

Flint Public Library
Finance and Budget Committee
May 28, 2020 5:30 p.m.
Virtual Meeting via Zoom as per EO 2020-48

Members present: Brian Larkin, Jim Richardson, Marc Baines, Andy Watchorn, April January, Matt Schlinker

Staff present: Director of Library Services Kay Schwartz
Director of Finance, HR & Facilities Connie Palmer
Librarian Janet O'Keefe as Zoom facilitator

Mr. Larkin called the Finance Committee meeting to order at 5:35 p.m.

Mr. Larkin requested a motion to approve the agenda. Mr. Richardson made a motion to approve the agenda, Ms. January seconded. Mr. Larkin requested a roll call vote:
Mr. Richardson yes, Mr. Baines yes, Mr. Watchorn yes, Ms. January yes, Mr. Larkin yes, Mr. Schlinker yes. Motion carried.

A call was made to the public. No public attending via the public conference line dial in wished to address the committee but thanked the committee for providing the opportunity to attend the meeting remotely.

The committee reviewed the minutes from the April 23, 2020 meeting. Mr. Richardson made a motion to accept and file the March 26, 2020 minutes, Mr. Schlinker seconded. Mr. Larkin requested a roll call vote:

Mr. Larkin yes, Mr. Richardson yes, Mr. Schlinker yes, Mr. Baines yes, Mr. Watchorn yes, Ms. January yes. Motion carried.

New Business

Financial Statements and Investment Report – all funds for the period ending April 30, 2020

Mr. Larkin asked Mrs. Palmer to review the financial statements and investment report for all funds for the period ending April 30, 2020. The financial statements and investment report were displayed on screen as Mrs. Palmer reviewed the financial statements and the investment schedule for the general fund and the capital projects private fund and public fund with the committee. The committee then reviewed the status of the Capital Projects funds public and private. Discussion ensued as the committee reviewed the statements in detail. Mr. Watchorn moved and Mr. Schlinker seconded forwarding with the committee's recommendation for approval, the financial statements and the investment report for the period ending April 30, 2020 to the Board of Trustees.

Mr. Larkin requested a roll call vote:

Mr. Richardson yes, Mr. Baines yes, Ms. January yes, Mr. Larkin yes, Mr. Schlinker yes, Mr. Watchorn yes. Motion carried.

General Fund Budget Amendment # 2 FY 20

Mr. Larkin called upon Director Schwartz to review the general fund budget amendment #2 with the committee. Director Schwartz reviewed with the committee the decision to take a conservative approach to revenue sources the Library received from the state and county due to the projected budget issues both entities were experiencing due to the COVID-19 pandemic. Other revenues were adjusted to actual receipt. Total revenues were increased \$322,656 for total budgeted revenues of \$3,791,770.

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Expenditures were adjusted for reductions due to the pandemic. Staff positions that were budgeted but not filled were removed from the budget. The account, "Transfer to Capital Project – Private" was added to the general ledger for the net difference between development capital revenues and development capital projects expense. The transfer is projected to be \$170,245 for FY 20. Overall expenditures were decreased \$363,299 for overall expenditures of \$3,374,477. Grants were adjusted for total grant revenue awarded of \$1,232,328 and use of assigned funds of \$178,213; grant expenditures are projected to be \$1,427,236 with an assignment of \$17,267 for use in FY 21.

Discussion ensued. Mr. Larkin requested a motion to recommend Resolution 20-349 Flint Public Library 2020 General Fund Appropriations Act as Amended to the Board of Trustees for approval. Mr. Richardson made the motion and Mr. Watchorn seconded. Mr. Larkin called for a roll call vote:

Mr. Schlinker yes, Mr. Baines yes, Ms. January yes, Mr. Larkin yes, Mr. Watchorn, yes, Mr. Richardson yes. Motion carried.

