



Farmington Community Library

Budget Assumptions

Fiscal Year 2018 – 2019

Approved by the Library Board of Trustees

May 2018



**Farmington Community Library
Budget Assumptions
Fiscal Year 2018 - 2019**

REVENUE SOURCES

Account Line Item & Description

Projections for 2018-19 Property Tax Revenue is as follows:

		<u>Budget</u>	<u>2017 – 2018 Actual</u>
304020	Summer taxes-Hills	3,267,665	3,188,163
304030	Summer taxes-City	332,337	315,703
304040	Winter taxes- Hills	1,919,105	1,803,620
304050	Winter taxes-City	<u>195,182</u>	<u>177,529</u>
	TOTAL Millage	5,714,289	5,485,014

As a result of voter approval of the May 3, 2005 election, the Board levies 1 mill on summer taxes, until 2024, and .5856 mill on winter taxes, until 2032. For accountability, revenues for summer and winter millages are kept in separate accounts. Headlee Act reduces the taxes collected.

Until we receive the new taxable value of property from Oakland County Equalization Dept. (usually in April), the Library uses estimates to budget next year's revenue.

Taxable value per Michigan Department of Treasury form L-4029.

Year	Farmington Hills	City of Farmington
2018	3,307,422,060	344,359,080
2017	3,207,859,580	327,781,890
2016	3,125,760,110	313,625,530
2015	3,125,682,070	311,109,170
2014	3,043,622,200	304,555,760
2013	3,033,129,570	303,795,270
2012	3,070,059,990	303,483,270
2011	3,274,140,800	319,276,670

History of property tax revenue

<u>Summer taxes:</u>	<u>Farmington Hills</u>	<u>City of Farmington</u>
2017-18	3,188,163	315,703
2016-17	3,147,695	313,289
2015-16	3,132,740	308,865
2014-15	3,012,710	286,908
2013-14	3,020,580	283,026
2012-13	3,047,650	299,414
2011-12	3,238,067	306,000
2010-11	3,584,386	350,729

Winter taxes:

2017-18	1,803,620	177,529
2016-17	1,769,404	171,617
2015-16	1,782,345	178,347
2014-15	1,782,345	178,268
2013-14	1,767,455	179,923
2012-13	1,783,965	161,966
2011-12	1,895,394	179,173
2010-11	2,100,307	204,992

Based on historical data, the expected revenue for 2018-19 was conservatively set at 102% of the prior year's revenue.

304005 Tax Tribunal Awards

In 2011, the auditors required the Library to recognize a potential liability of \$284,800 for 2009-2011 Michigan Tax Tribunal awards. As future refunds of taxes are requested, this liability account will be used. In June 2013, the Auditors recognized \$86,502 of revenue previously earmarked for MTT refund.

In fiscal year 2013-14 and fiscal year 2014-15, the Library was not required to refund any dollars to either city. In fiscal year 2015-16, the Library recognized \$14,728 as revenue dollars previously earmarked by the Auditors for tax tribunal refunds. Auditors very conservatively left \$18,719.55 in a Due To From account for expected future refunds that may be required. **The Library is leaving \$18,719.55 in the Due To From account established by the Auditors for 2018-19 fiscal year.**

304031 Michigan Special Assessment - Personal Property Tax

In fiscal year 2016-17, the State of Michigan returned \$325,447 of personal property taxes. The Library received \$379,140 in fiscal year 2017-18 and is projecting revenue to be \$375,000 for fiscal year 2018-19.

305570 State Penal Fines

The 1835 Michigan Constitution [and subsequent revisions] awarded penal fines revenues to libraries, with the philosophy that those who enforce the law should not financially benefit from such enforcement. Amount is about \$1.30 per capita.

<u>Year</u>	<u>Amount Received</u>
1997-98	98,898
1998-99	112,425
1999-2000	106,125
2000-2001	
112,726	
2001-2002	117,092
2002-2003	143,438
2003-2004	141,982
2004-2005	132,000
2005-2006	123,667
2006-2007	144,744
2007-2008	139,436
2008-2009	132,748
2009-2010	123,739
2010-2011	123,000
2011-2012	113,507
2012-2013	121,302
2013-2014	119,674
2014-2015	135,403
2015-2016	182,082
2016-2017	190,598
2017-2018	182,491 Actual
2018-2019	185,000 Projected

305620 State Aid

The Library of Michigan distributes State Aid on a per capita formula for each service area and issues three equal distributions: 1/3 to the public library to support local services; 1/3 to the public library for purchase of cooperative services; and 1/3 directly to the library cooperative. Disbursements from State Aid for revenue:

Fiscal year receipts:

2012-13	42,670	
2013-14	48,828	
2014-15	53,073	
2015-16	56,052	
2016-17	58,926	
2017-18	62,474	Actual
2018-19	50,000	Projected

306640 Fines, Fees & Lost Books

A revenue history shows that pre-1975, Fines were \$.02 for children and \$.05 for adult items. In 1977, fines were increased to \$.05 for children and \$.10 for adults. In 1993, they were \$.15 for adults and children; \$60,813 was collected that year. In 1994 (first full year under new rate), \$73,849 was collected. In 1997, fines were increased to \$.20 for adults/children's items for \$84,608; 1998 for \$88,677; 1999 for \$98,738.

