



AMENDING THE 2016 OPERATING BUDGET
November 21, 2016

www.BranchDistrictLibrary.org

The previously passed budget is online at <https://www.BranchDistrictLibrary.org/budgets>, but to summarize, here are the changes:

Revenues:

- StateAid: reflects what we have received.
- Interest Earned: raised to reflect how things have gone this year.
- Penal Fines: raised to reflect how things have gone this year.
- Charges for Services: lowered to reflect how things have gone this year.
- Literacy Council Reimbursements: raised to reflect how things have gone this year.
- Capital Transfers: budgeted and actual amounts reflect what amendments were approved at BDL Board meetings.

Expenditures:

- Workers' Compensation: raised to reflect how things have gone this year.
- Employee Benefits: Added because of Library Director's moving expenses.
- Contracted Services: Woodlands fee increased.
- Education Reimbursement: Added because of Director of Public Services request for reimbursement
- Facilities Rent: Increased because of storage unit rent.
- Capital Outlay: Added on advice of accountants.
- Maintenance: Increased to pay for elevator and associated costs.
- Janitorial Supplies: Added to cover janitorial supplies for Coldwater Branch.
- Transportation: Increased to cover Director's travel.
- Printing and Publishing: Increased to cover additional marketing supplies and advertising.
- Bank Service Fees: Increased to cover credit card fees.

When these amendments are passed, we will be looking at revenue over expenditures probably close to \$88,693.57, adding to our fund balance for the year.

Submitted by
Linda Lyshol



2016 GENERAL FUND BUDGET SUMMARY

The 2016 budget year looks to be a bright one for the Branch District Library. There should be a slight increase in the taxable value of property in Branch County, and the Headlee override will not be affecting our second millage. We are projecting lower Penal Fine revenue, but not drastically so.

Plans for 2016 include a variety of changes to improve library services to our patrons. We will be increasing hours over 2015 levels at all locations, adding credit and debit card services to all locations, upgrading software at all locations, and adding new digital services for at-home use by library patrons. We will also further increase our budget for special events and programming and increase our materials budget at all locations.

These increases will necessitate budgeting expenditures higher than our projected revenue. We will be using our Unassigned Fund Balance to cover the difference.

Projected Operating Revenues (see page 2)	\$ 1,650,561.71
Projected Operating Expenditures (see page 4)	<u>-\$ 1,561,868.14</u>
<i>Difference</i>	<u>\$ 88,693.57</u>

Fund Balance Status

Actual Unrestricted Unassigned Fund Balance as of 12/31/2014	\$ 673,695.00
Estimated Operating Budget Surplus as of 12/31/2015	<u>\$ 441,110.12</u>
Estimated Unrestricted Unassigned Fund Balance as of 12/31/2015	\$ 1,114,805.12
Estimated Operating Budget Difference as of 12/31/2016	<u>\$ 88,693.57</u>
Estimated Unrestricted Unassigned Fund Balance as of 12/31/2016	\$ 1,460,438.85

Capital Funds Being Added to Branches in 2016 (see page 6)	\$ 117,808.98
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REVENUES

