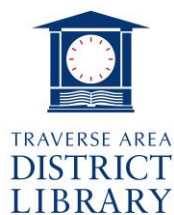


AGENDA

Board of Trustees Regular Meeting
Thursday, June 20, 2024 at 4:00pm
Fife Lake Public Library
77 Lakecrest Ln., Fife Lake, MI 49633

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Approval of Agenda**
4. **Public Comment***
5. **Consent Agenda**
 - a. Approval of Minutes: Regular Meeting - April 18, 2024
Study Session & Retreat - May 16, 2024
 - b. Department Reports
 - c. Finance and Facilities Committee Report – June 4, 2024
 - d. Policy and Personnel Committee Report – June 4, 2024
 1. Policy Revision: ACH Policy 2.9
 2. Policy Revision: Art Exhibition Policy 4.07
 3. Policy Revision: Display Case Policy 4.08
 - e. Financial Reports – April and May
 - f. Member Library Communications – FLPL | IPL | PCL
 - g. Friends of TADL Report – Jud Barclay, President
 - h. Correspondence
6. **Items Removed from the Consent Calendar**
7. **Director Report**
8. **Old Business**
 - a. Millage Back-up Plan Approval
9. **New Business**
 - a. 2023 Audit Review and Acceptance
 - b. Michigan Debate Taskforce Endorsement Request
 - c. Discussion: 2024 Library User Survey Results
10. **Public Comment***
11. **Trustee Comment**
 - a. Sharing Ideas
12. **Closed Session (if needed)**
13. **Adjournment**

* If you wish to speak during the Public Comment section of the meeting, please (1) wait until you are recognized; (2) approach the podium and use the microphone; (3) state your name and the county and township or city in which you reside; and (4) limit your comments to 3 minutes. Please sign in at the podium.



Board of Trustees Regular Meeting MINUTES

Thursday, April 18, 2024 at 4:00pm
McGuire Community Room
610 Woodmere Ave., MI 49686

1. **Call to Order**

The meeting was called to order by President Pakieser at 4:00pm. Present were: Pakieser (President); Jones (Vice President); Odgers (Treasurer); Gedman and Deyo (Trustees). Beuthin (Trustee) and Vickery (Secretary) were absent. Also present were: Howard (Director); Baldwin, Morey, and Carpenter (Staff).

2. **Pledge of Allegiance**

All members in attendance recited the Pledge of Allegiance to the Flag of the United States of America.

President Pakieser recognized that Secretary Vickery was absent and appointed Jones as Acting Secretary for the meeting with Jones accepting.

3. **Approval of the Agenda**

It was MOVED by Odgers, SUPPORTED by Gedman, to approve the agenda as presented. Motion CARRIED.

4. **Public Comment**

President Pakieser opened the floor for public comment. There was none.

5. **Consent Calendar**

- a. *Approval of Minutes - Regular Meeting of January 18, 2024*
- b. *Department Reports*
- c. *Finance and Facilities Committee Report – February 6, 2024*
- d. *Policy and Personnel Committee Report – February 6, 2024*
- e. *Financial Report*
- f. *Member Library Communications – FLPL | IPL | PCL*
- g. *Friends of TADL Report – Jud Barclay, President*
- h. *Correspondence*

It was MOVED by Odgers, SUPPORTED by Gedman, to accept and affirm receipt of the consent calendar information as presented. Motion CARRIED.

6. **Items Removed from the Consent Agenda**

There were no items removed from the Consent Calendar.

7. **Presentation: Talking Book Library, Anita Chouinard**

Anita Chouinard, Larry Gorton Talking Book Library (TBL) Manager, noted that the TBL provides free audio and Braille materials to visually, physically and reading impaired patrons to eight (8) counties, including Grand Traverse county and seven other surrounding counties. With a generous donation from a long-time patron of TBL, the department was renamed after the donor, Larry Gorton, and several adaptive technology pieces were added to TADL's Library of Things. Chouinard showed the

board a lighted magnifier, talking ruler, talking color decoder, and a hand-held media player. She currently does outreach to ten (10) senior living facilities along with a second staff member who provides digital literacy to the residents. The majority of the TBL services provided are handled by phone and through the mail, however Chouinard reports that there are about 70-90 walk-in patron interactions per month. TBL helps many patrons with dyslexia and conditions such as Parkinson's. Items Chouinard would like to add to the Library of Things collection would be talking graphic scientific calculators for students, children's STEM Kits, and Braille board games such as Monopoly.

