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City of Detroit

CITY COUNCIL

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ANNE MARIE LANGAN
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TO: JoAnne Mondowney, Executive Director
Library Department/Municipal Reference Library

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: April 30, 2010

RE: 2010-2011 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2010-2011 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Tuesday, May 4, 2010 at 2:00 p.m.** We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Pamela Scales, Budget Department Director
Norman White, Chief Financial Officer
Terri Wilson, Budget Department Team Leader
Kamau Marable, Mayor's Office

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FY 2010-2011 Budget Analysis by the Fiscal Division

Summary

The Detroit Public Library (DPL) enhances the quality of life for the diverse and dynamic community in the City of Detroit. The library enlightens and empowers its citizens to meet their lifelong learning needs through open and equitable access to information, technology, and cultural/educational programs. The DPL is the largest library system in the state of Michigan, which consists of a Main Library with 10 subject departments along with 23 branch libraries. The Main Library serves as a community library and research center, the hub for the entire Detroit Public Library System. The Main Library is a meeting place for diverse community groups from the Metropolitan area. Electronic resources, including subscription databases, provide access to extensive research and informational materials for library customers. The primary support for the library is property taxes paid by the residents.

The Mayor's 2010-2011 Proposed Budget for the Library includes $52.4 million both in appropriations and in revenues, an increase of $2.7 million or 5.3% from the current year's budget of $49.7 million.

2009-2010 Surplus/(Deficit)

The Library is anticipating neither a surplus or deficit for FY 2009-2010.

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Budgeted Professional and Contractual Services by Activity	FY 2009-10 Budget	FY 2010-11 Recommended	Increase (Decrease)
Main Library	$ 5,613,484	2,416,000	$(3,197,484)
Branch Services	-	-	-
Total	**$ 5,613,484**	**$ 2,416,000**	**$(3,197,484)**

Overtime

There was no overtime budgeted for the Library in fiscal year 2009-2010. Through March 31, 2010, the Library has spent $28,733 on overtime. The recommended overtime budget for fiscal year 2010-2011 is $0.

Employee Turnover Savings

There are no employee turnover savings projected for the Library in the Mayor's 2010-2011 Proposed Budget.

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FY 2010-2011 Budget Analysis by the Fiscal Division

Proposed Layoffs and Vacant Position Reductions

The Mayor's Proposed Budget for FY 2010-2011 budget does not include any layoffs and/or position changes for the Library.

Appropriation/Program	Redbook Positions FY 2009-10	Filled Positions 3/31/2010	Mayor's Budget Positions FY 2010-11	Over/(Under) Actual to 09/10 Budget	Mayor's Recommended Turnover
Library 72):					
720020 Library - Director of Main Library	1	1	1	0	$ -
720025 DPL - Circulation	7	7	7	0	$ -
720033 DPL - Children's Library Services	8	6	8	(2)	$ -
720034 Children & Young Adult Services	1	2	2	1	$ -
720041 DPL - TIP, GI & Business & Financial	0	0	0	0	$ -
720042 Popular Library	15	12	15	(3)	$ -
720044 TIP & TRC	9	6	9	(3)	$ -
720045 Clerical Assistants- Main	39	51	39	12	$ -
720051 DPL - Sociology, Economics & PRE	0	0	0	0	$ -
720054 S & E/PRE/MRL	9	10	12	1	$ -
720101 DPL - Music, Performing Arts & Art &	0	0	0	0	$ -
720110 Technology & Science	0	8	0	8	$ -
720114 Business, Science & Technology	11		11	(11)	$ -
720154 MPA/Art&Lit/H & T	12	7	9	(5)	$ -
720160 Burton Historical Collection	0	0	0	0	$ -
720265 Special Collections	16	14	12	(2)	$ -
720522 DPL - Database Mgmt. Services	0	0	0	0	$ -
720650 Security	17	16	17	(1)	$ -
00189 Main Library	**145**	**140**	**142**	**(5)**	**$ -**
720201 DPL - Director Branch Srvcs.	2	1	2	(1)	$ -
720210 Chaney	5	5	5	0	$ -
720220 Hubbard	5	5	5	0	$ -
720230 Redford	7	7	7	0	$ -
720240 Campbell	4	5	5	1	$ -
720250 Lincoln	5	5	5	0	$ -
720260 Jefferson	5	5	5	0	$ -
720270 Chase	5	4	5	(1)	$ -
720275 Clerical Assiistance - Branches	60	89	60	29	$ -
720280 Monteith	5	4	5	(1)	$ -
720290 Franklin	6	6	6	0	$ -
720300 SIR/Douglas	18	11	16	(7)	$ -
720310 Elmwood Park	4	4	4	0	$ -
720320 Parkman	8	7	8	(1)	$ -
720330 Wilder	6	6	6	0	$ -
720340 Conley	5	5	5	0	$ -
720350 Chandler Park	5	4	5	(1)	$ -
720360 Bowen	6	3	5	(3)	$ -

