

**Flint Public Library**  
**Finance and Budget Committee**  
**April 28, 2022 5:30 p.m.**  
**Virtual Meeting via Zoom as permitted by law**

Members present     Jim Richardson, Marc Baines, Matt Schlinker, Andy Watchorn,  
Asa Zucarro  
Staff present:        Director of Library Services Kay Schwartz  
Director of Finance, HR & Facilities Connie Palmer  
Finance & HR assistant Tina Hayes  
Librarian Janet O'Keefe as Zoom facilitator

Mr. Richardson called the Finance Committee meeting to order at 5:35 p.m. Mr. Richardson informed the committee Mr. Larkin would not attend due to a professional commitment and he had agreed to chair the meeting on his behalf.

Roll call: Mr. Richardson requested that committee members identify themselves and state their location. The response was as follows:

Jim Richardson	Flint, MI
Marc Baines	Grand Blanc, MI
Mat Schlinker	Goodrich, MI
Andy Watchorn	Flint, MI
Asa Zuccaro	Flint, MI

Mr. Richardson requested a motion to approve the agenda. Mr. Baines made a motion to approve the agenda as presented, Mr. Schlinker seconded. The question was called, all present voting aye, no nays or abstentions. Motion passed.

A call was made to the public. No public attending via ZOOM wished to address the committee.

The committee reviewed the minutes from the March 24, 2022 meeting. Mr. Baines made a motion to accept and file the March 24, 2022 minutes, Mr. Zicarro seconded. The question was called, all present voting aye, no nays or abstentions.

**Old Business**

*Financial Statements and Investment Report – for the period ending March 31, 2022*  
Mr. Richardson asked Mrs. Palmer to review the financial statements and investment report for all funds for the period ending March 31, 2022. The financial statements and investment report were displayed on screen. Mrs. Palmer reviewed the financial statements and the investment schedule for the general fund, the capital projects private fund and public fund and the debt service fund with the committee. Discussion ensued. Mr. Richardson requested a motion to recommend the statements to the Board of Trustees for approval. Mr. Watchorn made the motion and Mr. Baines seconded. Mr. Richardson called the question, all present voting aye, no nays, or abstentions.

**Quick overview history of property tax revenue**

Mr. Richardson called upon Director Schwartz to review the document presented (attached to minutes). Discussion ensued.

LEARN FOR LIFE

*Our mission is to be Flint's "go to" place to learn for life.*

**Flint Public Library**  
**Finance and Budget Committee**  
**April 28, 2022 5:30 p.m.**  
**Virtual Meeting via Zoom as permitted by law**

**New Business**

*None at this time*

**Reports**

*Directors Report and Capital Projects update*

Director Schwartz reported on the following:

- The library will open to the public in 3 weeks. The ribbon cutting is Thursday May 19, 2022 at 10:00 a.m. All members of the committee are invited.
- The library will launch their new website on May 3, 2022.

*Board Report*

Director Schwartz reported on the following on behalf of Mr. Larkin:

- The committee met and discussed the Gloria Coles Initiative.
- The board did not take action on the Gloria Coles Initiative.
- The board is reviewing a naming policy and guidelines.
- Board committees are reviewing policies for meeting rooms and patron conduct to adjust the policies for the renovated building.
- The Human Resource Committee will meet to discuss changing the Director's title to "Executive Director" and begin reviewing the Director's evaluation process.

Mr. Richardson adjourned the meeting adjourned at 7:10 p.m.

Respectfully submitted,  
Connie Palmer

*LEARN FOR LIFE*

*Our mission is to be Flint's "go to" place to learn for life.*

April 26, 2022

MEMORANDUM

TO: FPL Finance Committee

FROM: Kay Schwartz

RE: Financial History information for April 28, 2022 meeting

At the March 2022 Finance Meeting, committee members requested an overview of Flint Public Library's financial history.

I have gathered several documents and graphs that we can review at the April 28, 2022 meeting:

- *Finances section: Snapshot as of January 28, 2022* from State of the Library information prepared for our Board's educational retreat.
- Slide *Changes to Library Service*, an excerpt from my presentation to American Library Association in 2017.
- Slide *The Bottom Drops Out*, an excerpt from my presentation to American Library Association in 2017.
- *Funding History of Flint Public Library from 1979 to 2031* that details the sources of operating revenue for the Library.

