

Library Board Budget Session for 2026-2027
Thursday, February 5, 2026
6:00-8:00pm
Dinner served at 5:30pm for Board Members
Novi Public Library – Board Room, 2nd floor

Final Draft

Call to Order by Vice President Kat Dooley

Novi Public Library – Board Room, 2nd floor
Called to order by Vice President Kat Dooley at 6:00

Roll Call by Secretary, Karla Halvangis

Library Board – 4 board members were recorded present

Kat Dooley, Vice President
Brian Bartlett, Treasurer
Karla Halvangis, Secretary
Lori Burke, Board Member

Library Staff

Julie Farkas, Director

Guest

Kristen Sullivan, Human Resource Specialist

Pledge of Allegiance

The Pledge of Allegiance was recited.

Approval of Agenda

Motion: To approve the agenda as presented

Motion for Approval – 1st – Trustee Halvangis
2nd – Trustee Bartlett

Motion passes – 4-0

Public Comment

Vice President Dooley: *In order to hear all citizen comments at a reasonable hour, the Library Board requests that speakers respect the (3) three-minute time limit. This is not a question-answer session. However, it is an opportunity to voice your thoughts with the Novi Public Library Board of Trustees. Citizens must state their first, last name and address.*

DISCLAIMER: Audiovisual presentations are welcome. To ensure adequate equipment needs, please contact Library Administration at least five (5) days in advance of the meeting. The materials cannot be changed before the meeting.

No Public Comment

2026-2027 Budget Narrative, 2nd Draft by Julie Farkas, Library Director

Director Farkas pointed out updated budget narrative, highlighted changes, and new additions

Updated Salary Structure Options for 2026-2027 by Kristen Sullivan, HR Specialist

Ms. Sullivan gave an overview of her memo on packet page 43 and the various options available for the Board to approve. She explained that the 2% or 3% raise would create more of a separation between the first level and the other levels.

Trustee Bartlett suggested that due to our current financial situation and until we know if the City will grant approve the Board's recommendation that we should go with option 1. If the City does not grant our recommendation, we will be looking at cutting positions, hours, and services.

Director Farkas pointed out that she has already started making cuts.

Trustee Bartlett acknowledged that fact but added that we would have to cut around \$300,000 in the worst-case scenario. He read the analysis that Ms. Sullivan presented and understands and agrees with it, but is just concerned about where we are financially and the message we will send to City Council.

Director Farkas said that she included the 3% option because she asked the City as recently as today if they are giving their admin staff a 3% raise, and they answered yes.

Trustee Bartlett doesn't think it is fair to pay one side of the parking lot more than the other, but his primary concern is our bottom line.

Discussion about how we should proceed as we wait to hear what City Council makes a decision.

Trustee Dooley expressed concern about losing staff. She asked what it costs when we have turnover.

Ms. Sullivan referred to her notes and explained that to hire a new clerk – one of the lowest positions on staff – costs approximately \$7,000 when considering training costs, onboarding costs, and termination costs for the employee who left.

Trustee Halvangis pointed out that Ms. Sullivan and the attorney both recommend choosing an option that involves adjusting the salary structure.

Trustee Burke suggested that we decide on a salary increase now and revisit the salary structure at a later time.

Motion: To pick option 2 as noted on page 43 of the budget narrative

Motion for Approval – 1st – Trustee Burke

2nd – Trustee Bartlett

Motion passes – 4-0

2025-2026 Year End

Director Farkas explained that under the "Gain (loss) on investments" (271-000.00-669.500) has been adjusted up to \$44,292, which will be reflected in the Proposed Year End Budget. Everything else remained the same, but the final -\$90,204.89 will be adjusted to reflect that increase in revenue.

Director Farkas directed the Board's attention to the 272 account, and explained that she got updates from the City on the interest investments and unrealized that went up and made adjustments accordingly. She made the adjustment to the Automated Materials Handling System to account for the addition equipment costs.