2000	106,670	
2001	110,856	
2002	115,858	
2003	133,028	
2004	123,028	Fines \$.25 daily
2005	123,190	
2006-2007	123,000	
2007-2008	129,896	
2008-2009	152,856	
2009-2010	145,251	
2010-2011	142,715	
2011-2012	131,931	
2012-2013	130,834	
2013-2014	121,242	
2014-2015	111,280	
2015-2016	64,217	
		(automatic renewals change to 5)
2016-2017	66,133	
2017-2018	58,344	Actual
		(automatic renewals reduced to 3)
2018-2019	60,000	Projected

306710 Interest

Interest rates dropped causing interest revenue projections to be significantly less than projected. Rates have not yet been restored to pre-economic downturn days.

2012-13	4,638	
2013-14	5,278	
2014-15	5,589	
2015-16	3,856	
2016-17	4,995	
2017-18	5,812	Actual
2018-19	5,000	Projected

306720 Interest, Gift Fund - the Gift Fund interest is separate from regular interest. The earnings are rolled over into the Gift Account.

Interest received for the Gift Fund in

2012-13	340	
2013-14	140	
2014-15	165	
2015-16	275	
2016-17	163	
2017-18	197	Actual
2018-19	200	Projected

306750 Auditorium Rental

The Board increased the rental rates for both buildings effective January 1, 2003, and the corporate rental rate was increased again in January 2004. Revenues in 2005-2006 were \$22,315; \$22,895 for 2007-2008; 2008-2009 was \$20,590. Since 2009-2010 revenues have been projected at about \$20,000; in fiscal year 2013 the actual fees are 87% of that or \$17,353. Rates increased again in fiscal year 2016-17.

Historical Data for projecting revenue:

2012-13	17,353	
2013-14	17,330	
2014-15	15,220	
2015-16	14,207	
2016-17	20,135	* rates for rental increased
2017-18	22,810	Actual
2018-19	19,000	Projected

306270 Vending Machine Revenue

The majority of vending revenue is from the photocopy machines. In 2004-05, the Library signed a lease agreement with Xerox for 9 DocuCenters with vend units to replace old copiers, and to handle the printing from the public and staff computers. Revenue in 2006-2007 was \$31,428; in 2007-2008, revenue was at \$36,654. In August 2008, the Envisionware print management system was installed when we ended our contract with Xerox and signed a 3 year contract with Konica Minolta extended for a year. Revenue for 2008-2009 was \$37,431; \$43,283 for 2009-2010 and \$28,298 for 2010-2011. During 2012-2013 when we switched to Toshiba, and added printing from wireless computers, revenue increased to \$44,314.

Historical data for Revenue projections of Vending Machines for print and faxes:

2012-13	44,314	
2013-14	45,710	
2014-15	47,445	
2015-16	48,020	
2016-17	51,729	
2017-18	51,475	Actual
2018-19	52,000	Projected

306868 Pavers – Memorial & Gifts

This account was created in fiscal year 2017-18, separate from the Gift and Memorial line item, in order to more accurately track Paver donations. A projected revenue was not included in the 2017-18 budget. As of February 2018, \$3,274 has been received by patrons for memorial pavers. Patrons may commemorate a special event or the memory of a loved one with a brick paver in the entry walkway at the Main Library.

306869 Memorials and Gifts – Legacy

This fund was created for single gifts of \$500 and over. These gifts are usually the result of a bequest from a settled estate, in memory of, or to honor an individual. Some gifts may be given with restrictions, such as using at only one Library Branch, for particular types of materials, programming, or to be used by one Library department.

Historical Data

2012-13	18,095	
2013-14	4,485	
2014-15	16,570	
2015-16	43,303	
2016-17	130,691	
2017-18	8,042	Actual
2018-19	5,000	Projected

306870 Memorials and Gifts

This revenue line item encompasses all other gifts. Gifts may or may not have restrictions.

Historical Data

2012-13	2,066	
2013-14	3,816	
2014-15	5,663	
2015-16	5,740	
2016-17	5,818	
2017-18	8,106	Actual
2018-19	20,000	Projection includes pavers which will be tracked separately

306871 Friends of the Library

This account is for materials for the collection, equipment and special programming costs, at the discretion of the Friends Board who intentionally fund items not available for purchase through the regular budget.

Our revenue from the Friends for:

2007-2008	63,114
2008-2009	74,471

Projections were consistently for \$50,000 until 2012-13 when Friends generously stepped up to help alleviate budget constraints.

2012-13	105,413	
2013-14	99,805	
2014-15	95,044	
2015-16	96,384	
2016-17	92,258	
2017-18	83,749	Actual
2018-19	100,000	Projected

306940 Other

Most of this revenue comes from charges for faxes, the sale of computer disks, storage devices, canvas and tote bags, and supplies for the Playaway collection. Dividends, rebates and refunds are also included here.

