

**Reed City Area District Library
410 W. Upton, Reed City, MI 49677
Budget & Finance Committee Meeting Minutes
Wednesday, May 5, 2016; 5 pm**

Present:

Phil Noreen, Vice President, Reed City
Mary Neal, Treasurer, Reed City
Tom Burnosky, Trustee
Heather Symon Bassett, Library Director

The topic of discussion for this Committee meeting was the proposed 2016/2017 preliminary budget. Committee members reviewed the budget and were agreement with what was presented with some requests for additional information. Specific line item notations included the following:

Operations

Revenue

674-Contr. Sumer Reading-It was noted that donations supporting summer reading program are variable, but a nominal amount was budgeted to keep that line open for any revenue. It is anticipated that donations will be more and the year end expenses would be amended to the year end income for that line the following year.

Expenditures

702-Wages & Salaries-Heather made staff wage increase recommendations and an increase in hours for staffing consistent with staffing needs for the future library at 829 S. Chestnut, which was figured into the budget.

Recommended new line item number 719 Retirement (to replace 718.000 Retirement)-It was noted that funds were budgeted for a retirement benefit for the Director and Assistant Director.

741 Books-The book budget was increased from the previous fiscal year.

744 Summer Reading Program-A expense budget was incorporated for summer reading program so planning can occur before donations are received and so that there is a definite revenue source to plan from.

801 Professional Services-The professional services line was increased from previous fiscal years to account for new expenses associated with owning and maintaining the 829 S. Chestnut building and property. The budgeted amount includes more accurate numbers for accounting services, carpet cleaning and snow removal.

808 Independent Audit-The amount budgeted for the independent audit is higher than what typically might be expected, with the library accounting/payroll methods being adjusted within the 2015/2016 Fiscal Year.

850 Telephone-The budgeted amount for telephone was based on a prospective service change and would likely need to increase if no changes were made.

920 Utilities-Electric & 921 Utilities Heat-Projections for this line were based on a per square foot breakdown for utilities at the current library space. We did not have historical data for these lines and they may need to be adjusted at some point during the fiscal year.

Building

Revenue

690 Fund Reserve-This line funds the bulk of the construction expenses for the 2016/2017 Fiscal Year. Donations and grants are expected, but are not assured.

Expenses

The Committee requested additional information on the following items:

-The fund reserve given the proposed budget for both the operations and construction reserve accounts. Specifically, it was requested to investigate fund reserve amounts if the amount presently figured in line 956 Miscellaneous for the 2015/2016 Fiscal Year was made.

-Double checking to ensure sufficient building liability/contents coverage for the 410 Upton and 829 locations for the duration of the transition (location move) period.

-It was noted that it would be advisable for future years to include percentage increase or decrease information as compared to the preceding fiscal year.

Submitted by: Heather Symon Bassett, Director

To be entered into record May 23, 2016