

ST. CLAIR COUNTY LIBRARY BOARD OF TRUSTEES REGULAR MEETING MINUTES

TIME & PLACE: 6:30 p.m. Tuesday, August 16, 2005  
1175 Delaware Boulevard, Marysville, Marysville Public Library

PRESENT: BOARD MEMBERS: Arnold Larson, Lynn Moran, Kathy Nicholl, Helen Praet and Peter Vernier. DIRECTOR: James Warwick.

ABSENT: None

ALSO PRESENT: Administrative Secretary, Kimberley Radatz; Adult Services Coordinator, Allison Arnold; Assistant Branch Librarian, Anita Jackson; Assistant Director, Stanley Arnett; Branch Coordinator, Peggy Guoin; Branch Librarian, Vickie Hurley; Clerk Typist I, Cathy Kilbourn; Librarian I, Dale Kittendorf; Librarian IA, Mary Jo Koch; Librarian IA, Mary Redigan; Library Assistant I, Barb Adent; Library Assistant I, Faith Wormsbacher; Library Clerk, Susan Bowen; Library Clerk, Pat Schade; County Commissioner, Pamela Wall; Joann Fick, Jeanne Howell, Gretchen Krug, Kathleen McCready and Kathleen Wheelihan.

Prior to Library Board Meeting Director Warwick gave a slide presentation on the Library System which was presented at the County Commissioners last Wednesday meeting. Presentation started at 6:37 p.m. and ended at 6:57 p.m.

I. CALL TO ORDER AND ATTENDANCE BY Chairperson Vernier at 6:57 p.m.

Pledge of the Allegiance

II. APPROVAL OF AGENDA: Director Warwick asked the board to add Burtchville Township Branch under New Business. Member Larson suggested to move from under Old Business letter b and c (Special Report and Library Director's Contract/Evaluation) to the later part of the meeting. Chairperson Vernier explained the Special Report would not be discussed at tonight's meeting because they just received it tonight. Director's Contract/Evaluation was moved to after Board Reports to IX.  
Moved by Member Larson and supported by Vice-Chairperson Moran to approve the amended Agenda. Motion unanimously carried.

III. CITIZENS' COMMENTS:  
Cathy Kilbourn has worked for the Library for over seven years and spoke of her dissatisfaction of Library administration.

Barb Adent from the Main Branch spoke on communication concerns and director's membership in Rotary.

Kathleen Wheelihan recently retired after 27 years and spoke on her perceptions of staff issues.

IV. APPROVAL OF MINUTES: Moved by Member Larson and supported by Member Nicholl to approve the July 19, 2005 Regular Meeting Minutes. Motion unanimously carried.  
Member Praet asked about approval to fill positions. Member Praet asked if it was voted on by the County Commissioners? Chairperson Vernier said it was a policy statement. Member Praet asked Commissioner Pamela Wall if they could have called him on this. Her reply was yes, but the County board was in an agreement. We needed to have a hiring freeze. We're looking at lay offs.

V. FINANCIAL REPORT:  
a) Approval and Ratification of Bills.  
Moved by Member Larson and supported by Member Nicholl to approve the Regular invoices for July 2005 totaling \$13,659.72 and Millage invoices for July 2005 totaling \$66,657.12. Motion unanimously carried.  
Director Warwick noted there are two invoices over \$10,000 and explained in his Director's report.

- b) Acceptance of Financial Report.  
Director Warwick explained the Income statement for the Millage budget we are doing ok. Current Property Tax is down about \$3,000, Personal Property Tax is up \$6,000, and Delinquent Property Tax is down. Interest revenue is up. Donations and refunds have been higher so we are up about \$29,000 in terms of the Millage budget. The Regular budget: fee's may be down by \$6,700 and fines by \$29,000. Court fines is a mistake in the Treasurers Office. Penal fines are down by \$90,000 and rent is down about \$8,000. Calculating these areas we are down about \$135,000. In terms of personnel expenses (currently 15 of 26 pay rolls) both in the Millage and Regular Budget we should have a little surplus: \$51,000 in the Millage budget and \$86,700 in the Regular. Director Warwick is to provide more detail on Library material purchase orders at the next board meeting.  
Moved by Member Praet and supported by Vice-Chairperson Moran to accept financial reports. Motion unanimously carried.