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FY 2010-2011 Budget Analysis by the Fiscal Division

720370 Knapp	5	5	5	0	$	-
730380 Edison	6	6	6	0	$	-
720390 Duffield	6	6	6	0	$	-
720400 Sherwood Forest	5	3	5	(2)	$	-
720410 Downtown	8	9	10	1	$	-
720420 Richard	5	5	5	0	$	-
720430 Mark Twain	3	3	3	0	$	-
720440 Gray	0	0	0	0	$	-
00190 Branch Services	**199**	**213**	**199**	**14**	**$**	**-**
720002 DPL - Admin. Operations	8	7	8	(1)	$	-
720012 Dir. Of Public Services	4	3	4	(1)	$	-
720172 DPL - Circulation	0	0	0	0	$	-
720452 Marketing Services	9	7	8	(2)	$	-
720462 Dir. Of Technical Services	5	5	4	0	$	-
720475 Clerical Assistance - Administrative	10	8	10	(2)	$	-
720482 DPL - Bibliographic	9	7	9	(2)	$	-
720492 Print Shop	2	2	2	0	$	-
720502 DPL - Technical Processing Services	14	13	14	(1)	$	-
720522 Database Management Services	0	0	0	0	$	-
720532 Library - Director of Information Systems	10	5	10	(5)	$	-
720535 Digital Lab	0		5	0	$	-
720542 Library - Human Resources	8	9	8	1	$	-
720572 Library - Director Business & Finance	13	11	13	(2)	$	-
720622 DPL - Facilities Maintenance	24	21	24	(3)	$	-
720662 DPL - Shipping Services	6	5	6	(1)	$	-
10454 DPL - Administrative Management	**122**	**103**	**125**	**(19)**	**$**	**-**
72XXXX Part-Time	0	0	0	0	$	-
72XXXX Leave of Absence	0	0	0	0	$	-
72XXXX Workers Compensation	0	0	0	0	$	-
72XXXX Unmatched Positions	0	0	0	0	$	-
TOTAL	**466**	**456**	**466**	**(10)**	**$**	**-**

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FY 2010-2011 Budget Analysis by the Fiscal Division

Significant Changes in Funding by Appropriation

Appro	Program	
10454	Main Library-Administrative Management	The Mayor's recommended 2010-2011 appropriation for the Main Library Administrative Management Division is $34.1 million, an increase of $3.5 million from the current year's appropriation of $30.6 million. The $ 3.5 million increase is mainly the result of an increase of $0.9 million for acquisitions-library reference materials in the technical processing services cost center; $0.4 million for a new digital lab; an increase of $3.2 million for major repairs-building modernization in the facilities maintenance cost center; and a net decrease of $1.8 million in the director of information system cost center. The $1.8 million net decrease is composed of a decrease of $2.7 million in contract services-information technology, an increase of $0.2 million in telecommunications, and increase of $0.2 million in purchased computer services, and an increase of $0.5 million in acquisitions-equipment. Throughout the cost centers of the appropriation are other minor cost increases and decreases netting in an increase of $0.8 million.
00190	Branch Services	The Mayor's recommended 2010-2011 budget for the Branch Services Division is $10.5 million, a decrease of $0.8 from the current year's appropriation of $11.3 million. The $0.8 million decrease is mainly the result of a reduction in purchased services-security of $0.8 million.

Significant Revenue Changes by Appropriation

Revenue	Program	
10454	Administrative Management	The Mayor's recommended 2010-2011 budget includes $52.4 million in revenue, an increase of $2.7 million from the current year's budget of $49.7 million. The $2.7 million increase results mainly from an increase in prior years surplus of $6.5 million, an increase of $1.6 million in uncollectible property tax revenue, a decrease in current year property tax revenue of $5.0 million, and a decrease of $0.4 million from earnings on investments.

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FY 2010-2011 Budget Analysis by the Fiscal Division

Issues and Questions

1. Why is there no budget for Library Fees and Fines for FY 2010-2011? Does the Library anticipate collecting any fees and/or fines during the year?

2. Recovery Act funding is available for colleges and libraries. Has the Library applied for any Recovery Act funding? If not, why not?

3. Since the Library relies on property taxes to primarily fund its operations and property tax revenue has declined over the last five years, how does the Library plan to offset the revenue loss?