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

   **Library Board**
   Mark Sturing, President  
   Craig Messerknecht, Treasurer  
   Tara Michener, Board Member  
   Doreen Poupard, Board Member  

   **Library Board Absent/Excused**
   John Lesko, Vice President  
   Ramesh Verma, Secretary  
   William Lawler, Board Member  

   **Library Staff**
   Julie Farkas, Director  
   Marcia Dominick, Administrative Assistant  

   The meeting was held at the Novi Public Library, 45255 W. Ten Mile Road, Novi, Michigan, 48375, and was called to order by Mark Sturing, President, at 8:02 a.m.

2. **Pledge of Allegiance**
   The Pledge of Allegiance was recited.

3. **Approval of Agenda**
   A motion was made to approve the agenda as presented.

   1st – Doreen Poupard  
   2nd – Craig Messerknecht

   The motion was approved unanimously.
Documents provided at meeting:
- 2016-2017 Library Budget 268 2nd Draft
- City of Novi GroupMap Report; Long and Short-Term Goals
- Budget Narrative 2016-2017

4. **Budget Narrative 2016-2017**

1. **Unexpected Costs as of January 12, 2016**
   
   A. EMV Credit/Debit card devices for self-check workstations – estimate 9@$600
   
   - Low percentage of intake of funds based on cost
   - Meeting room payments – 95% credit card usage
     - Getting quotes for 2 based on usage - $1,200 approximate

   Credit card devices are needed, but not at all self-check stations – move to main counter.

   Barb Rutkowski is investigating Square technology at counters.

   **Credit Card Rates** – The percentage charged by MasterCard purchases is 2.275% and the charge associated with the use of a Visa is 2.288%. Along with the percentages, we are also charged additional assessments.

   B. The Library experienced a restroom issue this week that needed to be addressed by a plumber. The facilities staff did a great job of taking care of the emergency situation.

2. **Personnel**

   Julie Farkas provided changes to the Employee Compensation for 2016-2017. The proposed changes are indicated in red.

   We are using the performance management tool set forth by the City of Novi. This year based on the new form, Director Farkas is recommending a scale of 0% - 3% for performance salary increases. The salary increase would be awarded as of July 1, 2016. Those that would not qualify for the wage increase: hired after January 1, 2016, Red-lined staff (maximum salary cap), minimum wage recipients as their increase would be effective January 1, 2017.

   **Recommendation as of February 6, 2016**

   - 0% - Unsatisfactory
   - 1.0% - Improvement Needed
   - 2% - Meets Expectations
   - 2.5% More than Meets Expectations
   - 3% - Exceeds Expectations
Additional estimated salary budget for 16/17 based on %’s above for PT/FT staff (not included on budget documents): approximately $28,740 in salaries and $2,200 for Social Security.

Staff would receive percentage increases based on reviews.

The Library Board questioned the definition of More Than vs. Exceeds. Director Farkas would make this available to the Board.

Director Farkas indicated that a majority of the staff would be in the category of “Meets Expectations.”

7. Board Meeting Change (February 6, 2016)

A request to change the Library Board Meeting dates from the third Wednesday to the fourth Thursday was proposed. This day is available on the City of Novi’s calendar as there are no conflicts with other City meetings being held in Council Chambers on this day. This would allow enough time for closing of the financials for the month. The change for the Library Board Meetings would not take place until January 2017.

8. Building Assessment for Novi Library

The $6,000 Building Assessment cost is reflected in the budget.

9. My Coupon Genie Fundraising Campaign

The total collected to date for our portion of MyCouponGenie is $4,550.02. This fundraising effort was primarily shown in the 2014-15 budget year.

10. Health Insurance

The contribution has not changed, still 20% employee, 80% City. There are no anticipated changes to this arrangement.

11. 2016 Summer Reading Sponsorship flyer (February 6, 2016)

We have received two sponsors to date and both are from the Silver category indicating a donation of $750 each.

12. Friends of the Novi Library (Wish List)

A new item added to the Friends Wish List is a Laser Cutter – Hands-on technology for public (cutter and supplies) at the cost of $2,895.00.

The laser cutter is an encased device which can cut steel, leather, etc. The device would be used for crafts, programming, etc. There would be a cost to the public. Policies are being worked on, as well the as the cost associated with its usage. A proposal would be sent to the Library as there is an application process involved. The Laser Cutter could be used for business as well as educational purposes. A Board member questioned the staff time involved with
the use of this and the 3D printer. Director Farkas stated that at most one hour of staff time would be involved and that would consist of reading the proposal and the initial production of the product.

5. City of Novi GroupMap Report

The Library was mentioned in the City of Novi’s Goal Setting Session: make Improvements at Lakeshore Park – Build a New Building at Lakeshore including a library as part of the new building. This was indicated as a major goal for the City. Consideration for the Lending Library would be a vending style machine to distribute materials. This would be considered a satellite library at the North end of Novi.