	2014 (Budgeted)	2014 (Actual)	2015 (Budgeted)	2015 (YTD Sept.)	2015 (Projected)	2016 (Proposed)	2016 (YTD October)	2016 (Projected)
Branch Co. Taxable Value	\$ 1,295,946,833.00	\$ 1,300,872,317.00	\$ 1,300,870,317.00	\$ 1,394,454,321.00	\$ 1,394,454,321.00	\$ 1,394,454,321.00	\$ 1,358,625,659.00	\$ 1,358,625,659.00
Millage 1 Rate (1991, in perpetuity) ¹	0.000605	0.000605	0.000605	0.000605	0.000605	0.000605	0.000605	0.000605
Millage 2 Rate (2015 – 2022)	n/a	n/a	0.000500	0.000500	0.000500	0.000500	0.000500	0.000500
TOTAL MILLAGE RATE	0.000605	0.000605	0.001105	0.001105	0.001105	0.001105	0.001105	0.001105
Millage 1 Tax Income	\$ 766,406.76	\$ 777,380.74	\$ 769,318.44	n/a	n/a	\$ 824,662.85	n/a	n/a
Millage 2 Tax Income ²	n/a	n/a	\$ 635,800.37	n/a	n/a	\$ 681,539.55	n/a	n/a
Total Property Tax Income ³	\$ 766,406.76	\$ 777,380.74	\$ 1,405,118.81	\$ 1,425,743.17	\$ 1,425,743.17	\$ 1,506,202.40	\$ 1,498,298.67	\$ 1,498,298.67
Industrial Facilities Tax	\$ 7,500.00	\$ 8,467.00	\$ 21,000.00	\$ 21,062.27	\$ 21,062.27	\$ 15,000.00	\$ 21,002.77	\$ 21,002.77
Total Taxes	\$ 773,906.76	\$ 785,847.74	\$ 1,426,118.81	\$ 1,446,805.44	\$ 1,446,805.44	\$ 1,521,202.40	\$ 1,519,301.44	\$ 1,519,301.44
Subtracted to Capital Funds ⁴	-\$ 109,486.68	-\$ 110,781.00	-\$ 219,805.27	-\$ 222,674.18	-\$ 222,674.18	-\$ 235,617.96	-\$ 233,677.17	-\$ 233,677.17
Total Taxes for Operating	\$ 664,420.08	\$ 675,067.00	\$ 1,206,313.54	\$ 1,224,131.26	\$ 1,224,131.26	\$ 1,285,584.45	\$ 1,285,624.27	\$ 1,285,624.27
State Shared Revenue ⁵	\$ 25,200.00	\$ 27,645.00	\$ 27,619.00	\$ 27,619.42	\$ 27,619.42	\$ 30,468.55	\$ 30,672.10	\$ 30,672.10
Interest Earned	\$ 1,200.00	\$ 2,028.00	\$ 2,400.00	\$ 2,198.00	\$ 2,637.60	\$ 2,000.00	\$ 4,519.34	\$ 4,519.34
Penal Fines ⁶	\$ 161,000.00	\$ 289,167.00	\$ 213,000.00	\$ 176,274.61	\$ 211,529.53	\$ 175,000.00	\$ 207,013.74	\$ 238,000.00
Charges for Services ⁷	\$ 21,000.00	\$ 25,747.00	\$ 36,000.00	\$ 25,365.08	\$ 30,438.10	\$ 27,000.00	\$ 25,504.52	\$ 27,000.00
Reimbursements ⁸	\$ 26,083.00	\$ 30,295.00	\$ 36,083.00	\$ 18,861.63	\$ 22,633.96	\$ 28,074.00	\$ 50,297.89	\$ 28,074.00
Miscellaneous Revenue ⁹	\$ 14,000.00	\$ 16,928.00	\$ 14,000.00	\$ 13,795.65	\$ 16,554.78	\$ 16,000.00	\$ 9,430.74	\$ 16,000.00
Capital Transfers ¹⁰	\$ 27,690.08	\$ 25,190.00	\$ 30,380.00	\$ 15,330.00	\$ 30,380.00	\$ 20,672.00	\$ 20,672.00	\$ 20,672.00
TOTAL OPERATING REVENUES	\$ 940,593.16	\$ 1,092,067.00	\$ 1,565,795.54	\$ 1,503,575.65	\$ 1,565,924.64	\$ 1,584,799.00	\$ 1,633,734.60	\$ 1,650,561.71
Expenditures	\$ 993,127.88	\$ 984,418.00	\$ 1,509,102.04	\$ 927,345.44	\$ 1,124,814.53	\$ 1,673,793.23	\$ 1,287,800.21	\$ 1,561,868.14
Difference	-\$ 52,534.72	\$ 107,649.00	\$ 56,693.50	\$ 576,230.21	\$ 441,110.12	-\$ 88,994.23	\$ 345,934.39	\$ 88,693.57
Unrestricted Unassigned Fund Balance	\$ 414,610.10	\$ 673,695.00	\$ 730,388.50	\$ 1,301,849.63	\$ 1,114,805.12	\$ 1,025,810.88	\$ 1,371,745.27	\$ 1,460,438.85

