

Bloomfield Township Public
Library

**Bloomfield Township Public Library
Board of Trustees**

Library Board Meeting
July 16, 2013
7:00 p.m.
John Rumsey Board Room

Trustees:

libraryboard@btpl.org

Judith Lindstrom, President

Pamela Williams, Treasurer

Joan Luksik, Secretary

Margaret Cohen

Grant Gerhart

Eli Greenbaum

Director:

kotuliscarter@btpl.org

Karen Kotulis-Carter

All meetings are open to the public.
We invite you to attend a meeting or watch it online at www.btpl.org

1099 Lone Pine Road, Bloomfield Township, MI 48302 248.642.5800

THE PLACE TO
DISCOVER

**BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
BOARD OF TRUSTEE MEETING**

LIBRARY BOARD INFORMATION PACKETS

List of Contents

Items included in pre-board delivery for the REGULAR BOARD MEETING SCHEDULED
for TUESDAY, July 16, 2013, 7:00 p.m.

#	<u>NUMBERED ITEMS</u>	<u>DATE DELIVERED</u>
1	Agenda	7/12/13
2a	Request to remove items from the Consent Agenda for Discussion	7/12/13
2b	Motion to approve the order of items for the regular and consent agendas	7/12/13
5	Motion to approve remaining consent agenda items 6-8d	7/12/13
6	Special Board Meeting Minutes of 6-17-13	7/12/13
6	Regular Board Meeting Minutes of 6-18-13	7/12/13
7a	Cash Disbursements	7/12/13
7b	Revenues/Expenditures Budget Report	7/12/13
7c	Energy Report	7/12/13
8a	President's Report	7/12/13
8b	Director's Report	7/12/13
8c	Tentative Schedule Calendar	7/12/13
8d	Bloomfield Township Liaison –no report	
8d	Cranbrook – no report	
8d	Art Committee – no report	
8d	Development – no report	
8d	Finance Committee –Meeting Minutes 7-1-13	7/12/13
8d	Friends of the Library Liaison – no report	
8d	Building/Grounds –Meeting Minutes 6-14-13	7/12/13
8d	Jeanette P. Myers Scholarship Committee – 7-3-13	7/12/13
8d	Landscape Committee –no report	
8d	Personnel Committee –no report	
8d	Policy Committee – no report	
11a	Audit	7/12/13
11b	Annual Report	7/12/13
13	Motion to approve any items removed from the consent agenda	7/12/13
	<u>UNNUMBERED ITEMS</u>	<u>DATE DELIVERED</u>
	Strategic Plan Update	7/12/13
	RFID Project Update	7/12/13
	FOL meeting minutes of 6/5/13	7/12/13
	Administrative Calendar – August 2013	7/12/13

AGENDA
BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
BOARD OF TRUSTEES
Tuesday, July 16, 2013
Regular Board Meeting
7:00 P.M.

REGULAR AGENDA ITEMS #1-5

1. Call to order of regular meeting
- 2a. Request to remove items from the Consent Agenda for Discussion
- 2b. MOTION to approve the order of items for the Regular and Consent Agendas
3. President's Verbal Report
4. Director's Verbal Report
5. MOTION to approve the remaining Consent Agenda items 6-8d

CONSENT AGENDA ITEMS #6-8d
Items removed will be discussed under Item #12

6. Regular Board meeting minutes of June 18, 2013
7. Budget
 - a. Cash Disbursements
 - b. Monthly Revenues & Expenditures
 - c. Energy Report
8. Written Reports:
 - a. President: *Judy Lindstrom
 - b. Director: *Karen Kotulis-Carter
 - c. Tentative Schedule
 - d. Committee:
 - *Art Committee *Ad Hoc*
 - *Bloomfield Township Liaison
 - *Building & Grounds
 - *Cranbrook
 - *Development
 - *Finance
 - *Friends of the Library Liaison
 - *Jeanette P. Myers Scholarship Selection
 - *Landscaping/Interiors
 - *Personnel
 - *Policy

REGULAR AGENDA ITEMS

9. Call to the public, communications
10. Unfinished Business
11. New Business
 - a. Audit - Rochelle Vendittelli from Doeren Mayhew
 - b. Annual Report
12. Discussion of items removed from the Consent Agenda
13. MOTION to approve any items removed from the Consent Agenda
14. Other
15. Next scheduled meeting: Tuesday, August 20, 2013 at 7:00 p.m.
16. Adjournment

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

**REQUEST TO REMOVE ITEMS FROM THE CONSENT AGENDA
FOR DISCUSSION**

- **I REQUEST THAT ITEM (S):**

**BE REMOVED FROM THE CONSENT AGENDA FOR DISCUSSION
DURING REGULAR AGENDA ITEM 12.**

If amended, CONSENT AGENDA items will be moved to REGULAR AGENDA–ITEM #12 for discussion and REGULAR AGENDA–ITEM #13 for approval.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

**MOTION TO APPROVE THE ORDER OF ITEMS FOR THE REGULAR
AND CONSENT AGENDAS**

- **OPTION - NO AMENDMENT NEEDED:**
I move to approve the order of items as listed on the REGULAR and CONSENT AGENDAS as presented.

- ▶ **OPTION - AMENDMENT TO AGENDA:**
I move to approve the order of items as listed on the AGENDAS, with the following items to be moved from
 - the **REGULAR AGENDA** as follows:

 - the **CONSENT AGENDA** as follows:

If amended, CONSENT AGENDA items will be moved to REGULAR AGENDA-ITEM #12 for discussion and REGULAR AGENDA-ITEM #13 for approval.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

CONSENT AGENDA ITEMS MOTION

I move to approve the remaining items on the consent agenda.

**MINUTES OF THE BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
BOARD OF TRUSTEES**

Bloomfield Township Public Library
Oakland County, Michigan

Special Board Meeting
Library Director Search Deliberation

Monday, June 17, 2013

Present: Trustees: Margaret Cohen, Grant Gerhart, Eli Greenbaum, Judy Lindstrom, Joan Luksik, Pam Williams

Administration: Director's Secretary, Andrea Aragona

The purpose of this meeting was to conduct on-site interviews of candidates for the Library Director vacancy created by Karen Kotulis-Carter's retirement. The interviews and deliberations were open to the public.

The Library Board had ten candidates who submitted applications. Four candidates were selected to be interviewed: Kate Andrade, Carol Mueller, Connie Jo Ozinga, and Dale Parus.

A standard set of questions was asked of each candidate. Interviews were each kept to ninety minutes. Each Trustee completed a rating sheet following each interview. After all interviews were completed, the Library Board members deliberated regarding the individual qualities and strengths of each candidate.

After discussion it was unanimously agreed to offer the position of Library Director to Carol Mueller. The Trustees felt Carol was an extremely strong, competent and enthusiastic candidate. Carol is familiar with the Library and community and has worked well with the Library Board of Trustees, Friends of the Library and Library Staff. The Trustees were impressed with her style of management and technologic interests and felt Carol will be an excellent Director for the Library. The Trustees felt Carol would allow for a smooth transition, which is critical to the Library moving forward after the departure of Karen Kotulis-Carter who has been an outstanding Director.

President, Judy Lindstrom, will contact Carol Mueller and offer her the position of Library Director.

Meeting adjourned at 7:00 p.m.

**MINUTES OF THE BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
BOARD OF TRUSTEES**

Bloomfield Township Public Library
Oakland County, Michigan
Tuesday, June 18, 2013

Present: Trustees: Margaret Cohen, Grant Gerhart, Eli Greenbaum, Judy Lindstrom, Joan Luksik, Pam Williams

Administration: Library Director, Karen Kotulis-Carter; Assistant Library Director, Carol Mueller; Director's Secretary, Andrea Aragona

Guests: Marcia Preston, BTPL SOC; Barbara Bloom, Township Resident

At 7:01 p.m. the Library Board of Trustees Meeting was called to order by President Judy Lindstrom.

Upon discussion, a motion was made by Eli Greenbaum, seconded by Pam Williams, **TO APPROVE THE ORDER OF ITEMS FOR THE REGULAR AND CONSENT AGENDAS.**

A vote was taken for approval of the motion.

Ayes: Cohen, Gerhart, Greenbaum, Lindstrom, Luksik, Williams

Nays: None

MOTION CARRIED

President's Verbal Report:

Judy stated we have a lot of "Thank yous" tonight. We want to thank Karen Kotulis-Carter on this her last board meeting with us before her retirement. She is a woman who is remarkable in so many ways. Karen is a friend, colleague, and a leader of this wonderful Library. She has led the Library through many ups and downs and we have been thrilled to have her as part of our Library family. We wish Karen the best and hope we have many fun times together, as this is the beginning of a new chapter. We applaud Karen and her efforts in everything she has done for this Library that will go in perpetuity and always be the "mark of Karen"! We truly appreciate everything you have done.

At this time, Judy presented Karen Kotulis-Carter the following Resolution on behalf of the Library Board of Trustees:

***Bloomfield Township Public Library
Resolution***

- WHEREAS,** *Karen Kotulis-Carter has served Bloomfield Township Public Library since June 1, 1987 as Deputy Director and since August 1, 1997 as Library Director, working effectively with the Library Board, Friends of the Library, community organizations, other libraries and staff, and*
- WHEREAS,** *During her 26 years at the Library, Karen has shown a tireless commitment to public service and to providing outstanding library service to Bloomfield Township residents; and*
- WHEREAS,** *Karen's foresight and vision of preserving Bloomfield Township local history led her to form the Bloomfield Historical Society and to create an Archive to preserve Bloomfield history; and*

WHEREAS, *Karen developed several unique partnerships with Cranbrook Educational Community, Detroit Public Library and the University of Michigan School of Music, Theatre and Dance, bringing additional benefits to Bloomfield Township residents; and*

WHEREAS, *During Karen's tenure as Library Director, Karen strengthened the Library's financial foundation, conservatively managed the budget and built six endowments for the Library; and now, therefore, let it be*

RESOLVED, *The Bloomfield Township Public Library Board of Trustees commends and expresses sincere appreciation to Karen Kotulis-Carter on the occasion of her retirement and offers heartfelt thanks to her for her 26 years of outstanding service to the community and Bloomfield Township Public Library.*

Director's Verbal Report:

Karen thanked the Trustees for the Resolution. Karen stated that she always referred to this Library as a family and it is truly a family of dear and close friends. Karen wanted to thank all of the current Library Board and also the Trustees that chose her to be Library Director sixteen years ago. Karen thanked everyone for the opportunity to serve the Library and the community. It has been an opportunity to do good for people and an honor to work with the Library Board of Trustees and staff at the Bloomfield Township Public Library.

Karen thanked the Trustees for all they have done. The Trustees put in a twelve-hour day on Monday, June 17, 2013 to select a new Library Director. Karen stated their hard work is just one symbol of their dedication to the Library and the Community. Over the sixteen years being the Library Director, the current Trustees and their predecessors have never shied away from hard work and making difficult decisions. Karen also commended the Staff, who have dedicated their careers of many years to help patrons and particularly for their efforts during the economic challenges we have had lately to keep Library services up to the same quality expected by our patrons. Karen especially commended Carol Mueller, Assistant Director, and the Department Heads, Ann Williams, Marian Rafal, Marianne Abdoo, Anna Pelepchuk, Joel Dion, and Joan Wu for all they do to make this Library the wonderful place that it is. None of this can be done without a big "family" effort!

In honor of the Library Board of Trustees and the Library Staff, Karen presented a check to the Library in the amount of \$1,000.00 to the Director's Legacy Fund. Karen hopes future Directors and Staff will be able to use this endowment to develop professionally and to enhance their service to the public.

CONSENT AGENDA MOTION

After discussion, a motion was made by Joan Luksik, seconded by Eli Greenbaum, **TO APPROVE THE ITEMS ON THE CONSENT AGENDA AS PRESENTED WITH THE EXCEPTIONS OF THE FOLLOWING: MONTHLY ACTIVITY REPORT, CASH DISBURSEMENTS.**

A vote was taken for approval of the motion.

Ayes: Cohen, Gerhart, Greenbaum, Lindstrom, Luksik, Williams

Nays: None

MOTION CARRIED

REGULAR AGENDA:

Call to the Public:

Judy welcomed Marcia Preston, BTPL SOC representative and Barbara Bloom, Township resident to the meeting.

UNFINISHED BUSINESS:

No items for discussion

NEW BUSINESS:

11a: Award of Periodicals Subscription Bid

Karen commended Karrie Yukon, Adult Services Librarian, and Ann Williams, Adult Services Department Head, for their work conducting the bidding process for library periodical subscriptions for 2014. A request for periodical subscription proposals was mailed to several companies and posted on the Library website on March 31, 2013. The deadline to receive bids was May 2, 2013 at 4:00 p.m. Four bids were received from Ebsco Industries, inc., Popular Subscription Service, Rivistas Subscription Services, and W.T. Cox Information Services. All bids were thoroughly reviewed and Karrie and Ann recommend that we accept the bid from W.T. Cox Subscriptions, Inc. for periodical subscriptions in 2014. Karen Kotulis-Carter agreed with their recommendation.

After discussion, a motion was made by Peggy Cohen, seconded by Grant Gerhart, **TO APPROVE AWARDING THE 2014 LIBRARY SERIALS BID TO W.T. COX SUBSCRIPTIONS, INC., 201 VILLAGE ROAD, SHALLOTTE, NC 28470.**

A vote was taken for approval of the motion.

Ayes: Cohen, Gerhart, Greenbaum, Lindstrom, Luksik, Williams

Nays: None

MOTION CARRIED

11b: Collection Selection and Development Guidelines

The Library's guidelines for materials selection and collection development were updated last in 1993. Since so much has changed since then regarding print, media, online collections, etc. this became a major updating project. Karen thanked and commended Ann Williams, Adult Services Department Head, and Marian Rafal, Youth Services Department Head, for their work on this project and their dedication to the spirit of collection development. They have become our key role models training and coaching each new generation of librarians at BTPL. Our librarians have always approached this responsibility very seriously and have been highly professional and skilled at selecting and deselecting materials. The Trustees were given copies of the Library Board approved Collection Development Policy along with the Collection Selection and Development Guidelines for their information. No action is required by the Library Board. Karen stated that the goal in amending the Collection Selection and Development Guidelines was to ensure our procedures were in keeping with the Board policy and relevant regarding current and evolving collection development.

11c: Search Committee Succession Planning Update

The Trustees thanked Karen Kotulis-Carter for her work developing the Succession Planning notebook and Andrea Aragona for her work over the past few months in preparation for these interviews. The Trustees also thanked the Staff for attending the open forum with the Library Director candidates and for their input which was extremely helpful in this process. Karen commended the Trustees for the twelve hours they spent interviewing the four potential Library Director candidates and their dedication to this Library. The Trustees applauded and welcomed our new BTPL Library Director, Carol Mueller. Carol will begin her new responsibilities effective August 1, 2013.

DISCUSSION OF ITEMS REMOVED FROM THE CONSENT AGENDA

Peggy Cohen reported at this time that she made a request, on behalf of the Library Board, to the Friends of the Library Board of Directors to consider if not a full audit at least have an accounting firm come and look at their accounting practices. Peggy attended the Friends June 5th Board of Directors Meeting. The Friends declined the auditing request, but have decided to put a written procedure in place. Peggy stated that she hopes there will be further discussion on this topic in the future.

A motion was made by Grant Gerhart, seconded by Joan Luksik, **TO ACCEPT THE REPORTS AND RECOMMENDATIONS AS PRESENTED.**

A vote was taken for approval of the motion.

Ayes: Cohen, Gerhart, Greenbaum, Lindstrom, Luksik, Williams

Nays: None

MOTION CARRIED

Other:

No discussion at this time.

Meeting adjourned at 7:51p.m. The next meeting of the Bloomfield Township Public Library Board of Trustees is Tuesday, July 16, 2013 at 7:00 p.m. in the Board Room.

Submitted by:

Joan Luksik, Secretary

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

Cash Disbursements Comments July, 2013

New Vendors:

What a fun summer this will be! Thank you to our Friends for many of these great programs!

Kerrie Ferrell was added as a presenter for the June 27 program, "In the Dugout: Rick Ferrell and the Detroit Tigers."

Animal Magic Inc - Youth Services July 25 program

Eugene Clark - Youth Services Aug 6 program "Journey to the Center of the Earth"

Randy Kaplan - Youth Services Aug 1 program

S&S Worldwide - Youth Services program supplies

Quality Art, Inc.- Youth Services program supplies

General Fund Advance

- Check #13115 payable to **Joan (Qiong) Wu** in the amount of \$1,738.66 was reimbursement for her expenses to attend the Innovative Users Group Conference held in San Francisco from April 23 through April 27, 2013. She had paid for these expenses herself, but the library approved a budget to send a representative to this important conference and reimbursed her. Innovative Sierra is our Integrated Library System's main management software. This is one of the very few staff development expenditures that still remains in our budget. It is imperative that at least one person attend annually to keep up with software updates, bugs/fixes and future upgrades. Joan attended and reported back to staff on the many changes and improvements Innovative Interfaces, Inc. has planned.

General Fund

- Check #13167 payable to **Service Heating & Plumbing** in the amount of \$7,198.89 was payment for replacing a faucet in the public men's restroom (\$723), hydrojetting entire detention system in parking lot, catch basin and storm lines (before our June flood) (\$6,475.75). I cannot imagine how much worse our lower level would have flooded if Joel did not just have these lines cleared. It is recommended that this work be done annually.
- Check #13174 payable to **The Library Network** in the amount of \$4,482.75 was payment for books and Internet Provider Services (IPS) from April 1, 2013 - June 30, 2013.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
CHECK REGISTERS
FOR THE MONTH OF JUNE 2013

Check Register - General Fund

Check #	Date	Payee	Cash Account	Amount
ADVANCE CHECKS:				
13113	6/7/13	Elizabeth Conger	104.01	88.71
13114	6/7/13	Joel Dion	104.01	25.10
13115	6/7/13	Qiong Wu	104.01	1,738.66
13116	6/7/13	PITNEY BOWES RESERVE ACCOUNT	104.01	2,000.00
13117	6/7/13	PITNEY BOWES, INC.	104.01	234.93
13118	6/27/13	Elizabeth Conger	104.01	52.00
13119	6/27/13	AMAZON.COM	104.01	885.31
13120	6/27/13	AT&T	104.01	500.00
13121	6/27/13	BTPL Gift Fund	104.01	200.00
13122	6/27/13	COMCAST	104.01	126.52
13123	6/27/13	CONSUMERS ENERGY	104.01	5,555.45
13124	6/27/13	DEARBORN NATIONAL LIFE INSURANCE CO	104.01	821.33
13125	6/27/13	DTE ENERGY	104.01	23,747.63
13126	6/27/13	HOME DEPOT CR. SERV.	104.01	60.76
13127	6/27/13	ORKIN PEST CONTROL	104.01	950.86
13128	6/27/13	PNC BANK	104.01	981.96
13129	6/27/13	VERIZON WIRELESS	104.01	199.89
Total				<u>\$38,169.11</u>
REGULAR CHECKS:				
13130	7/5/13	AAAS	104.01	360.00
13131	7/5/13	ABEL ELECTRONICS, INC.	104.01	537.99
13132	7/5/13	ASSA ABLOY ENTRANCE SOLUTIONS	104.01	89.25
13133	7/5/13	BLACKSTONE AUDIO INC.	104.01	48.00
13134	7/5/13	BACKER LANDSCAPING, INC.	104.01	2,875.00
13135	7/5/13	BAKER & TAYLOR, INC.	104.01	10,907.54
13135a	7/5/13	VOID	104.01	
13135b	7/5/13	VOID	104.01	
13135c	7/5/13	VOID	104.01	
13136	7/5/13	BERNAN ASSOCIATES	104.01	420.90
13137	7/5/13	BLACKSTONE AUDIO, INC.	104.01	168.60
13138	7/5/13	BLOOMFIELD TOWNSHIP	104.01	264,442.20
13139	7/5/13	BOOKS GALORE INC.	104.01	238.45
13140	7/5/13	BRILLIANCE AUDIO, INC.	104.01	199.94
13141	7/5/13	PETTY CASH - BTPL	104.01	134.46
13142	7/5/13	C & E COMMUNICATIONS, INC	104.01	330.00
13143	7/5/13	CAR TRUCKING, INC.	104.01	203.30
13144	7/5/13	GALE/CENGAGE LEARNING	104.01	1,727.16
13145	7/5/13	CENTRAL BUSINESS SYSTEMS, INC.	104.01	447.00
13146	7/5/13	CHECKPOINT SYSTEMS INC	104.01	12,226.44
13147	7/5/13	DU ALL CLEANING, INC	104.01	4,600.00
13148	7/5/13	GRAINGER, INC	104.01	658.03
13149	7/5/13	GRAPHIC SCIENCES, INC.	104.01	590.00
13150	7/5/13	INGRAM LIBRARY SERVICES	104.01	58.71
13151	7/5/13	INSTITUTE OF CONT. LEGAL EDUCATION	104.01	102.50
13152	7/5/13	JCR SUPPLY CO/BEDARD BROS	104.01	701.12
13153	7/5/13	LAFORCE	104.01	564.95
13154	7/5/13	MIDWEST COLLABORATIVE for LIB. SVCS	104.01	16.32
13155	7/5/13	METRONET LIB. CONSORT.	104.01	967.91
13156	7/5/13	MIDWEST TAPE	104.01	7,578.62
13156a	7/5/13	VOID	104.01	
13156b	7/5/13	VOID	104.01	
13156c	7/5/13	VOID	104.01	