8. **Director Report**

Howard confirmed her report and highlighted the following:

- The on-site audit work is finished and Howard thanked Baldwin for her work with the auditors.
- Howard attended Library Advocacy Day in Lansing. She met with state Representative Betsy Coffia and Senator John DaMoose and discussed the need for more funding for libraries. The Library of Michigan is looking at several pieces of proposed legislation, including remote meeting access for board members and the Freedom To Read, neither of which have gone to the legislature yet. Overall, it was a good day complete with a fantastic line-up of bookmobiles from attending libraries.
- Andy Schuck, Head of Youth Services, is coordinating the Feed America program through the library, which provides free food for children 0-18 years old. Food will be made available for 10 weeks beginning in June and ending in August: 5 mornings a week at the Main branch, 2 mornings at East Bay Branch, and 2 mornings at Kingsley Branch. Volunteers are needed.
- Bathroom renovations are going well. Bret Boulter, Facilities Manager, is following up to remedy a few issues.
- TADL has received permission to show *ABC's of Book Banning* at the board study session/retreat.
- Howard, Baldwin, McKenna and Myers attended the annual Public Library Association Conference in April. A summary report will be provided at the next regular board meeting.

9. **Old Business**

a. *Meeting Room AV Updates*

TADL has had an increasing expectation and demand for hybrid meeting accommodations. Meeting room A/V upgrade quotes from two companies were included in the packet for review. Because TADL has received more inquiries for hybrid meetings and since there is a 5-year window to complete the elevator updates, Howard asked the board to approve the meeting room A/V upgrades quoted by Ethan Fitzpatrick Production (EFP) now and postpone the elevator updates to a later date. Morey, Assistant Director for Technology, answered questions from the board regarding the quote comparisons and noted that the equipment EFP included is high-end, popular in many schools and churches, and at the same time non-technical staff will be able to easily interact with it. He also noted that this upgrade is robust enough to avoid coming back to the board for another upgrade in the near future. It was **MOVED** by Jones, **SUPPORTED** by Odgers, to approve an expenditure from the Public Improvement Fund to EFP for an amount not to exceed \$149,000 for the meeting room A/V upgrades as quoted and presented.

A roll call vote was taken with the following results:

Jones – aye	Odgers – aye	Pakieser – aye	Deyo – absent
Gedman – aye	Beuthin – absent	Vickery – absent	

Motion **CARRIED** with 5 ayes.

10. **New Business**

a. *Fife Lake DDA*

Howard attended the Fife Lake Downtown Development Association (DDA) special meeting. It was her understanding that the DDA would like TADL to consider not opting out of the tax capture. Per policy, industry resources, and advice of Counsel it is recommended that libraries opt out when available. In addition, if the millage passes in August, TADL is automatically opted out of all tax captures except for Brownfield. It was noted that the Fife Lake Public Library Board could choose to enter into an MOU with the Fife Lake DDA to return funds to the DDA, if they chose to. It was **MOVED** by Jones, **SUPPORTED** by Gedman, to follow TADL's tax capture policy to opt out of the Fife Lake DDA tax capture for reasons presented in discussion and in Howard's memo to the board included in the packet. Motion **CARRIED**.

b. *Discussion: Millage Back-up Plan*

Howard noted that the current millage vote is scheduled for August 6. If the millage did not pass on August 6, the deadline for the November ballot language is due eight days later, on August 14. This discussion item has been moved to the study session/retreat in May.

11. **Public Comment**

President Pakieser opened the floor for public comment. The following people addressed the board: Heather Brady, TADL Marketing and Communications Manager, invited everyone to the upcoming and biggest yet Makerfest, in which TADL partnered with Grand Traverse County Recycle Smart this year and will feature nearly fifty exhibitors.

12. **Trustee Comment**

Odgers noted several students in the audience and thanked them for attending. She also appreciated the presence of a representative from the League of Women Voters in the audience.

13. **Closed Session (if needed)**

A closed session was not needed.

14. **Adjournment**

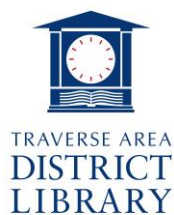
With a motion to adjourn by Odgers, supported by Deyo, President Pakieser adjourned the meeting at 5:00pm.

