

**CITY OF NOVI LIBRARY BOARD  
MINUTES, SPECIAL MEETING  
BUDGET STUDY SESSION  
February 23, 2013**

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

**Library Board**

Mark Sturing, President  
David Margolis, Treasurer  
Larry Czekaj, Board Member  
Larry Kilgore, Board Member

**Absent and Excused**

Willy Mena, Vice President  
Scott Teasdale, Secretary  
Ramesh Verma, Board Member

**Library Staff**

Julie Farkas, Director  
Marcia Dominick, Administrative Assistant

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

**2. Budget Proposal Comparisons 2013-2014**

David Margolis, Treasurer, provided a 2013-2014 Budget Proposal Comparison based on the initial Library Board's Budget Study Session held on February 9, 2013. The comparison provides a 3-year historical view starting with the 2009-2010 fiscal year to the current budget of 2012-2013, along with a forecasted comparison of the original budgeted figures. He also provided the proposed 2013-2014 fiscal year's budget and the forecasted 2014-2015 fiscal year's budget and how the figures compare.

**3. Proposed 2013-2014 Proposed Budget Draft 2: February 23, 2013**

Julie Farkas, Director, stated that there were no changes in the revenue provided initially at the February 9, 2013 Budget Session. She has highlighted the discussed changes in expenditures (listed in the green section) from the 2013-2014 Proposed budget to the 2013-2014 Revised budget figures.

## **Expenditures**

### **Personnel Services**

Permanent Salaries – 268-000.00-704.000:

- Proposed \$907,000.00
- Revised \$928,600.00; 20 full time employees including the full time Communications Coordinator position (new hire).

Salary Stipend 2012-2013: Estimated Year-end figure \$50,000.00 for Permanent and Temporary employees. This figure includes the base dollar figure of \$500 for Permanent and \$200 for Temporary employees, plus 1.25% of their salary. With the offering of this stipend, the fund balance is not to exceed the approved fund balance figure. At this time, the proposed fund balance usage is expected to be approximately \$194,634.41.

Salary Increase 2013-2014 fiscal year: Revised Budget of \$25,500.00 – 1.5% for Permanent and Temporary employees. This figure is a salary increase for this time period. The Library Board also considered a one-time stipend of \$50,000.00, but this figure is not reflected in the proposed budget. There was much discussion on this topic; stipend vs. wage increase. The Library Board was divided as to a dollar figure for a stipend to be provided from the fund balance at year's end. The Library Board was also divided as to where the figures should be shown; from fund balance or figured in the budget. Also discussed should the salary increases be based on merit or flat rate.

- It was determined that for the 2012-13 fiscal year that the staff will share a \$50,000 stipend.
- For the 2013-14 fiscal year, the staff will not receive a stipend, but will receive a 1.5% salary increase. Three of the four Library Board members were in favor of this decision.

It was suggested that the stipend figures be shown in the Contingency section of the Fund Balance line and should be carried across to the projected columns.

Additional Hours Salaries: Revised Budget \$55,700.00 – This cost is for the additional hours of operation Fridays until 7 p.m.; Sundays year round 12-6 p.m.

The Library Board discussed the proposed Friday closing times and based on other libraries in the area and their close time, it was suggested that Option E - Friday closing at 6 p.m.; Saturday closing at 6 p.m.; and Sundays year-round hours of operation of 12-6 p.m. is the best option for the Library. This change would be implemented September 2013.

Health Savings Account – 268-000.00-716.200 - \$8,000.00 – Proposed/Revised 2013-14 budgets. This figure was provided and carried through to future years for the coverage of the full time Communications Coordinator position.

Workers' Compensation – 268-000.00-720.000 - \$5,300.00 – Proposed/Revised 2013-14 budgets. This figure was provided by the City of Novi Finance Department and will carry through to future years.

### **Supplies & Materials**

#### **Supplies**

Computer Supplies Equipment – 268-000.00-734.500 - \$35,000 has been moved to the Capital Outlay section of the 2013-14 fy budget and will receive a new line item number. The budgeted amount will cover the purchase of computers for nine (9) staff members; Smartphone readers; iPad for the reference department.

## **Materials**

Books – 268-000.00-742.000 – The Proposed/Revised budget for 2013-14 fy is \$220,500.