Check #	Date	Payee	Cash Account	Amount
13157	7/5/13	MORNINGSTAR	104.01	199.00
13158	7/5/13	NBS	104.01	4,533.00
13159	7/5/13	OVERDRIVE	104.01	7,330.09
13160	7/5/13	PARTNERS BOOK DISTRIBUTING, INC.	104.01	2,996.69
13160a	7/5/13	VOID	104.01	
13161	7/5/13	QMI GROUP, INC.	104.01	316.89
13162	7/5/13	QUILL CORPORATION	104.01	149.99
13163	7/5/13	RANDOM HOUSE, INC.	104.01	1,054.10
13163a	7/5/13	VOID	104.01	
13164	7/5/13	RECORDED BOOKS, LLC	104.01	536.09
13165	7/5/13	ROCKET ENTERPRISE INC.	104.01	756.00
13166	7/5/13	SCHOLASTIC LIBRARY PUBLISHING	104.01	24.22
13167	7/5/13	SERVICE HEATING & PLUMBING	104.01	7,198.89
13168	7/5/13	SHOPLET.COM	104.01	51.13
13169	7/5/13	STANDARD & POOR'S	104.01	1,475.81
13170	7/5/13	STAPLES ADVANTAGE	104.01	54.93
13171	7/5/13	SUMMIT ELECTRIC, INC.	104.01	6,315.00
13172	7/5/13	TANTOR MEDIA	104.01	215.53
13173	7/5/13	THE GREAT COURSES	104.01	1,094.05
13174	7/5/13	THE LIBRARY NETWORK	104.01	4,482.75
13175	7/5/13	UNIQUE BOOKS INC.	104.01	50.46
13176	7/5/13	UNITED STATES POSTAL SERVICE	104.01	200.00
13177	7/5/13	VIGILANTE SECURITY	104.01	1,950.00
13178	7/5/13	WALLACEBURG BOOKBINDING & MFG	104.01	218.27
13179	7/5/13	WESTON WOODS	104.01	29.95
Total				<u><u>\$352,427.23</u></u>

Check Register - Gift Fund

Check #	Date	Payee	Cash Account	Amount
ADVANCE CHECKS:				
4183	6/7/13	Beth Sulek-LaHousse	102.03	14.53
4184	6/28/13	Betsy Telford	102.03	77.30
4185	6/28/13	AMAZON.COM	102.03	286.16
4186	6/28/13	BLOOMFIELD TWP. PUBLIC LIBRARY	102.03	1,316.96
4187	6/28/13	HOME DEPOT CREDIT SERVICES	102.03	35.92
4188	6/28/13	TERRY LOVE	102.03	19.99
4189	6/28/13	PNC BANK	102.03	1,998.25
				<u><u>\$3,749.11</u></u>
REGULAR CHECKS:				
4190	7/5/13	ANIMAL MAGIC, INC	102.03	395.00
4191	7/5/13	EUGENE CLARK	102.03	275.00
4192	7/5/13	CRANBROOK INSTITUTE OF SCIENCE	102.03	112.50
4193	7/5/13	CRANBROOK INSTITUTE OF SCIENCE	102.03	112.50
4194	7/5/13	RANDY KAPLAN	102.03	300.00
4195	7/5/13	MIDWEST TAPE	102.03	15.98
4196	7/5/13	NUTECH GRAPHICS, INC.	102.03	757.75
4197	7/5/13	ORGANIZATION FOR BAT CONSERVATION	102.03	210.00
4198	7/5/13	QUALITY ART, INC.	102.03	30.78
4199	7/5/13	S & S WORLDWIDE, INC	102.03	84.41
4200	7/5/13	UPSTART	102.03	147.17
Total				<u><u>\$2,441.09</u></u>

Bloomfield Township Public Library
2013-2014 General Fund Budget

7b

PRESENTED: JULY 16, 2013 FOR THE MONTH OF: JUNE 2013

	2013-2014 ADOPTED BUDGET AS OF MAR 19, 2013	2013-2014 AMENDED BUDGET AS OF APR 23, 2013	REVENUE/EXPENSE CURRENT MONTH	REVENUE/ EXPENSE YTD	% OF BUDGET YTD	Three Months 25% VARIANCE
ACCOUNT NAME						
<u>Revenues</u>						
Taxes	\$4,625,869	\$4,625,869	(\$319)	(\$8,137)	-0.18%	(\$4,634,006)
Penal Fines	\$58,353	\$58,353	\$0	\$0	0.00%	(\$58,353)
State Aid	\$20,470	\$20,470	\$0	\$0	0.00%	(\$20,470)
Circulation Fines & Fees	\$140,464	\$140,464	\$8,571	\$31,937	22.74%	(\$108,527)
Charges for Services	\$14,114	\$14,114	\$816	\$3,071	21.76%	(\$11,043)
Investment earnings	\$178,767	\$178,767	\$14,096	\$43,355	24.25%	(\$135,412)
Change in Asset Value	\$0	\$0	(\$96,323)	(\$189,682)	-189682%	(\$189,682)
Miscellaneous	\$9,556	\$9,556	\$356	\$2,668	27.92%	(\$6,888)
Total Revenues	\$5,047,593	\$5,047,593	(\$72,803)	(\$116,788)	-2.31%	(\$5,164,381)
<u>Expenditures</u>						
Personnel	\$3,377,158	\$3,403,220	\$265,497	\$726,585	21.35%	(\$2,676,635)
Library Services	\$783,043	\$783,043	\$52,345	\$197,865	25.27%	(\$585,178)
Facilities & Equipment	\$1,042,081	\$1,042,081	\$63,110	\$217,532	20.87%	(\$824,549)
Other Operating Expenditures	\$131,896	\$131,896	\$7,201	\$26,842	20.35%	(\$105,054)
Total Expenditures	\$5,334,178	\$5,360,240	\$388,153	\$1,168,825	21.81%	(\$4,191,415)
Fund Balance - Beginning	\$7,792,567	\$7,972,537		\$7,972,537		
Net revenue (expenditure)	(\$286,585)	(\$312,647)		(\$1,285,612)		
Fund Balance - Ending	\$7,505,982	\$7,659,890		\$6,686,925		

Amendments to the budget:
None

Fund Balance Designations

Non-spendable Fund Balance (includes all fixed assets)	\$27,496,552	\$26,628,930
Restricted Fund Balance (nothing included here)	\$0	\$0
Committed Fund Balance (is 8- months of expenditures amount)	\$3,556,119	\$3,573,493
Assigned Fund Balance (is the compensated absences payouts \$454,297, full funding of the OPEB obligation \$3,312,000, 3-months funding of ACA health \$15,250, estimated cost of RFID project \$153,908)	\$3,742,194	\$3,935,455
Unassigned Fund Balance (is the unplanned emergency amount)	\$207,669	\$150,942

Bloomfield Township Public Library
2013-2014 Gift Fund Budget

7b

PRESENTED: JULY 16, 2013 FOR THE MONTH OF: JUNE 2013

Three Months 25%

ACCOUNT NAME	2013-2014 ADOPTED BUDGET AS OF MAR 19, 2013	2013-2014 AMENDED BUDGET AS OF APR 30, 2013	REVENUE/ EXPENSE CURRENT MONTH	REVENUE/ EXPENSE YTD	% OF BUDGET YTD	VARIANCE
<u>Revenues</u>						
Gift Income	\$500	\$15,912	\$12,781	\$15,913	100.00%	\$0
Investment Earnings	\$300	\$300	\$11	\$37	12.33%	(\$263)
Miscellaneous Revenue	\$0	\$0	\$0	\$0	0.00%	\$0
Total Revenues	\$800	\$16,212	\$12,792	\$15,950	98.38%	(\$263)
<u>Expenditures</u>						
Library Services	\$39,727	\$41,767	\$3,894	\$10,716	25.66%	(\$31,052)
Facilities & Equipment	\$19,144	\$19,234	\$0	\$9,701	50.44%	(\$9,533)
Other Operating Expenditures	\$94,884	\$111,197	\$2,282	\$5,829	5.24%	(\$105,368)
Total Expenditures	\$153,755	\$172,198	\$6,176	\$26,245	15.24%	(\$145,953)
Fund Balance	\$92,733	\$94,964		\$94,964		
Reserved Fund Bal.	\$61,022	\$61,022		\$61,022		
Net revenue (expenditures)	(\$152,955)	(\$155,986)		(\$10,296)		
Fund Balance - Ending	\$800	(\$0)		\$145,690		

Amendments to the budget:

All amendments due to gifts received

Bloomfield Township Public Library
Asset Allocation Summary
JUNE 2013

7b

Fund	Type	Annual Yield	Date	Amount on Hand
General Fund				
	Chase Checking (Ecommerce)	0.00%	6/30/2013	\$123,201.39
	Flagstar Public Funds Savings	0.15%	6/30/2013	\$194,627.47
	Flagstar Premier Public Entities Checking	0.10%	6/30/2013	\$11,535.04
	RBC Capital Cash/Money Market	0.01%	6/30/2013	\$81.67
	RBC Capital - Investments	0.00%	6/30/2013	\$6,708,525.55
Total General Fund				\$7,037,971.12
Gift Fund				
	Huntington Public Fund Business Interest Checking	0.15%	6/30/2013	\$95,936.36
	Huntington CD (Charnov gift) - matures 5/7/14	0.76%	6/30/2013	\$52,195.00
Total Gift Fund				\$148,131.36

CFSEM The following endowment funds are administered by the Community Foundation for Southeast Michigan (CFSEM). CFSEM maintains unilateral variance power and legal ownership of the endowment funds, and therefore, principal is not available to BTPL. Earnings are available for distribution to the Library for its operations at the discretion of CFSEM.

Jeanette P. Myers Memorial Scholarship Fund	12/31/2012	\$13,244.00
Yvonne T. Atkinson	12/31/2012	\$28,784.00
Isabel and Lawrence Smith Challenge Grant	12/31/2012	\$29,871.00
BTPL Endowment Fund	12/31/2012	\$27,574.00
Fair Radom Garden Endowment Fund	12/31/2012	\$14,685.00
Total CFSEM holdings		\$114,158.00

Bloomfield Township Public Library
Investment Portfolio

Investment Vehicle	Portfolio %	Original Cost	6/30/2013 Market Value	Estimated Annual Inc	Current Yield
Money Market Funds	0.0%	\$90	\$82	-	0.01%
Wells Fargo Advantage Adjustable Rate Gov't	4.9%	\$327,014	\$330,389	\$3,062	0.93%
Loomis Sayles Limited Term U.S. Gov't & Agency	33.1%	\$2,228,450	\$2,223,489	\$48,905	2.20%
Eaton Vance Government Obligations	27.0%	\$1,811,500	\$1,812,373	\$70,897	3.91%
DWS GNMA	13.1%	\$880,600	\$876,394	\$36,405	4.15%
Wells Fargo Advantage Government Securities	18.1%	\$1,240,100	\$1,213,306	\$9,729	0.80%
Sentinel Government Securities	3.8%	\$187,000	\$252,575	\$6,058	2.40%
Total Portfolio	100.0%	\$6,674,754	\$6,708,607	\$175,056	2.61%

2nd Quarter Activity - March 31, 2013 - June 30, 2013

Cash Activity

Beginning Balance	\$89.74
Deposits & Sales Proceeds	\$760,000.00
Withdrawals	(\$760,010.00)
Dividends	\$43,222.41
Capital Gains	\$0.00
Net funds to purchase securities	(\$43,220.48)
Ending Balance	\$81.67

Change in Security Value

Beginning value of securities	\$7,614,987.13
Securities purchased	\$43,220.48
Securities sold	(\$760,000.00)
Change in value of priced securities	(\$189,682.06)
Ending Value of priced securities	\$6,708,525.55

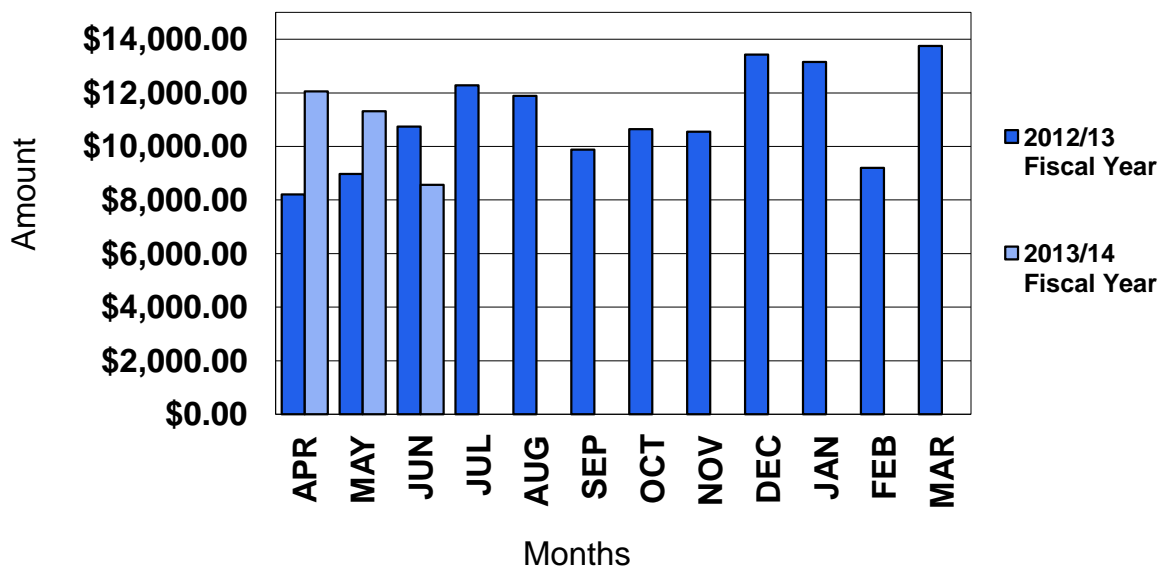
Total account value as of June 30, 2013

\$ 6,708,607.22

FINES AND FEES - TWO-YEAR COMPARISON

Month	2012/13 Fiscal Year	2013/14 Fiscal Year	Difference
APR	\$8,206.59	\$12,058.52	\$3,851.93
MAY	\$8,971.89	\$11,311.82	\$2,339.93
JUN	\$10,741.83	\$8,567.53	(\$2,174.30)
JUL	\$12,280.42		(\$12,280.42)
AUG	\$11,885.13		(\$11,885.13)
SEP	\$9,879.04		(\$9,879.04)
OCT	\$10,650.27		(\$10,650.27)
NOV	\$10,547.64		(\$10,547.64)
DEC	\$13,421.95		(\$13,421.95)
JAN	\$13,148.01		(\$13,148.01)
FEB	\$9,203.90		(\$9,203.90)
MAR	\$13,755.13		(\$13,755.13)
			YTD Difference
TOTAL	<u>\$132,691.80</u>	<u>\$31,937.87</u>	<u>(\$100,753.93)</u>

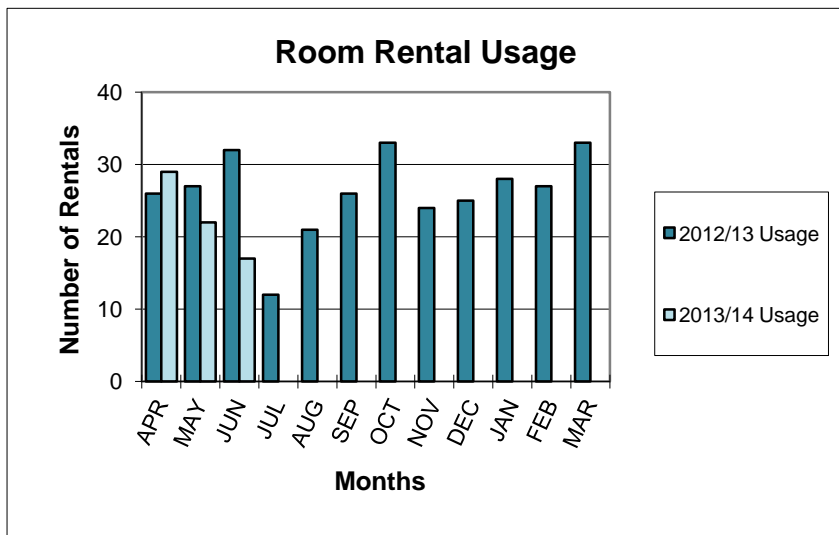
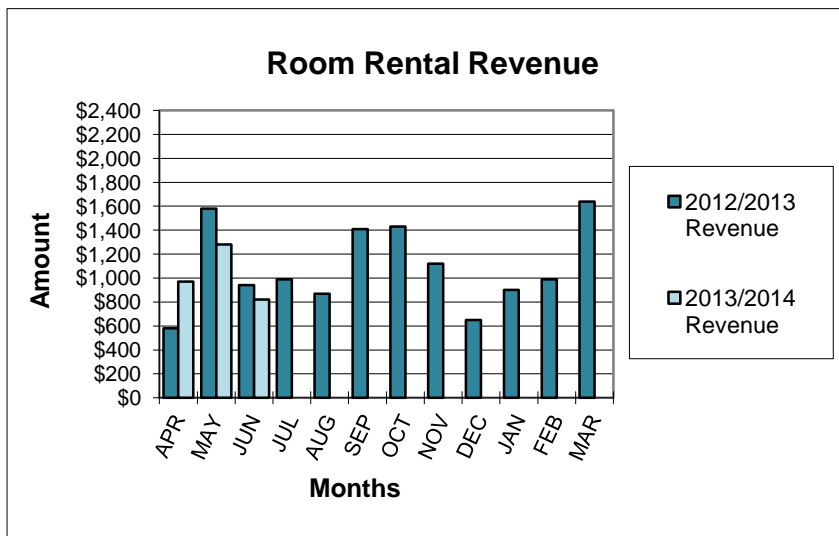
Fines and Fees Two-Year Comparison



ROOM RENTAL - TWO-YEAR COMPARISON

7b

<u>Month</u>	2012/2013 <u>Revenue</u>	2013/2014 <u>Revenue</u>	<u>Difference</u>	2012/13 <u>Usage</u>	2013/14 <u>Usage</u>	<u>Month</u>
APR	\$580.00	\$970.00	\$390.00	26	29	APR
MAY	\$1,580.00	\$1,280.00	(\$300.00)	27	22	MAY
JUN	\$940.00	\$820.00	(\$120.00)	32	17	JUN
JUL	\$990.00		(\$990.00)	12		JUL
AUG	\$870.00		(\$870.00)	21		AUG
SEP	\$1,410.00		(\$1,410.00)	26		SEP
OCT	\$1,430.00		(\$1,430.00)	33		OCT
NOV	\$1,120.00		(\$1,120.00)	24		NOV
DEC	\$650.00		(\$650.00)	25		DEC
JAN	\$900.00		(\$900.00)	28		JAN
FEB	\$990.00		(\$990.00)	27		FEB
MAR	\$1,640.00		(\$1,640.00)	33		MAR
			YTD Difference			
TOTAL	\$13,100.00	\$3,070.00	(\$10,030.00)	314	68	



