

Kalamazoo Public Library
General Operating Fund
Summary of Preliminary Estimate Budget
Fiscal Year ending June 30, 2018

	FY 15-16 Actual	FY 16-17 Preliminary Budget	FY 16-17 Close Estimate Budget	FY 17-18 Preliminary Budget	Variance to FY 16-17 CEB
Revenue					
Property Taxes	\$ 10,503,721	\$ 10,391,156	\$ 10,405,672	\$ 10,552,167	\$ 146,495
State Grants and Reimbursements	\$ 219,460	\$ 211,388	\$ 903,000	\$ 548,590	\$ (354,410)
Charges for Services	\$ 207,315	\$ 180,000	\$ 159,070	\$ 180,000	\$ 20,930
District Court Penal Fines	\$ 222,994	\$ 255,000	\$ 212,000	\$ 212,000	\$ -
Other Revenue	\$ 521,048	\$ 456,300	\$ 508,602	\$ 453,681	\$ (54,921)
Total Revenue	\$ 11,674,539	\$ 11,493,844	\$ 12,188,344	\$ 11,946,438	\$ (241,906)
Expenditures					
Salaries	\$ 4,939,872	\$ 5,109,350	\$ 5,162,364	\$ 5,272,063	\$ 109,699
Benefits	\$ 2,335,420	\$ 2,450,703	\$ 2,884,260	\$ 2,330,497	\$ (553,763)
Materials	\$ 1,023,525	\$ 1,187,323	\$ 1,201,003	\$ 1,263,190	\$ 62,187
Facilities	\$ 564,751	\$ 620,384	\$ 642,884	\$ 659,651	\$ 16,767
Operating Expenses	\$ 287,849	\$ 351,393	\$ 364,565	\$ 381,005	\$ 16,440
Technical Services	\$ 604,739	\$ 700,945	\$ 704,124	\$ 650,043	\$ (54,081)
Purchased Services	\$ 545,134	\$ 564,756	\$ 569,650	\$ 677,460	\$ 107,810
Other	\$ 279,348	\$ 326,351	\$ 332,645	\$ 446,180	\$ 113,535
Total Operating Expenditures	\$ 10,580,639	\$ 11,311,205	\$ 11,861,495	\$ 11,680,088	\$ (181,407)
OPERATING REVENUE OVER (UNDER) EXPENDITURES	\$ 1,093,905	\$ 182,639	\$ 326,849	\$ 266,350	\$ (60,499)
Operating Transfers					
Transfers to/from Other Funds	\$ -	\$ -	\$ (13,840)	\$ -	\$ (13,840)
Transfers to Capital Improvement Plan	\$ 600,000	\$ 300,000	\$ 600,000	\$ 190,000	\$ 300,000
Total Expenditures and Transfers	\$ 11,180,639	\$ 11,611,205	\$ 12,447,655	\$ 11,870,088	\$ 104,753
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	\$ 493,901	\$ (117,361)	\$ (259,311)	\$ 76,350	\$ 335,661
BEGINNING FUND BALANCE	\$ 7,029,005	\$ 6,843,639	\$ 7,522,906	\$ 7,263,595	\$ (259,311)
NET SURPLUS/(DEFICIT)	\$ 493,901	\$ (117,361)	\$ (259,311)	\$ 76,350	\$ 335,661
ENDING FUND BALANCE	\$ 7,522,906	\$ 6,726,278	\$ 7,263,595	\$ 7,339,945	\$ 76,350
Composition of Fund Balance					
Non-spendable Prepaid Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted ONEplace Grants	\$ 252,225	\$ 256,293	\$ 256,293	\$ 256,293	\$ -
Assigned for Cash Flow	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ -
Unassigned Fund Balance	\$ 3,470,681	\$ 2,669,985	\$ 3,207,302	\$ 3,283,652	\$ 76,350
Total Ending Fund Balance	\$ 7,522,906	\$ 6,726,278	\$ 7,263,595	\$ 7,339,945	\$ 76,350