Trustee Dooley asked if we have to pay credit card fees when people book rooms with credit cards.

Director Farkas said there's a 3.1% charge that we are absorbing.

Trustee Dooley asked if the Library should add on that percentage to the room fees.

Trustee Burke explained that the Board decided to increase the cost of the rentals to cover the credit card fees at the last meeting.

Director Farkas answered Trustee Burke's question from the last meeting about printing and circulation fees. Last year the fees cost the Library \$2,000, and the charging fees already accrued this year are \$903, that the Library pays. We are looking at losing \$2,000 by eating that charge.

Trustee Burke suggested increasing all of the fees to account for those charges.

Director Farkas said she will be looking into that.

Defined Benefit Payoff

Director Farkas pointed out the historical information regarding paying off the Library's unfunded accrued liability. In 2010, it was \$150,000 to pay it off. The payoff amount now is over \$700,000. Paying it off in 2010 lasted just under 4 years that the Library did not have to pay.

Trustee Dooley asked how long it would last if we paid it off.

Director Farkas didn't know

Trustee Halvangis commented that the Library does not have the money to pay it off.

Director Farkas said that Trustee Sturing wanted to see about paying it off and then save the Library from paying it for some years.

Trustee Bartlett commented that in 16 years it went from zero to \$700,000. He pointed out that no investment would give you that kind of return. He is concerned that it is a volcano that will bubble and explode.

2026-2027 271 Library Fund Budget Document

Director Farkas discussed some updates to the proposed budgets. The cost of salt has gone up 85%, and she has updated the year-end budget already. She also updated the correct starting amount with the millage for 2026-2027 (1,084,409.00).

Director Farkas went over a few other updates to the proposed budgets.

Director Farkas directed the Board's attention to the Automated Materials Handling Systems 5-year contract and the options to pay year-by-year, or to pay in advance.

The Board discussed the small return for putting up such a large sum with our current budget restraints.

Motion: To pay year-by-year for the AMHS 5-year maintenance contract with Lyngsoe Systems
Motion for Approval – 1st – Trustee Burke
2nd – Trustee Bartlett

Motion passes: 4-0

Director Farkas continued pointing out other highlighted areas.

Board discussed different area libraries statistics and possible explanations for differences. In particular, the Board looked at how many libraries are closed on Sunday and considered how many non-residents may be using the Novi Public Library resources since their home libraries are not open.

Director Farkas directed the Board's attention to the proposed budget. This draft shows the projected

budgets for 2026-2027, 2027-2028, and 2028-2029 both with the future millage funding and without. The updates are in pink. She increased the State Aid revenue based on \$.53 per person multiplied by our population.

Trustee Dooley asked if they increased the State Aid.

Director Farkas said it was not raised, but they kept it.

Director Farkas will make the changes to the permanent, the temporary, and the social security now that option 2 was approved. She continued to point out areas that changed since the first meeting.

Discussed cost of programming and whether or not we should charge. As a public service, the Board came to the understanding that charging would not be appropriate.

Discussed the suggestion that we propose more than the .20 from the City Council in order to not be in a bind a few years out. It would not be an increase in taxes to the public.

Director Farkas will project out ten years with our budgeting for the regular February Board meeting so that the Board can better understand what the .20 will mean down the road.

Public Comment

No public comment

Board Members Individual Reflections

No individual reflections

Upcoming Dates:

- Regular Board Meeting – Thursday, February 13, 2025 at 7pm at City of Novi – Council Chambers

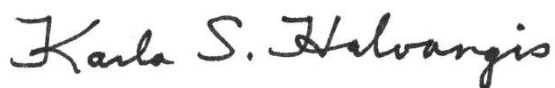
Adjournment

Motion: To adjourn at 7:54

Motion to Adjourn – 1st – Trustee Halvangis

2nd – Trustee Bartlett

Motion Passes – 4-0



Karla Halvangis, Secretary

February 12, 2026

Date