

Auburn Hills Public Library

APPROVED AUBURN HILLS PUBLIC LIBRARY MINUTES FOR June 23, 2009

Location: Large Meeting Room, Auburn Hills Public Library 3400 E. Seyburn Drive Auburn Hills, Michigan 48326

1. **Call to Order:** President B. Sanders called the meeting to order at 3:58 pm.

2. Roll Call: Present: Bruce Sanders, Paul Landsberg, Nelson Phillips, Deanna Rohe, Gretchen Thams and Ben Sebrowski. Also present: Michelle Watterworth and Stephanie Maynard of Plante & Moran, Karrie Waarala, Library Director and Jean Smiley, Library Administrative Assistant.

Motion by G. Thams to move the Plante & Moran Financial Report to agenda item number 3.

Supported by P. Landsberg.

Vote: Yes: Sanders, Landsberg, Phillips, Rohe, Thams and Sebrowski.

No: None Motion carried (6-0)

3. Plante & Moran Financial Report:

Plante & Moran's report consisted of two components: The Financial Report with Supplemental Information and the Report to the Library Board of Trustees.

Ms. Maynard stated that AHPL had achieved the highest rank in regards to its healthy financial audit. Ms. Watterworth and Ms. Maynard of Plante & Moran went over the key points of AHPL's Yearly Financial Report. Ms. Watterworth also pointed out in the Report to the Library Board of Trustees various letters that are required under new standards that were issued in the past three or four years. A recommendation was included in regards to fixed asset recording and tracking depreciation. In the past there has been no listing of the individual fixed assets. Plante & Moran recommends that a listing be put together in order to have a more accurate depreciation calculated. A recommendation was also made that AHPL look at next year's budget in regards to property tax revenues. Plante & Moran anticipates that over the next couple of years, AHPL and The City of Auburn Hills as a whole, is going to see additional declines in their taxable values and therefore the property tax revenue will go down as well. Ms. Watterworth asked the Board if there were any questions regarding the report.

D. Rohe asked for an explanation of the fixed asset depreciation that is recorded for AHPL. Ms. Watterworth explained that Plante & Moran has given an estimate on behalf of AHPL. The depreciation listing should have been generated in 2004 and is highly recommended for 2009.

K. Waarala asked how to start with a depreciation list at this point. Ms. Watterworth stated that starting with 2009 and moving forward would be sufficient. Plante & Moran will provide a spreadsheet to K. Waarala to assist in calculating the depreciation. N. Phillips asked how a 5 year vs. a 3 year projected financial plan could be useful in such a volatile economy. Ms. Watterworth stated that a 5 year plan will give a longer term view and possibly give more opportunity to respond and make different decisions. K. Waarala stated that she would sit down with the City Manager and discuss a projected plan in light of the City's projected 5 year plan.

K. Waarala asked if it is expected that the Library would need to dip into their fund balance. Ms. Watterworth stated that the Library is in a very healthy financial position and does not anticipate that the Library would have a problem in the future. The Library ratio of expenditures to fund balance is 50% and Plante & Moran recommends 20%.

4. Approval of minutes from previous meeting:

Motion by P. Landsberg to approve the Library Board meeting minutes of May 19, 2009. Supported by D. Rohe.

Vote: Yes: Landsberg, Phillips, Sanders, Rohe, Thams and Sebrowski

No: None Motion carried (6-0)

5. Financial Officer's Report:

(a) Financial Officer P. Landsberg reported that as of May 31, 2009 total liabilities and fund balance is \$1,639,157. Total revenues YTD are \$1,339,564. Total expenditures YTD are \$593,522. Fund balance YTD is \$1,493,400.

5. Public Comments: None

- 6. <u>Library Director's Report:</u> Ms. Waarala asked if there were any questions regarding her written report that was included in the Board packets. There were no questions.
 - (a) K. Waarala stated that the Summer Reading Kickoff was moved indoors due to inclement weather; however, it was still successful.
 - (b) K. Waarala also stated that The City of Auburn Hills designated AHPL as second runner up of all the city departments in regards to being on track according to their 2008 budget.
 - (c) G. Thams asked if the students from Rogers Elementary were allowed to participate in AHPL's Summer Reading Program. K. Waarala responded by saying that they are allowed to participate in the program; however, the Pontiac Library has a new Director and is hiring a new Youth Librarian and will be able to offer programs to their residents as well.
 - (d) K. Waarala encouraged the Board Members to participate in the Adult Summer Reading Program.
 - (e) K. Waarala will be on vacation from July 9 to July 22. Linda Coleman will oversee the Library in case of an emergency.

7. Committee Reports: None

8. New Business:

(a) B. Sanders asked K. Waarala if she was aware of the situation with the Baldwin Public Library. B. Sebrowski said that their City has had an issue with their Board for a couple of years over spending. K. Waarala said she would research the issue.

9. Adjournment:

Motion by P. Landsberg to adjourn the meeting. Supported by D. Rohe.

Vote: Yes: Landsberg, Phillips, Rohe, Thams, Sanders and Sebrowski.

No: None Motion carried (6-0)

There being no objections, the meeting was adjourned at 4:22 pm.

Submitted by:

J. Smiley, Administrative Assistant For N. Phillips, Secretary