



Auburn Hills Public Library

APPROVED

MINUTES FOR June 16, 2015

Location: Small Meeting Room, Auburn Hills Public Library,
3400 East Seyburn Drive, Auburn Hills, Michigan 48326. Phone: 248-370-9466

1. Call to Order: President Vickie Ellis called the meeting to order at 5:45 p.m.

2. Roll Call: Present: Vickie Ellis, Sean Johnson, Angela River, Toni Whitley
Also Present: Stephanie McCoy, Library Director
Absent: Donna Quince-Cobb, Scott McCallister
Guest: 3

3. Approval of the Draft Agenda:

a. June 16, 2015

**Moved by S. Johnson with the following revision:
Move "New Business" ahead of "Old Business".
Seconded by A. River.**

**Vote: Yes: Ellis, Johnson, River, Whitley
No: None**

Motion carried (4-0)

- V. Ellis stated that S. Johnson will be assisting her with facilitating the meeting due to medical complications.

4. Approval of Draft Library Board Minutes:

a. April 28, 2015 Regular Library Board Meeting

**Moved by V. Ellis to approve the April 28, 2015 Library Board Minutes as presented.
Seconded by A. River.**

**Vote: Yes: Ellis, Johnson, River, Whitley
No: None**

Motion carried (4-0)

b. April 28, 2015 Closed Session

Moved by V. Ellis to approve the April 28, 2015 Closed Library Board Minutes.
Seconded by A. River.

Vote: Yes: Ellis, Johnson, River, Whitley
No: None

Motion carried (4-0)

5. Financial Report:

a. April 30, 2015

S. Johnson reported as of April 30, 2015: Total assets are: \$1,446,706.87. Total liabilities are: \$10,329.56. Total fund balance YTD is \$737,232.15. Total liabilities and fund balance is \$1,446,706.87. Total revenues YTD are \$1,013,274.18. Total expenditures YTD are \$354,774.56.

b. May 31, 2015

S. Johnson reported as of May 31, 2015: Total assets are: \$1,366,404.25. Total liabilities are: \$15,748.92. Total fund balance YTD is \$777,877.69. Total liabilities and fund balance is \$1,366,404.25. Total revenues YTD are \$1,016,567.91. Total expenditures YTD are \$443,790.27.

Approved by consensus

6. Library Director's Report:

- S. McCoy asked if there were any questions, comments or concerns regarding her report.
- V. Ellis inquired about the staff meeting. S. McCoy responded by discussing agenda topics of the staff meeting.
- A. River stated that the staff did a wonderful job facilitating the book sale. There were several volunteers on hand to assist with the book sale. The Summer Reading Kick-Off Program had a great vibe with the live band, which was different than in the past, and she stated that her son was around the 100th child to sign up for Summer Reading Program, and she arrived relatively early. She commented on the huge turn-out for the Summer Reading Program Kick-Off.
- T. Whitley inquired about our location for Summerfest.
- S. McCoy announced that State Aid was received.
- S. Johnson inquired about the recommendation to transfer the book sale proceeds.

Moved by A. River to amend the budget in the amount of \$2,190.81 to go towards programs, projects and supplies.

Seconded by V. Ellis.

Vote: Yes: Ellis, Johnson, River, Whitley
No: None

Motion carried (4-0)

- A. River stated that she reviewed different Libraries' statistics on the State's website and looked at our circulation and patron card holder statistics and inquired about the decline in numbers, and asked if we should look at technology trends and how to attract more patrons, and asked if this is something that should be reviewed during a strategic planning process, and what are libraries discussing at conferences.
- S. McCoy acknowledged the decline in circulation statistics, but pointed out that patron door count has increased which means people are utilizing the Library for other services. She stated during the last conference she attended, the focus was library space, and transforming space into a more patron-friendly gathering place.

7. New Business:

a. Plante Moran

- Michelle Watterworth and Justin Kolbow presented an overview of the financial performance of the Library's financial activities for the fiscal year end of December 31, 2014 and a financial chart of historical trends.
- S. Johnson inquired about the property taxes of 1 million dollars going towards 2015 revenue.
- M. Watterworth discussed the excess revenue over expenditure in the amount of \$40,000, which will be added to the general fund of the Library.
- V. Ellis asked for clarification on expenditure and revenue under administrative charge, and does it encompass the Library administration, or charges to the City from the Library, or is this the charges from the City to the Library? J. Kolbow stated that these are charges from the City to the Library. V. Ellis asked is that also the same definition for communications? J. Kolbow stated no, communication is a separate? V. Ellis asked what data did they use to get this number, or was this a provided number for administrative charges. M. Watterworth stated that these numbers are the physical amount of money that was paid by the Library to the City, with no calculation on Plante Moran's part.
- A. River inquired about the deposits and investment numbers. Currently, there is an approximate value listed in this audit report, but in reviewing prior audit reports there was no reference to a disclosure of deposits and investments. M. Watterworth stated that she didn't know what A. River is referring to in the previous audit reports, because the Library has always had investments held by the City and this current audit report accurately states what you would see at year end 2014.
- J. Kolbow then reviewed the historical chart package, which focuses on the Library's general fund. J. Kolbow stated that property taxes decreased by 18% (\$226,000) since 2010, but due to the Library Board and Director's proactive and forward thinking in anticipation of the revenue decline in property taxes, since 2010 total expenditures decreased by 25% (352,000), the Library is in a great financial position.
- S. Johnson stated that fund balance is at 72.7%, and we are in great shape to plan for future Library activities.
- M. Wentworth discussed the end of audit letter. There are three sections that were discussed. Section one highlights internal control items. Capital assets should be tracked and executed at