VI. COMMUNICATIONS:

- a) Library Director's Report.  
Director Warwick explained he received a call from Deputy Comptroller Bob Kempf explaining the cost were down about \$500 per employee who receives health benefits, which totals \$13,000. We can use this else where in the budget. Thoughts might be more funds in staff training and or Yale requested a book drop or take the full amount and reduce our budget by this amount. On Friday October 21<sup>st</sup> at 6:00 p.m. the Friends of the Library are sponsoring a fundraiser located at the Fogcutter. Money is going to be put into the Library Endowment Fund. Director Warwick noted he is concerned that our circulation is down by 11 1/2 % for July.
- b) Department and/or Committees.
- c) Other.

VII. OLD BUSINESS:

- a) Detroit Edison Company Tax Assessment Appeal Letter.  
Director Warwick noted nothing has been heard.
- b) Special Report (Ad hoc committee).  
Chairperson Vernier explained he would like to review the report before it is discussed and this report should be confidential until they are ready to release it. Member Praet explained her and Vice-Chairperson Moran spent a lot of time on this report and we do want the board's input on what has been written. Asked if the board is going to bring their comments next month also asked if this would be discussed in private or in public? Chairperson Vernier noted it depends on what's in the report. If its policy type things no there's no reason not to discuss it in a public meeting. Also noted certain things might be edited from the report and used for separate information only. The board has the right to edit the report and at this time we are not prepared to edit it because we have not read it.  
Moved by Member Praet and supported by Member Nicholl to table the Special Report to the September Board meeting. Motion unanimously carried.

VIII. NEW BUSINESS:

- a) Approval to purchase 56 Dell computers and 56 monitors.  
Director Warwick explained he called Chairperson Vernier for approval on the computer and monitor purchases because we needed to order now before the pricing went up. The cost of the computers was \$30,629 and monitor cost were \$12,264 with shipping of \$1,064 the total amount was \$43,957. This is less than what we expected and is in the budget.  
Moved by Member Larson and supported by Vice-Chairperson Moran to approve the purchase of 56 Dell computers and 56 monitors. Motion unanimously carried. Member Larson made a comment that he appreciated Director Warwick contacting Chairperson Vernier because sometimes you can't wait for the next board meeting.  
Director Warwick noted he authorized a replacement of one of the laptops and also noted in our next year budget we are replacing our printers but not sure if some of them are going to last for the whole year, again he might have to come back to the board regarding this and might have to spend over the budget.
- b) Approval to purchase Smart (library) Cards.  
Member Praet asked wasn't there a problem with the cards before? Director Warwick explained one of the IT staff members found out the problem wasn't the reader themselves but

a virus on the system that had not been previously detected so we have been able to reused a lot of them. Cost of the smart cards is \$38,500 and has been budgeted for.

Moved by Member Praet and supported by Member Nicholl to approve the purchase of Smart cards. Motion unanimously carried.

c) Approval of INFO USA Library package – new database.

Director Warwick explained this purchase is part of our material budget and this will be reviewed at the end of the year to see how much this is being used (August to August).

Moved by Member Larson and supported by Member Praet to approve the purchase of INFO USA Database (business package) totaling \$12,470 for one year. Motion unanimously carried.

Library Board took a 12-minute break and resumed meeting at 7:54 p.m.

d) County Audit.

Director Warwick referring to page 42 in the County audit (under appropriation that were made out of the General Fund) the Library received \$256,451 and expended \$290,212. The variants is \$33,761. On page 96 (Other Financial Resources), the report said amount transferred was \$248,617 (while the other page said \$256,451) the difference being \$7,834. That amount was due to Board Chairperson Randy Fernandez with County Commissioner Lee Masters for Page money. The other amount \$33,761 remaining is Single Business Tax, which we were due. Referring to Page 96 under Excess of Revenue the County said we had under spent \$264,000. Director Warwick's explained he has gone through the budget based upon what we authorized. In some cases the County used the amended budget and other places they used the regular budget. By his calculations we under spent by \$194,000 with the \$41,000 in added income it brings it to \$236,000. He does have an appointment with Paul Bailey to go over the audit in more detail to find out more information about this. Chairperson Vernier asked when did they start giving us the penal fines on a monthly basis? Director Warwick noted this year, and that's why the adjustment of \$415,000 had to be made. That was the excess funds from last year so it had to be accounted to last years budget. This is the amount that we never found out about until July of next year when we receive the audit. We were always in the fog about that and it made budgeting that much more difficult. Member Larson noted its unfortunate that the Times Herald was being critical about our budget and our fund balance and neglected to point out the \$415,000 is a one time allocation based upon the change in the disbursement process so its not something that we anticipated or knew about. Chairperson Vernier noted we would have not known about it for another six months.