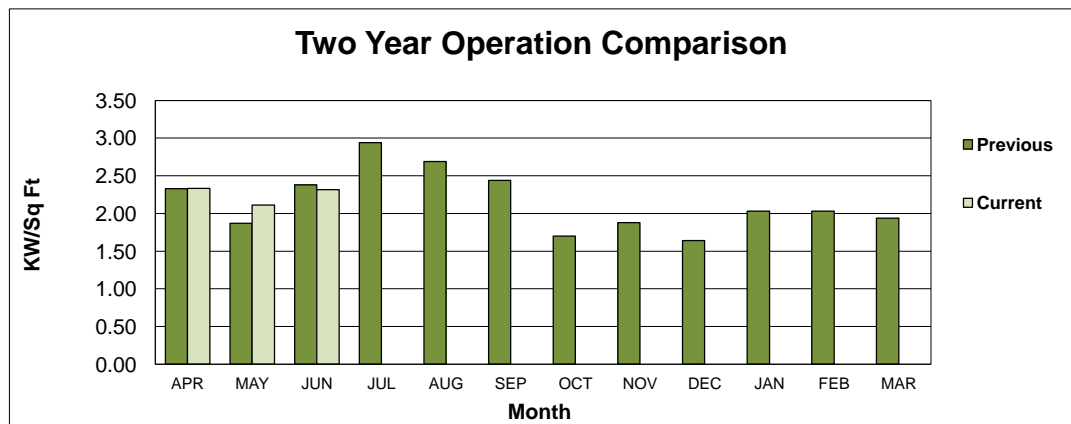
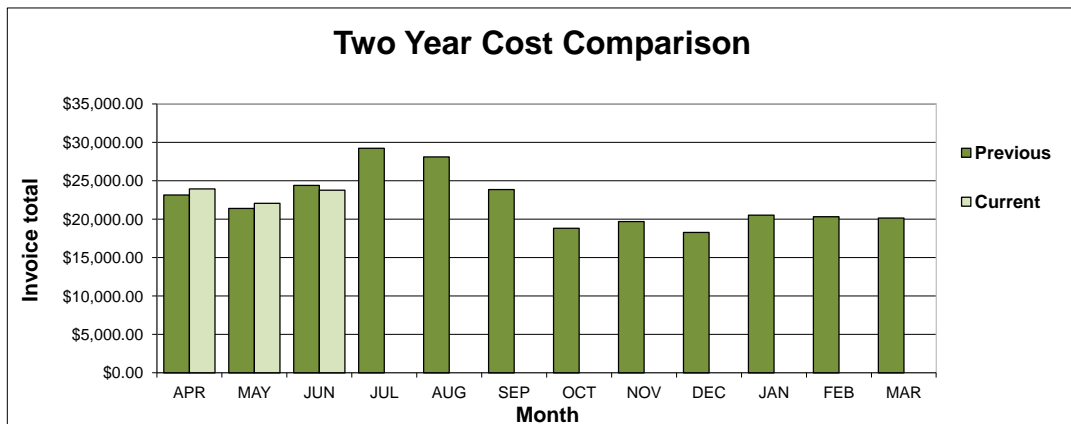
Bloomfield Township Public Library Electricity Analysis

Building Area = 101,023 Sq ft.

TWO YEAR COST COMPARISON				CURRENT YEAR OPERATION					
Month	2012/2013	2013/2014 (3)	Difference	TOTAL KWH (1)	COST/KWH (3)/(1)	KWH/HR (1) / (24 x no.days per month)	KWH/SQ FT (1)/101,023	COST/HR (3) / (24 x no. days per month)	COST/SQ FT. (3)/101,023
APR	\$23,140.58	\$23,924.85	\$784.27	235,620	\$0.10	327.25	2.33	\$33.23	\$0.24
MAY	\$21,388.95	\$22,040.98	\$652.03	213,430	\$0.10	286.87	2.11	\$29.62	\$0.22
JUN	\$24,402.61	\$23,747.63	(\$654.98)	233,800	\$0.10	324.72	2.31	\$32.98	\$0.24
JUL	\$29,211.88		(\$29,211.88)		#DIV/0!	0.00	0.00	\$0.00	\$0.00
AUG	\$28,113.58		(\$28,113.58)		#DIV/0!	0.00	0.00	\$0.00	\$0.00
SEP	\$23,837.69		(\$23,837.69)		#DIV/0!	0.00	0.00	\$0.00	\$0.00
OCT	\$18,820.02		(\$18,820.02)		#DIV/0!	0.00	0.00	\$0.00	\$0.00
NOV	\$19,685.39		(\$19,685.39)		#DIV/0!	0.00	0.00	\$0.00	\$0.00
DEC	\$18,251.67		(\$18,251.67)		#DIV/0!	0.00	0.00	\$0.00	\$0.00
JAN	\$20,526.33		(\$20,526.33)		#DIV/0!	0.00	0.00	\$0.00	\$0.00
FEB	\$20,289.47		(\$20,289.47)		#DIV/0!	0.00	0.00	\$0.00	\$0.00
MAR	\$20,159.83		\$20,159.83		#DIV/0!	0.00	0.00	\$0.00	\$0.00
			YTD Difference						
TOTAL	\$267,828.00	\$69,713.46	(\$157,794.88)						

NOTES:

Mar 2013 - found that electric meter was malfunctioning. \$25,000 is estimated credit DTE to issue in April



Bloomfield Township Public Library Natural Gas Analysis

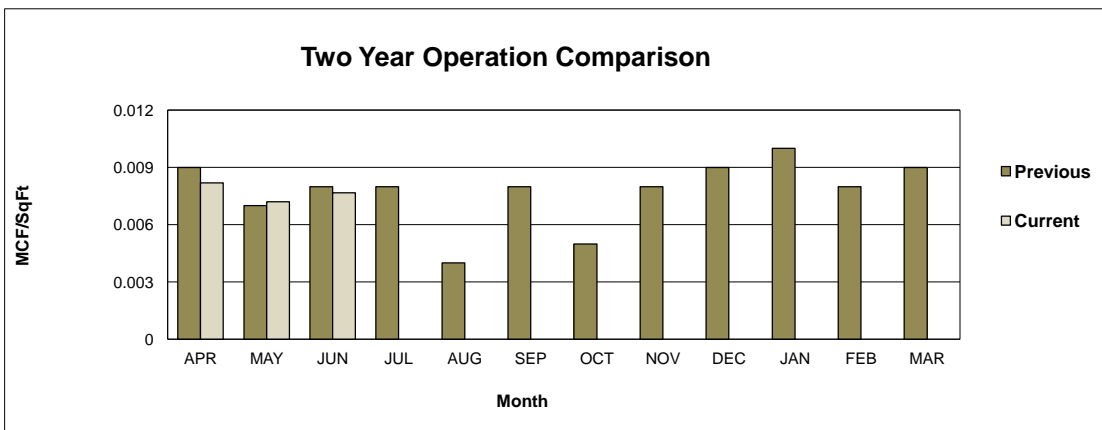
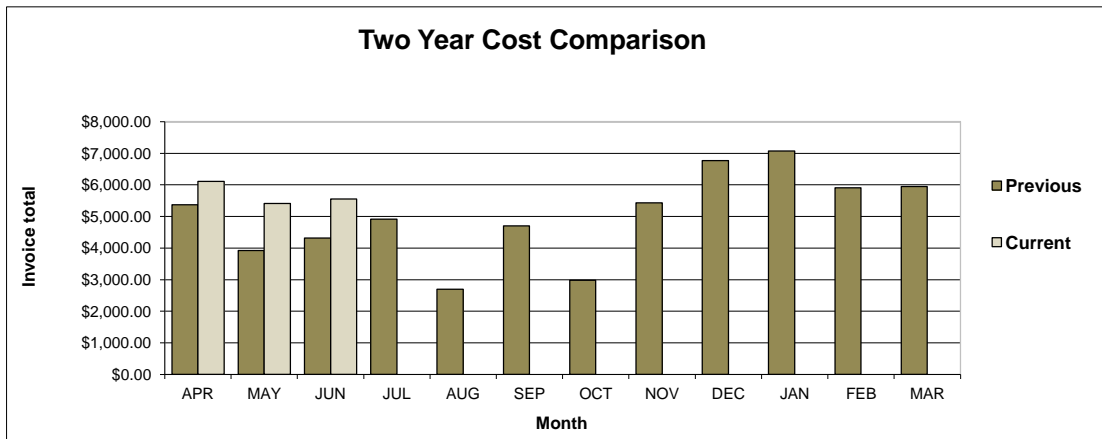
Building Area = 101,023

1 Cu. Ft. = 1000 BTU

TWO YEAR COST COMPARISON				OPERATION						
Month	2012/2013	2013/2014 (3)	Difference	MCF	COST/MCF	HOURS (24 x no. days per month)	MCF/HR	MCF/SqFt	\$/HR	\$/SqFt
APR	\$5,371.71	\$6,110.36	\$738.65	828.4	\$7.38	720	1.15	0.008	8.49	0.060
MAY	\$3,919.73	\$5,408.69	\$1,488.96	727.6	\$7.43	744	0.98	0.007	7.27	0.053
JUN	\$4,316.24	\$5,555.45	\$1,239.21	775.9	\$7.16	720	1.08	0.008	7.72	0.054
JUL	\$4,912.06		(\$4,912.06)		#DIV/0!	744	0.00	0.000	0.00	0.000
AUG	\$2,696.67		(\$2,696.67)		#DIV/0!	744	0.00	0.000	0.00	0.000
SEP	\$4,705.82		(\$4,705.82)		#DIV/0!	720	0.00	0.000	0.00	0.000
OCT	\$2,979.75		(\$2,979.75)		#DIV/0!	744	0.00	0.000	0.00	0.000
NOV	\$5,433.93		(\$5,433.93)		#DIV/0!	720	0.00	0.000	0.00	0.000
DEC	\$6,772.88		(\$6,772.88)		#DIV/0!	744	0.00	0.000	0.00	0.000
JAN	\$7,075.63		(\$7,075.63)		#DIV/0!	744	0.00	0.000	0.00	0.000
FEB	\$5,908.36		(\$5,908.36)		#DIV/0!	696	0.00	0.000	0.00	0.000
MAR	\$5,944.66		(\$5,944.66)		#DIV/0!	744	0.00	0.000	0.00	0.000
YTD Difference										
TOTAL	\$60,037.44	\$17,074.50	(\$42,962.94)							

NOTES:

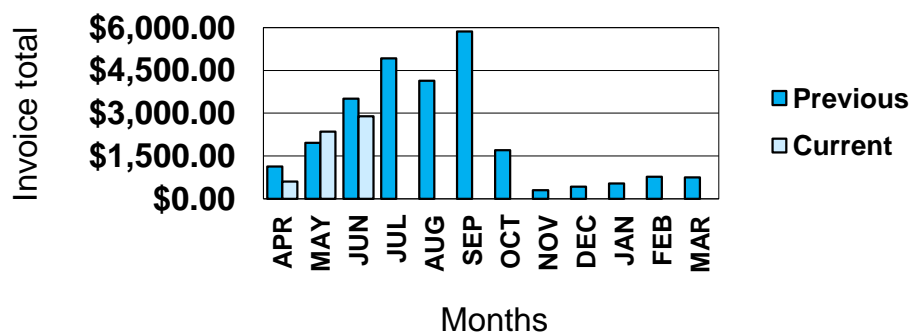
All boilers are on line as of January 1, 2010 and operating at 33%
Alternative provider service began in November 2010



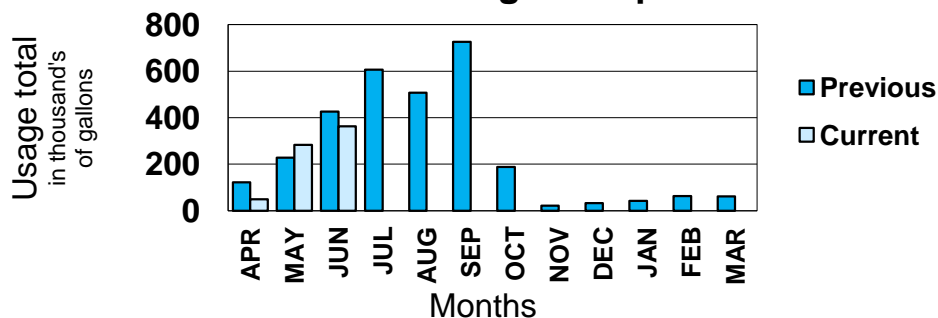
Bloomfield Township Public Library Water Analysis

Month	2012/13 Fiscal Year Cost	2013/14 Fiscal Year Cost	Difference	2012/13 Fiscal Year Usage	2013/14 Fiscal Year Usage	Difference
APR	\$1,130.36	\$608.49	(\$521.87)	122	49	(73)
MAY	\$1,962.32	\$2,347.63	\$385.31	228	283	55
JUN	\$3,509.00	\$2,886.18	(\$622.82)	426	363	(63)
JUL	\$4,919.80		(\$4,919.80)	606		(606)
AUG	\$4,138.12		(\$4,138.12)	508		(508)
SEP	\$5,862.50		(\$5,862.50)	726		(726)
OCT	\$1,697.92		(\$1,697.92)	188		(188)
NOV	\$302.20		(\$302.20)	21		(21)
DEC	\$424.96		(\$424.96)	32		(32)
JAN	\$536.56		(\$536.56)	42		(42)
FEB	\$770.92		(\$770.92)	63		(63)
MAR	\$748.60		(\$748.60)	61		(61)
			YTD Difference			YTD Difference
TOTAL	<u>\$26,003.26</u>	<u>\$5,842.30</u>	<u>(\$20,160.96)</u>	<u>3,023</u>	<u>695</u>	<u>(2,328)</u>

Two-Year Cost Comparison



Two-Year Usage Comparison



BLOOMFIELD TOWNSHIP PUBLIC LIBRARY**LIBRARY BOARD OF TRUSTEES
MONTHLY DIRECTOR'S REPORT****July, 2013**

- **Director's Legacy Fund established!** I am very excited to report that our Legacy is now fully funded and the Community Foundation for Southeast Michigan has established this new endowment for BTPL. Two gifts were received this week from Isabel Francis Smith and the Kline Family Foundation that put our fund-raising over the top!
- We have been using the terms **"Restricted Funds" and "Unrestricted Funds"** in our Gift Fund monthly report to show whether a donation was designated for a particular purpose such as videos or books or gardens, etc. or a "use as needed" gift. Due to the new auditing definition of Restricted, Assigned, and Unassigned in the Fund Balance portion of our financial statements, Beth Sulek-LaHousse and I feel the terms Restricted and Unrestricted for account names need to be changed for consistency. The Finance Committee has agreed. Please note these two accounts will be renamed as "Designated Gifts" and "Undesignated Gifts" beginning with the July board reports.
- Carol Mueller and I had an exceptional meeting with Greg Whittkop, Judy Dyki and Kelly Lyons at **Cranbrook** on July 5. We met to discuss continuing our very cooperative partnership. It was a lively and creative discussion and many exciting ideas were planned for the coming year. We were all very pleased to build on the partnership and plan many more worthwhile activities.
- **Sadly, this is my last written report to the Library Board.** I want to thank you for the opportunity to serve this library and community. It has been an opportunity to do good for people and an honor to work with the Library Board of Trustees and staff at the Bloomfield Township Public Library. I wish you every success into your next fifty years!

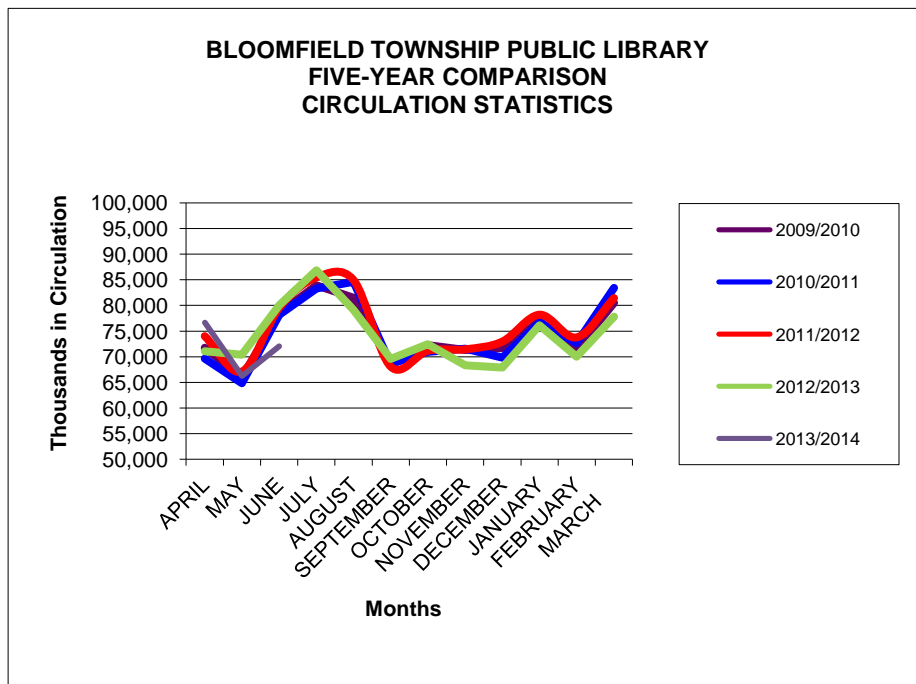
Respectfully Submitted,

*Karen Kotulis-Carter
Director*

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
FIVE YEAR CIRCULATION

7/10/2013

	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
APRIL	71,743	69,666	74,009	71,094	76,629
MAY	65,968	64,825	67,127	70,411	66,250
JUNE	78,496	78,169	79,512	80,069	72,030
JULY	83,937	83,272	85,456	86,867	
AUGUST	81,506	84,618	84,937	79,094	
SEPTEMBER	68,621	68,596	68,066	69,592	
OCTOBER	72,256	70,926	71,180	72,467	
NOVEMBER	71,324	71,551	71,456	68,318	
DECEMBER	71,667	69,841	72,964	67,864	
JANUARY	76,935	76,712	78,197	76,156	
FEBRUARY	71,503	72,657	73,778	69,992	
MARCH	80,470	83,408	81,433	77,819	
TOTAL	894,426	894,241	908,115	889,743	214,909



	2012		2013	
COLLECTION				
Book Collection:	285,465		282,618	
Media Collection:	60,491		62,211	
Total e-books:	25,605		26,792	
Overdrive	4,800		5,536	
EBSCOhost	19,227		19,227	
Total downloadable audiobooks:	3,973		4,233	
Materials Total:	375,534		375,854	
CIRCULATION				
Circulation Total:	80,069		72,030	
Bloomfield Township Circulation:	70,563		65,834	
Virtual Circulation Total:	3,457		3,826	
Circulation of Youth materials:	28,700		26,807	
Circulation of Media:	34,432		30,573	
Circulation of Cranbrook passes:	276		275	
Circulation of Big Green Gym* passes	15		9	
Self-checkout machine use:	33,538	41.9%	26,988	37.5%
Library by Mail:	106	27 patrons	124	30 patrons
BUILDING & EQUIPMENT USAGE				
Door Count:	27,461**		28,485***	
Gate Count:	31,562		28,994	
Meeting rooms by public:	32		17	
Meeting rooms by staff:	44		62	
VIRTUAL USE				
Home page hits/Database services:	20,005		27,775	
e-book access:	1,668		1,897	
Overdrive	1,585		1,828	
EBSCOhost	83		69	
Audiobook access: (Overdrive)	390		702	
Music download access:	1,399		1,227	
TutorMe! sessions:	12		4	
Library Computer Use				
Resident Use	3,370		2,553	
Guest Use	1,057		861	
*Formerly Park & Read				
**Counter not working properly for 7 days				
***Library closed June 28 & 29 due to weather emergency				

	2012		2013	
OUTREACH & PROGRAMS				
<i>New Patrons and Accounts</i>				
Township:	222		191	
Cranbrook:	5		5	
Total new patrons:	317		292	
<i>Adult Program Attendance</i>				
Staff-led:	12 events	283 attended	5 events	26 attended
Speaker-led:	0	0	11 events	345 attended
Book clubs:	4 events	48 attended	4 events	54 attended
Tours/visits on-site:	0	0	0	0
Tours/visits off-site:	1 event	15 attended	1 event	22 attended
<i>Systems Program Attendance</i>				
Staff-led:	3 events	40 attended	4 events	38 attended
<i>Teen Program Attendance</i>				
Staff-led:	0	0	1 event	0 attended
Homework coaching		18 attendees		11 attendees
<i>Youth Program Attendance</i>				
Staff-led:	7 events	1,682 attended	5 events	1084 attended
Speaker-led:	2 events	165 attended	2 events	53 attended
Tours/visits on-site:	0	0	1 event	13 attended
Tours/visits off-site:	9 events	1,107 attended	0	0
TOTAL:	38 events	3,358 attended	34 events	1,646 attended
<i>Volunteers:</i>				
	47 people	405.75 hours	40 people	329.25 hours
	Shop: 8	99.25	Shop: 7	95.75
	Court: 1	8	Court: 1	17.75
	Students: 17	149.25	Students: 13	78.5
	Stu. tutors: 5	25.25	Stu. Tutors: 4	22.5
	Dept. Vol: 16	124	Dept. Vol: 15	114.75
<i>Patron Remarks</i>				
Patron Comments:	20		8	
Ask BTPL:	23		16	
Ask Us:	22		40	
DISPLAYS				
Lobby	2013 Summer Reading Program Kick-Off			
Media	Adult: Mad Men, Dig Into Reading and Beneath the Surface			
	Youth: Mystery Audiobooks, Dig Into Reading, Summer			
Local History	Summer Reading			

TENTATIVE SCHEDULE CALENDAR

- **Tuesday, July 16, 2013- 7:00 p.m., Regular Board Meeting**

Upcoming meetings and events:

- Monday, July 22, 2013 – 2:00 p.m. Finance Committee Meeting in the Board Room.
- Monday, August 5, 2013 – 2:00 p.m. 50th Anniversary Committee Meeting in the Community Room.
- Wednesday, August 7, 2013 – 12:30 p.m. FOL Board of Director's Meeting in the Board Room.
- **Tuesday, August 20, 2013 – 7:00 p.m. Regular Board Meeting in the Board Room. 6:45 p.m. presentation of the Myers Scholarship Awards.**

**MINUTES OF THE BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
FINANCE COMMITTEE**

The meeting of the Bloomfield Township Public Library Board of Trustees Finance Committee was held in the Library on Monday, July 1, 2013 at 2:00 p.m.