Kalamazoo Public Library
Supplementary Information
Detail of Preliminary General Operating Fund Budget
Fiscal Year ending June 30, 2018

	FY 15-16 Actual	FY 16-17 Close Estimate Budget	FY 17-18 Preliminary Budget	Variance to Prior
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REVENUE

Property Taxes

1	City of Kalamazoo	\$ 5,692,048	\$ 5,529,735	\$ 5,568,443	\$ 38,708
2	Kalamazoo Township	\$ 1,456,881	\$ 1,449,614	\$ 1,464,110	\$ 14,496
3	Oshtemo Township	\$ 2,880,731	\$ 2,963,867	\$ 3,052,783	\$ 88,916
4	Texas Township	\$ 426,754	\$ 437,456	\$ 441,831	\$ 4,375
5	Subtotal: Gross Property Taxes	\$ 10,456,413	\$ 10,380,672	\$ 10,527,167	\$ 146,495
6	Less Delinquency Reserve		\$ (15,000)	\$ (15,000)	\$ -
7	Plus Delinq. Tax Receipts	\$ 47,308	\$ 40,000	\$ 40,000	\$ -
8	Net Property Tax Revenue	\$ 10,503,721	\$ 10,405,672	\$ 10,552,167	\$ 146,495

Other Taxes

Industrial Facilities Tax

9	City of Kalamazoo	\$ 59,109	\$ 59,100	\$ 59,514	\$ 414
10	Kalamazoo Township	\$ 9,912	\$ 6,600	\$ 6,666	\$ 66
11	Oshtemo Township	\$ 12,525	\$ 12,525	\$ 12,901	\$ 376
12	Texas Township	\$ -	\$ -	\$ -	\$ -
13	SubTotal: Industrial Facilities Taxes	\$ 81,546	\$ 78,225	\$ 79,081	\$ 855
14	Renaissance Zone Taxes	\$ 21,434	\$ 21,477	\$ 1,000	\$ (20,477)
15	Payments in Lieu of Taxes	\$ 45,095	\$ 40,300	\$ 20,000	\$ (20,300)
16	Total Other Taxes	\$ 148,075	\$ 140,002	\$ 100,081	\$ (39,921)

Other Revenue

17	Misc. Fines & Fees	\$ 207,315	\$ 159,070	\$ 180,000	\$ 20,930
18	State Aid	\$ 219,460	\$ 194,180	\$ 194,180	\$ -
18a	State Aid: PPT Replacement (LCSA Share)		\$ 708,820	\$ 354,410	\$ (354,410)
19	District Ct. Penal Fines	\$ 222,994	\$ 212,000	\$ 212,000	\$ -
20	Law Library Revenue	\$ 64,296	\$ 65,000	\$ 65,000	\$ -
21	Universal Service Fund Reimbursement	\$ 33,600	\$ 48,600	\$ 48,600	\$ -
22	Friends of KPL & Other Local Revenue	\$ 257,468	\$ 240,000	\$ 225,000	\$ (15,000)
23	Interest Income	\$ 17,608	\$ 15,000	\$ 15,000	\$ -
24	Total Other Revenue	\$ 1,022,743	\$ 1,642,670	\$ 1,294,190	\$ (348,480)

TOTAL REVENUE \$ **11,674,539** \$ **12,188,344** \$ **11,946,438** \$ **(241,906)**

EXPENDITURES

Salaries and Wages

25	Administrator Salaries	\$ 667,437	\$ 622,085	\$ 603,210	\$ (18,875)
26	Librarian Salaries	\$ 1,333,171	\$ 1,379,425	\$ 1,397,114	\$ 17,689
27	Supervisory Technical Salaries	\$ 718,703	\$ 825,640	\$ 883,177	\$ 57,537
28	Library Assistant Salaries	\$ 1,548,013	\$ 1,559,614	\$ 1,596,947	\$ 37,333

Kalamazoo Public Library
Supplementary Information
Detail of Preliminary General Operating Fund Budget
Fiscal Year ending June 30, 2018