Notes

1. Voter approved millage was 0.7 mills, reduced to 0.605 by the Headlee Rollback.
2. All revenue generated from Millage 2 is to be added to the general fund for use by all branches for hours, materials, programming, and other needs.
3. Total tax income equals Millage 1 plus Millage 2, all multiplied by 0.9775 to account for typically less than 100% tax collection. Also includes Delinquent Taxes, and Payments in Lieu of Taxes.
4. Capital funds are 2/7 of the income from Millage 1, starting in 2015. Breakdown follows on page 6 of this document.
5. 2016 State Aid rates are \$0.32479 per capita, twice a year. Our service population is 46,905.
6. Penal Fines from both Branch County and Allen Township of Hillsdale County.
7. Charges for Services includes income from such places as faxes, exam proctoring, circulation fees from Coldwater Branch, etc.
8. Reimbursements come from the Branch County Literacy Council for payroll processing services and from the Woodlands Library Cooperative for our MeLCat delivery.
9. Miscellaneous Revenue includes income from such places as lost and damaged book fees, copier and printing income, circulation fees for the 5 smaller branches, Unique Collections, etc.
10. Beginning in 2010, Branches may all present a plan by October 1 to transfer up to 80% of the upcoming year's capital funds into the operating budget. See Plan of Service, Section IV for details.