Although these amounts change, historically the revenue the Library received in 2013-14 included dividends from Michigan Municipal League of over \$7,000, a rebate from Renaissance Zone of \$1,306 and Section 125 (Flexible Spending) refund of \$773.

In fiscal year 2015-16 the Auditors had the Library reclassify \$14,727.79 of expected tax tribunal refunds as other income.

Fiscal year 2016-17 revenue also included the following larger items: \$7,261 for insurance dividends, \$3,535 Michigan Renaissance Zone, \$ 402 Health Alliance plan mandated return of premium overcharge, and \$2,340 of revenue for the sale of old equipment.

Total Other revenue:

2012-13	49,229	
2013-14	18,265	
2014-15	21,828	
2015-16	23,841	
2016-17	29,821	
2017-18	13,281	Actual
2018-19	25,000	Projected

306970 Reimbursement from other Metro Net Libraries

The seven libraries participating in the Metro Net Consortium approve a budget for shared expenses. Farmington Community Library pays all invoices and subsequently bills the member libraries for their share of database and reference purchases and other programming expenses.

Metro Net members also reimburse the Farmington Community Library for fiscal agency administration costs, which were set at \$7,000 for 2012-2013 and have remained at \$7,000 a year until 2017-18. In 2017-18, the Consortium increased this fiscal agency fee to \$10,000. it is projected to remain at \$10,00 for the foreseeable future.

306630

Coffee Bar Lease

The lease agreement with the Cafe included rent at 10% of gross sales. When the public had originally endorsed the coffee bar, revenues began to drop.

2008-2009	6,704	
2009-2010	6,115	
2010-2011	5,018	
2011-2012	5,601	
2012-2013	5,076	
2013-2014	4,992	
2014-2015	5,451	
2015-2016	5,598	
2016-2017	4,319	
2017-2018	0	Amended
2018-2019	0	Removed

The coffee bar lease revenue dropped for years even though assistance was offered numerous times to the owners.

In November 2016 the café lease expired. The Board decided not to approach the owners regarding an extension/renewal but rather to explore other uses of that space based on community feedback received during the strategic plan community meetings and from recent comments from patrons. In 2017-18 the Library projected \$5,500 for lease revenue. However, the Library did not receive any revenue and the café was closed. This revenue item needs to be deleted from any future projections.

Vending machines replace café. Commission will be collected from machine operations.

Farmington Community Library Operating Expenditures

507020 **Salaries & Wages**

Each spring, the Library Board of Trustees approves changes to the Pay Schedule. Increases may change the beginning or maximum ranges, based on a comparison of job classifications with other Detroit Suburban libraries, and the ability to attract and retain excellent employees. Merit increases are applied annually based on a 0% to 4% range, which is determined by employee performance.

Sunday hours are considered part of an employee's regular working schedule.

Funds have also been accrued for payroll costs at retirement and/or termination and for accrued costs that carryover from year to year. These accruals are adjusted annually and can affect the total salary and wages cost for the fiscal year.

Historical data of Library payroll

2011-12	2,458,823	
2012-13	2,523,306	
2013-14	2,594,034	
2014-15	2,691,898	
2015-16	2,754,548	- 2 full time positions restored, 1 full time position added
2016-17	2,810,522	- 1 full time position added, 1 full time position restored
2017-18	2,872,806	Actual
2018-19	3,153,907	Proposed

507150 Employer's Social Security

All employees have Social Security withheld, along with the employer's payment of 7.65% of total payroll.

Historical data of Library Social Security

2011-12	190,777	
2012-13	193,000	
2013-14	198,108	
2014-15	202,445	
2015-16	210,295	
2016-17	211,927	
2017-18	213,600	Actual
2018-19	241,274	Proposed

507180 Dental & Optical Insurance

Use of this benefit is stable. The Library self-insures this benefit program and created a fund for this benefit. The contribution is set per the budget; any unused dollars only increase the fund to provide for years when the expenses outweigh the budgeted expense. The Library Board increased the reimburseable amount for each employee from \$900 to \$1,000 raising the total to \$20,500 based on 31 FT employees in fiscal year 2005-2006.

In 2017-18, the Library Board increased the reimburseable amount for each employee from \$1,000 to \$1,500 per year and increased the annual exposure for costs to \$30,000. This was the first increase to this benefit in over 10 years.

Budget for 2018-19 is set to remain the same at \$30,000.

507190

Hospitalization

In 2006-2007, the Library offered traditional Blue Cross/Blue Shield coverage through the Michigan Employee Benefit Services Group (MEBS), which managed the Public Employees Trust of the AFL-CIO. For 2006-2007, the Library experienced a 12% increase.

In 2007-2008, we paid \$487,764 (+\$69,562 over 2006-2007 amount of \$418,207) a 14% increase.