	FY 15-16 Actual	FY 16-17 Close Estimate Budget	FY 17-18 Preliminary Budget	Variance to Prior
29 Hourly Staff	\$ 606,686	\$ 695,000	\$ 723,170	\$ 28,170
30 Substitute Salaries	\$ 65,861	\$ 80,600	\$ 68,445	\$ (12,155)
31 Vacancy Credit	\$ -	\$ -	\$ (50,000)	\$ (50,000)
32 Total Salaries & Wages	\$ 4,939,872	\$ 5,162,364	\$ 5,222,063	\$ 59,699
Benefits				
33 Employee Insurance	\$ 1,033,463	\$ 1,076,570	\$ 1,067,769	\$ (8,801)
34 Retirement	\$ 872,699	\$ 1,009,025	\$ 789,283	\$ (219,742)
35 Employer FICA-Medicare	\$ 369,798	\$ 410,380	\$ 407,245	\$ (3,135)
36 Other Benefits: RPO, V-Exempt, Parking	\$ 59,460	\$ 388,285	\$ 66,200	\$ (322,085)
37 Total Benefits	\$ 2,335,420	\$ 2,884,260	\$ 2,330,497	\$ (553,763)
38 Compensation Reserves	\$ -	\$ -	\$ 50,000	\$ 50,000
39 Total Salaries & Benefits	\$ 2,335,420	\$ 2,884,260	\$ 2,380,497	\$ (503,763)
Materials				
40 Adult Books	\$ 435,309	\$ 513,300	\$ 529,300	\$ 16,000
41 Juvenile Books	\$ 93,491	\$ 103,500	\$ 109,125	\$ 5,625
42 Periodicals	\$ 45,805	\$ 46,006	\$ 49,270	\$ 3,264
43 Audio-Visual Material	\$ 292,980	\$ 370,300	\$ 409,318	\$ 39,018
44 Digital Materials	\$ 155,940	\$ 167,897	\$ 166,177	\$ (1,720)
45 Total Materials	\$ 1,023,525	\$ 1,201,003	\$ 1,263,190	\$ 62,187
Facilities				
46 Fuel	\$ 37,707	\$ 66,500	\$ 66,500	\$ -
47 Electricity	\$ 195,087	\$ 200,000	\$ 200,000	\$ -
48 Water	\$ 5,079	\$ 5,820	\$ 6,420	\$ 600
49 Custodial Supplies	\$ 68,806	\$ 76,200	\$ 80,000	\$ 3,800
50 Grounds Maintenance	\$ 41,635	\$ 40,486	\$ 43,476	\$ 2,990
51 Vehicle Maintenance	\$ 4,109	\$ 6,800	\$ 4,600	\$ (2,200)
52 Building Repair	\$ 85,764	\$ 114,210	\$ 123,686	\$ 9,476
53 Building Operations	\$ 126,566	\$ 132,868	\$ 134,969	\$ 2,101
54 Total Facilities	\$ 564,751	\$ 642,884	\$ 659,651	\$ 16,767
Operating Expenses				
55 Supplies	\$ 79,817	\$ 103,743	\$ 106,363	\$ 2,620
56 Misc. Operating Expenses	\$ 97,257	\$ 120,232	\$ 128,802	\$ 8,570
57 Postage & Freight	\$ 33,033	\$ 46,350	\$ 46,600	\$ 250
58 Rent	\$ 31,388	\$ 34,100	\$ 34,100	\$ -
59 Processing Supplies	\$ 46,355	\$ 60,140	\$ 65,140	\$ 5,000
60 Total Operating Expenses	\$ 287,849	\$ 364,565	\$ 381,005	\$ 16,440

Kalamazoo Public Library
Supplementary Information
Detail of Preliminary General Operating Fund Budget
Fiscal Year ending June 30, 2018