EXPENDITURES

	2014 (Budgeted)	2014 (Actual)	2015 (Budgeted)	2015 (YTD Sept.)	2015 (Projected)	2016 (Proposed)	2016 (YTD)	2016 (Projected)
Salaries ¹	\$ 590,211.00	\$ 598,961.00	\$ 741,113.00	\$ 536,853.49	\$ 656,224.19	\$ 915,179.84	\$ 676,992.74	\$ 812,391.29
Payroll Taxes	\$ 47,216.88	\$ 45,865.00	\$ 59,289.04	\$ 41,130.30	\$ 49,356.36	\$ 73,214.39	\$ 51,896.88	\$ 62,276.26
Unemployment	\$ 14,100.00	\$ 2,475.00	\$ 14,100.00	\$ -	\$ -	\$ 10,000.00	\$ 5,792.00	\$ 6,950.40
Workers' Compensation	\$ 2,500.00	\$ 1,879.00	\$ 2,500.00	\$ 1,220.00	\$ 1,464.00	\$ 2,000.00	\$ 2,812.00	\$ 3,374.40
Longevity	\$ 4,300.00	\$ 2,350.00	\$ 4,300.00	\$ 1,925.00	\$ 2,310.00	\$ 4,275.00	\$ 2,375.00	\$ 2,850.00
Board per Diem	\$ 900.00	\$ -	\$ 900.00	\$ 225.00	\$ 270.00	\$ 2,160.00	\$ 1,600.00	\$ 1,920.00
Contract Labor	\$ 300.00	\$ 346.00	\$ 300.00	\$ 65.22	\$ 78.26	\$ 300.00	\$ -	\$ -
Hospitalization	\$ 46,000.00	\$ 47,807.00	\$ 59,000.00	\$ 39,798.85	\$ 47,758.62	\$ 90,000.00	\$ 53,151.09	\$ 63,781.31
Deferred Compensation	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 5,400.00	\$ 7,500.00	\$ 5,000.00	\$ 6,000.00
Employee Relations	\$ 500.00	\$ 339.00	\$ 600.00	\$ 494.95	\$ 593.94	\$ 1,500.00	\$ 198.40	\$ 238.08
Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000.00	\$ 15,000.00
Contracted Services ²	\$ 12,600.00	\$ 17,319.00	\$ 18,000.00	\$ 17,728.96	\$ 21,274.75	\$ 18,000.00	\$ 18,751.05	\$ 22,501.26
Training	\$ 3,000.00	\$ 3,168.00	\$ 7,500.00	\$ 5,736.17	\$ 6,883.40	\$ 10,000.00	\$ 6,475.85	\$ 7,771.02
Education Reimbursement						\$ 12,330.00	\$ 12,330.00	\$ 12,330.00
Facilities Rent	\$ -	\$ -	\$ 600.00	\$ 600.00	\$ 720.00	\$ 600.00	\$ 1,014.00	\$ 14,796.00
Telephone	\$ 6,500.00	\$ 5,952.00	\$ 10,000.00	\$ 4,571.46	\$ 5,485.75	\$ 10,000.00	\$ 5,334.43	\$ 14,796.00
Utilities	\$ 38,000.00	\$ 40,249.00	\$ 50,000.00	\$ 28,545.99	\$ 34,255.19	\$ 49,160.00	\$ 29,276.19	\$ 35,131.43
Insurance	\$ 11,500.00	\$ 11,444.00	\$ 16,000.00	\$ 15,059.89	\$ 18,071.87	\$ 18,000.00	\$ 14,769.00	\$ 17,722.80
Capital Outlay						\$ 6,714.00	\$ 6,714.00	\$ 8,056.80
Maintenance ³	\$ 50,500.00	\$ 42,800.00	\$ 134,040.00	\$ 42,591.36	\$ 51,109.63	\$ 75,000.00	\$ 104,035.24	\$ 124,842.29
Equipment Maintenance	\$ 9,000.00	\$ 5,758.00	\$ 9,000.00	\$ 5,471.21	\$ 6,565.45	\$ 9,000.00	\$ 7,753.81	\$ 9,304.57
Network Maintenance ⁴	\$ 8,000.00	\$ 10,433.00	\$ 105,000.00	\$ 13,159.38	\$ 15,791.26	\$ 40,360.00	\$ 29,816.13	\$ 35,779.36
Janitorial Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,121.43	\$ 2,545.72
Office Supplies	\$ 23,000.00	\$ 29,817.00	\$ 41,000.00	\$ 29,029.25	\$ 34,835.10	\$ 45,000.00	\$ 27,443.17	\$ 32,931.80
Interlibrary Loan/Doc. Delivery ⁵	\$ 7,500.00	\$ 447.00	\$ 7,500.00	\$ 226.90	\$ 272.28	\$ 500.00	\$ 347.90	\$ 417.48
Postage	\$ 4,000.00	\$ 2,050.00	\$ 2,500.00	\$ 1,558.78	\$ 1,870.54	\$ 3,000.00	\$ 2,569.77	\$ 3,083.72
Books	\$ 42,000.00	\$ 47,215.00	\$ 100,000.00	\$ 64,821.75	\$ 77,786.10	\$ 100,000.00	\$ 84,936.74	\$ 101,924.09
Periodicals	\$ 5,200.00	\$ 6,681.00	\$ 6,500.00	\$ 1,483.24	\$ 1,779.89	\$ 10,000.00	\$ 7,213.15	\$ 8,655.78
Audio/visual	\$ 8,000.00	\$ 8,097.00	\$ 14,000.00	\$ 5,501.51	\$ 6,601.81	\$ 20,000.00	\$ 13,408.91	\$ 16,090.69
Membership and Dues	\$ 2,000.00	\$ 1,994.00	\$ 2,000.00	\$ 1,649.00	\$ 1,978.80	\$ 3,000.00	\$ 1,025.00	\$ 1,230.00
Transportation ⁶	\$ 8,000.00	\$ 7,783.00	\$ 8,000.00	\$ 5,828.96	\$ 6,994.75	\$ 8,000.00	\$ 10,490.22	\$ 12,588.26
Community Promotions ⁷	\$ 6,300.00	\$ 6,715.00	\$ 16,360.00	\$ 10,978.98	\$ 13,174.78	\$ 40,000.00	\$ 31,342.45	\$ 37,610.94
Printing and Publishing	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 141.79	\$ 170.15	\$ 1,000.00	\$ 2,342.78	\$ 2,811.34
Payroll Fees	\$ 500.00	\$ 467.00	\$ 500.00	\$ 359.72	\$ 431.66	\$ 500.00	\$ 1,090.01	\$ 1,308.01
Professional Services ⁸	\$ 33,000.00	\$ 29,236.00	\$ 70,000.00	\$ 43,419.97	\$ 52,103.96	\$ 85,000.00	\$ 51,896.63	\$ 62,275.96
Correction of Prior Years' Taxes	\$ 3,000.00	\$ 2,271.00	\$ 3,000.00	\$ 2,668.36	\$ 3,202.03	\$ 2,500.00	\$ 484.24	\$ 581.09
TOTAL EXPENDITURES	\$ 993,127.88	\$ 984,418.00	\$ 1,509,102.04	\$ 927,345.44	\$ 1,124,814.53	\$ 1,673,793.23	\$ 1,287,800.21	\$ 1,561,868.14
Revenues	\$ 940,593.16	\$ 1,092,067.00	\$ 1,565,795.54	\$ 1,503,575.65	\$ 1,565,924.64	\$ 1,584,799.00	\$ 1,633,734.60	\$ 1,650,561.71
Difference	-\$ 52,534.72	\$ 107,649.00	\$ 56,693.50	\$ 576,230.21	\$ 441,110.12	-\$ 88,994.23	\$ 345,934.39	\$ 88,693.57

Notes

Salary numbers for 2016 reflect an increase in hours at all branches, including being open Sundays at the Coldwater branch, and a 3% Cost of Living Adjustment (COLA). From the