Director Warwick explained the audit in detail: Salary we were over spent, Operating Supplies we were under spent by \$16,700. We were trying to live as frugally as we possibly could because we didn't know what was going to be happening at year-end. Telephone we budgeted \$25,000 and we spent \$19,000. Printing and Publishing we saved \$5,000 on the newsletter because we only printed three newsletters, Postage we saved \$5,000. One area unfortunately was programming. We budgeted \$14,000 and spent \$4,000. Repairs budgeted \$9,000 and spent \$3,000, Refunds Paid - Curtis Paper \$6,800 we didn't anticipate this expense. Electric budgeted \$53,300 and spent \$46,300. Gas Utility budgeted \$22,000 and spent \$16,600. Water budgeted \$2,500 and almost spent \$4,000. Repairs budgeted \$2,000 and spent \$600. It was a little more difficult in Capital Outlay because the way we had things budgeted and the County decided to take it out of a different line item. Where we had \$15,000 they had us spending \$83,500 this was made up under software licenses so it came out to be \$65,000 in that budget and we spent \$83,000. Member Larson explained their chart of accounts might be different. Hardcover books budgeted \$303,000 and spent \$314,000; Paperbacks budgeted \$10,000 and spent \$17,600. Audio Visual budgeted \$240,000 and spent \$133,000. Member Praet asked who keeps track of how much money they spent? Director Warwick noted Lorraine Datres has a spreadsheet, which keeps track of how much the branches have to spend. Electronic budget \$48,600 and spent \$48,700. Newspapers we budgeted \$33,000 and spent \$48,000. Reason why this happened is because when Faxon went out of business we had to pay double for some of those subscriptions. The way he was able to figure the overage and underage he came up with \$194,000 with the \$41,000 added income from the Single Business Tax and Page funds he came within \$236,000. Referring to page 90 Member Larson explained the fund balance is 1.9 million but out of that there is a prepaid expense of \$28,157 and \$343,500 set a side for Detroit Edison Tax Tribunal up

through 2004. It leaves \$1,559,000 in the fund balance which was impacted by the \$415,000 from penal fines that we totally unexpected. But we do have a little over 1.5 million dollars available in unrestricted dollars. Director Warwick noted if we get the same amount from the County, the same situation as last year if we have that deficit of \$283,000 and you subtract that from \$1,559,000 that leaves our fund balance at \$1,276,000 where it was last year. So it's a good thing we under spent and we had the money because we are right back where we were at this point. Member Praet asked what are we suppose to have in the fund balance? Director Warwick explained the recommendation is to have enough money to pay bills for three to four months. About a million dollars. Member Praet asked if this could be reported in the Times Herald because everyone is thinking we have almost \$2,000,000. Director Warwick explained he is writing to the Times Herald Editor.

Moved by Member Larson and supported by Vice-Chairperson Moran to receive the County Audit. Motion unanimously carried.

e) Goals.

Director Warwick explained he has produced some goals (not for action) and has only shared with administrative staff; it is to give them an idea of some areas where he thinks needs work on and would like their input.

Member Larson noted following the Director's evaluation he thinks a committee of two should be appointed to work with him to develop those objectives for the Library system for the next year and then be brought back to the board for approval. This might take a month or two but thinks this is a good way to operate. This should be collectively agreed, each goals and objectives for the Library system and as well as individually for our Director. We also have some needs of measurements that state that, and it really comes a part of the Directors evaluation as to oppose to the current system being used.

f) Burtchville Township Branch.