# Finances

## Snapshot as of January 2022

Flint Public Library has recovered from the deep economic crisis of the past decade. With support from the community's tax millage and grants that bridged FPL through some very lean years, the Library now has fund balance as a safety measure for future financial challenges.

The property tax base in the City of Flint seems to be slowly increasing despite the loss of population in the past decade. If this continues, the Library's millage revenue will be stable and perhaps increase modestly. This does not leave much room for growth of expenditures (and hence growth of services) but it is, at least, stable for now. See chart below.

With the renovated building, FPL will have a sustainable and efficient facility from which to provide services. We hope the Board may be able to set aside some fund balance for repairs and replacements once the capital campaign and the building are complete.

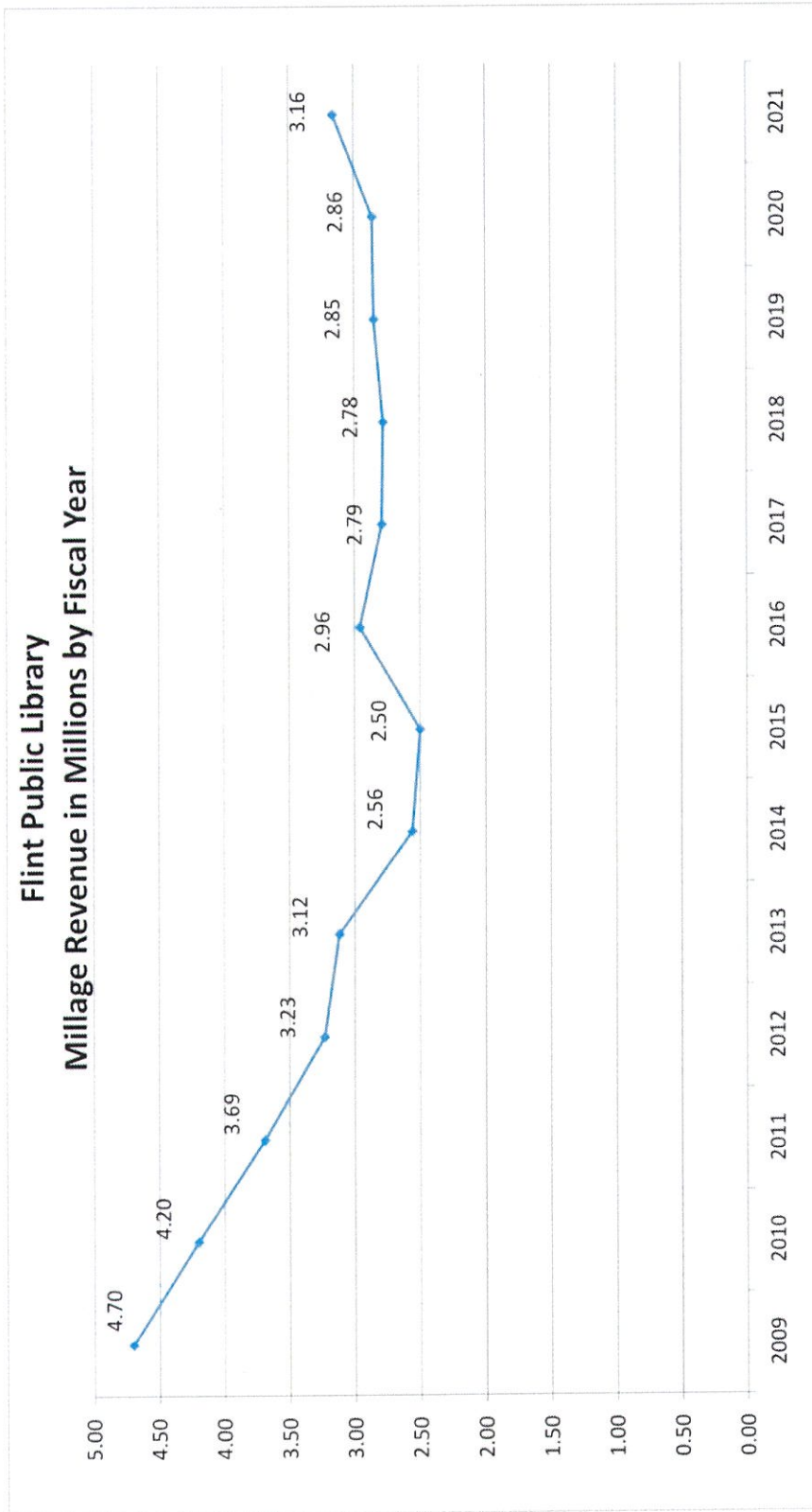
The Unrestricted Fund Balance in the Governmental Activities balance sheet per the audited financial statements ending June 30, 2021, is more than \$2.4 million<sup>1</sup>.

