

## SPECIAL JOINT MEETING-LIBRARY FUNDING

with

LITTLEFIELD TOWNSHIP, VILLAGE OF ALANSON, and ALANSON PUBLIC LIBRARY

Date: August 9, 2021 Time: 7:00 PM

The meeting was called to order at 7:00 PM. The purpose of this meeting is to discuss the Request for Improvement of Deficiencies-Corrective Action Plan letter –Alanson Public Library Budget/Funding.

**Present from Littlefield Township Board-Roll Call:** Damien Henning, Supervisor; Kim Shomin, Treasurer; Katie Derrohn, Trustee; and Kim Morgan, Deputy Clerk (taking notes for Sondra Festerling). Absent: Dean Morford, Trustee and Sondra Festerling, Clerk. **Present from the Village of Alanson:** Doug Larson, Joshua Larson, David Stepanovich, Mark Fairbairn and Brooke Milbrant. **Present from the Alanson Public Library:** Thea Murray-Director, Hope Roisen, B. R. Smith, Sue Warner, Sue Brants and Janet Batog.

Doug Larson informed that he didn't have an agenda for the meeting, Damien Henning stated that there is only 1 item on the agenda and that is funding for the Library and solutions to make up the shortfall.

Damien started the discussion by asking the question; what happens if they (the state) don't like your response to the letter they sent you? Hope Roisen, for the Library, responded that most likely nothing at this point. She went on to say that the state is making them aware of the problem and are trying to help find solutions. She went on to say that this problem has been ongoing in that they did not realize anything was wrong. Their auditors, in the past, never said anything was wrong. The new CPA said that the state will not be doing anything, at this point, but has taken a stand and are trying to help small districts before problems get really big. No idea how they would help other than suggestions on how to raise money. The bottom line is that there is no millage, the library pretty much survives on Penal fines and that's not heard of in the state. Covid has also played a part in that the fines have dropped by about ten thousand dollars in two years. What has happened is that they've (library) have used CD's that they have to make up the difference in their budget. Doug Larson then asked for a summary of where things stand with the library funds, as not everyone is up to date on this problem. Thea Murray, Library Director gave an overview as follows: Current year income is \$96,070 thru Penal Funds. Expenses are \$50,000, which is pretty normal year to year, before payroll. That leaves \$45,707 remaining for staffing. In the past, \$ 67,000-\$72,000 have been spent on staffing. When this problem was discovered in February part-time staff was reduced by 15% (39 hours down to 33 hours) and Library hours reduced, in June from 42 to 34 due to a worker leaving. At this point the part-time worker was down to 22 hours (another 33% reduction). Currently staffing cost (with all these cuts) is at \$52,000 which is still \$7,000 over budget. Thea also stated that she and her part-time worker (age 72) are working very hard. And that the book budget has been cut by 1/3. She reported to the state the fact that staff has been reduced as well as the other cuts in the budget.

Katie Derrohn asked Thea if she was saying she needed \$20, 000 to continue to operate. Thea answered that much was needed to not cut more. Right now we are \$7,000 over budget. Katie then asked, "What

do you need to operate?" Thea's response was "I think an operating budget for this library would be a about \$120,000 at the very base. Katie and Doug both asked if \$30,000 was what was needed to continue for the next year or two, Thea stated a typical operating budget has been around \$120,000. Katie asked if with the cut in hours if people were asking for more hours open. Thea thought not really during the week but on Saturdays. They are closed now on Saturdays. Also mentioned contracts with six other townships will come due again next year. If any of them fail to renew, that would be a loss of income.

Greg asked Thea what she thought the best option would be. Her response was real income from the Village/Township instead of the current in & out rent situation. Damien then asked if both boards still support the library. Both boards answered yes in support of Library. Damien went on to say that it is a 50/50 ownership in the Library. And maybe it was time to ask if the residents support the Library with a millage. Discussion followed with Kim Shomin not in favor of a millage for the library. She is hesitant at this time to ask for more monies. Katie asked what a mill would bring in. Damien stated, based on taxable value, a full mill would bring in about \$136,000 with  $\frac{1}{4}$  of a mill at \$35,000 the other alternative would be for each board to increase their amount to the library by \$10,000. Mark Fairbairn commented that if it was put on ballot for one mill and passed then the library would pretty much be set.

Damien stated that looking at the financials for the last 3 years, the library has been generating an average of about \$100,000 per year and has had to dip into their fund balance by \$13,000 -\$14,000 the last couple of years.

Doug asked Damien if he was suggesting a millage on the ballot to completely support or make up the shortfall. Damien stated, make up the shortfall. Also that it would be one or the other millage or boards contribute. Doug asked Kim, with her concern for her constituents, if it would be better to put it on the ballot. She responded that she thinks it would probably pass but she stands for the people on fixed incomes who maybe cannot afford higher taxes. She thinks that now is not the time to go for an addition millage. She also stated that she is only one person on the board. Katie commented that she feels the community needs a library as it keeps us connected; it's good for kids and parents. If we need to go for a millage the residents will tell us what they want. Kim restated being against millage on ballot. Damien would like to give people the opportunity to choose. They can say no and then there will have to be a plan B. Looking at the financials the Penal fines are not stable.

Discussion on volunteers and how that works after David S. commented that he was surprised there was only one volunteer.

Thea had an idea on a different way to fund instead of going for millage, doing a per capita fee like the other townships do. She suggested four to five dollars per person in each the Village and Township. This money would come from the respective boards budgets. Greg did not like this idea; his thought is a millage is better as taxpayers have an option to weigh in. He believes a lot of people benefit from the library. He said his view (not speaking for the board) is that he strongly supports letting voters make the decision, if the majority of the Township and Village of Alanson decide that an added fee is good for the community then that's what we should do. That is his decision.

Katie stated that she agreed with Greg, adding that it's up to the public. Do they want a library or not and they'll decide one way or another. In the meantime, we can't get a millage together until next year. What happens this year? Are you in a bind this year? Damien stated they still have plenty of fund balance and there's nothing the state can take away. Library supporters gave comments of their support of a millage and also explained that if a library is getting millage the state has grants that they can apply for. Comments on the fact that the Library is the 'hub' of the community.

Greg asked Damien what he has in mind for an action item. Damien suggested each respective board discuss and decide.

Damien Henning motioned that the Township Board voice support of the Alanson Littlefield Public Library to pursue a millage. Second by Katie Derrohn Carried 2 Yes, 1 No, 2 Absent. The Village of Alanson also passed a similar motion.

Damien stated the next step is to gather figures as to what a millage would generate, and he asked if temporarily the boards would authorize a temporary infusion of cash. The library is short about \$20,000 so based on a 50/50 partnership, that's \$10,000 each. Village board is not prepared to discuss today but will meet in the near future. Damien suggested that it could wait until both of the boards meetings next month. The Village will add it to their agenda for September.

Nothing further to discuss so Damien moved that the Township portion of this joint meeting be adjourned. Katie seconded.

Meeting adjourned at 7:45PM.

These are unapproved minutes submitted by Kim Morgan