Trustees: Peggy Cohen and Judy Lindstrom

Administration: Library Director, Karen Kotulis-Carter; Assistant Library Director, Carol Mueller and Finance Coordinator, Beth Sulek-LaHousse.

Guests: Megan McCandish and Rochelle Vendittelli, Doeren Mayhew

2012/2013 Audit

Rochelle Vendittelli and Megan McCandish from Doeren Mayhew reviewed the Library's audit and financial statements. The auditors commended the Library and stated that they have given the Library a clean opinion as there were no journal entries needed and there are no areas of concern. Beth was thanked by all present for her excellent work.

After discussion, several pages require revisions to improve clarity. Karen requested that the two columns on the Condensed Financial Information page, within the Management's Discussion and Analysis section, be switched to previous year and then current year. In addition, "net position" will include a statement explaining that the unrestricted amount is committed funding as indicated on the balance sheet. Another requested change is to include the net position information on its own sheet, separate from the snapshot view provided on the balance sheet. This change will make it easier to understand the information provided as there is a great deal of information on this one sheet currently. Similar changes will be made on the "Statement of Revenues, Expenditures and Changes on Fund Balance" page by providing the "Statement of Activities" on a separate page. Rochelle provided examples of a different format for providing this information for our review. The information provided on postemployment benefits, annual OPEB costs and percentage contributed differ in Note 8 and in the supplemental information section. Rochelle will look into this also. Beth stated that a new actuarial report should be forthcoming soon.

Rochelle Vendittelli will attend the July 16, 2013 Library Board meeting at 7:00pm to provide a verbal overview of the audit.

Other:

Library Investments

Schwartz and Company has contacted the Library to suggest a change to our investment portfolio. Our statements will show a loss again in asset value for June. Matt Whitty is recommending putting 50%, or approximately \$3.3 million, of our current investments into more conservative investments. The Finance Committee would like to review this

information more carefully with Schwartz and Company. Ed Schwartz and Matt Whitty will be asked to attend the next Finance Committee meeting in late July.

Director's Legacy Fund

Karen was pleased to announce that the Director's Legacy Fund has received enough donations to bring it well over the required \$10,000 amount needed to establish this new fund. With several recent donations, the gifts to this fund now total approximately \$12,000!

The purpose of this fund is to provide staff development opportunities and staff training that improves or enhances service to the public.

The next meeting of the Finance Committee has been scheduled for **Monday, July 22 at 2:00 p.m.** at the Library. At this meeting, Schwartz and Company will review the Library's current investment portfolio and suggestions for changes. The proposed 2014/2015 budget will be reviewed also.

MINUTES OF THE BLOOMFIELD TOWNSHIP PUBLIC LIBRARY**BUILDINGS AND GROUNDS COMMITTEE**

The meeting of the Bloomfield Township Public Library Board of Trustees Building and Grounds Committee was held in the Library on Friday, June 14 at 10:45 a.m.

Present: Trustees Peggy Cohen and Pam Williams

Administration: Karen Kotulis-Carter, Library Director; Carol Mueller, Assistant Director; Joel Dion, Facilities Department Head

Others: Gene Ferrara, Rewold and Son

Community Room Stage Project

The Community Room stage project currently is on hold due to concern over the height of the stage in the proposed design. The Friends have requested that the remaining funds from their gift for this project be returned to them. Karen has requested, if the Full FOL Board approves, that the amount the FOL have approved for their recent technology gift be reduced by the difference instead. Information about this project is on file in case there is future interest.

DTE Invoice Correction

The error in DTE invoice billing due to a faulty meter have now been resolved. Current invoices have been carefully review by Joel Dion, Facilities Department Head, and are correct. He will continue to monitor future bills closely.

Consumer's Energy Corner Repair

The repairs to the leaking gas valve on the corner of Telegraph and Lone Pine Roads are now complete. The concrete sidewalk has been poured and the library irrigation repairs are done as well as filling in the holes dug. A company contracted by Consumer's Energy will be out next week to will repair the landscaping around the corner sign that was dug up during the gas valve repair. Joel also will contact Goldner Walsh to see what they will charge to repair the garden area around the library sign. He will then contact DTE about reimbursement for this cost in addition to the reimbursement for the irrigation work.

AT & T Invoice Correction

Recently the AT & T invoices for library telephones have been much larger bills than in the past. Joan Wu, Systems Department Head, has been working with AT & T to resolve this issue and to renew our contract. She found that the recent increases are due to confusion over the contract renewal process in that AT & T lost the original library renewal form, sent another form which was the incorrect form and still has not sent the correct form. Until this is resolved, Joan is paying the usual monthly charge of approximately \$800 and is working hard to resolve this issue.

Roof Repairs

Joel Dion prepared a presentation to show the areas of the roof that are in need of repair. He explained that the roofs are leaking in four areas of the original 1987 roof, primarily in the roofs over the Adult Services workroom, the Adult Services public service desk area, the Reference area and the Youth Services public service desk. In addition, upon investigating the roof leaks with Gene Ferrara, Rewold and Son, it appears that additional ventilation is needed in all roofs. Due to the complexity of the library roofs, Gene recommends contracting with an engineer specializing in roofing. This is not a typical reroofing project, but is more complex due to the need to add venting and designing tapered insulation to correct the pitch of the roof. The engineer would provide designs for an entire roof system that could then be given to a roofing contractor. Roof work will be prioritized and completed over several years.

Gene was asked to provide a quote for Rewold and Son services to assist with this very large and complex project. He will provide a quote for services at an hourly rate plus reimbursable charges. Gene will assist with creating a request for qualifications for engineering services and also a request for qualifications for roofing contractors. The process will include sending out the request for qualifications to engineering firms first, create a short list of qualified companies, conduct interviews, provide the top firms with a scope of work to get additional information from each firm to then select a firm to design a roofing plan. While this process is continuing, the request for proposals for roofing contractors will be prepared, sent out and a bid awarded. Our timeline is to begin preparing requests for qualifications right away, select an engineering firm in July and select a roofing contractor in August so that the first and most urgent phase of roof repairs are completed in September.

Parking Lot Lights

The additional parking lot lights installed last year on the west side of the library parking lot has been a great addition. This new light has illuminated a very dark corner of the parking lot frequented by staff using the dumpster and parking in that area. No additional lights have been budgeted for this year but the conduit is there to add additional lights in the future at a cost of roughly \$10,000. The priority this year and next is the library roof.

Entrance Garden

The Entrance Garden was designed to be a very serene Asian garden. It has lost that feel as the plants are thriving but very overgrown. Joel will contact Goldner Walsh to correct this situation soon.

No future meeting date was set.

**BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
MEMORANDUM**

TO: Trustees

FROM: Karen Kotulis-Carter

DATE: July 3, 2013

SUBJECT: Jeanette P. Myers Scholarship Winner

The Selection Committee is happy to announce the winners of the scholarship this year! Attached are the scholarship guidelines for your reference and a copy of the two winning applications we have received this year for the Jeanette P. Myers Scholarship. I would like to thank trustees Joan Luksik and Eli Greenbaum for reviewing each of the applications. We received five applications this year.

The Library promoted our Myers Scholarship in our community newsletter and the Guideline pamphlets and application form were available at the Welcome Desk. The scholarship is regularly promoted with a press release. It is also promoted on our website homepage and with a large poster in the lobby. The website contains a downloadable application form, guidelines and brochure. It was also promoted on our e-newsletter, *Discover*.

We have received \$629.00 from the CFSEM this year for disbursement. We are very appreciative of the generosity and support of this scholarship by the family of Jeanette Myers. And we also received a very generous donation from Beth Sulek-LaHousse of \$171.00 which increased the total potential award to \$800.

The recipients will receive a certificate awarded by the Scholarship Committee just prior to the start of our August 20, 2013 Board meeting and a scholarship of \$400 each. The scholarship guidelines specify that the award check should go directly to the college and the check will be mailed out soon after the Board meeting.

Our award winners include one of our staff members and the son of our Systems Department Head. Ruaa Bibi, Circulation Clerical Assistant, has been employed at BTPL since 2007 and is attending Oakland University majoring in Finance. Ruaa has an expected graduation date of 2014.

Michael Yu is the son of Joan Wu, BTPL Systems Department Head. Michael graduated from Athens High School this year and will be attending Stanford University in the fall. Michael plans to major in Economics and minor in Engineering with an expected graduation date of 2017.

We hope the family of Jeanette Myers will also be present to help us celebrate this award.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

Jeanette P. Myers Memorial Scholarship Guidelines

In memory of Jeanette P. Myers, B.S.Ed., M.L.S., a librarian for many years at the Bloomfield Township Public Library, an educational assistance scholarship has been established by the Rodman N. Myers family, subject to amendments from time to time by such family, as follows:

Purpose

The Jeanette P. Myers Memorial Scholarship provides funds to encourage and support the post-secondary education of past or present employees of the Bloomfield Township Public Library, or persons who have some relationship with that Library, as the Selection Committee shall determine.

Criteria for Award

A total annual amount of at least \$500, in the aggregate, will be awarded to scholarship applicants to use for books, tuition or other relevant expenses to assist in working toward an associate, bachelor or graduate degree, or for pursuit of other post secondary education. Applicants must meet the following criteria:

- **Completion of the scholarship application forms and submission of all forms to the Library in person at the Welcome Desk, by mail to the attention of the Library Director, or by email at Myersscholarship@btpl.org by the annual deadline of June 1.**
- Proof of satisfactory employment of at least three months at the Bloomfield Township Public Library, or other evidence of a connection or relationship with that Library satisfactory to the Selection Committee.
- Evidence of enrollment in an institution of higher education.
- Provide a letter of reference from an academic professional at my current or future institution.

Guidelines for Distribution of Scholarships

Awards will be made using the following guidelines:

- Review of the application forms and statements of goals by a Selection Committee comprised of the Library Director and two members of the Library Board of Trustees. Relatives of a member of the Selection Committee are not eligible for the scholarship.
- Applicants may be interviewed by a member or members of the Selection Committee, either by telephone or in person, in connection with their application.
- Awards may vary in number and in amount of the individual award, but at least one award will be made each year provided there is a qualified applicant.
- Financial need may be a consideration but is not a requirement.
- Scholarships are not automatically renewable. Applicants must apply on an equally competitive basis each year.

Notification of Award

Applicants will be notified by July 15 as to whether or not they will receive an award, and the amount thereof. Successful applicants for awards must complete an acknowledgment form no later than the following September 1 which indicates that they have enrolled in an appropriate institution; the award will be made out to the institution, and sent to the scholarship recipient for application against tuition or eligible expenses. If the recipient fails to attend the institution, the award will be returned to the scholarship fund.

Non-Discrimination

All awards will be made without regard to race, creed, color, sex, religion or national origin.

STATEMENT OF GOALS

DESCRIBE YOUR EDUCATIONAL, PROFESSIONAL OR PERSONAL GOALS, BOTH SHORT AND LONG RANGE. EXPLAIN HOW YOUR COURSE OF STUDY WILL HELP YOU ACHIEVE THESE GOALS. PLEASE DO NOT EXCEED 500 WORDS.

“Go confidently in the direction of your dreams. Live the life you have imagined”; Inspirational, yet challenging words spoken by Henry David Thoreau. As a student who spent years struggling to find her purpose in the world, I can confidently state, after many trials and errors, that I am exactly where I belong. Had you asked me a couple years ago where I thought my future was heading or what major goals had I set in life, I would have not been able to respond. This is primarily due to the fact that I didn’t know what my strengths or weaknesses were, I hadn’t a clue what I was capable of, and I was afraid to “dream” of anything too great in fear of proving to myself that I could not accomplish what I set out.

If the dream doesn’t come with fear, it’s not worth pursuing. It is the fear that drives us and challenges us to push beyond our perceived abilities. The virtue lies in the struggle. I am grateful for the trying times I faced because they taught me what it meant to really strive when giving up was always the easier option. If you asked me today, I would tell you that goals, like dreams, are truly limitless.

The field of finance considers how businesses raise, spend and invest capital; how individuals allocate their resources among varying investment alternatives; and how financial markets function. I am drawn to these problem solving and critical thinking aspects in the challenging yet exciting field of Finance and am currently working to obtain my degree in this

area of study. Upon receiving my Bachelor's degree, I will be able to gain more in-depth experience by working as a financial analyst. At the same time, I am planning to further my education and work towards an MBA. My long term goals pertain to excelling into investment research and investment banking where non-profit organizations are concerned. I would like to fully gain the knowledge and skill to do meaningful things in the world.

I am working not only for my own future but also for that of my family's. Like many, I want nothing more than to make my parents proud and give back all the support they've provided me with over the years. Further along the road, I have a vision to startup a nonprofit organization for children's illnesses. I don't feel that opportunity should be taken from any child and it is my goal to make an impact by increasing awareness and support. It is important to me that I fulfill all of my goals. Like everyone else, I have a purpose in life. My purpose is to give people opportunity.

I acknowledge that to be awarded a scholarship from the Jeanette P. Myers Memorial Scholarship of the Bloomfield Township Public Library, I will be required to

- provide proof of past or present satisfactory employment of at least three months at the Bloomfield Township Public Library or have some other relationship with the Library satisfactory to the Selection Committee at the time of application, and, if selected for a scholarship, at the time of the award
- provide evidence of enrollment at an institution of higher education
- promise to use the award for expenses relevant to my study
- provide an acknowledgment of the scholarship

I hereby certify that the statements given in this Application and Statement of Goals are true.

Signed Rutha Brice Date 5/31/13

My passion lies in economics, as I have found out over the past 18 months through my explorations of Fed Challenge and Econ Challenge, in both of which I am a state champion and team captain.

Consequently, my intention is to obtain a degree in economics at Stanford University. From there, I will likely work in economic analysis, either in an academic context as a professor after pursuing higher education, or working with the Federal Reserve, hopefully eventually becoming part of the Federal Reserve Board. I hope to use economics to alleviate humanitarian problems such as poverty and to stabilize and grow the economy so that America has the resources needed to tackle problems such as environmental sustainability and the federal debt crisis.

My path wasn't always this clear, however. What I want to pursue for the rest of my time on this planet has been something I have spent years wrestling with — from math to physics to writing to law, my interests have been fickle, and finding a firm passion has always eluded me. This inevitably led to frustration whenever I was asked "What are your plans in the future?" My passion, for economics, however, is fueled by a passion to solve a problem, unlocked by the exhilaration of a challenge I had to overcome.

The Civic Leadership Institute in Chicago is a camp designed to bring together future leaders and instill in them leadership skills while also teaching them the value of service. It was here that I learned about the problems plaguing the world, from drug use, to racism, to poverty. It was talking to a long time heroin user on the streets of Bronzeville that I learned about those who live paycheck to paycheck. It was sitting down and speaking to single mothers eating lunch in a soup kitchen in North Lawndale that I discovered those who were utterly helpless to provide for their own children. It was teaching soccer to children in the Primo Center for Women and Children that I learned one could be happy in spite of the greatest adversities. Confronting these realities forced me to reconsider the world, forced me to change my scope and perception, as I saw something beyond the utopia I had always known in my sheltered suburban paradise. Needless to say, I was not entirely successful, but it was this experience, and the challenge of attempting to make a difference while knowing my change was small and futile, that instilled in me the magnitude of poverty.

Poverty is perhaps society's largest drain, and millions slip through it every year. Whether it be through improving overall economic output with the Federal Reserve or analyzing economic strategies to provide welfare without mitigating incentives to work, economics holds the key to unlocking this complicated problem, and it is this passion of mine that I intend to pursue.

Michael Yu

A handwritten signature in black ink, appearing to read "Michael Yu", with a long, sweeping horizontal line extending to the right.

**BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
MEMORANDUM**

TO: Trustees

FROM: Karen Kotulis-Carter

DATE: July 9, 2013

SUBJECT: Attached Audit and Management Letter

I am always pleased to report that the library continues to be in good and sound financial condition. Doeren Mayhew's bid was approved by the Library Board to be our auditors for the audited year 2012-2013.

James Koepke is our Principal and Rochelle Vendittelli, CPA, and Megan McCandish provided on-site auditing fieldwork. The on-site audit itself went smoothly. We again received a favorable report from Doeren Mayhew for the 2012-2013 fiscal year. The final copy of the audit and management letter is included for your review. Please note in the minutes of our July 1, 2013 Finance Committee meeting, the auditors provided another unqualified opinion. The auditors commended the Library and stated that they have given the Library a clean opinion as there were no journal entries needed and there are no areas of concern.

My special thanks once again to Beth Sulek-LaHousse, our Finance Coordinator, for her detailed work and careful management of our finances. We are very happy to report that, despite ever tighter regulations, no auditor adjustments were required - not one!

The biggest change in presenting the audit in compliance with the most recent GASB requirement is to report on the library's "Net Position." This term is basically what it states and replaces the previously used "Statement of Net Assets."

Rochelle Vendittelli will attend the July 16, 2013 Library Board meeting to provide a verbal overview of the audit and answer any questions the trustees may have.

To the Board of Trustees of the
Bloomfield Township Public Library

We have audited the financial statements of the governmental activities and each major fund of the Bloomfield Township Public Library for the year ended March 31, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*. We have communicated such information in our letter to you dated April 10, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Bloomfield Township Public Library are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2013. We noted no transactions entered into by the Library during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. To our knowledge, there are no sensitive estimates affecting the financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. To our knowledge, there are no sensitive disclosures affecting the financial statements.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their efforts are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management's Representations

We have requested certain representations from management that are included in the management representation letter dated June 9, 2013.