Presentation of FY 21 Budgets

Mr. Larkin called upon Director Schwartz and Mrs. Palmer for the presentation of the FY 21 Budgets. Director Schwartz stated that this is the beginning of a new era for the Flint Public Library as the FY 21 budget book now includes budgets not only for general fund but also for debt service, capital projects public and capital projects private. Director Schwartz asked Mrs. Palmer to review the setup of the budget book with the committee. Director Schwartz explained the intention was to continue to be very transparent in the presentation of our finances and provide a resource for the finance committee, the board of trustees and other users of our financial information.

Resolution 20-350 General Fund

Director Schwartz reviewed the assumptions made with the committee as follows:

- A slight increase in property tax revenue
- Inclusion of money from the Local Community Stabilization Authority for FY 21, conservatively estimated to decrease 25%
- Continuation of the collaboration with the Flint Cultural Center Corporation for outside maintenance services, custodial services and light maintenance
- Continuing the collaboration with the Flint Institute of Arts for security services once we can reopen at the Courtland Center location
- Establishing a campaign goal of \$125,000 for the Annual Campaign for operations
- A capital campaign goal for the fiscal year of \$500,000 in donations
- A transfer to the Capital Projects – Private fund of \$370,461 after capital campaign expenses
- Minimal grants as we concentrate our efforts on fundraising for the capital campaign and maintaining our focus on essential services of the library
- The addition to unrestricted, uncommitted and unassigned fund balance of \$149,702 at the end of the fiscal year

The library will levy 4.0 mills operational millage on the July 2020 tax roll.

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Mr. Larkin requested a motion to recommend Resolution 20-350 Flint Public Library 2021 General Fund Appropriations Act to the Board of Trustees for approval. Mr. Richardson made the motion and Mr. Schlinker seconded. Discussion ensued. Mr. Larkin called for a roll call vote:

Mr. Schlinker yes, Mr. Baines yes, Ms. January yes, Mr. Watchorn yes, Mr. Richardson yes, Mr. Larkin yes. Motion passes.

Mr. Baines had to leave for another engagement at this time. Mr. Larkin thanked him for his attendance.

Resolution 20-351 Flint Public Library 2021 Capital Projects – Public Appropriations Act and Resolution 20-352 Flint Public Library 2021 Capital Projects – Private Appropriations Act.

Director Schwartz and Mrs. Palmer reviewed the appropriations to fund the renovation of the building at 1026 E. Kearsley Street Flint, Michigan. The Capital Projects – Public fund accounts for the portion of the project paid with the proceeds from the 2020 governmental obligation bonds issued to fund part of the project. The Capital Projects – Private fund accounts for the use of funds received from the C.S. Mott Foundation, the Ruth Mott Foundation, the Community Foundation of Greater Flint as well as other funders and donors. The Capital Projects – Private fund also appropriates funds for the maintenance of the temporary space at Courtland Center and the storage space at the General Motors warehouse in Grand Blanc.

The project completion will be in September 2021 due to the delay caused by the COVID-19 pandemic. The budgets presented are for projected costs from July 1, 2020 to June 30, 2021. Estimated total revenues for the project for FY 21 are \$422,162. Restricted fund balance from FY 20 of \$20,153,524 will be utilized for the total projected expenditures of \$20,575,686 in FY 21.

Mr. Larkin requested a motion to recommend Resolution 20-351 Flint Public Library 2021 Capital Projects – Public Appropriations Act to the Board of Trustees for approval. Mr. Richardson made the motion and Mr. Schlinker approved. Discussion ensued. Mr. Larkin called for a roll call vote:

Ms. January yes, Mr. Richardson yes, Mr. Watchorn yes, Mr. Schlinker yes, Mr. Larkin yes. Motion passes.

Mr. Larkin requested a motion to recommend Resolution 20-352 Flint Public Library 2021 Capital Projects – Private Appropriations Act to the Board of Trustees for approval. Mr. Richardson made the motion and Ms. January approved. Discussion ensued. Mr. Larkin called for a roll call vote:

Ms. January yes, Mr. Richardson yes, Mr. Watchorn yes, Mr. Schlinker yes, Mr. Larkin yes. Motion passes.