## Challenges

- Future growth of revenue (millage) vs. cost increases
- Unknown cost of operating the new facility
- Fundraising challenges (competition, local saturation)

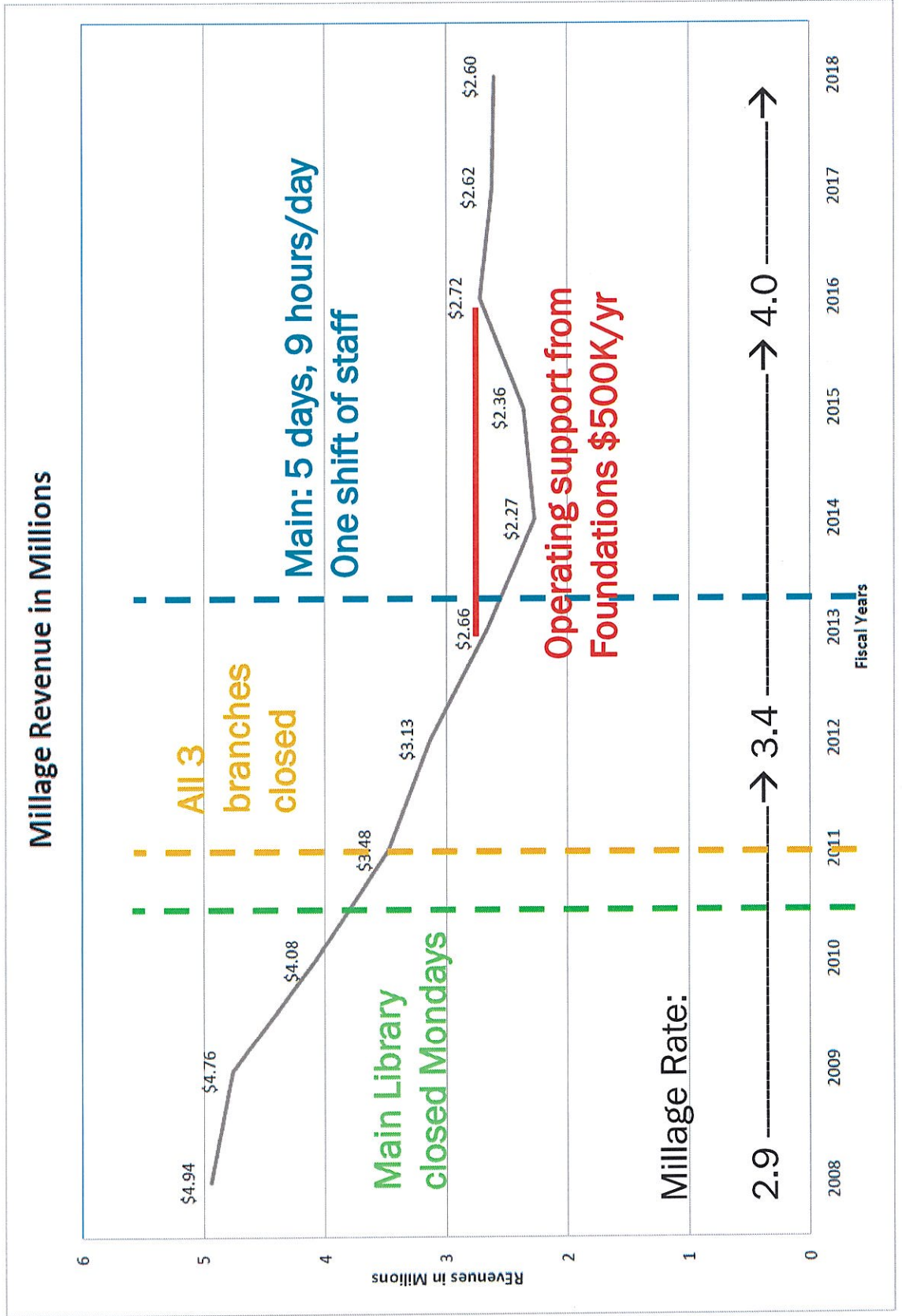
---

<sup>1</sup> That figure is net of the liabilities for underfunded pension of approximately \$2.3 million as shown in the Governmental Activities financials. Fund balance shown in our internal financial statements is the sum of these figures, or more than \$5 million.





# CHANGES TO LIBRARY SERVICE





# THE BOTTOM DROPS OUT...

Loss of tax base  
(property values)  
2008 - 2016.

Flint tops the chart  
at -76.5%.

## Biggest losers, municipalities over 10,000

Rank	Municipality	Decrease since 2008
1	Flint	-76.5%
2	Pontiac	-73.1%
3	Hazel Park	-71.6%
4	Harper Woods	-71.4%
5	Inkster	-68.1%
6	Eastpointe	-64.5%
7	Redford Township (Wayne Co.)	-62.5%
8	Detroit	-59.5%
9	Oak Park	-58.2%
10	Roseville	-56.0%

Source: Bridge and Crain's analysis of Michigan municipal assessment data compiled by the [state treasury department](#)



# Funding History of Flint Public Library

## From 1979 to 2031

1979 to 1997	Two main sources of funding: <ul style="list-style-type: none"><li>• 40% of countywide millage of .7 mills shared with Genesee District Library (GDL). GDL took 60% of the countywide millage, based on population, plus</li><li>• a portion of Flint Community Schools (FCS) millage that was dedicated to library funding</li></ul>
1994	Proposition A passed in Michigan, prohibiting public school libraries from using millage funding. All public libraries that were part of school systems began preparing to form separate units of government.
1997	GDL passed a Genesee County millage (.8 mill) excluding the City of Flint, not to be shared with FPL.
1999	Flint District Library was formed under state law, by agreement between Flint Community Schools and City of Flint. The District Library is a unit of local government that can place a millage request before the voters of the City of Flint, the City being the service area of the library district.