Management's Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Library's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Library's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Trustees of the Bloomfield Township Public Library and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Doeren Mayhew". The signature is fluid and cursive, with the first name "Doeren" and last name "Mayhew" clearly distinguishable.

DOEREN MAYHEW

June 9, 2013
Troy, Michigan

SUMMARY OF ADJUSTMENTS PASSED MARCH 31, 2013

[illegible]

**BLOOMFIELD TOWNSHIP
PUBLIC LIBRARY**

FINANCIAL STATEMENTS

MARCH 31, 2013

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Independent Auditor's Report

To the Board of Trustees of the
Bloomfield Township Public Library

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bloomfield Township Public Library as of and for the year ended March 31, 2013, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Bloomfield Township Public Library as of March 31, 2013, and the respective changes in financial position, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other postemployment Benefit information on pages 3-11 and 37-38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 9, 2013, on our consideration of the Library's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.



DOEREN MAYHEW

July 9, 2013
Troy, Michigan

Using This Annual Financial Report

This annual report consists of four parts:

- Management's Discussion and Analysis (MD&A)
- Glossary of terms
- Basic financial statements, audited by Doeren Mayhew
- Required supplementary information

The MD&A is intended to serve as an overview analysis of the financial condition and operating results of the Library.

Please direct questions regarding this report to:

Karen Kotulis-Carter, Library Director
Bloomfield Township Public Library
1099 Lone Pine Road
Bloomfield Hills, Michigan 48302-2410
(248) 642-5800

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Library as a Whole

Despite the fiscal challenges and many unknown factors due to this unusual economy, the Bloomfield Township Public Library (the "Library") fared well in the 2012 - 2013 fiscal year and ended on a relatively strong financial note.

General Fund Revenues

Our estimated total revenues when approved in March 2012 were \$4,876,095. We received \$4,756,152, which was \$119,943 less than originally budgeted in total.

Property taxes continued to disappoint us with further declines in value. We received \$87,884 less in property tax revenue than originally anticipated. Tax refunds of \$50,980, were paid back to residents by the Library after review by the Michigan Tax Tribunal.

Penal Fines were less than initially estimated. State Aid slightly increased.

Fines and Fees increased this year and we expect them to increase again with our use of a collection agency to recover materials and fines. Photocopy Fees were slightly down and Meeting Room Rental revenue remained at our March 20, 2012 estimates.

Investments are doing much better than anticipated. We originally projected our investment earnings at \$115,017 in March 2012. Our ending dividend interest revenue is much higher at \$138,473. However, this amount was decreased by the Change in Asset Values which was a negative \$56,860, bringing our overall investment earnings to \$81,613. The investment dividends have averaged 2.83% this year working with Gregory Schwartz & Co., while bank interest rates are approximately 0.2%.

Miscellaneous revenue increased slightly from our original budget. We have been receiving revenue from our public cafe agreement and now receive revenue from our public fax service. The Library Shop also showed a slight increase in revenue.

General Fund Expenditures

Total overall expenditures were reduced over the fiscal year. Expenditures were very controlled by belt-tightening, as anticipated, in the current fiscal year. Department Heads also looked to reduce the budget in the current year to help offset expenditures in the next fiscal year. Actual expenditures are estimated to be \$262,575 less than anticipated.

The greatest savings was realized by reducing personnel costs over the fiscal year. A savings of \$105,109 in personnel expenditures was achieved by year end. Personnel costs were held back by continuing to incorporate six unpaid and closed furlough days as well as continued frozen salaries, no merit increases and no movement in proficiency levels for the third year in a row. Staffing changes were made through attrition. A 20 hour a week Media Intern position was not filled when the library science student resigned. An hourly Page position also was not filled when the Page resigned. Instead, these funds were applied toward hiring a Clerical Assistant for the Youth Services Department. This reallocation of human resource funds resulted in a savings. Facility Services reduced our Monitor coverage on Sundays throughout the year from two Monitors to one.

General Fund Expenditures - Continued

Retirement costs were reduced by \$40,440 based on the actual cost.

Library Services decreased overall by \$51,598 by reallocating print and electronic materials expenditures. The Adult Services Reference Collection underwent a major weeding to bring use in line with online sources.

Facilities and Equipment decreased overall by \$64,697. The Public Service Media Desk shelving project was eliminated and saved \$10,000. Our water utility costs increased significantly. The computer systems maintenance was reduced by \$17,060.

Other Operating Expenditures decreased overall by \$41,171. Professional Services were decreased slightly by not spending \$2,000 of the money allocated for the audit. Postage and printing expenditures were reduced by \$10,000 due in part to *Library By Mail* mailings being reimbursed by the Smith Challenge Grant and BTPL Endowment. The Strategic Plan projects budget was also reduced by \$3,500. Changing to TLN/Merit for our Internet Service Provider saved \$1,200 in the final quarter. The Projects line was reduced as well as Staff Development.

As usual, all functional category contingency lines were zeroed out at year end. Administration's review of the use of contingency lines is that they are no longer needed. Their main function was to allow some room in each functional category so that funds did not need to be transferred from the I&R Fund to balance the General Fund. Now that both funds are merged this need has been eliminated. Our review also showed that careful budgeting and spending did not require any use of these lines over the past few years, even with a shrinking budget. There can be some redundancy in budgeting for emergency funds and budgeting contingencies. We will not plan to budget contingency lines in the 2013 - 2014 fiscal year.

Fund Balance

Our Fund Balance is estimated to be \$7,972,538 at year end. This is a \$269,082 increase compared to the year end estimate at the beginning of the fiscal year.

Based on the proposed 2013 - 2014 fiscal year budget, the committed 8 month fund balance needs to be increased by \$25,754 on paper in order to maintain the 8 month operating formula for the new year. In general, we spend the approved budget very conservatively.

Gift Fund Estimated Budget

The Friends of the Library (the "Friends") very generously donated \$67,988 during 2012 - 2013. Funding was provided for continued support of popular programming such as chamber concert series, PJ Theater, Iron Chef, Everyone's Reading Program, Storytelling Festival and our Summer Reading Program. The Friends also funded collection development for our multiple copies of high demand DVDs. The Friends donations also funded special gifts such as children's computers and iPads.

During 2012 - 2013, the Library was able to accomplish many special projects. Our Strategic Plan implementation furthered many of our goals, such as prioritizing access to our taxpayers.

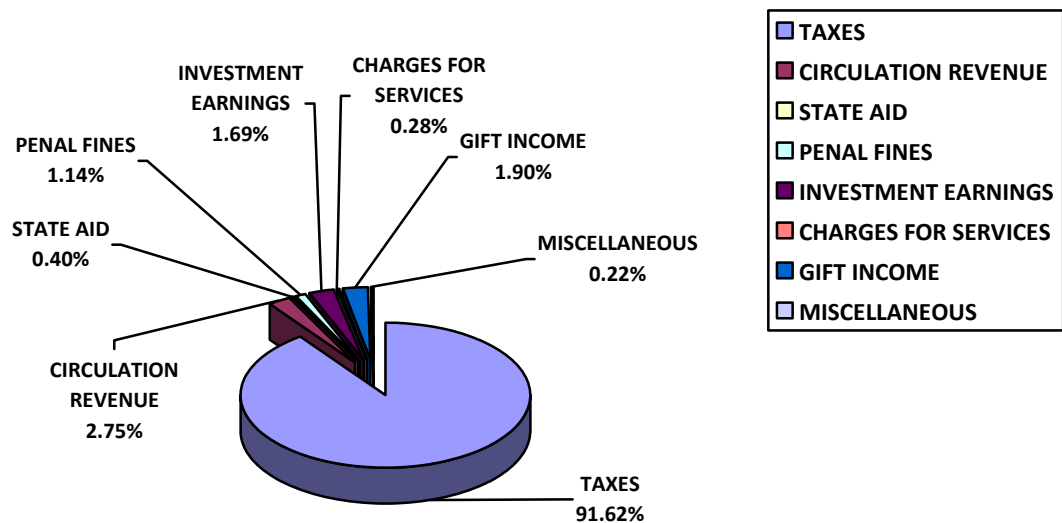
The Library's Funds

The budgetary analysis of both library funds, the General Fund and the Gift Fund, is included in the financial statements on pages 16 through 17. The following pie charts illustrate the percentage breakdown of revenues and expenditures for the Library as a Whole, which includes both funds.

CHARTS

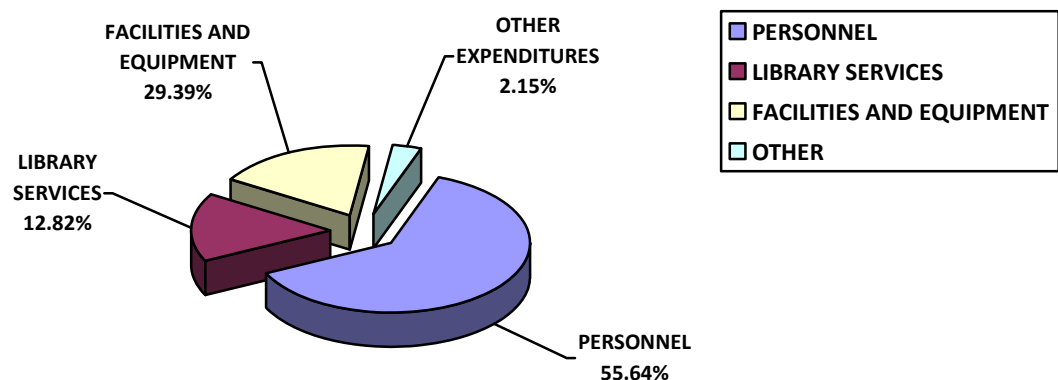
REVENUES

APRIL 1, 2012 - MARCH 31, 2013



EXPENDITURES

APRIL 1, 2012 - MARCH 31, 2013



The Library's Funds - Continued

The actual excess of revenue over expenditures of the General Fund was negative \$331,532 as compared to negative \$250,758 in the prior year. Particular effort has been made again in 2012 - 2013 to address Fund Balance and to assure coverage of the Library's necessary expenditures in advance of receipt of the largest portion of revenue - property taxes, which are not received until nine months into the fiscal year.

As noted above, the largest use of resources during the 2012 - 2013 fiscal year continued to be for personnel - salaries and benefits. This is typical of service organizations that are open to the public seven days a week, year-round. We have kept these expenses to a minimum using wage freezes and unpaid furlough days.

The Gift Fund shows a decreased Fund Balance at year end compared to the 2011 - 2012 fiscal year. Although gifts are being spent for collections, furnishings and equipment as requested by the donors, some donations received near year end could not be expended in that same year and the Charnov donation will be spent over several years. The actual fund balance at the close of the fiscal year was \$155,986.

The Library's Budgetary Highlights

The General Fund was impacted by the continued decrease in property tax values. Although our total circulation declined due to necessary limits on non-resident circulation, our use by Bloomfield Township taxpayers increased by 4.62%.

Fines and Fees revenue increased due to a new agreement with Unique Management Services ("UMS") for collection services. This increase is expected to continue with our extended agreement with UMS in 2013-2014.

The Improvement and Revolving Fund was merged mid-year with the General Fund. This merge resulted from GASB 54 which now combined the funds when presenting the financial statements. The Director recommended to the Finance Committee that physically merging both funds would simplify both the ongoing accounting and the presentation of our operating funds to the public. The Finance Committee approved this request on June 26, 2012 and recommended the change to the Library Board. The Library's Board of Trustees officially approved combining the Improvement and Revolving Fund with the General Fund at their July 17, 2012 regular meeting, with the following motion: "To combine the General Fund with the Improvement and Revolving Fund into one fund titled the General Fund for the current 2012 - 2013 fiscal year and for all future Fiscal Years."

Over the course of the year, the Library's Board of Trustees amended the budgets as needed for each fund to address unplanned needs or donations and events that occurred during the year. The most frequent amendments occurred in contributions and donations, which cannot be anticipated, to the Gift Fund.

Capital Assets and Long-Term Debt Activity

At the end of the 2012 - 2013 fiscal year, the Library had \$26,628,930 invested in land, building and improvements, furniture and equipment, books, and materials, including media. The Library added \$576,218 in new collection items, consisting of new books and various audiovisual materials. (This does not include subscriptions to electronic materials and services.) A total of \$116,312 was spent to replace furniture and equipment. In accordance with the Library's fixed asset disposal policy, the items from the Adult and Children's materials collections, which were no longer suitable for public library use, were donated to the Friends of the Library for their used book sales. The total of materials disposed from the collection amounted to \$506,009; the value of furnishings and equipment disposed amounted to \$55,570.

Capital Assets and Long-Term Debt Activity - Continued

The Library's long-term debt activity consists of capped accumulated compensated employee absences (sick leave) to be paid to employees upon retirement (age 55, with eight full years of service). It also consists of our annual Other Postemployment Benefit obligation.

Next Year's Anticipated Budget Factors

Even as we see revenues begin to increase, many of the budget reductions included in the 2012 - 2013 budget will likely be continued into the 2013 - 2014 fiscal year. These include a reduction of purchases for our collection, reduced programming budgets and greatly reduced staff professional development opportunities. The restrictions placed on non-resident use of our facility and collections will likely continue until the economy improves.

Reviewing the Financial Statements

The basic financial statements, immediately following the Management's Discussion and Analysis, are prepared by our auditors and include information that presents two different views of the Library using the modified accrual and full accrual methods.

The first two columns of the financial statements include information about the General Fund (which includes both the Library's General Fund and our Improvement and Revolving Fund) and Gift Fund under the modified accrual method. The modified accrual method of accounting focuses on current financial resources and provides a more detailed view about the accountability of the Library's sources and uses of funds.

The adjustments column of the financial statements represents adjustments necessary, due to GASB 34, to convert the modified accrual financial statements to the Statement of Net Position under the full accrual method. The full accrual method of accounting focuses on long-term economic resources.

The Statement of Net Position column provides both long-term and short-term information about the Library's overall financial status and about the activities of the Library as a Whole and present a longer-term view of the Library's finances. These columns tell how these services were financed in the short-term, as well as what remains for future spending.

The financial statements also include auditor notes which explain some of the information in the financial statements and provide more detailed data. The following condensed financial information section shows data comparative with the prior year.

Condensed Financial Information

The tables below show key financial information under the full accrual method in a condensed format. Please note: Amounts and totals reported are for all Library activities, including general operations, improvements, and gifts, to give a complete picture of the Library as a Whole.

TABLE 1

	March 31,	
	<u>2012</u>	<u>2013</u>
Assets		
Current assets	\$ 9,153,199	\$ 8,570,633
Less: Due from Gift Fund	-	(428)
Capital assets	<u>27,455,362</u>	<u>26,628,930</u>
Total assets	36,608,561	35,199,135
Liabilities		
Current liabilities	683,502	442,109
Less: Due to Gift Fund	-	(428)
Long-term liabilities	<u>1,276,292</u>	<u>1,520,277</u>
Total liabilities	1,959,794	1,961,958
Net Position		
Investment in capital assets	27,455,362	26,628,930
Gift fund balance - restricted for gifts	165,627	155,986
Unrestricted (including Nonspendable, Committed, assigned and unassigned)	<u>7,027,778</u>	<u>6,452,261</u>
Total net position	<u>\$ 34,648,767</u>	<u>\$ 33,237,177</u>

TABLE 2

	Year Ended March 31,	
	<u>2012</u>	<u>2013</u>
Revenue		
Property taxes	\$ 4,547,004	\$ 4,442,311
Other	<u>511,293</u>	<u>406,336</u>
Total revenue	5,058,297	4,848,647
Expenses	<u>6,326,807</u>	<u>6,260,237</u>
Change in Net Position	<u>\$ (1,268,510)</u>	<u>\$ (1,411,590)</u>

GLOSSARY OF TERMS

The Library as a Whole recognizes the complete activity of the Library, all three individual funds, under the full accrual basis of accounting.

An Endowment is a permanent fund bestowed to an institution to be used for a specific purpose, as specified by the donor. The Library has five such endowments. The investments of all five endowments are administered by the Community Foundation of Southeastern Michigan. The purpose of these five endowments is to provide support and furtherance of specific programs and activities of the Library.

Full Accrual Accounting - Much like how a business reports its revenues and expenses, full accrual accounting is a long-term method of accounting in which revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Internal control refers to the interconnected system of checks and balances used to safeguard the Library's monetary assets and helps provide complete and accurate accounting records.

GASB - The Governmental Accounting Standards Board is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments. The board members of the GASB are appointed by the trustees of the Financial Accounting Foundation, a private sector not-for-profit organization.

GASB 34 requires state and local governments to begin reporting all financial transactions in annual financial reports on an accrual accounting basis. Two distinct forms of information will be provided in the basic financial statements:

Government-wide statements are consolidated financial statements for all of a government operation on a full accrual basis of accounting. They will not be presented on a fund basis; instead, fiscal operations will be organized into two major activities: governmental and business-type. They will have a "net asset" focus, and exclude inter-fund transactions (such as internal service funds) and fiduciary funds. Expenses (which may include allocated "indirect costs") will be shown both gross and net of related revenues such as fees and grants.

Fund statements, in meeting stewardship and accountability concerns, are financial statements that are also presented on a fund basis, but not using the same basis of accounting as the government-wide statements for government funds.

GASB 54 established a specific definition for **Special Revenue funds** which are used to account for the proceeds of resources that are restricted or committed for purposes other than debt service or capital projects. The restricted or committed resources need to comprise a substantial portion of the inflows reported in the special revenue fund. GASB 54 has also required that new terminology be used when describing parts of our fund balance.

GLOSSARY OF TERMS - Continued

GASB 54 - Continued

These terms are:

Nonspendable amounts cannot be spent because they are either (a) not in spendable form (prepaid expenses) or (b) legally or contractually required to be maintained intact.

Restricted amounts can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed amounts can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Assigned amounts are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned amounts are the residual classification for the government's General Fund. It includes all spendable amounts not contained in the other classifications.