Respectfully submitted,

Approved by board vote on June 20, 2024

V. Carpenter, Recording Secretary

M. Vickery, Board Secretary



Board of Trustees Study Session and Retreat

MINUTES

Thursday, May 16, 2024 at 12:00pm

Kingsley Branch Library

213 S. Brownson Ave., Kingsley, MI 49649

1. **Call to Order**

The meeting was called to order by President Pakieser at 12:00pm. Present were: Pakieser (President); Jones (Vice President); Odgers (Treasurer); Vickery (Secretary); Beuthin, Deyo, and Gedman (Trustees). Also present were: Howard (Director); Carpenter, Monette, Brady, Baldwin Staff).

2. **Pledge of Allegiance**

The Pledge of Allegiance to the Flag of the United States of America was not recited due to lack of an American flag.

3. **Approval of the Agenda**

It was MOVED by Beuthin, SUPPORTED by Odgers, to approve the agenda as presented. Motion CARRIED.

4. **Public Comment**

President Pakieser opened the floor for public comment. There was none.

5. **Warm-up Exercise with President Pakieser and Trustee Beuthin**

The group engaged in a collaborative exercise sharing contributive strengths they each bring to the board and expressed their goals for the retreat.

6. **The Library of the Future**

a. Well-funded

On funding, Howard noted that Richard Lewis and Amy Shamroe are heading the Yes Committee for the TADL millage and provided their contact information for volunteering. The Yes Committee kick-off plans are set for early June.

Trustees discussed back-up plan options if the millage failed August 6. Due to a limited turnaround time to file for the November election, Howard will have Counsel draw up ballot language for three different scenarios: 1) a straight renewal request, 2) the same 1.1mils request identical to the August 6 ballot, and 3) a request to increase the millage to 1.3mils. A decision will be made at the June regular meeting which one to go forward with should the need arise after the August voting results are tabulated.

b. Technology

Following a brief break, the group discussed technology trends shaping the future and the impact on libraries. Howard noted that the innovations reported in a supplemental reading packet, were either already implemented or were in progress at TADL. Morey answered questions from the trustees, many about the future of AI in libraries. He was confident that TADL is in a good place in the area of technology, however since it is a fast and ever-changing environment, his team must constantly lean into the discomforts to stay on top of the tech needs of the community within the abilities of the library.

(approved)

Page 1 of 2

c. *Promotes Civic Engagement & Freedom to Read*

- *Video: ABC's of Book Banning*

Trustees watched a short video documentary on book banning and participated in a training exercise from both a challenger and a trustee position.

- *Future Discussions Share*

Beuthin then noted suggestions submitted for future discussion including: update on the strategic plan; how to encourage and ensure community commitment to public libraries; how to expand the role of library and park relationships; developing a connection between non-profits and volunteers, and revisiting adult literacy needs.

Time did not allow for further discussion of the remaining two topics: Cultivating Good Community and Libraries as Leaders. These will be discussed at future board meetings.

7. **Public Comment**

There was none.

8. **Adjournment**

President Pakieser adjourned the meeting at 4:00pm.

Respectfully submitted,

Approved by board vote on June 20, 2024

V. Carpenter, Recording Secretary

M. Vickery, Board Secretary



Departmental Reports
for the months of April and May
(June 20, 2024 Board Meeting)

Adult Services

April Highlights:

- Nature programs ruled in April - 120 people packed the McGuire Room to hear the Morel King, Anthony Williams give his annual talk about hunting those elusive edibles. To celebrate Earth Day, we partnered with [Archangel Ancient Tree Archive](#) to give out 100 Black Willow saplings cloned from the champion trees found on the grounds of The Commons.
- We held the 26th annual Poets' Night Out live reading event this month with over 90 people joining us at the City Opera House to hear the winning entries.
- Programming partnerships this month included Interlochen Center for the Arts (Edmonia opera preview), Senior Center (weekly crafting and current events sessions), Embody TC (yoga), NMCAA (money management), Northwestern Michigan College (author talk), as well as the Traverse Area Historical Society and Grand Traverse Area Genealogical Society (monthly meetings/programs).
- Melissa attended the Public Library Association Conference in Columbus, OH during the first week of the month. Highlights of sessions included programming for adults with intellectual and developmental disabilities, indigenous inclusion in the library, and creating restorative spaces for mothers in the library. (And the Mystery Authors panel!)

May Highlights:

- Wellness programs are proving to be popular and our patrons are asking for more! This month we held yoga sessions attended by dozens, two sessions on pelvic health, two programs introducing mindfulness, and Tai Chi.
- This month we partnered with Michigan Writers for a writing program. May is also the month that we annually partner with members of the Traverse City AAPI committee and NMC. This is our 3rd year of AAPI Heritage Month celebration events and 120 people joined us for this year's film and author talk.