1. our wage freeze in 2010 to the 2015 budget there was a Cost of Living Increase of 8.32%. In 2015 we had a 3.75% COLA. That left BDL wages at 4.57% below 2010 levels in purchasing power. This additional 3% puts us closer to parity with 2010 levels.
2. Contracted services is our line for Woodlands Library Cooperative fees.
3. This line encompasses both Interior and exterior building maintenance, janitorial services, security alarm, elevator maintenance.
4. Network Maintenance includes charges for our Integrated Library System hosting; software, databases/services (Ancestry, Mango, Tumblebooks, OverDrive, Hoopla, NewsBank), service licensing (Baker and Taylor, EnvisionWare), Motion Picture Public Performance Rights (Movie Licensing USA, MPLC), etc.
5. Interlibrary loan fees are sometimes charged to us when a book borrowed from another library is lost.
6. Transportation includes our delivery between branches and mileage reimbursements to staff.
7. Community Promotions includes our programming, advertising, and attendance at paid community events like the fair, farmers' markets, etc.
8. Professional Services includes charges for accounting, legal, collections, and employee search firm services.

CAPITAL FUNDS BREAKDOWN

Total Capital Funds Available: \$ 235,617.96
Half to Major District Projects: \$ 117,808.98
Half to Branches: \$ 117,808.98

	Future Automation 20%	Capital Technology 35%	Other Major District Projects 45%	Totals
Major District Projects Funds Available This Year:	\$ 23,561.80	\$ 41,233.14	\$ 53,014.04	\$ 117,808.98
Estimated Total MDP Fund as of 12/31/2015:	\$ 23,774.00	\$ 558.93	\$ 78,136.00	\$ 102,468.93
Estimated Total MDP Fund as of 12/31/2016:	\$ 47,335.80	\$ 6,792.07	\$ 131,150.04	\$ 185,277.91

	Alganssee 9.375%	Bronson 18.75%	Coldwater 25%	Quincy 18.75%	Sherwood 9.375%	Union Twp. 18.75%	Totals
Branch Capital Funds Available This Year:	\$ 11,044.59	\$ 22,089.18	\$ 29,452.24	\$ 22,089.18	\$ 11,044.59	\$ 22,089.18	\$ 117,808.98
Capital Funds Available to Transfer (80%)	\$ 8,835.67	\$ 17,671.35	\$ 23,561.80	\$ 17,671.35	\$ 8,835.67	\$ 17,671.35	\$ 94,247.18
Transferring to Operating for:							
Salaries ¹ :	\$ -	\$ 12,710.00	\$ -	\$ -	\$ 5,302.00	\$ 1,300.00	\$ 19,312.00
Books:							\$ -
Audiovisual:							\$ -
Periodicals:							\$ -
Network Maintenance ² :	\$ -	\$ 180.00	\$ -	\$ -	\$ 180.00	\$ -	\$ 360.00
Community Promotions ³ :							\$ -
Maintenance ⁴ :	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00
Total Capital Transferring into Operating:	\$ -	\$ 12,890.00	\$ -	\$ -	\$ 5,482.00	\$ 2,300.00	\$ 20,672.00
Total Remaining to Add to Branch Capital:	\$ 11,044.59	\$ 9,199.18	\$ 29,452.24	\$ 22,089.18	\$ 5,562.59	\$ 19,789.18	\$ 97,136.98
Estimated Branch Capital as of 12/31/2015:	\$ 36,068.00	\$ 10,033.00	\$ 3,480.00	\$ 60,268.00	\$ 14,302.00	\$ 30,350.00	\$ 154,501.00
Estimated Branch Capital as of 12/31/2016:	\$ 47,112.59	\$ 19,232.18	\$ 32,932.24	\$ 82,357.18	\$ 19,864.59	\$ 50,139.18	\$ 251,637.98

Notes

- Bronson Branch Salaries: to cover additional staff during programming and summer reading.
- 1. Sherwood Branch Salaries: to cover additional staffing throughout the year.
 Union Twp. Branch Salaries: to cover additional staff during programming.
- 2. Bronson Branch Network Maintenance: to cover additional motion picture performance license.
 Sherwood Branch Network Maintenance: to cover additional motion picture performance license.
- 3. Union Twp.'s request is not for additional staff but to cover community promotions.
- 4. Union Twp. Branch Maintenance: Snow removal, Salt, and Window Washing.