Modified Accrual Accounting - The individual funds of the Library are accounted for using modified accrual accounting. Modified accrual accounting is a short-term method of accounting that recognizes revenue when it is both measurable and available to be used to pay liabilities of the current period. Expenditures are generally recorded when a liability is incurred; however, expenditures related to compensated absences are generally only recorded when payment is due. Long-term assets and liabilities such as capital assets, compensated absences unlikely to be paid out within a year, and the net other post-employment benefits obligation are excluded from the modified accrual balance sheet.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

STATEMENT OF NET POSITION MARCH 31, 2013

Assets

Cash and cash equivalents (note 3)	\$ 917,294
Investments (note 3)	7,615,077
Accounts receivable	26,989
Prepaid expenses	10,845
Capital assets (note 5)	
Assets not being depreciated	131,015
Assets being depreciated, net	<u>26,497,915</u>
Total assets	35,199,135

Liabilities

Accounts payable	122,427
Due to Bloomfield Township (note 1)	319,254
Long-term liabilities (note 6)	
Due within one year	167,335
Due after one year	286,962
Net other postemployment benefit obligation	<u>1,065,980</u>
Total liabilities	1,961,958

Net Position of Governmental Activities

Invested in capital assets	26,628,930
Gift fund balance - restricted for gifts	155,986
Unrestricted (including nonspendable, committed, assigned and unassigned)	<u>6,452,261</u>
Total net position of governmental activities	<u><u>\$ 33,237,177</u></u>

See accompanying notes to financial statements

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED MARCH 31, 2013

Expenses

Personnel	\$ 3,483,084
Library services	802,726
Facilities and equipment	1,839,874
Other expenditures	<u>134,553</u>
Total expenses	6,260,237

Revenues

Property taxes	4,442,311
Penal fines	55,286
State aid	19,448
Circulation revenue	133,128
Charges for services	13,729
Investment earnings	81,996
Gift income	92,112
Miscellaneous	<u>10,637</u>
Total revenues	<u>4,848,647</u>

Change in Net Position of Governmental Activities

(1,411,590)

Net Position - April 1, 2012

34,648,767

Net Position - March 31, 2013

\$ 33,237,177

See accompanying notes to financial statements

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

GOVERNMENTAL FUNDS BALANCE SHEET MARCH 31, 2013

	General Fund	Gift Fund	Total
Assets			
Cash and cash equivalents (note 3)	\$ 761,395	\$ 155,899	\$ 917,294
Investments (note 3)	7,615,077	-	7,615,077
Accounts receivable	26,989	-	26,989
Prepaid expenses	9,677	1,168	10,845
Due from Gift Fund	428	-	428
Total assets	8,413,566	157,067	8,570,633
Liabilities			
Accounts payable	121,774	653	122,427
Due to Bloomfield Township (note 1)	319,254	-	319,254
Due to General Fund	-	428	428
Total liabilities	441,028	1,081	442,109
Fund Balances (note 9)			
Nonspendable	9,677	1,168	10,845
Restricted	-	154,818	154,818
Committed	3,556,119	-	3,556,119
Assigned	3,726,319	-	3,726,319
Unassigned	680,423	-	680,423
Total fund balances	7,972,538	155,986	8,128,524
Total liabilities and fund balances	<u>\$ 8,413,566</u>	<u>\$ 157,067</u>	<u>\$ 8,570,633</u>

See accompanying notes to financial statements

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

RECONCILIATION OF THE GOVERNMENTAL FUND FINANCIAL STATEMENTS TO THE STATEMENT OF NET POSITION FOR THE YEAR ENDED MARCH 31, 2013

Total Fund Balance - Governmental Funds	\$ 8,128,524
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Amounts reported in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:

Add - capital assets	36,030,794
Deduct - accumulated depreciation	(9,401,864)

Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:

Deduct - other postemployment benefit obligation	(1,065,980)
Deduct - compensated absences	<u>(454,297)</u>

Net Position of Governmental Activities	<u><u>\$ 33,237,177</u></u>
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See accompanying notes to financial statements

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS FOR THE YEAR ENDED MARCH 31, 2013

	<u>General Fund</u>	<u>Gift Fund</u>	<u>Total</u>
Revenues			
Property taxes	\$ 4,442,311	\$ -	\$ 4,442,311
Penal fines	55,286	-	55,286
State aid	19,448	-	19,448
Circulation revenue	133,128	-	133,128
Charges for services	13,729	-	13,729
Investment earnings	81,613	383	81,996
Gift income	-	92,112	92,112
Miscellaneous	10,637	-	10,637
	<u>4,756,152</u>	<u>92,495</u>	<u>4,848,647</u>
Total revenues	4,756,152	92,495	4,848,647
Expenditures			
Personnel	3,239,099	-	3,239,099
Library services	756,945	45,781	802,726
Facilities and equipment	979,082	34,360	1,013,442
Other expenditures	112,558	21,995	134,553
	<u>5,087,684</u>	<u>102,136</u>	<u>5,189,820</u>
Total expenditures	5,087,684	102,136	5,189,820
Net Change in Fund Balances	(331,532)	(9,641)	(341,173)
Fund Balance - April 1, 2012	<u>8,304,070</u>	<u>165,627</u>	<u>8,469,697</u>
Fund Balance - March 31, 2013	<u><u>\$ 7,972,538</u></u>	<u><u>\$ 155,986</u></u>	<u><u>\$ 8,128,524</u></u>

See accompanying notes to financial statements

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED MARCH 31, 2013

Net Change in Fund Balance - Governmental Funds	\$ (341,173)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Add - capital outlay	692,530
Deduct - depreciation expense	(1,505,676)
Deduct - loss on disposal	(13,286)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds:

Deduct - increase in other postemployment benefit obligation	(204,007)
Deduct - increase in the accrual compensated absences	<u>(39,978)</u>

Change in Net Position of Governmental Activities	<u>\$ (1,411,590)</u>
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See accompanying notes to financial statements

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

STATEMENT OF GOVERNMENTAL REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED MARCH 31, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Final Budget</u>
Revenues				
Property taxes	\$ 4,530,195	\$ 4,469,071	\$ 4,442,311	\$ (26,760)
Penal fines	61,258	55,286	55,286	-
State aid	18,360	19,448	19,448	-
Circulation revenue	128,464	128,464	133,128	4,664
Charges for services	13,328	12,653	13,729	1,076
Investment earnings	115,017	78,607	81,613	3,006
Miscellaneous	9,473	10,456	10,637	181
	<u>4,876,095</u>	<u>4,773,985</u>	<u>4,756,152</u>	<u>(17,833)</u>
Expenditures				
Personnel	3,344,208	3,292,447	3,239,099	(53,348)
Library services	808,543	780,662	756,945	(23,717)
Facilities and equipment	1,043,779	1,088,398	979,082	(109,316)
Other expenditures	153,729	123,981	112,558	(11,423)
	<u>5,350,259</u>	<u>5,285,488</u>	<u>5,087,684</u>	<u>(197,804)</u>
Net Change in Fund Balance	(474,164)	(511,503)	(331,532)	179,971
Fund Balance - April 1, 2012	<u>8,177,620</u>	<u>8,304,070</u>	<u>8,304,070</u>	<u>-</u>
Fund Balance - March 31, 2013	<u><u>\$ 7,703,456</u></u>	<u><u>\$ 7,792,567</u></u>	<u><u>\$ 7,972,538</u></u>	<u><u>\$ 179,971</u></u>

See accompanying notes to financial statements

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

STATEMENT OF GOVERNMENTAL REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GIFT FUND FOR THE YEAR ENDED MARCH 31, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Final Budget</u>
Revenues				
Gift Income	\$ 500	\$ 91,781	\$ 92,112	\$ 331
Investment earnings	200	380	383	3
	<u>700</u>	<u>92,161</u>	<u>92,495</u>	<u>334</u>
Total revenues				
Expenditures				
Library services	51,618	47,069	45,781	(1,288)
Facilities and equipment	29,731	34,363	34,360	(3)
Other expenditures	95,917	21,995	21,995	-
	<u>177,266</u>	<u>103,427</u>	<u>102,136</u>	<u>(1,291)</u>
Total expenditures				
Net Change in Fund Balance	(176,566)	(11,266)	(9,641)	1,625
Fund Balance - April 1, 2012	<u>171,568</u>	<u>165,627</u>	<u>165,627</u>	<u>-</u>
Fund Balance - March 31, 2013	<u><u>\$ (4,998)</u></u>	<u><u>\$ 154,361</u></u>	<u><u>\$ 155,986</u></u>	<u><u>\$ 1,625</u></u>

See accompanying notes to financial statements

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 1 - Significant Accounting Policies

The accounting policies of the Bloomfield Township Public Library (the “Library”) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Bloomfield Township Public Library.

Financial Reporting Entity

The Library is a component unit of the Charter Township of Bloomfield and is governed by an autonomous six-member Board of Trustees.

In evaluating how to define the Library for financial reporting purposes, management has considered all potential component units. The decision to include or not include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP, currently GASB Statement No. 14, and “The Financial Reporting Entity”.

Based upon the application of those criteria, the government-wide financial statements of the Library contain all the funds controlled by the Library’s Board of Trustees as no other entity meets the criteria to be considered a blended component unit or a discretely presented component unit of the Library.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the basic financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The accounting of the Library conforms to GAAP as applicable to governmental units.

The Library’s basic financial statements include both government-wide (reporting the Library as a whole) and fund financial statements (reporting the Library’s major funds).

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 1 - Significant Accounting Policies - Continued

Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities which are reported using the economic resources measurement focus and the accrual basis of accounting. These statements report financial information for the Library as a whole. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of net position includes and recognizes all long-term assets and receivables as well as long-term debt and obligations. The Library's net position is reported in three components: invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

Fund Financial Statements

Governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. With this focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of the available spendable resources. Governmental funds are used to account for all or most of the Library's general activities, including the collection and disbursement of earmarked resources.

The financial statements have been prepared in conformity with GAAP. Governmental funds and agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are both "measurable and available"). Revenue is considered available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes, interest and special assessments are susceptible to accrual. Other revenues become measurable and available when cash is received by the Library and are recognized as revenue at that time. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 1 - Significant Accounting Policies - Continued

Fund Types and Major Funds

Governmental Funds

General Fund - This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Library. Revenues are derived primarily from property taxes, state distributions, grants and other intergovernmental revenues.

Gift Fund - This fund is used to account for all gifts and donations given to the Library. The majority of these items are restricted for specific purposes by the donors.

Assets, Liabilities and Equity

Cash and Cash Equivalents

Cash equivalents include highly liquid debt instruments with original maturities of three months or less. The Library places its cash with high credit quality financial institutions. At times, such balances may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limits.

Investments

Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurements

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 1 - Significant Accounting Policies - Continued

Assets, Liabilities and Equity - Continued

Investments - Continued

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Realized gains and losses on investment transactions are recorded as the difference between proceeds received and carrying value. Net unrealized appreciation or depreciation in the fair market value of investments is recorded as the change in carrying value of the investment portfolio from the beginning of the year or date of purchase to the end of the year.

Accounts Receivable

Accounts receivable are stated at the outstanding principal balance adjusted for any charge-offs. Management closely monitors outstanding balances and writes off receivables when the receivable is deemed uncollectible. Management believes any realization losses on the outstanding balance at March 31, 2013 would be immaterial; accordingly, no allowance is utilized.

Due to Charter Township of Bloomfield

The Charter Township of Bloomfield processed payroll and retirement benefits for the Library. Due to Charter Township of Bloomfield represents the required transfer of funds to the Township for payment of the Library's March payroll as well as a portion of the Library's retirement contribution. The Library's retirement contribution for the year ended March 31, 2013 totaled \$157,462.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 1 - Significant Accounting Policies - Continued

Assets, Liabilities and Equity - Continued

Capital Assets

Capital assets are defined by the Library as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Library are depreciated using the straight-line method over the following estimated useful lives:

Building and improvements	60 years
Furniture and equipment	10 years
Library books and audiovisual materials	8 years
Software	5 years

Compensated Absences

Compensated absences represent the estimated liability to be paid to employees under the Library's compensated absences policy. It is the Library's policy to permit employees to accumulate earned but unused sick time up to 80 days and vacation time earned but unused in the current year. All sick and vacation pay is accrued when incurred in the Library-wide financial statements. A liability for these amounts is reported in governmental funds only for eligible employee terminations as of year end.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 1 - Significant Accounting Policies - Continued

Assets, Liabilities and Equity - Continued

Fund Balance

Governmental funds report *nonspendable fund balance* for amounts that cannot be spent because they are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. *Restricted fund balance* is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. *Committed fund balance* is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Trustees. A formal resolution of the Board of Trustees is required to establish, modify, or rescind a fund balance commitment. *Assigned fund balance* is reported for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. *Unassigned fund balance* is the residual classification for the general fund.

When the government incurs an expenditure for purposes for which various fund balance classifications can be used it is the government's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

Estimates

The process of preparing basic financial statements in conformity with GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenditures. Such estimates primarily relate to unsettled transactions and events as of the date of the basic financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 1 - Significant Accounting Policies - Continued

Property Taxes

All trade and property tax receivables are shown as net of allowance for uncollectible amounts, if deemed necessary. Property taxes are levied on December 1 on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time penalties and interest are assessed.

The 2012 taxable valuation of the property subject to the Library's millage totaled approximately \$3.2 billion, on which ad valorem taxes levied consisted of 1.4590 mills for the Library's operating purposes. Net property tax revenues were approximately \$4,442,000 for operations and are recognized in the General Fund financial statement.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including July 9, 2013 which is the date the financial statements were available to be issued.

Note 2 - Budgetary Information

Annual budgets are adopted on a basis consistent with GAAP for the General Fund and Gift Fund. All annual appropriations lapse at fiscal year end.

The budget for the General Fund and Gift Fund are adopted on a functional basis; expenditures at this level in excess of budgeted amounts are a violation of Michigan law. Variances with the Final Budget are shown on the Statements of Revenues, Expenditures and Changes in Fund Balance Budget and Actual. During the year ended March 31, 2013, the Library had no expenditures, which were in excess of the budgeted amounts.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 3 - Deposits and Investments

The balances comprising the cash and cash equivalents on the accompanying statement of net position - governmental funds and balance sheet are as follows:

Cash on hand	\$ 2,500
Bank deposits (checking and savings accounts and certificates of deposit)	914,794
Investments	<u>7,615,077</u>
Total	<u>\$ 8,532,371</u>

State statutes authorize the Library to deposit in the accounts of federally insured banks, credit unions and savings and loan associations and to invest in obligations of the United States, certain commercial paper, repurchase agreements, banker acceptances and mutual funds composed of otherwise legal investments.

Investments

The table below segregates all financial assets as of March 31, 2013 that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date:

	<u>As of March 31, 2013</u>			
	<u>Fair Value Based on</u>			
	<u>Assets Measured At Fair Value</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Other Observable Inputs (Level 2)</u>	<u>Unobserv- able Inputs (Level 3)</u>
Money Market Funds	\$ 90	\$ 90	\$ -	\$ -
Fixed Income Mutual Funds	<u>7,614,987</u>	<u>7,614,987</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ 7,615,077</u>	<u>\$ 7,615,077</u>	<u>\$ -</u>	<u>\$ -</u>

As of March 31, 2013, the Money Market and Mutual Funds' fair values were determined by reference to quoted market prices and other relevant information generated by market transactions.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 3 - Deposits and Investments - Continued

Interest Rate Risk

State law limits the allowable investments and the maturities of some of the allowable investments as identified in the list of authorized investments above. The Library's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

	Investment Maturities (Fair Value by Years)		
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 - 5</u>
Fixed Income Mutual Funds	\$ 7,614,987	\$ -	\$ 7,614,987

Credit Risk

State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions and qualified mutual funds as identified in the list of authorized investments above. The Library's investment policy does not have specific limits in excess of state law on investment credit risk. Ratings are not required for money market or mutual funds.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library's deposits may not be returned. State law does not require and the Library does not have a policy for deposit custodial credit risk. As of year end, approximately \$272,000 of the Library's bank balance was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk - Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the Library does not have a policy for investment custodial credit risk. Although, uninsured and unregistered, the Library's investments at March 31, 2013 are not subject to custodial credit risk.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 3 - Deposits and Investments - Continued

Concentration of Credit Risk

State law limits allowable investments but does not limit concentration of credit risk as identified in the list of authorized investments above. The Library's investment policy does not have specific limits in excess of state law on concentration of credit risk.

Note 4 - Assets Held at Community Foundations

There are five endowment funds that are held and managed by the Community Foundation for Southeastern Michigan ("CFSEM") for the benefits of the Library and are irrevocably invested. CFSEM is a public charity that is funded through donations by a large number of contributors. Earnings are available for distribution to the Library for its operations at the discretion of CFSEM. CFSEM maintains unilateral variance power and legal ownership of the endowment funds, and therefore, principal and earnings balances are not reflected in the Library's financial statements.

	Bloomfield Township Public Library Endowment Fund	Yvonne Y. Atkinson Fund	Lawrence Smith and Isabel Francis Smith Challenge Grant Fund	Jeanette P. Myers Memorial Scholarship Fund	Fair Radom Garden Endowment Fund	Total
Balance - January 1, 2012	\$ 25,323	\$ 26,715	\$ 28,063	\$ 12,320	\$ 13,678	\$ 106,099
Contributions	-	-	-	-	-	-
Distributions	(1,199)	(1,245)	(1,352)	(600)	(683)	(5,079)
Investment Earnings	<u>3,450</u>	<u>3,314</u>	<u>3,160</u>	<u>1,524</u>	<u>1,690</u>	<u>13,138</u>
Balance - December 31, 2012	<u>\$ 27,574</u>	<u>\$ 28,784</u>	<u>\$ 29,871</u>	<u>\$ 13,244</u>	<u>\$ 14,685</u>	<u>\$ 114,158</u>

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 5 - Capital Assets

	<u>Balance April 1, 2012</u>	<u>Additions</u>	<u>Reductions/ Disposals</u>	<u>Balance March 31, 2013</u>
Capital assets not being depreciated:				
Land	\$ 131,015	\$ -	\$ -	\$ 131,015
Capital assets being depreciated:				
Building	26,677,568	-	-	26,677,568
Furniture and equipment	4,408,310	116,312	(55,570)	4,469,052
Library books and audiovisual materials	<u>4,682,950</u>	<u>576,218</u>	<u>(506,009)</u>	<u>4,753,159</u>
	<u>35,768,828</u>	<u>692,530</u>	<u>(561,579)</u>	<u>35,899,779</u>
Less accumulated depreciation for:				
Building	(3,603,455)	(444,626)	-	(4,048,081)
Furniture and equipment	(2,229,775)	(454,085)	42,284	(2,641,576)
Library books and audiovisual materials	<u>(2,611,251)</u>	<u>(606,965)</u>	<u>506,009</u>	<u>(2,712,207)</u>
	<u>(8,444,481)</u>	<u>(1,505,676)</u>	<u>548,293</u>	<u>(9,401,864)</u>
Net capital assets being depreciated	<u>27,324,347</u>	<u>(813,146)</u>	<u>(13,286)</u>	<u>26,497,915</u>
Net capital assets	<u>\$ 27,455,362</u>	<u>\$ (813,146)</u>	<u>\$ (13,286)</u>	<u>\$ 26,628,930</u>

Note 6 - Long-Term Liabilities

Compensated absences represent the estimated liability to be paid employees under the Library's vacation and sick pay policy. Under the vacation policy, employees earn vacation time based on time of service with the Library. Compensated absences are generally liquidated by the General Fund. The following is a summary of long-term debt outstanding for the year ended March 31, 2013:

Beginning Balance	\$ 414,319
Additions	213,339
Deductions	<u>(173,361)</u>
Ending Balance	<u>\$ 454,297</u>
Due within one year	<u>\$ 167,335</u>

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 7 - Retirement Programs

Defined Benefit Plan

Plan Description

Qualified, full-time employees of Bloomfield Township Public Library are covered by the Township of Bloomfield Retirement Income Plan ("The Plan"), which is a cost-sharing single employer defined benefit pension plan covering all of the governmental units of the Charter Township of Bloomfield (the "Township"). The Plan provides retirement benefits for all employees attaining age 50 with full vesting. The Plan was closed to new employees effective April 1, 2011. The Plan issues a publicly available report that is included in the basic financial statements of the Township. That report may be obtained by writing to the Charter Township of Bloomfield, 4200 Telegraph Road, Bloomfield Hills, Michigan 48302.

Funding Policy

The obligation to contribute to and maintain the system for these employees was established by a resolution of the Library's Board of Trustees and requires a contribution from the employees of 5 percent of gross wages. The Township is required to contribute at actuarially required rates; the current rate is 36.13 percent of payroll. The Township's contributions to the Plan for the years ended March 31, 2013, 2012 and 2011 were \$5,542,255, \$5,512,710 and \$6,307,059, respectively, and were equal to the actuarially required contributions for the year. The Library is required to pay a portion of this for their employees.

Defined Contribution Plan

Plan Description

Qualified, full-time employees of Bloomfield Township Public Library are covered by the Charter Township of Bloomfield 401(a) Plan (the "Plan"), which is a defined benefit contribution pension plan established by the Township to provide benefits at retirement for eligible employees. The Plan was effective April 1, 2011 for new library hires. At March 31, 2013, there were no plan members. A stand-alone financial report of the Plan has not been issued.

Funding Policy

The obligation to contribute and maintain the Plan for these employees was established by a resolution of the Library's Board of Trustees and requires a contribution from the Library of 10 percent of participating employees' payroll. The Library's policy does not require or allow contributions from employees. The Library made no contributions to the Plan for the year ended March 31, 2013.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 8 - Postemployment Benefits

Defined Benefit Plan

Plan Description

The Library provides retiree healthcare benefits to eligible full-time employees hired before May 1, 2011 and their spouses/qualified dependents. This is a cost-sharing single employer defined benefit plan administered by Bloomfield Township. The plan issues a publicly available report that is included in the basic financial statements of the Township. That report may be obtained by writing to the Charter Township of Bloomfield, 4200 Telegraph Road, Bloomfield Hills, Michigan 48302. The benefits provided to Library employees have been established by a resolution of the Library's Board of Trustees.