Resolution 20-353 Flint Public Library Debt Service Fund 2020 Library Building and Site Bonds 2021 Appropriations

Director Schwartz and Mrs. Palmer reviewed the appropriations for the first year of payments for the 2020 governmental obligation bonds. The debt levy for the first year

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will be 1.82 mills on the July 2020 tax roll. Property tax collections are projected to be \$1,261,105 for all parcels in the City of Flint, inclusive of estimated uncollectible taxes of 10% of the total levy. Total expenditures are projected to be \$1,177,093 for the fiscal year.

Mr. Larkin requested a motion to recommend Resolution 20-353 Flint Public Library Debt Service Fund 2020 Library Building and Site Bonds 2021 Appropriations Act to the Board of Trustees for approval. Mr. Watchorn made the motion and Ms. January approved. Discussion ensued. Mr. Larkin called for a roll call vote:
Mr. Larkin yes, Mr. Richardson yes, Mr. Schlinker yes, Mr. Watchorn yes, Ms. January yes. Motion passes.

Meeting calendar for FY 21

Mr. Larkin asked the committee to review the meeting calendar for fiscal year 2021 and to bring any changes requested to the next finance committee meeting.

Old Business

Contract negotiation with AFSCME and SEIU

Mr. Larkin called upon Director Schwartz to discuss the status of the negotiations with AFSCME and SEIU. Director Schwartz stated that tentative agreements had been made with both units and had been ratified by both units. Our staff is amazing and she is thrilled at the partnership they have with the people of Flint and FPL. Director Schwartz and Mrs. Palmer were thankful for the expertise of Mr. Christopher Trebilcock of Clark Hill who managed to serve as our “virtual” chief negotiator during the most difficult of circumstances.

The resulting contracts are for the period of July 1, 2020 through June 30, 2023. They establish a 5% wage increase as of July 1 2020, an 1% increase as of July 1, 2021 and an 1% increase as of July 1, 2022. The wage increases are retirement reportable, an important component because it provides a long-term benefit to our staff whereas bonuses are not retirement reportable.

Mr. Larkin requested a motion to recommend the contracts to the Board of Trustees for approval. Mr. Watchorn made the motion and Mr. Richardson seconded. Discussion ensued. The committee gave kudos to the Director and Mrs. Palmer for making sure FPL could provide raises. All were thrilled we can finally provide a raise after the long sacrifice that all of the staff have made to ensure the library remained open.

Mr. Larkin called for a roll call vote:

Ms. January yes, Mr. Schlinker yes, Mr. Richardson yes, Mr. Larkin yes, Mr. Watchorn yes. Motion passes.

Director Schwartz thanked the committee for their fortitude in reviewing all of the budgets.

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Capital Projects update and Directors report

Mr. Larkin called upon Director Schwartz for a capital projects update. Director Schwartz reported that Hallett Movers were here and would be until June 10th as they move the library to the temporary location at Courtland Center and items to the storage location at the General Motors warehouse in Grand Blanc. The network was moved on Wednesday and thanks to Knight Technology was only down about 24 hours.

WE ARE ON OUR WAY FINALLY!

The project itself is about two months behind schedule due to the pandemic.

Board Report

Mr. Larkin reported that the Board met virtually utilizing ZOOM for the first time. It went well. Mr. Larkin thanked Director Schwartz and Mrs. Palmer for work done in preparation of the budgets and financial statements as well as keeping track of all of the other details involved in the business operation.

Mr. Larkin called for a motion to adjourn, Mr. Watchorn made the motion and Mr. Schlinker seconded. Mr. Larkin called for a vote, all in attendance voting aye. Meeting adjourned at 7:45 p.m.

Respectfully submitted,
Connie Palmer

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