Periodicals – 268-000.00-743.000 - The Proposed/Revised budget for 2013-14 fy is \$20,000.

Audiovisual Materials – 268-000.00-744.000 - The Proposed/Revised budget for 2013-14 fy is \$56,500.

Electronic Media – 268-000.00-745.200 - The Proposed/Revised budget for 2013-14 fy is \$55,700.

Online Resources – 268-000.00-745.300 - The Proposed/Revised budget for 2013-14 fy is \$60,000.

## **Services & Charges**

Custodial Services – 268-000.00-817.000 – This line was increased by \$1,200 to cover the additional hours of operation.

Programming – 268-000.00-880.268 – The Proposed/Revised budget for 2013-14 fy is \$26,000. This is an increase of \$6,000 over the previous fiscal year; additional funds to cover programming also come from generous donations by the Friends of the Library.

Water and Sewer – 268-000.00-923.000 – This line was increased by \$3,400 to cover the additional hours of operation.

Ground Maintenance – 268-000.00-941.000 – The figure provided, \$25,000, already includes weeding and mulching so this is a good figure to use for the 2013-14 fy budget.

## **Capital Outlay**

Furniture – 268-000.00-976.000 - The Proposed/Revised budget for 2013-14 fy is \$8,800 and is to cover the furniture expansion for the CD music collection.

A Library Board member stated his concern that the Library is not using the fund balance fast enough.

A majority, if not all of the Friends of the Library donation of \$20,000, is to be spent in the 2012-13 fiscal year as that is when the funds were received.

A canopy at the front entrance is being investigated.

It was suggested that for the 2014-15 fiscal year budget that the Library's landscape should be revisited.

Julie provided a Budget Narrative 2013-2014 which was revised based on the February 9, 2013 Budget Study Session. Major changes were highlighted and have been provided under each category.

### **1. Personnel: Salary Considerations for Library Employees / Accounts: 704.000/705.000**

#### **A. One-time pay-out for Library Employees**

\*Costs include Social Security (7.65%)

#### **B. 2013-2014 Salary Considerations for Library Employees**

No changes in this category from the February 9, 2013 Budget Study Session.

**C. Consideration for a Full-time Communications Coordinator for the Novi Public Library. Additional cost to the Library: \$31,300 (salary and benefits)**

\$31,300 salary and benefits were changed from the original proposal of February 9, 2013.

Additional tasks assigned to this position: Library volunteer program, Marketing/PR for the Friends of the Novi Library, Programming opportunities.

**2. Hours of Operation: Consideration for an Increase**

**Option E:** Adding 1 hour of service on Fridays/Saturdays and Sunday hours 12-6 p.m. year round. A total of 4 hours per week, plus an additional 12 Sundays. Implementation September 2013. Cost: \$57,517.00 (Includes Social Security costs).

Avg. Utility Costs: \$3,400.

**Option F:** Adding 2 hours of service on Fridays and Sunday hours 12-6 p.m. year round. A total of 4 hours per week, plus an additional 12 Sundays. Implementation September 2013. Cost: \$55,710.00 (Includes Social Security costs)

Additional Cleaning Cost for Sundays in the summer: \$1,200.00

Avg. Utility Costs: \$3,400

**3. Staff Training: Consideration for an Additional Staff In-Service Day**

Board considered one-time – June 2014.

**4. Friends of the Library: 2013-2014 Wish List for \$20,000**

No changes in this category from the February 9, 2013 Budget Study Session.

**5. Historical Commission 2013-2014 Budget**

No changes in this category from the February 9, 2013 Budget Study Session.

**6. Fundraising efforts as of July 1, 2012**

No changes in this category from the February 9, 2013 Budget Study Session.

**7. Library Awning for Staff Entrance**

Cost of the awning \$3,400.00 (based on permits/drawings)

**8. Reports**

No changes in this category from the February 9, 2013 Budget Study Session.


**4. Adjourn**

A motion was made to adjourn the meeting at 9:35 a.m.

1<sup>st</sup> – Larry Czekaj

2<sup>nd</sup> – David Margolis

The motion was passed unanimously.



\_\_\_\_\_  
Mark Sturing, President

March 20, 2013

\_\_\_\_\_  
Date