

Albion District Library Board of Trustees Meeting  
July 22, 2021  
Meeting via Zoom, per OMA

The Meeting was called to order at 6:04 pm.

Roll Call: Present - President Carolyn Gilg-Sheridan Township, Calhoun County; Treasurer James Seidl-Albion Township, Calhoun County, Trustee Dixie Grant-City of Albion, Calhoun County; Trustee William Rfaill-City of Albion; Trustee Courtney Lehwald-Albion Township, Calhoun County.

Absent at Roll Call: Secretary Kimberly Arndts (with notice, arrived at 6:39pm)

Excused: VP LoriRene Koehn

Ex-Officio: Director Cynthia Stanczak; Deputy Director/Head of Public Services Lynn Schofield-Dahl

Public present - Ian Rees, Gabridge & Co. (ADL audit firm)

Public Comment- none

### **Approval of Agenda**

Request by Director Stanczak to amend agenda to include a motion to excuse VP Koehn, who was unavailable due to a death in the family. Motion to adopt the agenda as amended was made by Rfaill, 2nd by Seidl. Roll call vote: Gilg-yes, Seidl-yes, Grant-yes, Rfaill - yes, Lehwald - yes. Motion carries.

### **Presentation of FY2020 ADL Audit Report**

*Presentation by Ian Rees, CPA, on behalf of Gabridge & Company, the audit firm retained by ADL.*

Gabridge & Company offers a clean, unmodified opinion that the Library's financial statements included in the audit from FY2020 are correct, complete, and present fairly, the financial position of the Library as of December 31, 2020 in accordance with generally accepted accounting principles. Director Stanczak notes that bound print copies of our annual audit report have been delivered to the Library and are available to trustees upon request. Report items of note:

- During the year, the Library received \$712,604 in revenues and had \$652,157 in expenses, resulting in an increase in net position of \$60,447.
- The general fund increased its fund balance by \$5,467 during the year for an ending fund balance of \$532,339.
- At the end of the FY2020, the unassigned fund balance for the general fund was \$271,375, or 39.7% of the general fund's total annual expenditures. This percentage is in line with ADL fund balance policy and similar to other libraries audited by Gabridge & Company.
- Property taxes constitute 83% of ADL revenues, followed by intergovernmental funding (state and federal funding) being 6%, grants and donations being 2%, and miscellaneous other revenue totaling 9%.
- Personnel-related expenses were the largest expense for the Library at 50.6%, though this is low for the industry. Note by Director Stanczak that a more common range for personnel expenses is 65-72% of expenses, as staffing is essential for libraries and other customer service-focused entities. Building and equipment expenses for FY2020 totaled \$145,334 (21.3% of the total expenses), though this was primarily due to the significant unplanned building expenses related to the mold remediation and roof replacement.
- ADL has two main funds - the general fund (the main operating fund of the Library) and the trust fund. The general fund increased its balance in this fiscal year by \$5,467, bringing the balance to \$532,339. At fiscal year end, the trust fund totaled \$985,295, of which \$655,893 is considered committed for specific purposes and \$329,402 has been assigned to future Library operations.

*Report was accepted, and Gabridge & Company (and CPA Ian Rees) were thanked by the Board for their work.*

### **Old Business**

Approval of June 2021 meeting minutes. Motion to accept was made by Seidl, 2nd by Grant. Roll call vote: Gilg-yes, Seidl-yes, Grant-yes, Raffail - yes, Lehwald - yes. Motion carries.

### **Financial Statement Review**

*Balance Sheet* - Nothing of note from June 2021. No questions from BOT.

*Profit and Loss Report* - Note by Treasurer Seidl that the budget totals and percentages will be updated when the proposed budget amendment on this meeting's agenda is adopted.

*Check Detail Report* - Checks 1708 & 1714 (pg 1) are to Summer Library Program presenters, which is supported by funding from the Friends of ADL. Check 1712 (pg 1) to Dollywood Foundation for the Dolly Parton Imagination Library operations is the entire amount received this year from the DPIL endowment held at Albion Community Foundation. The \$250,000 principal of the endowment has been invested through ACF with only \$3,500 received in spendable interest for each of the first three years in order to build up a 'cushion' to protect against losses. This is the first year that we've received

*a full spendable amount and will meet the original intent of being able to fund the yearly operations of the program through endowment interest. Treasurer Seidl notes that this payment is expected to fund the program operations through mid-2022. There are currently over 300 area children participating in the program, and who each receive a free, age-appropriate book mailed to their home in their name each month until they turn 5 years old.*

*Motion to approve the Financial Statements was made by Seidl, 2nd by Rfaill. Roll call vote: Gilg-yes, Seidl-yes, Grant-yes, Rfaill - yes, Lehwald - yes. Motion carries.*

*[[Secretary Arndts arrives. Secretary Kim Arndts, attending from City of Albion, Calhoun County.]]*

### **Committee Updates**

- Finance - Met to work on FY2021 mid-year budget amendment, included in this month's New Business.
- Facility - no meeting
- Personnel - no meeting
- Policy - no meeting

### **New Business**

· FY 2021 Mid-Year Budget Amendment - Seidl discussed recommended amendments based on income and expenditures through the month of June. Salaries/wages and other personnel expenses were revised downward due to current staff openings and elimination of internal IT position. Local History supplies increased due to orders that were not shipped/billed until new fiscal year due to library closure and backorders. Professional services were increased due to new managed IT services. Homer Library Contract increased to accommodate higher than anticipated revenue from Albion Township taxes and LCSA. Buildings grounds/repair increased to cover the mold remediation/repair that took place in January 2021. Proposed amended agenda reflects a small surplus of income than expenditures. Of note, the budget includes \$15,000 anticipated from LCSA, which will arrive in April/May 2022 and be moved back to FY2021 by the auditors next year.

Motion to approve revised FY2021 budget made by Seidl, 2nd by Grant. Roll call vote: Roll call vote: Gilg-yes, Arndts-yes, Seidl-yes, Grant-yes, Rfaill - yes, Lehwald - yes. Motion carries.

Excuse Trustee LoriRene Koehn for July meeting - Rfaill moved to approve, Seidl seconded. Roll call vote: Gilg-yes, Arndts-yes, Seidl-yes, Grant-yes, Rfaill - yes, Lehwald - yes. Motion carries.

Acceptance of Rfaill's resignation. - Arndts moved to approve, 2nd by Lehwald. Roll call vote: Gilg-yes, Arndts-yes, Seidl-yes, Grant-yes, Rfaill - yes, Lehwald - yes. Motion carries.

## **Director's Update**

Watching news for COVID updates; goal is to mitigate infection/transmission. We're seeing an increase in families and children getting and renewing library cards. Summer reading ends in mid-August. We've been happily surprised by the participation this year, especially our presenter events held in the park. Last event i a Teddy Bear Picnic, with more than 80 people currently registered.

Board Comments: none

Public Comment: none

Motion to adjourn at 7:20 made by Seidl, 2nd by Rafail.