Funding Policy

The Library's policy does not require or allow contributions from employees. The Library has no obligation to make contributions in advance of when the insurance premiums or benefits are due for payment; in other words, the plan may be financed on a *pay-as-you-go* basis.

Funding Progress

For the year ended March 31, 2013, the Township estimated the cost of providing retiree healthcare benefits for Library retirees through an actuarial valuation as of July 1, 2011. Such a valuation computes an *annual required contribution* (ARC) that represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 25 years.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 8 - Postemployment Benefits - Continued

Annual OPEB Cost and Net OPEB Obligation

For 2013, the components of the Library's annual OPEB (other postemployment benefit) cost for the year, the amount actually contributed to the plan, and changes in the Library's net OPEB obligation to the plan are as follows:

Annual required contributions	\$ 349,000
Interest on net OPEB obligation	64,648
Adjustment to annual required contributions	<u>(60,236)</u>
Annual OPEB cost	<u>353,412</u>
Contributions made by the Library	<u>(149,405)</u>
Increase in net OPEB obligation	204,007
Net OPEB obligation - Beginning of year	<u>861,973</u>
Net OPEB obligation - End of year	<u>\$ 1,065,980</u>

The Library's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three years were as follows:

Three-Year Trend Information				
<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
3/31/2011	\$ 394,498	\$ 132,492	33.6%	\$ 636,484
3/31/2012	353,672	128,183	36.2%	861,973
3/31/2013	353,412	149,405	42.3%	1,065,980

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 8 - Postemployment Benefits - Continued

Funded Status and Funding Progress

The funded status of the plan for the Library as of July 1, 2011, the date of the latest actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	\$ 3,312,000
Actuarial value of assets	<u>5,000</u>
Unfunded AAL (UAAL)	<u>\$ 3,307,000</u>
Funded ratio	<u>0.15%</u>
Covered payroll	<u>\$ 1,231,148</u>
UAAL as a % of covered payroll	<u>268.61%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Significant methods and assumptions were as follows:

Actuarial valuation date	July 1, 2011
Actuarial cost method	Projected unit credit cost
Amortization method	Level percent of payroll
Remaining amortization period	21 years
Investment rate of return	7.5%
Healthcare inflation rate	5.8% initially, 4.4% ultimately

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 8 - Postemployment Benefits - Continued

Retirement Health Savings Plan

Plan Description

The Library provides retiree healthcare to eligible full-time employees hired on or after May 1, 2011 and their spouses/qualified dependents through a Retirement Health Savings Plan. The plan provides healthcare for employees upon separation of employment from the Library with full vesting. At March 31, 2013, there were no plan members.

Funding Policy

The obligation to contribute and maintain the plan for these employees was established by a resolution of the Library's Board of Trustees and requires annual contribution from the Library of \$2,500 to each employee's account while employed. The employees make an annual contribution of 2% of payroll while employed. Participation is mandatory. The Library made no contributions to the plan for the year ended March 31, 2013.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2013

Note 9 - Fund Balances

The Library adopted the provisions of GASB statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, during the prior year. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Detailed information on fund balances of governmental funds is as follows:

	<u>General Fund</u>	<u>Gift Fund</u>	<u>Total</u>
Nonspendable	\$ 9,677	\$ 1,168	\$ 10,845
Restricted for - Gifts	-	154,818	154,818
Committed for - Eight months of expenditures	3,556,119	-	3,556,119
Assigned for:			
Compensated absences payouts	414,319	-	414,319
Funding of other postemployment benefit obligation	3,312,000	-	3,312,000
Unassigned	<u>680,423</u>	<u>-</u>	<u>680,423</u>
Total fund balances	<u>\$ 7,972,538</u>	<u>\$ 155,986</u>	<u>\$ 8,128,524</u>

Note 10 - Risk Management

The Library is exposed to various risk of loss related to property loss, torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employee's; and natural disasters.

The Library participates with the Charter Township of Bloomfield in its risk management program to cover these risks.

REQUIRED SUPPLEMENTARY INFORMATION

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

OTHER POSTEMPLOYMENT BENEFITS SCHEDULE OF FUNDING PROGRESS FOR THE YEAR ENDED MARCH 31, 2013

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2007	\$ -	\$ 2,365,000	\$ 2,365,000	-	Not available	Not available
7/1/2009	6,000	3,663,000	3,657,000	0.16%	Not available	Not available
7/1/2011	5,000	3,312,000	3,307,000	0.15%	\$ 1,231,148	268.61%

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

OTHER POSTEMPLOYMENT BENEFITS SCHEDULE OF EMPLOYER CONTRIBUTIONS

For the Year Ended March 31,	Annual Required Contributions	Percentage Contributed
2011	\$ 391,000	33.9%
2012	349,000	36.7%
2013	349,000	42.8%

Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

To the Board of Trustees of the
Bloomfield Township Public Library

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Bloomfield Township Public Library as of and for the year ended March 31, 2013, and the related notes to the financial statements, which collectively comprise the Bloomfield Township Public Library's basic financial statements and have issued our report thereon dated July 9, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Library's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the Library's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Internal Control Over Financial Reporting - Continued

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of finding and response that we consider to be a significant deficiency, Item 13-1.

The Library's response to the finding identified in our audit is described in the accompanying schedule of finding and response. The Library's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Library's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


DOEREN MAYHEW

July 9, 2013
Troy, Michigan

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

SCHEDULE OF FINDING AND RESPONSE FOR THE YEAR ENDED MARCH 31, 2013

FINANCIAL STATEMENT AUDIT FINDING

13-1

Finding Type

Significant Deficiency.

Criteria

The definition of internal control over financial reporting is that management has the skills necessary to prepare financial statements in accordance with generally accepted accounting principles (GAAP).

Condition

Currently, the financial statements in accordance with GAAP are prepared with the assistance of its independent auditor.

Effect

The Library is at risk of omitting required disclosures that could be material to the readers of the financial statements.

Cause

Due to the cost and time required to stay informed of changing requirements in financial statement formats and disclosures, it is not cost effective to establish internal controls over the preparation of the financial statements in accordance with GAAP.

Effect

The preparation of the financial statements and required disclosures in accordance with GAAP are outsourced to its independent auditor.

Recommendation

The Library continue to monitor and determine the most cost effective method of preparing its GAAP financial statements.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

SCHEDULE OF FINDING AND RESPONSE FOR THE YEAR ENDED MARCH 31, 2013

FINANCIAL STATEMENT AUDIT FINDING - Continued

13-1 - Continued

Response

The Library has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in their best interests to outsource this task to its external auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their content and presentation.

**BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
MEMORANDUM**

TO: Trustees

FROM: Karen Kotulis-Carter

DATE: July 10, 2013

SUBJECT: Annual Report

Attached please find the Annual Report for the library's 2012-2013 fiscal year. I hope you enjoy reading about another very successful year. I want to thank Carol Mueller for drafting this report and the department heads for submitting separate detailed summaries of the year's activities in their respective departments.

Once again I am genuinely amazed at all we have accomplished within the span of twelve months. Despite our shrinking budget, our staff is never short on ideas, innovation or enthusiasm. They are definitely to be commended for their continued high level of service and dedication.

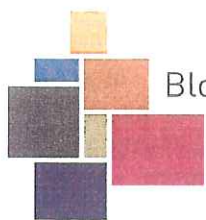
Our efforts to prioritize access to our taxpayers continue to be successful as well. This year, although our total circulation slightly decreased, circulation to our taxpayers continued to increase by 3,215 items or by 4.76%. Our resident circulation continues to grow to over 90% of our total circulation (including eBooks), resulting in a decrease of our non-resident circulation to less than 10%. Our amended circulation policies have had the desired result of prioritizing access to our taxpayers.

As required, the Annual Investment Report is included as well. This report compares our investment returns with the standard national average to reassure the trustees that your organization is investing under relatively standard circumstances. This report requirement came about from PA 20 and is also cited in our Investment Policy.

The Annual Report will be posted on our website and will be distributed to the Friends and public attending our July meeting.

Carol will bring the full Annual Report notebook to pass around at our meeting. The notebook contains not only the library-wide report, but the individual reports submitted by the Assistant Director, Finance Coordinator, Volunteer Coordinator and Department Heads. These contain more photos and statistics - and more interesting information. They certainly demonstrate a lot of enthusiasm for public service!

ACTION: I move to accept the Library Annual Report and Annual Investment Report for the 2012-2013 fiscal year.



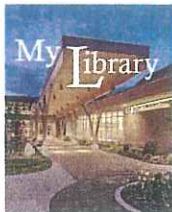
Bloomfield Township Public
Library

Annual Report

April 1, 2012 – March 31, 2013

Highlights of the year

The 1,000th child was registered for Youth Services 2012 summer reading program, "Dream Big Read" in early July, 2012. We were very excited to break our record for summer reading.



In September, 2012, our youngest Bloomfield Township residents received a copy of a very special first edition book called *My Library* when they received their very first library card. This newly published book, a gift to the community from the Friends of the Library, introduces our young patrons to Bloomfield Township Public Library. Copies are available for sale in the Library Shop.

Trustee Joe Falik announced his resignation from the Library Board at the December 18, 2012 regular meeting. Mr. Falik stated that "It has been an honor and pleasure to work with the Trustees, Library Director Karen Kotulis-Carter and library staff. I commend my fellow Trustees for giving their time for public service. It has been wonderful to work with each and every one of them."

The Library Board appointed long time Bloomfield Township resident Eli Greenbaum to the Board to fill this vacancy. The trustees supported his appointment because of his experience and expertise in many areas, including his past and current involvement with our Library on strategic planning and 50th anniversary planning committees. Mr. Greenbaum was issued the oath of office by Bloomfield Township Clerk Jan Roncelli on March 19, 2013.

At the February 19, 2013 Library Board meeting, Library Director Karen Kotulis-Carter shared her plan to retire, effective August 1, 2013. The Library Board reluctantly accepted her letter of retirement while wishing Karen all the best in her retirement. President Judy Lindstrom stated, "On behalf of the Library Board, please accept our sincere appreciation for your outstanding service to the community and Library. You have been an inspirational role model to all staff with your strong commitment to the Bloomfield Township community and in providing excellent library service."

During her 26 years at the Library, Karen has shown a tireless commitment to public service. Karen joined the Library in 1987 as Deputy Director, a position she held for 10 years. In August, 1997, Karen was selected to become the fourth Bloomfield Township Public Library Director, the position from which she will retire this summer.



During her tenure as Library Director, Karen managed the Library Improvements Project from 2005-2008. Special partnerships were begun with Cranbrook, Detroit Public Library and Troy Public Library. As Director, she focused on strengthening the Library's financial foundation, conservatively managed the budget and built six endowments for the Library. Karen shared that, "I am most grateful to have been a part of the history of Bloomfield Township Public Library. It is a proud history and I am aware of the small role I have played. My life and the Library are inexorably intertwined and will always remain so. For the past two and a half decades I have also been fortunate to be a part of creating its future as well."

Beginning March 1, 2013, patron accounts with \$25 or more owed in overdue billed library materials or fines will be referred to an agency that specializes in retrieving materials and fines for libraries, called Unique Management Services. This service will protect the taxpayer's investment in the Library's collections.

Innovations

Bloomfield Township Public Library was the very first public library - out of 435 public libraries - to "go live" with a new integrated library system software platform called Sierra on April 25, 2012. Library staff worked closely with our vendor, Innovative Interfaces Inc., to successfully install the new system.

Fax service is now available at the Library. The Library has contracted with a company called FAX24 to provide a public fax machine. Located in the Computer Center, this is a self service fax machine to send a fax only. Voice instructions from the telephone handset guide the user through the entire process. FAX24 owns the equipment and is solely responsible for any service needed.



Our first issue of a new eNewsletter for young patrons and their parents was unveiled in June, 2012. Called simply "News from the Youth Room", it will be sent out monthly to all subscribers.

To provide more flexible services for our patrons, a new "hold freeze" feature was installed for cardholders to use when they want to delay their turn to borrow an item. With this feature, a patron request in the hold queue is skipped over until the patron reactivates the hold. This is a very handy feature to use when going on vacation!

Touch screen printer release stations were added this year! These are easy to use and very convenient for our patrons.

Collection Development

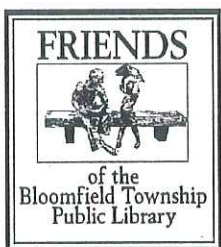
Our new DVD rental collection was unveiled in January! Primarily offering popular feature films, this new collection was added for our patrons' convenience and access to popular titles in demand.

In addition to the DVD rental collection, another new collection was launched this year - our Teen Book Club Kit collection! Each kit contains 5 copies of the kit's title book, 1 audio book CD of the title, various accompanying materials explaining more about a topic of the book, and a discussion guide with questions and activities.

With the generosity of the Friends of the Library, a new collection of science kits were added to the collection. These kits were added with the goal of increasing young adult's interest in science and math. Programs called "Mad Science Mondays" highlighting these new kits were offered also.

The Technical Services department cataloged and processed 22,748 new books and 7,616 new media items in 2012/2013. In addition, 25,349 books and 6,046 media items were discarded. Repairs were made to 16,686 items.

Gifts and Donations to the Library



Our very generous Friends of the Library gave \$67,988 to the Library in 2012/2013. Friends' gifts funded Chamber music concerts, Story Telling Festival, Everyone's Reading program. PJ Theatre, several replacement computers and new iPads as well as additions to collections, among others. Total donations from the Friends to the Library (from the time records were kept in 1995/96) amount to \$1,157,248.13!

The Library received a generous gift of \$5,000 from the Gerald Kline Family Foundation again this year. This funding was used for postage for the Library by Mail program.

The Library was pleased to receive an \$8,000 grant from the Community Foundation of Southeast Michigan to fund the purchase of Vitality Kits, a new collection of senior living materials. These Vitality Kits cover a variety of topics including the loss or impairment of physical strength, movement, memory, vision and hearing to issues associated with Parkinson's disease, Alzheimer's disease and other medical issues seniors may face. This new collection was unveiled on October 11 with a special reception featuring Dr. Frank McGeorge, Good Health reporter, Channel 4.

Library volunteers once again made a difference at Bloomfield Township Public Library by assisting in many ways. 95 people donated 3,481 hours to the Library in 2012/2013!

The Bloomfield Township Public Library Endowment Funds of the Community Foundation for Southeast Michigan has a year end value of \$114,158.00, as of December 31, 2012. The funds include the Bloomfield Township Public Library (BTPL) Endowment Fund and Lawrence & Isabel Francis Smith Challenge Grant Fund, the Jeanette P. Myers Memorial Scholarship Grant, the Yvonne T. Atkinson Fund and the Fair Radom Garden Endowment Fund.

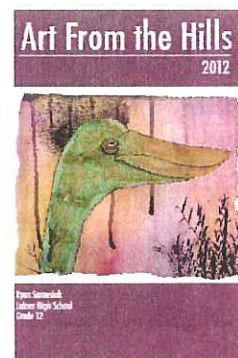
This year, the Jeanette P. Myers scholarship was awarded to two people, Natasha Rogers and Monika Miodragovic. Each was awarded a \$400.00 toward their higher education costs. Natasha is attending Wayne State University and Monika is attending the University of Michigan.

Community Collaborations



The Library was pleased to be selected, along with several Bloomfield area organizations, to participate in the popular Detroit Institute of Arts (DIA) Inside/Out program. Beginning in April, the DIA placed seven reproductions of its most famous masterpieces from its collection in the Bloomfield area, pleasantly surprising and delighting residents. These reproductions were enjoyed by many throughout the community and beyond. Several library patrons commented about how much they missed these reproductions when these were taken down in June.

The Library once again hosted the Bloomfield Hills Schools annual art exhibit, "Art from the Hills" from May 14 – 29. A reception for enthusiastic art students and their families and friends was held on May 15.



The 9th annual Storytelling Festival featured talented student storytellers from the Bloomfield Hills Schools forensic teams who delighted audiences with their stories. The Festival is a joint effort between the Library's Adult Services and Youth Services departments and is co-sponsored by the Friends of Bloomfield Township Public Library and Bloomfield Hills Schools.



The Library Board approved a one-year trial reciprocal borrowing agreement with the Troy Public Library. Circulation statistics between the two libraries will be reviewed again in one year.

The Digital Bookmobile, sponsored by Overdrive, came to Bloomfield Township on Friday, June 15. Interactive computer stations gave visitors an opportunity to search the Library's collection for eBooks and downloadable audio books and use of a variety of eReaders such as a Nook, Kindle and iPad.

Bloomfield Township Public Library and the Detroit Symphony Orchestra (DSO) worked together to bring three DSO performances to the Library. In April, 2012, as part of the official opening of the DIA Inside/Out program, several DSO musicians performed Renaissance era pieces. DSO musicians returned to the Library in January, 2013, to perform chamber works of Beethoven in celebration of its Beethoven Festival. A special preview of their upcoming Charles Ives concert was held in March, 2013. Through this new partnership, the Library hopes to host additional DSO performances in the future.

Birmingham Bloomfield Chamber of Commerce members were invited to meet at the Library in August, 2012. Members enjoyed an early morning library tour along with coffee and conversation.

Awards and Recognition

Jen Taggart, Youth Services Assistant Department Head, was invited to speak at the Bloomfield Hills Association for Special Education (BHASE) meeting of staff and parent about the Library' Special Needs collection. Jen also spoke at the annual Michigan Library Association (MLA) conference about the Special Needs collection and programs offered to library patrons. She has become a recognized leader on this topic.

Library Facts at a Glance

Library Use

Items borrowed:	889,743
Library visits:	343,348
Website visits:	316,204
Collection size:	375,025
Library cardholders:	41,669
Program attendance:	16,207

Although total circulation decreased slightly compared to the previous year, circulation of materials by our Bloomfield Township taxpayers increased by 4.76%, or 3,215 items.

Financial Review 2012/2013

Budget

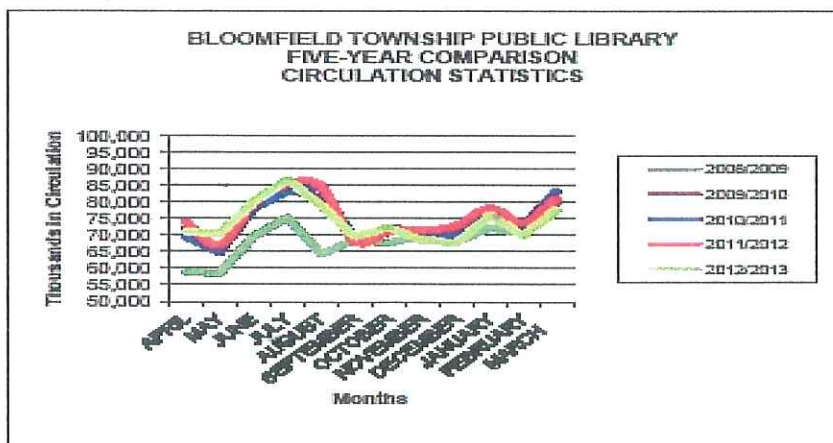
Revenues: \$4,773,985

Expenditures: \$5,285,488

View Online Audit: www.michigan.gov

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
FIVE YEAR CIRCULATION

	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013
APRIL	58,720	71,743	69,656	74,009	71,084
MAY	58,543	65,968	64,825	67,127	70,411
JUNE	69,624	78,496	78,169	79,512	80,069
JULY	75,374	83,937	83,272	85,456	86,867
AUGUST	64,322	81,506	84,618	84,937	79,094
SEPTEMBER	68,616	68,621	68,596	68,066	69,592
OCTOBER	67,675	72,256	70,926	71,180	72,467
NOVEMBER	69,901	71,324	71,551	71,456	68,318
DECEMBER	68,101	71,667	69,841	72,964	67,864
JANUARY	72,291	76,936	76,712	78,197	76,156
FEBRUARY	70,528	71,503	72,657	73,778	69,992
MARCH	78,095	80,470	83,408	81,433	77,819
TOTAL	821,790	894,426	894,241	906,115	889,743



Bloomfield Township Public Library

Annual Investment Report

Fiscal Year 2012/2013

The past fiscal year saw interest rates still holding steady from a high of 0.50% and a low of 0.15% in April 2012 to 0.15% and 0.10% respectively in March 2013. The following graphic is from the Bankrate.com web site and shows the various rates used with explanations of what they are used for.