2008-2009	550,588	
2009-2010	545,367	
2010-2011	557,620	
2011-2012	476,119	
2012-2013	341,000	Switched to HealthAlliancePlan and increase employee contributions
2013-2014	348,300	HealthAlliancePlan
2014-2015	265,318	Switched to Blue Care Network February 2015
2015-2016	249,821	Full year of Blue Care Network cost savings
2016-2017	300,677	-
		Additional full time staff positions increased overall cost
2017-2018	293,978	Actual
2018-2019	379,037	Budgeted

Hospitalization Insurance GASB

This fund was established to offset liabilities for funding Retiree Health Care benefits, under the new GASB (Governmental Accounting Standards Board) Statement 43 for reporting Other Post Employment Benefits (OPEB) and Statement 45 for Governmental Entities. In 2009 government employers were required to have an actuarial report to use for reporting future liabilities.

The Board allocated the full amount (\$328,295) reported in the actuarial report, for each FY 2005-2006, 2006-2007, 2007-2008, 2008-2009 and in 2009-2010. However, because the Library was not required to make a contribution, no contribution was made in 2009-2010 due to poor economic conditions. In 2013-14, \$500,000 was budgeted and paid into the Retiree Health Care fund. Unfortunately, rising costs and actuarial projections prompted a closure of this plan in November 2013 to new hires. In 2015-16, this plan was closed to active employees and replaced with a Health Care Savings Plan which mandates an employee contribution. The original Retiree Health Care benefit continues for only those who were eligible and had already retired before closure in December 2016. Per the CBiz Actuarial report for 2017-18, funding for the existing plan was projected at \$41,000 instead of the \$328,295 prior to the closing of this plan.

In order to provide employees with a retirement health care benefit that limited legacy costs to the Library, the Library Board conducted a year long study before contracting with MERS of Michigan to provide a benefit for all active full time employees. The Health Care Savings Plan began in January 2016. Employees are required to contribute 3% of their gross wages and the Library contributes 5%. The cost for calendar year 2016 was approximately \$75,000. Employer projected cost for the 2016-2017 fiscal year is \$77,000. The two retiree health plans (the original which closed in 2013 and the new replacement plan effective in 2016), have a total fiscal year projected cost of \$118,000 which is far less than the required funding contribution of \$328,295 established when the original fund began. Budget projection for 2018-19 is \$128,000.

507192

Retiree Health Insurance

Insurance premium cost for employees who retired prior to 2016 and who qualified for retiree health insurance by meeting eligibility requirements and who elected to receive health insurance through out retirement. The cost of this insurance is a Post Employment Benefit. As the MERS of Michigan fund is not fully funded, the Library has opted to continue to cover these current costs from General Operating Budget until the fund can sustain itself. This is the annual cost and does not reflect the contribution received from retirees who retired with less than 26 years but more than 10 years of service. The required contribution was a percentage scale based on years of service to the Library.

There are currently 20 employees and spouses who participate in this benefit. The benefit was closed to new hires in 2013 and closed to all new participants in 2016.

Historical costs

2013-14	113,471	
2014-15	119,488	
2015-16	134,342	
2016-17	147,562	
2017-18	154,802	Actual
2018-19	172,674	Budgeted

507200

Group Life & Long term Disability

Life insurance coverage for employees earning more than \$20,000 is indexed to one times their salary, with a cap at \$50,000. Part-time employees have \$10,000 life insurance coverage.

Group insurance cost

2007-2008	13, 643.	
2006-2007	14,500.	
2007-2008	13,643	
2008-2009	15,108	
2009-2010	15,820	
2010-2011	15,594	
2011-2012	15,122	
2012-2013	15,233	Switched insurers to Lincoln National
2013-2014	16,229	
2014-2015	16,653	Switched to Mutual of Omaha
2015-2016	16,839	
2016-2017	15,697	
2017-2018	16,298	Actual
2018-2019	19,380	Budgeted

Life insurance costs 38¢ per every \$10,000 of wages. This is a very low cost benefit to offer staff.

507220

Retirement

The Library participates in the Michigan Municipal Employees Retirement System (MERS) Defined Benefit pension program for the 21 employees hired prior to July 1999. Monthly employer contributions are based upon actual payroll. However, in fiscal year 2015-16 the Board of Trustees voted * to make a \$1.9 million contribution to fully fund the Defined Benefit Plan. This contribution allowed the Library to save over \$1 million in future interest costs.

The full and part-time employees hired after 1999 participate in the MERS Defined Contribution program, with an employer contribution of 5% of salary.

Conversion to the Defined Contribution 401(a) program results in long-term savings in liability and/or legacy costs for the Library.

Historical Data

2011-12	135,461	
2012-13	135,000	
2013-14	167,072	
2014-15	227,024	
2015-16	2,081,878 *	
2016-17	94,439	
2017-18	97,781	
2018-19	102,000	Budgeted

607280 Office Supplies

Letterhead, envelopes, clips, folders, binders, pads, cash register and adding machine and receipt printer tape, supplies for children's programs, printer cartridges, pens, pencils, markers, copier paper for office use, rubber bands, inter-office envelopes, file folders, binders, and other supplies.