Director Warwick noted at the Burtchville's Monday meeting the board approved a new building its location is between the old Township Hall and Eastern Michigan Bank. Public service area would be 1,140 square feet. Member Larson asked if the Township Board was doing a bond for this? Assistant Branch Librarian Anita Jackson explained there are a couple different options. Currently the Township is getting ready to approve a new cell phone tower, which would generate revenue. They also have two contractors on their Trustee Board. Also mentioned at their pig roast they raised \$1,600 with 220 people attending. Director Warwick asked Ms. Jackson is Don Sheldon aware of the fact we only have money in our budget to operate it from July on. Absolutely he is aware of that she replied. Chairperson Vernier noted to Director Warwick to make sure he gets a review of this before hand so we can get this set up as part of building it. Director Warwick explained another concern was asked by one of the county commissioners, how could we justify extending service to that area when we are running a deficit budget? His response was, the political process we do need to get those people to vote for the library Millage and secondly the distance/traffic and terms of this is practically it's an un-served area for the county. We have scaled back the magnitude of what we were doing until financial times became better. This is all part of the equation. Member Praet noted in our 2006 budget we are already committed to get Burtchville up and running in this new building. Chairperson Vernier noted as long as we have the funds yes, but we are also saying we are committed in putting the new equipment in their new building. We might have the equipment in there but no money to run it. It depends on what the County is going to do with their budget. Assistant Branch Librarian Anita Jackson mention all what the Township board is looking for is at least the commitment of the fiber optics before they start putting all this money into a new building. Chairperson Vernier asked for a resolution from the board that we could send to Burtchville Township Board stating we are committed to put the fiber optics in their building as long as we have the funds.

Moved by Member Larson and supported by Member Nicholl to send a resolution stating the Library Board is committed to fund the new building in Burtchville with their fiber optics including equipment and furniture. Roll count taking by Administrative Secretary Kimberley Radatz: Member Larson yes, Member Praet yes, Chairperson Vernier yes, Vice-Chairperson Moran yes and Member Nicholl yes. Resolution passed.

g) Board Member Reports.

Member Nicholl – Yale things are holding with the IT Department, the Summer Reading Program went well over 200/300 participates in each children's and adult programs. They were very pleased with their response even though there was a lack of programming over all. Vice-Chairperson Moran – Nothing

Member Praet – Couldn't visit but called her libraries. Introduced the Marysville Branch Librarian Vickie Hurley she explained the Summer Reading Program went real well also this year with an increase in the adult participation, children's program was down a little bit. Marysville is hosting an introduction program to kayaking on September 12<sup>th</sup>. In October Marysville is going to have their annual open house sponsored by their Friends featuring the Marysville Room which will have a collection of Marysville photos and documents also noted their computers are going good. Spoke with St. Clair Branch Librarian Julie Alef her Summer Reading Program was about the same as last year but noted the people who did participate in the Reading Club they actually read more then they did last year. She is still receiving complaints about the library not being open on Saturday in the mornings. They are having problems with coverage. Also asked about what is being done about the floater? Director Warwick noted they just received approval for the position. Spoke with G. Lynn Campbell Branch Librarian Jane Perukel. Their Summer Reading Party was July 30<sup>th</sup> and also their Friends group sponsored a Sunday bar at noon, sounded neat. Received two-hundred slips for their Adult Reading Program and was a little up set there was only one prize system wide for the adult reading program.

Member Larson – Was kind of pleased with some of the coverage the Times Herald did on summer activities.

Chairperson Vernier – Noted that the budget meeting was an interesting project and thought everyone would have enjoyed to watch the processes they went though in the different opinions of the different county commissioners. Also noted he thought we had a very good presentation provided by Director Warwick and even those people who really didn't care were interested in watching it and found it to be interesting. Also noted at times during the meeting it was almost the same as smacking your head against a brick wall. It wasn't so much how can we work this out to give the people of the County continued library support. It was we don't care we just need to cut money and the library is a good place to cut it. Not all commissioners thought this. It was very up setting.

NEXT REGULAR MEETING DATE. Tuesday, September 20, 2005 at 6:30 p.m., located in the Gilbert Wilcox Meeting Room at the Main Library, 210 McMorran Boulevard, Port Huron.

Chairperson Vernier announced the Library Board was going into a Closed Executive Session for the purpose of the Library Director's Contract and Evaluation.

Moved by Member Larson and supported by Vice-Chairperson Moran to go into a Closed Executive Session.

Library Board took a 10-minute break to clear the room at 8:49 p.m.

Closed Executive Session 8:59 p.m.

IX. Library Director's Contract/Evaluation.

Moved by Member Larson and supported by Member Praet to table Library Director's Contract/Evaluation and to have action taken at the September Board meeting. Motion unanimously carried.

X. Adjournment. Meeting adjourned at 10:21 p.m.

Respectfully Submitted:

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Peter J. Vernier, Chairperson

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James F. Warwick, Director/Secretary