the Library level and not Plante Moran. S. Johnson inquired if this was part of City services. S. McCoy stated that she provides those numbers to Justin. J. Kolbow explained the process of depreciation over the last four years. S. Johnson inquired if we have the personnel to support this function. S. McCoy stated that we will try with the proper training. J. Kolbow stated he will assist in depreciation training. M. Watterworth reviewed section two, required communications. There were no observance of significant deficiencies in the Library's accounting principles. M. Watterworth reviewed section three, which is legislative and informational items regarding property reviews, expenditures and upcoming accounting items for the upcoming year. M. Watterworth commented on new accounting standards that the Library will be subjected to next year. The change will impact how the Library is accounting for its pension expenditure and pension cost. Up to this point, the City tells the Library what to contribute towards pension, and as long as we contribute the amount the City tells us to pay, the Library has no liability-related to pension. The Library has retirees and will most likely have a liability related cost towards those few retiree's benefits, because the City's pension fund is not fully funded. In the next two to three years, there will be healthcare liabilities. Those numbers are not determined by the City but calculated on a percentage.

b. Freedom of Information Act Policy Draft

- S. McCoy gave a brief overview of FOIA procedure and guidelines, along with the itemization schedule, mandated by the Michigan state statute.
- A. River asked who has historically responded to FOIA requests for the Library. S. McCoy stated that the public body that owns the information should respond to the FOIA. S. McCoy stated that she has received one FOIA since her employment at Auburn Hills Public Library, and it was regarding the building utilities, which was given to the City Clerk because that information is housed at the City offices, not the Library. S. Johnson stated that if there was a FOIA specifically for the Library, these FOIA guidelines are setting the foundation for those situations. The new requirements for the statute take effect July 1, 2015.
- A. River read the Resolution to Approve FOIA Procedures and Guidelines, A Written Public Summary and Detailed Itemization, in its entirety.

Moved by A. River to accept the Freedom of information Act Resolution approving the submitted FOIA Procedures and Guidelines, Summary of FOIA Procedures and Guidelines, Auburn Hills Public Library Detailed Itemization.

Seconded by V. Ellis.

Vote: Yes: Ellis, Johnson, River, Whitley

No: None

Motion carried (4-0)

c. Strategic Plan

- V. Ellis requested that the Board consider having a strategic planner company come in and assist us with our future planning. V. Ellis requested that the Library Director is to garner quotes and report back to the Board in July.

d. Director's Evaluation

- V. Ellis will distribute the evaluation forms to the trustees and they will follow the same process as last year.

8. Old Business:

a. Financial Handbook

b. Employee Travel & Transportation Expense Reimbursement

c. Employee Expense Reimbursement

- V. Ellis stated items 8(a), 8(b) and 8(c) are all City policies and procedures, and we don't really have any input and it was given to the Board for informational purposes.
- A. River clarified that these are City policies, we don't have to make changes, and we just add them to our manuals.
- V. Ellis stated that there is no action required, and these items should be removed from the agenda. All Board members agreed by consensus.

d. Closed Session - Lease Negotiations

Moved by A. River to go into closed session at 6:47 p.m. for the purpose of lease negotiations.

Seconded T. Whitley.

Vote: Yes: Ellis, Johnson, River, Whitley

No: None

Motion carried (4-0)

Moved by A. River to end the closed session and go back into open session at 7:39 p.m.

Seconded by T. Whitley.

Vote: Yes: Ellis, Johnson, River, Whitley

No: None

Motion carried (4-0)

Moved by S. Johnson to authorize the Director to follow up with the Library Attorney regarding the proposed Lease Agreement.

Seconded by A. River.

Vote: Yes: Ellis, Johnson, River, Whitley

No: None

Motion carried (4-0)

9. Call to the Public:

- Janet Mitchell of Auburn Hills. J. Mitchell discussed the history of the Friends of the Library, and stated her desire to reclaim the Library's book donation room, go to public events with the Library and re-establish a working relationship with the Board of Trustees and the

Library Director. J. Mitchell stated that if this Board will not help the Friends of the Library, then the next Board will, because everyone is temporary here.

- Fox River of Auburn Hills stated that he liked the books here at Auburn Hills Public Library.

10. Comments from the Board (Communications):

- T. Whitley had no comment.
- A. River had no comment.
- S. Johnson stated that if we frame it correctly, he thinks the Board could re-establish a relationship with the Friends of the Library, and he is willing to take on that endeavor. It will take baby steps to get there but he thinks it could be accomplished.
- V. Ellis stated the absent Board member will receive a copy of the Director's evaluation form. Second, the City received a FOIA request from an Auburn Hills resident requesting information about the Library. Third, the Library and the Friends of the Library should re-establish a working relationship, but remember there are two sides to every story: the Friends' of the Library's side, and communication from the Library's side. Just like we would like to come and mandate things with the City, we need to put forth an effort to say "what is the problem" and "what do we need to do to resolve the problem", with both parties. V. Ellis thanked everyone for their attendance tonight because this was a critical meeting, and when we don't have a quorum we cannot facilitate the business at hand.
- T. Whitley inquired about the FOIA request received and why the resident requested information from the City Clerk and not the Library Director.
- V. Ellis stated that now we have a policy in place to address that.
- A. River submitted a sample audit chart from another Library.

11. Adjournment:

Meeting adjourned at 7:51 p.m. by consensus.