2005-06	17,115	
2006-07	17,815	
2007-08	22,050	
2008-09	22,359	
2009-10	21,088	
2010-11	26,206	
2011-12	13,737	
2012-13	16,421	
2013-14	16,856	
2014-15	23,172	
2015-16	20,133	
2016-17	22,843	
2017-18	20,923	Actual
2018-19	23,000	Budgeted

607300 Postage

This included the city-wide mailing of at least three issues of the Library newsletter per year.

City-wide mailings were stopped in favor of purchasing pages in the Special Services Activity Guide.

2005-06	22,606	
2006-07	30,477	
2007-08	20,186	
2008-09	22,449	
2009-10	27,256	
2010-11	22,983	
2011-12	14,658	
2012-13	15,414	
2013-14	14,001	
2014-15	14,638	
2015-16	10,221	Less postage, more automatic renewals
2016-17	10,994	
2017-18	8,968	Actual
2018-19	16,000	Budgeted

607400 Operating Supplies

Pallets of paper, computer-related supplies, batteries, and other non-office supply items such as bandaids, AED supplies, latex free gloves for staff, disinfecting wipes and other items.

2011-12	19,645	
2012-13	24,490	
2013-14	23,821	
2014-15	17,797	
2015-16	19,023	
2016-17	18,091	
2017-18	21,951	Actual
2018-19	25,300	Budgeted

607450 Software and Licensing

This includes Accounting Software, word processing, spreadsheet applications, filtering software for the Children's computers, upgrades to publishing packages and software to maintain the Library's website. Website development and maintenance is handled by Library staff, rather than out-sourcing.

2011-12	26,455	
2012-13	25,801	
2013-14	30,033	
2014-15	34,727	New versions of Windows required
2015-16	32,779	
2016-17	40,941	
2017-18	54,261	Actual - Windows updated
2018-19	58,000	Budgeted

607750 Repairs & Maintenance Supplies

Paper supplies for restrooms; electrical supplies for lighting and ballasts; other paper products and air conditioning filters, cleaning supplies, supplies and small tools needed for repairs, etc.

2009-10	47,544	
2010-11	43,682	
2011-12	36,070	
2012-13	32,919	
2013-14	36,949	
2014-15	53,125	
2015-16	48,343	
2016-17	42,260	
2017-18	49,417	Actual increased to allow for purchase of new hand tools
2018-19	60,000	Budgeted

780100 Professional Contractual Services

Attorney fees; audit fees; actuarial payroll and bank charges, plus fees for technology consultants, engineers, and graphic designers.

2009-10	98,620	
2010-11	71,204	
2011-12	85,234	
2012-13	72,219	
2013-14	66,610	
2014-15	70,738	
2015-16	54,615	
2016-17	45,051	
2017-18	59,725	Actual
2018-19	80,000	Budgeted

780120 Circulation and Automation System

Reflects maintenance costs for the Integrated Library System, including Polaris, Envisionware, and Techlogic. Our SirsiDynix automated circulation system was installed December 1992 for \$260,000; the CPU was upgraded in 1999 for Y2K compliance. Polaris was selected for the new automation system and installed May 2008. Polaris merged and changed name to Innovative Informations Inc.

2010-11	50,000	
2011-12	43,013	
2012-13	45000	
2013-14	41,314	
2014-15	66,994	Upgrade needed for sysytem, new RFID self checks
2015-16	43,088	
2016-17	39,662	
2017-18	41,007	Actual
2018-19	48,000	Budgeted

780121 Technology Upgrades

Includes major ugrades, over and above scheduled updates for Envisionware, Polaris, security systems, telephone, RFID and etc. This budget line was not used during 2009 through 2013. Many years there were no significant technology upgrades due to budget constraints.

2014-15	1,721	
2015-16	51,560	
2016-17	51,397	
2017-18	3,008	Actual – Planned projected delayed
2018-19	46,000	Proposed

780130 E Library/Cataloging

OCLC has been the bibliographic utility for cataloging and for inter-library loan services. Participation in MelCAT, the state-wide catalog, began in 2009 which reduced our use of OCLC interloan requests.

2007-08	17,000	
2008-09	15,803	
2009-10	15,972	
2010-11	16,000	
2011-12	3,953	
2012-13	8,731	
2013-14	10,652	OCLC add \$7,000 annually for software subscription
2014-15	12,043	
2015-16	18,559	
2016-17	17,124	
2017-18	18,676	Actual
2018-19	20,000	Budgeted

785000 Telephone

Previously, the Library had several accounts, including one for our regular service, long distance service, T-1 lines for the modem pool and cable connections for wireless.

With telephone costs continuing to rise, the Library switched over to Voice Over Internet Protocol (VOIP) in 2015-16 for a significant savings.

2009-10	55,538	
2010-11	41,529	
2011-12	38,803	
2012-13	52,260	
2013-14	65,041	Staff was asked to record every long distance call
2014-15	52,772	Fax machines changed – so they wouldn't robo call more than 3 times if line busy
2015-16	38,263	Voice Over Internet Protocol
2016-17	13,877	
2017-18	18,224	Actual – due to hot spots and TMobile
2018-19	15,750	Budgeted – expect to add "hot spot" wifi for circulation

786000 Transportation

Employees receive reimbursement for the use of personal cars on Library business. Gas for Library vehicles is obtained at the City of Farmington Hills Police Department. This line item includes airline and other transportation to conferences, and maintenance and repair costs for our vehicles.