Updated 4/24/2013

Prime rate, federal funds rate, COFI

	This week	Month ago	Year ago
WSJ Prime Rate	3.25	3.25	3.25
Federal Discount Rate	0.75	0.75	0.75
Fed Funds Rate (Current target rate 0-0.25)	0.25	0.25	0.25
11th District Cost of Funds	0.999	0.962	1.206

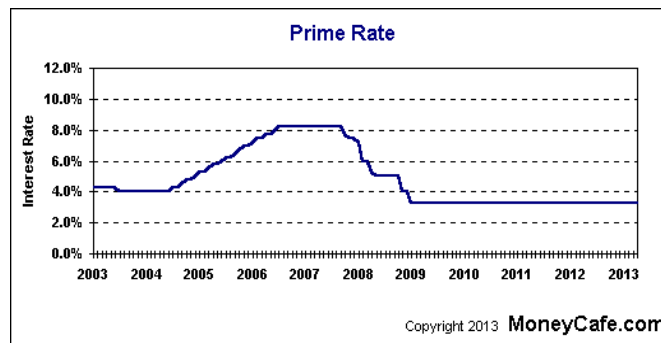
Source: Bankrate.com

Chart: <http://www.bankrate.com/rates/interest-rates/prime-rate.aspx>

Ratings methodology

What's included? The federal funds rate is the primary tool that the Federal Open Market Committee uses to influence interest rates and the economy. Changes in the federal funds rate have far-reaching effects by influencing the borrowing cost of banks in the overnight lending market, and subsequently the returns offered on bank deposit products such as certificates of deposit, savings accounts and money market accounts. Changes in the federal funds rate and the discount rate also dictate changes in The Wall Street Journal prime rate, which is of interest to borrowers. The prime rate is the underlying index for most credit cards, home equity loans and lines of credit, auto loans, and personal loans. Many small business loans are also indexed to the Prime rate. The 11th District Cost of Funds is often used as an index for adjustable-rate mortgages.

The following graphic is from the MoneyCafe.com web site and shows a leveling off in the Prime Interest Rates beginning in July 2006 and continuing through September 2007 when it began falling. It continued to fall through March 2009 but leveled off again and has continued to stay level through March 2013.



<http://www.moneycafe.com/library/primerate.htm>

In early 2012 Fidelity Bank, where we had a minimum investment, failed and was taken over by Huntington Bank. All investments at Fidelity were covered by FDIC insurance so no losses were incurred by the Library. The account at Fidelity was closed out in May 2012 just prior to the conversion to Huntington Bank.

In July 2012 the Library combined our General Fund with our I & R Fund. A number of our local accounts were closed out and the funds were invested with Gregory Schwartz and Co. This caused our investment strategy to shift from local banking and a laddering strategy to a "matching" strategy where we gave Schwartz & Co. a holding period (or time frame) and they selected a bond portfolio with a duration that equals the holding period.

The Library's High Balance Savings investment portfolio started the fiscal year with an interest rate of 0.22%. The total of the High Balance Savings investments as of July 19, 2013 was \$2,284,536. This portfolio was closed out in July to combine our funds into the Schwartz and Co. investment portfolio. The interest rate had dropped to 0.20% when the account was closed.

The interest-bearing Public Funds investment portfolio, now called Government Banking, started the fiscal year with an interest rate of 0.50%. This investment totaled \$194,542 as of March 31, 2013 and ended with an interest rate of 0.15%.

The Library's Certificate of Deposit investment portfolio started the year with an average interest rate of about 0.75%. The Library continued to minimize its investments in CD's due to the low interest rates offered. Funds from the I & R Fund that were previously invested in CDs matured in April 2012 and the funds were rolled into the checking account. Funds from the Gift Fund have been invested in CDs only to take advantage of exceptionally higher interest rate earnings for money that is not expected to be spent for a number of years.

We held one CD at Huntington Bank as of March 31, 2013. The Certificate of Deposit investment portfolio was valued at \$52,195 with an average interest rate of 0.76%.

The Library did not purchase Treasury bills during the year.

The Library continued to diversify the investments this year with the investments in government obligation funds with Gregory Schwartz & Co. With the combining of the General Fund and the I & R Fund, the Library was able to invest more funds into this investment portfolio. The Library uses a matching strategy which is a more aggressive type of investing because it uses a longer time frame for the whole investment which could be affected with how the market acts during that time frame. With the matching strategy, these funds are invested for one to five years. All investments made with Schwartz & Co. follow the Library's investment policy.

\$1,800,000 was invested with Schwartz & Co. in July 2012 in seven different governmental obligation funds and one Money Market account. An additional \$4,349,912 was added between November 2012 and February 2013. All dividends from these investments have been reinvested in the funds. Throughout the course of the year, investments are sold to

cover the Library's monthly expenditures. As of March 31, 2013 the market value of the Investment Portfolio was \$7,615,077 with an average yield of 2.48%.

The total 2012/2013 investment return for all Library funds was \$138,856. This amount was reduced by the change in asset value which totaled a negative \$56,860. The funds were invested in governmental securities, short term CDs, Money Markets, and Business Savings accounts at banks approved by the Library Board of Trustees, consistent with the BTPL's Investment Policy. The CDs, Money Markets, and Business Savings accounts are FDIC insured up to \$250,000 in each bank. The governmental securities are fully backed by the United States of America and are insured through the Securities Investor Protection Corporation (SIPC) to \$500,000.

The following chart shows our banks ratings according to the Thomson Reuters Bank and Savings & Loan Quarterly December 2012 publication. This is a peer group rating system that ranges from 0 (worst) to 99 (best).

<u>Bank Name</u>	<u>FDIC Commercial Banks</u>								
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Bank of America – Charlotte, NC	44	36	27	16	17	31	49	-	-
Citizen's Bank – Flint, MI	68	48	8	2	3	20	37	44	-
Comerica – Dallas, TX	63	55	43	24	21	39	50	66	58
Fifth Third Bank – Cincinnati, OH	71	63	47	34	15	31	45	56	-
Fidelity Bank – Dearborn, MI	-	6	1	0	0	16	46	59	-
Huntington – Columbus, OH	62	56	40	0	8	8	29	34	-
J.P.Morgan Chase - Colum., OH	46	41	26	17	21	37	38	33	22
PNC – Wilmington, DE	52	51	38	25	22	-	-	-	-

The Michigan state average rating for Commercial Banks was 55 for 2012.

<u>Bank Name</u>	<u>Savings and Loans</u>								
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Flagstar Bank – Troy, MI	32	29	13	0	4	13	17	24	34

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

MOTION TO APPROVE ANY ITEMS REMOVED FROM THE CONSENT AGENDA

I move to approve the items previously removed from the consent agenda for discussion.

**BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
MEMORANDUM**

TO: Library Board of Trustees

FROM: Carol Mueller, Assistant Director

DATE: July 11, 2013

SUBJECT: Strategic Plan Update

Staff has begun working on the eight short term goals listed below for this fiscal year. During 2013/2014, the following short term goals will be completed:

- Invitations offering “First Meeting Free” invitations to Bloomfield Township service related businesses to meet one time at no charge at the Library will be sent in August, 2013.
- The Survey Committee is working on a short article for our next newsletter to publicize “My Account” features to increase resident’s knowledge of these library services.
- A popular Library Rewards program will be offered again in September, 2013 in conjunction with American Library Association’s National Library Card Sign Up month.
- Work continues on creating content for a welcome brochure highlighting Library collections and services.
- Karen and I recently met with Greg Wittkopp, Judy Dyki, and Kelly Lyons at Cranbrook to discuss ways we can work together more closely. Several exciting opportunities were discussed.
- The staff Wayfinding Committee is investigating technology and equipment to improve patron access to the building, services and collections.
- Brooke Hoskins and Karrie Yukon attended the June 20 Rotary meeting to promote the new collection of Vitality Kits. These were very well received by this group.
- Adult Services staff will work with Bloomfield Township Senior Services to offer programs for seniors.

Through our annual short term goals, the Library continues to make progress toward achieving all four long range objectives and to fulfill our mission of “Bloomfield Township Public Library champions the power of words to spark discovery and imagination”.

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY MEMORANDUM

TO: Library Board of Trustees

FROM: Carol Mueller, Assistant Director

DATE: July 10, 2013

SUBJECT: RFID Project Update

The Library RFID (radio-frequency identification) committee has been working very hard on our project. To summarize, library RFID technology uses small radio frequency transmitters or "tags" placed on library materials that send out a radio signal containing data on its checkout status and other information programmed into the tags. RFID readers are placed around the library to read these signals allowing patrons a convenient and easy way to check out their own materials at self check stations.

The Library currently uses Checkpoint/3M RFID tags and system. Checkpoint was selected as our RFID vendor in 2004 after extensive research. The library collection of approximately 216,000 items was converted to Checkpoint RFID tags that year and Checkpoint RFID readers, security gates and software were installed at the Library. The Checkpoint software, equipment and tags are proprietary. In 2011, Checkpoint notified the Library that they would no longer be manufacturing RFID equipment for the library sector and that 3M would be supporting existing equipment, such as in our library. In late 2012, Checkpoint/3M announced that their proprietary tags would no longer be manufactured and as of December, 2014, their equipment and software would no longer be supported.

As a result of this news, a request for proposals was developed and distributed this spring. Five proposals have been received and are being carefully reviewed by the RFID Committee consisting of Trustee Grant Gerhart, Assistant Director Carol Mueller, Circulation Department Head Anna Pelepchuk, Assistant Circulation Department Head Elizabeth Korey, Systems Department Head Joan Wu, Systems Technician Breck McCrory, Technical Services Department Head Marianne Abdoo, Assistant Technical Services Department Head Lori Smith Hoogasian and myself. All committee members are to be commended for attending several vendor demonstrations and meetings to discuss our project and for thoroughly analyzing all proposals received.

Committee work continues on this large and complex project as we carefully review all proposals received, ask additional questions of each vendor and check references. Our goal is to have a recommendation for a RFID vendor to receive the project award to the Library Board for your consideration at the September regularly scheduled meeting. The conversion work would then begin in early 2014.

**FOL Board Meeting
June 5, 2013**

Vice President Nancy Lambert called meeting to order at 12:30

Board members present:

Kathy Conner, Nancy Lambert, Germaine Mack, Pat Molke, Sally Pullar, Bob Pullar, Cathy Ranke, Larry Sabbath, Barbara Smalley

Guest: Peggy Cohen, Trustee from the BTPL spoke regarding the Brd of Trustee's recommendation that the FOL have a "paper audit".

President's Report/ made by Nancy L:

- Presented Karen Kotulis-Carter, Director BTPL with a Certificate of Appreciation

Secretary Report:

- Minutes of the May1, 2013 submitted for review and approval. Sally motioned for approval with edits and Larry seconded.
- Minutes of Annual Election, Sally motioned for approval Bob seconded.

Treasurer's Report (see attached): Larry S. Treasurer

- Spreadsheets for April and the FY to date were distributed and reviewed by Larry.
- Larry reviewed new report that is a "Check Ledger" of disbursements. He pointed out that all disbursements are made by check.
- Larry addressed the request that FOL have a "paper audit". He and Kathy C. met with a representative of the firm that is doing the BTPL audit. After discussion an audit was not believed to be needed at this time given procedures currently being followed in handling of monies received and dispersed by FOL. It is felt that we need to put procedures in writing.
- A motion was made by Sally to accept financial reports and for Larry and Kathy C. to write up the current procedures to be completed by 9/1/2013. Motion seconded by Pat M.

Membership Report: Cathy Ranke

Total membership as of this morning is 368

Bookstore: Cathy Ranke

Cathy reported that the bookstore took in \$2705.27 last month

SSSS:

Second Saturday Book Sale brought in \$2647.00

- Board has decided to extend the contract with the debt collection agency.

Director's Report: Karen Kotulis-Carter. Also see attached report.

- Karen will be working on the concert series for next winter.
- Reviewed the Friends Gifts Expended Report. Included in the Directors Report was a request to reassign funds previously given for display panels for use to send staff member to the ALA conference where they will be a presenter.
- Karen addressed "Wish List". They have prioritized what is most important.

New Business:

- Request to redirect funds previously given for display panels for conference attendance.
- Assignment for Treasurer and Assistant Treasurer to complete written procedures for handling of monies received and disbursed. To be completed by 9/1/2013. No audit at this time.
- Reviewed Wish List
 - Decision made to not proceed at this time with stage changes. Remainder of monies given to be reimbursed to FOL (\$6,681)
 - Wish List dated February 7, 2013 and presented to FOL on 4/3/2013 reviewed. Karen indicated that items prioritized. It was motioned by Larry. that FOL grant \$25,000 for Priority #1 "Systems-Technology Upgrade". Motion seconded by Cathy R. Motion approved.
- Motion made by Sally to make the "Wish List Committee" a standing committee Kathy C. Seconded motion. Motion approved.

Old Business:

- 50th Anniversary: Larry Sabbath reported that he attended the last planning meeting. Everything moving ahead. Kick-off will be Jan. 25, 2014 and the Gala will be on 10/18/2014. Larry urged people to volunteer to assist with planning or the actual events.

Next meeting June 5th

Minutes submitted by: Barbara Smalley

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY

FRIENDS OF THE LIBRARY MONTHLY DIRECTOR'S REPORT

July, 2013

- *Sadly, this will be my last Monthly Director's Report to the Friends Board. I am so proud of the Friends of the Library and wish all of you the very best success. You are an amazing group of volunteers who have helped to make our library a very special place. Thank you Friends!*
- *Attached is the Friends gifts expended report for May 2013. The report now includes a column indicating the year of your original gift. The oldest gift will soon be expended for our Welcome Brochure project which was a long term strategic planning goal. The 2008 MY LIBRARY Book gift purposely retained funds to update it for our 50th anniversary.*
- *You will be happy to know the booksales Special Event Permit has been approved by the Township. I want to thank Carol Mueller for following up on the approval process. A copy of the approved permit is attached for your information.*
- *The SOC is requesting your support of a library-wide special holiday celebration in December 2013. Their letter is attached for your consideration.*
- *And one last time I want to **THANK YOU** for everything you each do to make our library The Place To Discover!!*

With Deep Appreciation,

Karen Kotulis-Carter

FRIENDS OF THE BLOOMFIELD TOWNSHIP PUBLIC LIBRARY
TREASURER'S REPORT: FISCAL YEAR APRIL, 2013 --> MARCH, 2014

	<u>April, 2013</u>	<u>May, 2013</u>	<u>June, 2013</u>	<u>July, 2013</u>	<u>August, 2013</u>	<u>September, 2013</u>	<u>YTD</u> <u>2013 - 2014</u>
STARTING BANK							
<u>BALANCE</u>	\$ 24,172.35	\$ 29,178.66	\$ 34,528.35				\$ (24,172.35)
<u>RECEIPTS</u>							
Saturday Book Sales	\$ 2,277.00	\$ 2,647.00					\$ 4,924.00
Store Book Sales	\$ 2,950.00	\$ 2,357.50					\$ 5,307.50
Credit Card Sales	\$ 292.75	\$ 217.00					\$ 509.75
Other Book Sales		\$ 24.00					\$ 24.00
Semi-Annual Sale							
Membership	\$ 440.00	\$ 575.00					\$ 1,015.00
Donations/Gifts		\$ 36.00					\$ 36.00
Re-Deposited Checks							
Re-Paid Bank Fees		\$ 703.92					\$ 703.92
<u>TOTAL</u>	\$ 5,959.75	\$ 6,560.42					\$ 12,520.17
<u>DISBURSEMENTS</u>							
Annual Meeting		\$ 192.48					\$ 192.48
Annual Report		\$ 706.82					\$ 706.82
Events	\$ 14.60						\$ 14.60
Flowers/Gifts							
Book Sales							
Office Expenses	\$ 70.99						\$ 70.99
Postal	\$ 177.75						\$ 177.75
Sales Tax	\$ 676.81	\$ 301.10					\$ 977.91
Returned Checks							
Bank Fees							
Credit Card Fees	\$ 13.29	\$ 10.33					\$ 23.62
Others	\$ (190.00)						
<u>TO LIBRARY</u>							
<u>TOTAL</u>	\$ 763.44	\$ 1,210.73					\$ 1,974.17
Ending Bank							
<u>Balance</u>	\$ 29,178.66	\$ 34,528.35					\$ 34,528.35

FRIENDS OF THE BLOOMFIELD TOWNSHIP PUBLIC LIBRARY						
MONTHLY SALES SUMMARY: FISCAL YEAR 2013 - 2014						
	SATURDAY	BOOK STORE	CREDIT CARD	OTHER	SEMI-ANNUAL	TOTAL
	BOOK SALES	BOOK SALES	SALES	BOOK SALES	BOOK SALES	BOOK SALES
APRIL '13	\$ 2,277.00	\$ 2,950.00	\$ 292.75			\$ 5,519.75
MAY '13	\$ 2,647.00	\$ 2,357.50	\$ 217.00	\$ 24.00		\$ 5,245.50
JUNE '13						
JULY '13						
AUGUST '13						
SEPTEMBER '13						
OCTOBER '13						
NOVEMBER '13						
DECEMBER '13						
JANUARY '14						
FEBRUARY '14						
MARCH '14						
<u>TOTAL</u>	\$ 4,924.00	\$ 5,307.50	\$ 509.75	\$ 24.00		\$ 10,765.25
	<u>TOTAL ANNUAL BOOK SALES</u>			<u>TOTAL DONATIONS TO LIBRARY</u>		
	1995-96 =	\$ 33,420.00		\$ 31,024.00		
	1996-97 =	\$ 32,469.00		\$ 47,341.00		
	1997-98 =	\$ 39,370.00		\$ 18,306.00		
	1998-99 =	\$ 50,919.00		\$ 77,620.00		
	1999-2000 =	\$ 51,556.00		\$ 60,280.00		
	2000-01 =	\$ 61,645.00		\$ 65,490.00		
	2001-02 =	\$ 68,195.00		\$ 64,326.00		
	2002-03 =	\$ 69,410.00		\$ 84,057.00		
	2003-04 =	\$ 74,926.30		\$ 63,550.00		
	2004-05 =	\$ 88,029.57		\$ 90,645.00		
	2005-06 =	\$ 69,078.30		\$ 106,450.00		
	2006-07 =	\$ 46,370.01		\$ 42,500.00		
	2007-08 =	\$ 49,250.75		\$ 66,024.90		
	2008-09 =	\$ 58,339.90		\$ 67,417.15		
	2009-10 =	\$ 67,268.36		\$ 67,044.56		
	2010-11 =	\$ 62,161.96		\$ 62,177.95		
	2011-12 =	\$ 68,357.28		\$ 75,006.57		
	2012-13 =	<u>\$ 72,702.64</u>		<u>\$ 67,988.00</u>		
		\$ 1,063,469.07		\$ 1,157,248.13		

[illegible]

BLOOMFIELD TOWNSHIP PUBLIC LIBRARY – ADMINISTRATIVE CALENDAR

2013

AUGUST

2013

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
				1 Beneath the Surface Teen Book Talks 2pm Randy Kaplan Family Concert 7pm	2	3
4	5	6 Knit n Stitch circle 10am Journey to Center of Earth 7pm	7 Terrace Tales 10:30am	8	9 Ice Cream Social 1-2:30pm Beneath the Surface Board Game Wrap up Party 2pm Teen after Hours summer reading wrap up 6:30-9pm	10 FOL 2 nd Sat Book Sale 9:30am-3:30pm
11	12	13 Memoir Writers Group 1pm	14 Lego Club 6:30pm Nonfiction Book Club 7pm	15	16 Boomers & Beyond: Coffee & conversation 10am	17
18	19	20 Making Sense of Sensory Systems 7-8:30pm Library Board of Trustees Meeting 7:00 pm	21 Mystery Book Club 1pm & 6pm	22 Eleanor's Book Club 10am	23	24 Intro to Excel 2pm
25	26	27 Memoir Writers Group 1pm	28	29	30	31