



The BDL Finance Committee met on Thursday, October 8, 2020 at 5:30pm via Zoom.

Trustees Present: Susie Brooks, Kim Langworthy, Karen Smith

BDL Staff Present: John Rucker, Kimberly Feltner, Ashley McCall

Rucker presented a draft budget showing higher revenues from increased Branch County SEV, offsetting lower projected penal fine receipts due to the pandemic slowdown. State Aid is up a little in the recently passed Michigan budget, and folding the Capital Improvement Fund into the General Fund as the Assigned Fund Balance will see BDL receive some additional interest income. Taken as a whole, we project just under \$2 million.

On the expenditures side, the 2021 budget includes a 2% Cost of Living Adjustment for staff, and funding allocated for a variety of projects in support of the Strategic Plan, and projects related to pandemic response, in addition to typical library spending.

The pandemic closure this year meant that certain building maintenance projects were unable to be completed in 2020. These have been put back in the budget for 2021. 2021 will also see the first of several years of doling out funds from the recently accepted Shamulus Trust to increase the materials budget for children's materials.

The Finance Committee recommended that this budget be presented to the BDL Board and to the public.

The Director typically meets with with our accountants before we make the budget document available. This year scheduling didn't allow that, so Taylor, Plant, and Watkins saw the budget after the committee meeting and after it went out to the public. Tim Taylor recommended one change to the layout of the document released on 10/9, which didn't affect the numbers for next year, but does change the 2-page overview of revenues and expenditures.

Specifically, rather than noting use of assigned fund balance money for planned projects as virtual revenue, Tim recommended we simply note that our expenditures are higher than our revenue due to usage of the Assigned Fund Balance. So it now looks at first glance that the budget is almost \$115,000 over. There is a note to indicate that we are using the assigned fund balance for its intended purpose. The end result, same as the first draft of the budget last week, is that the budget still puts \$47 into the unassigned fund balance.

Other changes from the first draft to today's is adding the COLA to the introductory remarks from the Director and adjusting the 2020 year end unassigned fund balance projection slightly.

Submitted by John Rucker