2009-10	8,291	
2010-11	6,013	
2011-12	6,296	
2012-13	7,550	
2013-14	9,536	Older jeep and van needed significant repairs
2014-15	4,481	Car and gas no longer provided to Director
2015-16	3,404	
2016-17	4,669	
2017-18	6,788	Actual - repairs after car accident will put line item over budget
2018-19	5,175	Older jeep will need repairs

791000 Insurance

The Library continues to use the Michigan Municipal League insurance for property and liability rates. Worker's Compensation premiums are also included in this line item. This line item does not take into consideration the average \$6-7000 in dividends received from MML annually as that is recorded as Other Income as per the Auditors.

2009-10	79,845	
2010-11	70,502	
2011-12	64,993	
2012-13	65,076	
2013-14	66,791	
2014-15	67,795	Review of insurance, changed deductibles
2015-16	71,808	
2016-17	68,261	
2017-18	69,593	Actual
2018-19	72,500	Budgeted

792100 Electricity

792300 Heat

792700 Water

793000 Maintenance Contracts & Repairs

Contracts for repair and maintenance: six days per week cleaning service at both locations, trash pick-up (twice per week at the Main Library); maintenance on five elevators; commercial carpet cleaning service at both buildings on a schedule to extend the life of the carpet, especially for heavy traffic areas. Also repairs or replacement of mechanical equipment such as HVAC, hot water tanks, boiler repairs, roof inspections and repairs, tech logic equipment conveyor system and more.

Both buildings were built in the 1970s and are more expensive to maintain.

2009-10	162,257	
2010-11	171,851	
2011-12	168,734	
2012-13	147,251	
2013-14	162,734	*HVAC for MDL room replaced
2014-15	171,760	
2015-16	195,839	Increase in elevator repairs
2016-17	215,147	New roof top units
2017-18	249,000	Actual – Elevator hydraulic testing \$9,000 scheduled this year
2018-19	275,000	Budgeted

793010 Landscaping & Snow Removal

Includes contracts for lawn service and landscaping services, and includes snow removal and salt application.

2009-10	24,753	
2010-11	22,757	
2011-12	11,551	Cancelled tree trimming
2012-13	17,426	
2013-14	23,667	
2014-15	34,664	Heavy snow and salt application are not include in contract
2015-16	28,000	
2016-17	33,915	Dead tree removal, replanting and mulching
2017-18	33,975	Actual
2018-19	45,000	Budgeted

794600 Vending Equipment & Supplies

Vending units are public printers, and can also include large staff copiers. This budget line item is for the lease cost of public and staff copiers, plus the costs for the paper.

From Fall 2004 to July 2008, the Library had a lease agreement with Xerox for nine DocuCenters with vending units to replace our old copiers and network printers. In August 2008, a contract was signed with Konica Minolta to accomplish the same goal of copying services and printing from computers with the Envisionware print management. During the economic downturn, the Library extended the Konica Minolta lease by one year at significant savings.

February 2013, the Library switched vendors to Toshiba. At that time, the Library discontinued fictitious Payroll reports for cost savings. Much of these costs are offset by print revenue received from patron copies/prints/faxes.

2009-10	44,275	
2010-11	48,345	
2011-12	37,129	
2012-13	32,626	
2013-14	38,422	
2014-15	34,392	
2015-16	39,761	
2016-17	41,189	
2017-18	3,7639	Actual
2018-19	43,000	Budgeted

795600 Miscellaneous

Refreshments for Board meetings, staff recognition costs, picnic table for staff, parade expenses including t-shirts, patron appreciation, and minor expenses which do not fit into any other line item.

2009-10	9,032	
2010-11	8,057	
2011-12	7,076	
2012-13	4,174	
2013-14	7,864	
2014-15	8,565	
2015-16	8,757	
2016-17	7,506	
2017-18	7,976	Actual
2018-19	10,000	Budgeted

795700

Books

In FY 2000-2001 and FY 2001-2002, over \$500,000 was expended on the book collection. The book budget was frozen in November 2002 for all except best-sellers, standing orders and reference materials. In FY 2003-04, the total book budget (including millage) was reduced from \$388,000 to \$313,000.

A goal of the Strategic Plan is to provide excellent collections for patrons of all ages. For fiscal years 2005-2006 through 2009-10, the book budget was increased to provide a noticeable difference in the size of our collections and to respond to our campaign promise to increase the Large Print collections, media collections and deposit collections for Child Care locations and Nursery Schools as part of our New Children’s Outreach services. There was a noticeable decrease in spending due to the economic downturn, but in current years, the focus has shifted substantially on Information Resources (streaming materials), eBooks and audio books to meet patron needs.

