

Albion District Library  
Board of Trustees Regular Meeting  
Naomi Lane Room  
July 25, 2024

The meeting was called to order by President Bollman at 6:13 pm.

### **Roll Call**

Present: Laura Bollman, Kathryn Brautigam, Phillip Kidder, Eric Krause, Alma Morgan, Cary Soltis

Absent: Director Cynthia Stanczak

### **Public Comment**

None

### **Approval of Agenda**

Motion to approve agenda by Krause, 2nd by Soltis. All in favor, motion carried.

### **Presentation: FY 2023 Audit Report by Gabridge & Co.**

Ian Rees and Alyssa Horner of Gabridge & Company attended remotely via Zoom and presented the final FY 2023 Audit Report. Albion District Library received an unmodified (clean) opinion, which is the best opinion that could be offered.

- The Library spent within its means (revenue higher than expenses), and increased its net position (assets over liabilities).
- The general fund increased 2.7%, for a total unassigned fund balance of 61.8%. This is within ADL's fund balance policy of "not less than 35% and no more than 75% of operating expenses" kept unassigned in the general fund to cover operational expenses that are unexpected (sudden repairs, etc) or annual expenses that occur before tax revenues have arrived (January-March).
- Capital assets increased \$95,200 due to the new 20-ton rooftop HVAC and security system.
- The bequest from the estate of William Blomquist for the Local History Room was recorded as "unearned revenue."
- Property taxes accounted for 83% of total revenue, with Intergovernmental revenue (state aid to libraries, penal fines, and reimbursement from USAC's e-rate program) making up another 9%. The auditor notes that this is typical for libraries and governmental entities in general.
- Personnel expenses were the largest expense category at 62.9% of the Library's expenses (typical and expected). Expenses relating to the Library's utilities, building, grounds, and capital improvement represented a further 25.7%.

VP Krause asked Mr. Reese how ADL compares with other libraries that he's audited. While each library is different, but libraries are doing well when they are:

- not sitting on disproportionate amount of unspent tax dollars (that are not reserved for specific purchases), because taxpayers approved the millage with the understanding that those funds would be used to provide the

services/resources at that level, AND

- not running a deficit fund balance that may endanger operations due to lack of funds.

As supported by the audit report and opinion, he notes that ADL's fund balances are within our policy range; revenue and assets exceed expenses and liabilities; and individual line items and cost centers are generally within budget.

*[Director's postscript note: No vote to accept the audit report was taken at the July meeting, but was included in the August 29, 2024 meeting minutes.]*

## **Old Business**

*Regular Meeting Minutes, June 28, 2024*

Motion to approve the minutes by Krause, 2nd by Soltis All in favor, motion carried.

*Financial Statements (as of June 30, 2024)*

Report by Treasurer Brautigam. (Note: Auditor journal entries were not yet entered when the packet was sent to the Board, and updated financial statements could not be provided due to a temporary outage caused by the global Microsoft/CrowdStrike glitch.)

- Profit and Loss Report
  - Local Millage /Taxes: 708,091.40 104.1% of budget (Pg1)
  - Payroll Expenses: 226,672.02 42.7% of budget (Pg3)
  - Total Expense: 425,099.30 44.9% of budget (Pg5)
  - Net Income: 320,327.87
- Balance Sheet: June 28, 2024
  - Total Assets: \$2,249,904.26 +3.1% year-over-year
- Check Detail: 55 checks
  - Michigan Avian Experience & Joel Tacey's TipTop Entertainment were Summer Reading presenters
  - Vanguard ID Systems were for new library cards

Motion to accept Treasurer's report/financials by Morgan, 2nd by Krause. Roll call vote: Bollman - yes, Krause - yes, Brautigam - yes, Kidder - yes , Soltis - yes. Motion carried.

## **Committee Reports**

Finance Report: Has not met, but will meet in August and September to prepare draft FY2024 Original Budget for September public hearing and meeting.

Facility Report: No update, Chair Krause reiterates the significant changes in the MACC grant, which was successfully submitted by the deadline. Discussion of in-process and/or potential 2025 facility projects (parking lot, generator, replacement of Ash Street entry concrete walkway and curb).

Personnel Report: Update by Chair Kidder that he and Trustee Bollman met with

Director Stanczak regarding her annual evaluation. Each trustee was given a copy of the corresponding letter with congratulations for a job well done last year and goals for the next year. These are: (possible) development of a new mission statement (but letting full strategic planning process step back in priority), increasing outreach to participating municipal entities in our district (city, townships, school district) and community stakeholders (Friends, non-profit partners, etc) in advance of the upcoming millage renewal; planning for staff and board education regarding millage campaigns and campaign finance law (difference in roles of employees/trustees vs “Vote Yes” campaign); and assisting the development of a formal job description for the ADL director.

Policy Committee: Has not met, but priorities include a revision/updating of the selection and reconsideration policy, and researching a time limit on public comments at meetings.

**New Business**

None

**Director Report**

Included in the packet. No update.

**Public Comment**

None.

**Board Comment**

None.

**Motion to Excuse Absent Trustees**

Not needed.

Meeting adjourned at 7:04 pm.

Next meeting: August 22, 2024 - 6:00 pm