	FY 15-16 Actual	FY 16-17 Close Estimate Budget	FY 17-18 Preliminary Budget	Variance to Prior	
Technical Services					
61	F&E Repair & Maintenance	\$ 46,670	\$ 55,935	\$ 28,814	\$ (27,121)
62	Telecommunications	\$ 97,557	\$ 95,670	\$ 92,234	\$ (3,436)
63	Software as Service	\$ 184,254	\$ 210,680	\$ 269,022	\$ 58,342
64	Software Licensing & Maint.	\$ 203,655	\$ 261,539	\$ 178,973	\$ (82,566)
65	Cataloging & Processing	\$ 72,604	\$ 80,300	\$ 81,000	\$ 700
66	Total Technical Services	\$ 604,739	\$ 704,124	\$ 650,043	\$ (54,081)
Purchased Services					
67	Security	\$ 146,502	\$ 165,294	\$ 190,539	\$ 25,245
68	Insurance	\$ 89,427	\$ 91,500	\$ 91,000	\$ (500)
69	Legal Services	\$ 13,620	\$ 21,300	\$ 15,000	\$ (6,300)
70	Contracted Services	\$ 133,182	\$ 141,556	\$ 228,021	\$ 86,465
71	Printing Services	\$ 100,822	\$ 94,500	\$ 97,000	\$ 2,500
72	Advertising	\$ 61,580	\$ 55,500	\$ 55,900	\$ 400
73	Total Purchased Services	\$ 545,134	\$ 569,650	\$ 677,460	\$ 107,810
Other Expenditures					
74	Tax Charge Backs	\$ 44,130	\$ 45,000	\$ 125,000	\$ 80,000
75	Staff Development	\$ 24,588	\$ 41,740	\$ 43,515	\$ 1,775
76	Travel & Conference	\$ 47,574	\$ 38,400	\$ 70,400	\$ 32,000
77	Board Expenses	\$ 8,839	\$ 5,780	\$ 8,990	\$ 3,210
78	Programming	\$ 154,217	\$ 201,725	\$ 198,275	\$ (3,450)
79	Total Other Expenditures	\$ 279,348	\$ 332,645	\$ 446,180	\$ 113,535
TOTAL EXPENDITURES		\$ 10,580,639	\$ 11,861,495	\$ 11,680,088	\$ (181,407)
OPERATING REVENUE OVER (UNDER) EXPENDITURES		\$ 1,093,905	\$ 326,849	\$ 266,350	\$ (60,499)
Transfers					
80	Transfer to (from) Other Funds	\$ -	\$ (13,840)	\$ -	\$ 13,840
81	Transfer to Capital Improvement Plan	\$ 600,000	\$ 600,000	\$ 190,000	\$ (410,000)
TOTAL EXPENDITURES & TRANSFERS		\$ 11,180,639	\$ 12,447,655	\$ 11,870,088	\$ (577,566)
82	NET CHANGE TO FUND BALANCE	\$ 493,900	\$ (259,311)	\$ 76,350	\$ 335,661
83	BEGINNING FUND BALANCE	\$ 7,029,005	\$ 7,522,905	\$ 7,263,595	\$ (259,311)
84	ENDING FUND BALANCE	\$ 7,522,905	\$ 7,263,595	\$ 7,339,945	\$ 76,350

Kalamazoo Public Library
Supplementary Information - Explanation of Budget Variance
Preliminary Estimate Budget - Fiscal Year ending June 30, 2018