2005-06	290,674	
2006-07	363,159	
2007-08	350,712	
2008-09	336,329	
2009-10	365,445	
2010-11	324,298	
2010-12	250,143	
2012-13	215,607	
2013-14	252,577	
2014-15	248,219	
2015-16	254,056	
2016-17	237,448	
2017-18	253,370	Actual
2018-19	280,000	Budgeted

795720

Periodicals

Reflects the increase in magazine publishers prices. This line items includes newspapers, print and electronic magazines, and some investment services publications.

2009-10	40,766	
2010-11	40,172	
2011-12	40,930	
2012-13	25,416	Reduced print copies in favor of online databases
2013-14	32,170	
2014-15	32,677	
2015-16	32,939	
2016-17	30,703	
2017-18	29,948	Actual
2018-19	42,000	Budgeted

795721

Societies & Memberships

Includes membership in organizations to receive journals, as well as partial reimbursement of employees' professional memberships, such as the American Library Association and the Michigan Library Association. Also includes local memberships for staff participation in the Optimists, Chamber of Commerce, Xemplar Club, etc.

2009-10	9,919	
2010-11	7,048	
2011-12	3,929	Reduced organizational memberships
2012-13	5,965	
2013-14	7,872	Staff joined organizations for membership discounts on seminars
2014-15	7,553	
2015-16	10,319	
2016-17	10,265	
2017-18	10,234	Actual
2018-19	13,000	Budgeted

795730**Audio-Visual**

The audio-visual collection continues to experience tremendous growth in public use. This budget was increased to establish collections of Books-on-CD, Playaways, Video games, toys, puzzles, etc. and to maintain collections similar in quality and scope as those in comparable public libraries.

2005-06	30,596	
2006-07	53,525	
2007-08	81,856	
2008-09	84,998	
2009-10	96,235	
2010-11	50,978	
2010-12	31,622	
2012-13	30,269	
2013-14	62,180	
2014-15	49,397	
2015-16	48,686	
2016-17	49,589	
2017-18	54,725	Actual
2018-19	52,000	Budgeted

795740**Information Resources**

Includes purchases of microfilm; microfiche; digitization and licensing costs; and costs for electronic and web based subscriptions. This line item has grown as many print reference sources are now only available in digital formats.

2005-06	138,308	
2006-07	154,650	
2007-08	159,562	
2008-09	149,635	
2009-10	134,448	
2010-11	103,614	
2010-12	83,115	
2012-13	79,960	
2013-14	94,097	
2014-15	139,631	Started offering Hoopla and other online products
2015-16	159,811	
2016-17	162,240	
2017-18	184,649	Actual
2018-19	261,450	Budgeted

795750 Processing

Includes all materials ordered to process the collection, such as book jackets, labels, RFID tags, and locking cases for media, and the software required for ordering and MARC records.

2005-06	6,855	
2006-07	32,378	Replace RFID tags – old tags no longer compatible with software
2007-08	28,789	Replace RFID tags – old tags no longer compatible with software
2008-09	36,813	Replace RFID tags – old tags no longer compatible with software
2009-10	40,030	Replace RFID tags – old tags no longer compatible with software
2010-11	25,260	
2010-12	7,010	
2012-13	14,326	
2013-14	2,110	
2014-15	1,604	
2015-16	7,810	Also included subscription for MARC record profiler needed to process orders
2016-17	8,531	Also included subscription for MARC record profiler needed to process orders
2017-18	5,400	Actual
2018-19	17,000	Budgeted

795760 Binding

The primary bindery use is for back issues of the local newspapers.

Discontinued binding in fiscal year 2011/12.

795780**DVDs**

The shift from videocassettes to DVDs reflect market changes in format. Substantial budget increases are designed to develop superior collections of these popular materials.

2005-06	32,497	
2006-07	73,975	
2007-08	96,130	
2008-09	103,886	
2009-10	108,097	
2010-11	105,723	
2010-12	62,793	
2012-13	58,001	
2013-14	87,806	
2014-15	88,256	
2015-16	84,885	
2016-17	86,308	
2017-18	89,565	Actual
2018-19	85,000	Budgeted

795900**Programming & Printing**

This budget line included three issues of the Info Exchange Library newsletter, (which was replaced with the Special Services Activity Guide), also included brochures, bookmarks, and other printed materials for reading clubs and programs, all designed to promote Library services. This line item also includes costs for speakers for special programs, movie licensing fees, and craft and other materials for Children's programs. The rise in expenditures reflects the Library's commitment to our patrons whether they are inside the Library or outside in the community.

2005-06	38,368	
2006-07	37,619	
2007-08	36,860	
2008-09	65,000	
2009-10	39,535	
2010-11	38,859	
2010-12	14,925	
2012-13	28,915	
2013-14	41,174	
2014-15	37,120	
2015-16	66,451	
2016-17	64,161	
2017-18	68,084	Actual
2018-19	75,000	Budgeted

796000 Training & Conferences

Includes the costs of staff and Board attendance at conferences and workshops, such as the Michigan Library Association and American Library Association annual conferences, the biennial Public Library Association Conference, automation and computer conferences, the Foundation Center annual conference and other state, local or national conferences or training sessions. This also includes in-house speakers and workshops, and webinars for computer skills and current awareness.