Changes are highlighted in yellow

Revenues

- 567,000 - State Aid was submitted at the end of January. Should see another check this fiscal year.
- 664,000 – Interest on Investments - 2016-17 Proposed $30,000. Increased from the 2015-16 Approved amount of $24,000.
- 665,300 – Meeting Room – 2016-17 Proposed $32,000. Increased from the 2015-16 Approved amount of $28,000.
- 665,404 – Novi Township Assessment – 2016-17 Proposed $6,369; 2017-18 Projected $6,591 – 3.5% increase.

Total Revenues 2016-17 Proposed - $2,774,726
Total Revenues 2017-18 Projected - $2,855,953

Expenditures

Personnel Services

- 704,000 – Permanent Salaries – 2015-16 year-end figure of $842,000 is a good number. 2016-17 Proposed and 2017-18 Projected shows $789,000.
- 704,200 Wages (non-pensionable) – Stipend; document should indicate 2% increase instead of 3%.
- 704,250 – Final Payout – Two full-time positions vacation payout.
- 705,000 – Temporary Salaries – expecting a new part-time position by end of this fiscal year; minimum wage increase in 2017 expected.
- Salary increase of 2% is not reflected in the budget - $28,000 plus $2,200 in Social Security. The Library Board members present indicated that the staff should receive an increase in salary this year. The funds are to be indicated in the budget based on an average 2% increase - $28,000 along with $2,200 for Social Security. At vote, the members present voted to move forward with the increase. With the 2017-18 Projected fund balance usage, place a 2%
increase for salaries, but this is not a definite increase for staff, just earmarked – approximately $30,000.

- 715.000 – Social Security – 2016-17 Proposed shows $110,000 and 2017-18 Projected shows $110,000. Figure provided by the Director of Finance at the City.
- 716.000 – Insurance – 2016-17 Proposed shows $227,000 and 2017-18 Projected shows $227,000. Figure provided by the Director of Finance at the City.
- 716.200 – HSA – Health Savings Accts – 2016-17 Proposed shows $1,500 and 2017-18 Projected shows $1,500. Figure provided by the Director of Finance at the City.
- 716.999 – Insurance Employee Reimbursement - The Library Board questioned the costs as the figure should be at 20%, which should be ($45,400) not ($37,000). Director Farkas is to check on these figures. Figures provided by the Director of Finance at the City.
- The Fund Balance was expected to be available for ten years past the construction of the new building and it has. The Library Board stated that the fund balance has been handled extremely well.

**Total Personnel Services Expenditures 2016-17 Proposed** - $1,769,200  
**Total Personnel Services Expenditures 2017-19 Projected** - $1,769,200

**Supplies & Materials**

No changes to this category.

**Total Supplies & Materials Expenditures 2016-17 Proposed** - $601,300  
**Total Supplies & Materials Expenditures 2017-18 Projected** - $595,800

**Services & Charges**

- 855.000 – TLN Automation Services – 2016-17 Proposed shows $61,000; 2017-18 Projected shows $61,000. Internet increase - There was a bandwidth increase from 50-100 megabytes.
- 934.000 Building Maintenance – 2016-17 Proposed shows $100,000 and 2017-18 Projected shows $92,500 - $7,500 for cleaning of 70 fabric panels in 2016-17 fy- along with general maintenance. This account also covers HVAC/elevator maintenance, etc.
- 941.000- Grounds Maintenance – 2016-17 Proposed shows $33,000; 2017-18 Projected shows $33,000 - $8,500 Bioswale and lawn maintenance increase.

**Total Services & Charges Expenditures 2016-17 Proposed** - $523,700  
**Total Services & Charges Expenditures 2017-18 Projected** - $518,200

**Capital Outlay**

- 976.000 – Data Processing – Computers/Equipment – 2016-17 Proposed shows $56,000; 2017-18 Projected shows $26,000 (59 computers in 2016/17 to be
replaced; 27 computers in 2017/18 to be replaced). Public computers are replaced prior to the staff computers.

Total Capital Outlay Expenditures 2016-17 Proposed - $109,400  
Total Capital Outlay Expenditures 2017-18 Projected - $26,000

Total Expenditures 2016-17 Proposed - $3,003,600  
Total Expenditures 2017-18 Projected - $2,909,200

Total Fund Balance usage 2016-17 Proposed – ($228,874)  
Total Fund Balance usage 2017-18 Projected – ($53,247)

Fund Balance: There is an expected 2.4% increase over current year-end projections. Based on these calculations, we will still have a 12 year span to operate the Library with the use of the fund balance.

Library Assessment: The assessment conducted at the City of Novi Meadowbrook facility is on point on housing, but you won’t find the same accuracy for a library. Every report has its limitations. Director Farkas is to check to see if the assessment company used by the City of Novi has completed assessments on libraries. The Library has the funds available to complete major repairs on the building.

The Library Contributed Funds – 269 Account: These funds can be used for anything except for funds that were donated for a specific items/collections, etc. If the assessment is completed, funds could be set aside for future repairs and the funding could come from the Library Contributed 269 account. The Library Contributed Account 269 could be used for emergencies, i.e. a new roof, etc. too.

7. **Public Comment**

There was no public comment.

8. **Adjourn**

A motion was made to adjourn the meeting at 9:54 a.m.

1st – Tara Michener  
2nd – Craig Messerknecht

The motion was passed unanimously.

February 17, 2016

Mark Sturing, President  
Date