Line Number	Variance to Close Estimate Budget	Explanation
REVENUE		
8	\$ 146,495	Revenue estimate based upon 0.7% increase in taxable values in City of Kalamazoo, 1% in Texas and Kalamazoo Townships and 3% in Oshtemo.
13	\$ 855	Industrial Facilities Tax revenue estimate based on the same assumptions as Line #8 above for taxing units in the Kalamazoo Public Library District.
16	\$ (39,921)	Expect a reduction in Renaissance Zone taxes and PILOTs conservatively estimated.
18a	\$ (354,410)	Forecasts 50% of Local Community Stabilization Act revenue (PPT replacement) received in FY 16-17.
EXPENDITURES		
Salaries & Benefits		
25	\$ (18,875)	Administrative Salaries. Based upon FY 16-17 budget; variance due to lower salaries for new Admin staff and no position overlap of as occurred in FY 16-17.
26	\$ 17,689	Librarian Salaries. New Library Associate position at full year for FY 17-18, steps on current schedule.
27	\$ 57,537	Super-Tech Salaries. Includes positions added mid-year previously for the full year in FY 17-18.
28	\$ 37,333	Library Assistant Salaries. Prior year position changes, overtime estimates, addition of Library Assistant to support new Head of Technical Services.
29	\$ 28,170	Hourly Salaries. Additional hours for multiple agencies, scheduled rate increases as approved.
30	\$ (12,155)	Substitute Salaries. Estimated leaves-of-absence, vacations., etc.
34	\$ (219,742)	Retirement. MPSERS, MERS. No optional lump sum payment budgeted for MERS, continuation 1.5% rate supplement.
36	\$ (322,085)	Other Benefits. Significantly reduced retirement payouts expected in FY 2017-2018.
38	\$ 50,000	Reserve for Super / Tech and Admin compensation to be determined and distributed to Administrators and Super / Techs.
Materials		
40	\$ 16,000	Adult Books. Additional spending for special project requests, New Book Club in a Bag titles and Local History titles.
43	\$ 39,018	Audio Visual. Demand for Hot pick material.
Facilities		
49	\$ 3,800	Custodial Supplies. Current Estimate.
50	\$ 2,990	Grounds Maintenance. Parking lot repair at Oshtemo Branch.
51	\$ (2,200)	Vehicle Maintenance. Expect reduced costs during FY 2017-2018 due to the purchase of new vehicle.
52	\$ 9,476	Building Repair. Estimate of maintenance projects.
53	\$ 2,101	Building Operations. Repair and maintenance contract current estimate.
Operating Expenses		
56	\$ 8,570	Miscellaneous Operating Expenses. Includes cost of new Library Aide parking reimbursement at Central.
59	\$ 5,000	Processing Supplies. Allowance for increase.
Technical Services		
61	\$ (27,121)	F&E Repairs & Maintenance. Reduction due to moving Copiers expense to Contracted Services.
63	\$ 58,342	Software as Service. Add'l costs due to certain Software Licensing costs being reclassified as Software as a Service.
64	\$ (82,566)	Software Licensing & Maintenance. Reduced costs due certain Software Licensing Costs being reclassified as Software as a Service.

Kalamazoo Public Library
Supplementary Information - Explanation of Budget Variance
Preliminary Estimate Budget - Fiscal Year ending June 30, 2018

Line Number	Variance to Close Estimate Budget	Explanation
<u>Purchased Services</u>		
67	\$ 25,245	Security. 3% increase in Guard service at Central and Eastwood/Powell plus add'l allowance for summer / no school days.
70	\$ 86,465	Contracted Services. Includes add'l for ADP project work, Strategic Planning and relocating the Copiers expense from Technical Services.
<u>Other Expenditures</u>		
74	\$ 80,000	Tax Charge Backs. Includes an increased allowance for pending property tax challenge by Zoetis.
76	\$ 32,000	Travel & Conference. Increase due to Library-wide PLA and ALA attendance.
77	\$ 3,210	Board Expenses. Increase due to ALA and PLA conference attendance.
78	\$ (3,450)	Programming. Current estimate based on action plan requests. Includes Youth Literary Seminar over two days vs. one day in previous years.
80	\$ 13,840	Transfers from Other Funds. No transfers from other funds are anticipated in FY 17-18.
81	\$ (410,000)	Currently at \$190,000; expect further transfers at mid-year.
<u>Summary</u>		
82	\$ 335,661	Net Change to Fund Balance. Represents Net Revenue less Expenditures and Net Transfers: the Variance between the CEB of FY 2016-2017 and the PEB for FY 2017-2018.
<u>Fund Balance</u>		
83	\$ (259,311)	Beginning Fund Balance. Effect of Close Estimate Budget revision for FY 2016-2017.