1998-99	C.S. Mott Foundation granted FPL \$1.8 million annually to replace the countywide millage no longer being collected. FCS continued to support FPL through its classroom fund. C.S. Mott Foundation funded a public study urging a merger between FPL and GDL.
2000	City of Flint voters passed a levy of 2 mills "in perpetuity" plus a 3-year 9 mill levy to support FPL (with 80% of the vote), to replace the money no longer available from FCS and C.S. Mott Foundation. Merger study and negotiations continued.



## Funding History of Flint Public Library (cont.)

2002	With merger terms unacceptable, FPL proposed to City voters 2.0 mills in perpetuity, .9 mills for 8 years (1993-2011). Millage passed by 67% of the vote in City of Flint. This is a millage to support library operations, as FCS still owns the FPL Main Library building.
2004	Flint Community Schools sold the Flint Public Main Library building to the Flint District Library. Note: There is no capital millage to support building maintenance and repairs.
2010	FPL proposed to City voters a renewal of the .9 mills and an additional .5 mills for operations, a total of 1.4 mills for a period 10 years; it passes by 74% of the vote. The 1.4 mills expire in December 2021.
2015	Just as the water crisis was coming to light, FPL asked that voters increase the millage by .6 mills with an expiration date of December 2021 so that, at that time, the renewal could be combined with the renewal of 1.4 mills approved in 2010 into a 2.0 mill renewal request. The measure passed with 73.3% Yes.
2019	FPL put two ballot measures before voters: (1) a 10 year renewal of the 2.0 mill operating millage and (2) a \$12.6 million bond issue for 12 years estimated to amount to 1.82 mills for renovation of the library. The operating millage renewal passed with 76.8% Yes. The bond issue passed with 70.4% Yes. The 2.0 mill operating millage is in effect from January 1, 2022 through December 31, 2031. Combined with the 2.0 mills in perpetuity, the Library's operating millage is 4.0 mills through 2031.