



## **Budget Narrative Fiscal Year 2027**

### **Introduction**

The Grosse Pointe Public Library's 2027 budget proposal reflects a strong commitment to fiscal responsibility, operational efficiency, and exceptional public service. As a trusted community resource, the library continues to serve residents of all ages by providing access to information, technology, cultural enrichment, and lifelong learning opportunities.

In developing this budget, we have prioritized careful stewardship of public funds, ensuring that every dollar supports services and initiatives that meet the diverse and evolving needs of our community. Strategic investments in staff, collections, infrastructure, and innovative programming are balanced with a disciplined approach to cost management and long-term sustainability.

This narrative outlines how the FY 2027 budget supports the library's mission to inform, inspire, and enrich the Grosse Pointe community—while upholding the values of transparency, equity, and accountability.

### **Revenue**

According to the Wayne County Office of Assessment and Equalization, the total taxable value for our District as of May 26, 2026, is \$3,964,059,785. Due to the rate of inflation in Michigan this year, the Millage Reduction Fraction is 0.9898. Therefore, the maximum allowable levy for our perpetual millage will be 1.4023 mills, which is projected to generate \$ 5,58,801. The maximum allowable levy for the renewable millage will be 0.6366, generating \$ 2,523,520. Other sources of revenue include support from the Friends and Foundation, State Aid, penal fines, interest income, fees for lost or damaged items, and other miscellaneous sources.

The Grosse Pointe Library Foundation will be sponsoring a new 3D printer for the DREAM Lab, outdoor instruments to create a musical garden at the Ewald branch, the wages of two librarian interns and one social work intern, and additional support for Books on the Lake and Authors to the Pointe.

The Friends continue to provide financial support for library programs, including the fabulous summer reading prizes and the ever-popular Books on the Lake and Authors to the Pointe events. The Friends continue to sponsor an employee recognition program to acknowledge staff members on their work anniversaries.

The Friends and Foundation will be providing direct support to the Citizens Ballot Question Committee in support of the library's millage renewal this year.

*Total revenue from all sources for the 2026-27 fiscal year is projected to be \$ 8,674,821.*

### **Expenses**

The largest portion of our operating budget continues to be salaries and benefits, which is standard for a public service organization. The budget reflects the 2.75% increase that was negotiated in the labor contracts for this year, as well as some step increases for eligible employees. The proposed budget includes the addition of two part-time librarians and a part-time circulation clerk to support the library in accomplish to goals of our new strategic plan. The part-time librarians will provide staffing at the service desks to enable full-time librarians to expand outreach and have adequate time for collection development. The additional circulation clerk is needed to assist in processing new books, a task that was previously outsourced to our main book vendor.

The contracted services budget has increased due to the addition of security guards at the Ewald branch. This line item also includes costs to potentially add the services of a freelance marketing professional in support of our strategic plan goal of enhanced communication and awareness of library services.

We project an increase in the cost of healthcare benefits, although the actual renewal rates will not be available until the fall.

In the 2022 fiscal year, after careful planning and the review of long-term financial projections, the board voted unanimously to move ahead with Phase 2 of our Library Reimagined Capital Improvements and issue bonds to fund the improvements in the amount of \$10,490,000. The debt service obligation reflects these new bonds, as well as the previously held bonds that were refunded in 2021.

Capital projects this year will include improvements to the staff and public restrooms at Ewald, restoration work on the bluestone patio at Central, and assessments of the boilers and chillers at Ewald, and the chiller at Woods.

*Total Projected Expenses for the Fiscal Year are projected to be \$8,674,821.*

### **Fund Balance**

The combined fund balance (General and Construction funds) was \$10,950,328 at the end of the last fiscal year. This budget proposes spending down approximately \$560,000 of the fund balance for the building maintenance and improvements described above.