

- Awning for the staff entrance (\$2500)
- Local History Room Computers (\$1560)

11. Friends of Novi Library Report

No report was provided, however Director, Julie Farkas, covered most of what the Friends have been doing for the month.

12. Student Representatives' Report

Report is provided on page 53 of the June 20, 2012 Library Board Packet. The Library Board was pleased to welcome Jessica Mathew as the new Student Representative to the Board. Jessica will be a junior next year at Novi High School. Jessica was pleased to be appointed as Student Representative to the Library Board, since she is a frequent user of the Library. She sees this appointment as an opportunity to help develop leadership skills for the future.

The clothing drive that the teens sponsored during the week of May 14, 2012 at the Novi Public Library was a huge success. The teens sorted and bagged 225 large bags of clothing that was sent to Holy Family Church.

The last Teen Advisory Board (TAB) meeting was held on May 18, 2012. The main agenda for the meeting was to change the by-laws in regards to terms the officers will serve. They will now serve from May to May, instead of June to June.

The new officers elected for the 2012-2013 school year are as follows:

President: Christa Schafer

Vice-President: Carmen Huang

Secretary: Torry Yu

13. Historical Commission Report

There was no report provided.

Director, Julie Farkas made mention that the Heritage Day Festival held on June 16, 2012 at Tollgate Farms was a huge success, with over 700 people in attendance. Also that the Historical Commission will still hold their monthly meeting on the 4th Wednesday of the month, but they will now be at 1:00 in the afternoon.

14. Committee Reports

a. Policy Committee (Margolis, Teasdale, Kilgore – chair) – Met on May 21st

The Policy Committee looked at three (3) policies: Novi Author/Artist Collection Policy, Policy P13, Unattended Children, and Rules of Conduct Policy. The two (2) policies that are ready for Board action are the Novi Author/Artist Collection Policy and the P13, Unattended Children Policy. The Rules of Conduct is a huge policy with lots of major changes, and the drafts are not ready yet; they should be ready by July.

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) – Met on June 6th

Discussed under item #10, Director's Report.

f. Landscape Committee (Kilgore, Margolis, Czekaj –chair) – Met on June 12th

Discussed under item #6, Presentation.

15. Public Comment

There was no public comment.

16. Matter for Board Action

a. Novi Author/Artist Collection Policy – New Policy

A new proposed policy, Novi Author/Artist Collection Policy, was presented to the Board by Director, Julie Farkas. The purpose of the policy is to incorporate Novi authors and artists into the Novi Public Library collection. The materials would be donated by the author or artist, and

would be available for check out. Criteria for acceptance into the collection is stated in the proposed policy on page 42 of the June 20, 2012 Library Board Packet.

A motion was made to adopt the proposed Novi Author/Artist collection policy as presented by the Committee, and found on page 42.

1st – David Margolis
2nd – Ramesh Verma

The motion was passed unanimously.

b. Unattended Children Policy – Revision

The purpose of amending Policy P13: Unattended Children was to be more specific as to the age group that can be left in the library building unattended. The policy with the recommended changes highlighted in yellow, is on page 42 of the June 20, 2012 Library Board Packet. An additional change was made to item C, by changing the 7 for an 8. With the change, item C reads as follows:

Parent or caregivers of children under the age of 7 years must be responsible for and in the presence of their child at all times except when the child is attending library programs as designated; parents of caregivers of children **7-11 years must remain on the library's** premises but not necessarily in visual contact. Children 12 and older may be left on their own to attend library programs or use the library unless library staff determines the child needs supervision, assistance or the child has demonstrated that he/she can not comply with the **Library's Rules of Conduct Policy**.

A motion was made to accept the Policy P13: Unattended Children as amended and proposed by Larry Kilgore.

1st – David Margolis
2nd – Scott Teasdale

The motion was passed unanimously.

17. Executive Session – Library Director's Annual Performance Review

A motion was made to move to Executive Session at 9:07 p.m.

1st – Larry Czekaj
2nd – Scott Teasdale

The motion was passed unanimously.

18. Adjourn

A motion was made to adjourn the meeting at 9:51 p.m.

1st – David Margolis
2nd – Ramesh Verma

The motion was passed unanimously.



July 18, 2012

Scott Teasdale, Secretary

Date