2005-06	15,131	
2006-07	20,141	
2007-08	23,360	
2008-09	17,548	
2009-10	16,588	
2010-11	7,734	
2010-12	4,202	
2012-13	10,507	
2013-14	17,139	
2014-15	6,399	
2015-16	9,488	
2016-17	5,408	
2017-18	5,000	Actual
2018-19	12,000	Budgeted

796100 Education and Training

This line item has not been used since 2011. Everything is included in item 796000.

796200 Other

This line item has not been used since 2010. Everything is included in other line items.

809661 TLN (THE LIBRARY NETWORK)

This account traditionally was used for internet access obtained through MetroNet. These internet costs are now obtained through The Library Network and this budget line also includes cost of TLN inter-library deliveries.

2005-06	37,983	
2006-07	33,647	
2007-08	38,570	
2008-09	39,561	
2009-10	31,153	TLN replaced Metronet Consortium as provider of internet
2010-11	25,238	
2010-12	23,638	
2012-13	26,090	
2013-14	26,358	
2014-15	27,320	
2015-16	10,919	Rebates applied for – received 2 years
2016-17	18,718	Rebates reflects 1 year
2017-18	14,636	Actual
2018-19	20,000	Budgeted

909690 Gift Fund & Memorial Books

Account for expenses specified by donors or Friends of the Library. Monies spent on behalf of these donations are reimbursed from the Gift fund.

909691 Friends Gift Purchases

Account used for expenses which will be reimbursed from the Friends of the Library.

909740 Building & Improvements

Includes improvements to the buildings and grounds, such as paving the parking lots, updating windows, floor coverings, lighting fixtures, signage, wall coverings, etc.

2005-06	15,624	
2006-07	124,379	
2007-08	50,633	Roof repairs, lighting upgrade to LED
2008-09	62,193	Painting, roof repairs, electrical, & bathroom remodeling
2009-10	34,901	Improvements to security system
2010-11	0	
2010-12	0	
2012-13	0	
2013-14	0	
2014-15	30,234	Lighting projects and parking lot repair deposit
2015-16	182,742	Parking lot asphalt and fobbing system
2016-17	6,440	Diversified Construction of door at Adult offices
2017-18	51,702	Actual – Larger projects delayed
2018-19	270,270	Budgeted

909740 Debt Retirement-Principal paid off in fiscal year 2012/13

909749 Debt Retirement-Interest paid off in fiscal year 2012/13

909760 Capital Reserve

Includes capital purchases for the replacement of major equipment, furnishings and technology needs. This was originally established to provide for the repair or replacement of items in lieu of flood insurance should the contingency fund be inadequate. Funds remaining at the end of the fiscal year were then transferred into the Capital Reserve Fund for future needs.

Since 2008/09, any excess funds have absorbed into Fund balance.

909810 Furniture & Furnishings

Includes replacement and repair of furniture, signage, displays, doors, and other items.

2005-06	20,641	
2006-07	18,019	
2007-08	13,443	
2008-09	20,000	Blinds and other items
2009-10	29,977	Library Design furniture
2010-11	6,173	Multiple items from Demco such as book carts
2010-12	2,178	Library Design
2012-13	5,600	Repairs to statue
2013-14	14,578	
2014-15	593	
2015-16	25,820	Office chairs
2016-17	0	
2017-18	81,092	Actual
2018-19	60,000	Budgeted

909820 Equipment

Includes small equipment for cleaning, lawn care, and maintenance. Also includes audiovisual equipment, microphones, projectors, televisions, DVD players, ipads, laminators, scanners, fax machines, shredders and et cetera.

2005-06	22,385	
2006-07	11,230	
2007-08	15,000	
2008-09	18,377	
2009-10	5,261	
2010-11	9,890	
2010-12	981	
2012-13	1,000	
2013-14	5,510	
2014-15	17,294	
2015-16	50,968	Techlogic and Envisionware upgrades
2016-17	18,596	
2017-18	8,047	Actual – Planned improvements delayed
2018-19	62,072	Budgeted

909850

Computers

Includes computers and other hardware, keyboards, cables, cards, headphones, storage devices, printers, etc. This budget line item will also include the replacement schedule for computers, staff printers.

2005-06	72,000	
2006-07	98,891	
2007-08	179,176	
2008-09	63,502	
2009-10	21,075	
2010-11	38,860	
2010-12	28,126	
2012-13	32,680	
2013-14	96,832	
2014-15	29,803	
2015-16	40,160	
2016-17	42,541	
2017-18	61,880	Actual
2018-19	70,000	Budgeted

909830

Vehicle

Includes the replacement of the Library vehicles. the Jeep was replaced in 2008-2009 for a cost of \$27,000. Van was due for replacement in 2009-2010, however, this was postponed until 2013-14 at a cost of \$21,436.

909860

Contingency

Includes any unforeseen and emergency expenditures. This fund may be used for TLN delivery, or other cooperative costs should State Aid and support of that service be eliminated.

This line item has not been used since 2007-08.