Local History Collection

April & May Highlights:

- The second floor display highlighting resources from the LHC for these two months had a theme of rain and rainbows and also showcased TADL's sheet music collection, courtesy of Liz Bannister, along with her photo and a short biography of the local musician.
- We continue to be contacted by local organizations, community members, and loved ones of former community members who have items with a GTC connection to donate to the LHC. Highlights from this spring include records from NMEAC on several lawsuits; a handmade quilt to add to the Melstrom Family collection; and the original report, photographs, and ground core sample from the 1973 Williamsburg gas eruptions.

Respectfully submitted,
Melissa A. McKenna
Adult Services Dept Head

Youth Services

April - Youth Services



The TADL MakerFest occurred on April 20th at the Grand Traverse County Civic Center. Almost 50 organizations and businesses participated and over 510 community members attended. This 4 hour event included a new collaboration with the Recycle Smart department of Grand Traverse County, which influenced a more pronounced Earth Day theme for both the program itself (TADL MakerFest: Special Earth Day Edition), as well as the activities that our exhibitors made available to our community members. More information on participating organizations can be found on our [event listing](#). A brief video tour of the event can be accessed [here](#). We were happy with the new location, especially the indoor part when the day turned out to be cool and windy spring day. We're looking forward to working with our partners in the STEAM/Maker Alliance as well as community partners at Grand Traverse County Parks and Recycle Smart to continue developing this event to make it the most memorable and environmentally friendly STEAM event in Lower Northern Michigan.

Youth Services continued our outreach and weekly programming, keeping our young community members and families engaged in library offerings. Our Early Literacy offerings really took off in April, as cool weather pushed families inside:

- Early Literacy programs: 28
- Early Literacy program attendance: 622 (an increase of 87.3% from April 2023)
- Afterschool and outreach programs: 25
- Afterschool and outreach attendance: 1,158

With cool April weather also came more opportunities to interact with our local families at the Youth Services desk. In total, we answered 1,228 reference questions (a 17.6% increase over April 2023), broken down in the following categories:

- Walk-in questions: 1,077 (a 14.9% increase over April 2023)
- Phone questions: 137
- Digital questions: 14

May - Youth Services

May brought the start of school Summer Reading promotion, but not before we had two weeks of storytime and afterschool programming. In total for these in-house programs, we had the following statistics:

- Early Literacy programs: 15
- Early Literacy program attendance: 344
- Afterschool and weekend programs: 12
- Afterschool and weekend attendance: 206
- Summer Reading Outreach visits: 10
- Summer Reading Outreach students visited: 1,645

Statistics for the service desk will be updated shortly due to staff shortages over the last half of May.



Youth Services staff spent much of the latter half of the month promoting the Summer Reading Club in elementary schools and also decorating the department around the *Adventure Begins at Your Library* theme. In total, we visited 9 elementary schools and passed out Summer Reading Club information bookmarks to all TCAPS schools, as well as The Children's House and GTACS elementary school. Not all schools were able to schedule in-person visits but we did talk to 1,645 students during this time period and handed out bookmarks to 5,125 students in our district.



Staff are really excited about this year's Summer Reading theme and took the down time from lack of programming to really dive in and remake the Youth Services department into Camp Youth Services. Included in this fun revival are: a tent opening at our entrance; a canoe and river photo op; trees made out of pillars; a "Would you rather?" voting contest on one of the pillars; a river reading minutes tracker posted on the curvy wall above our service desk; and hot air balloons

whose baskets are filled with favorite book characters. It is a delightful space and we have heard so many positive comments from patrons. Please visit when you have a moment.

Respectfully submitted by Andy Schuck
Head of Youth Services

Teen Services

At the end of the school year, the Twisted Quills, our teen writing group, hosted a "go live" event for [their website](#). The website includes the first chapters of the participants' books, book covers, blurbs, and biographies for the authors and support staff. Parents, friends, and supportive adults attended to see the website launch and listen to the teens read their first chapters out loud. They also produced a zine for the event. The zine can be picked up in Teen Services with a color version soon to be available to check out. Check out the website:

<https://twistedquillscom.wordpress.com/>



Once again, I must thank our facilitator Jaquie Burke for bringing her enthusiasm and providing the structure necessary to make the teen writing program successful.

Linda Smith
Head of Teen Services

Sight & Sound

Spring in Sight and Sound started off with a bang! In the McGuire Community Room, we presented a sneak peak of Edmonia, a new opera! Working with the Interlochen Center for the Arts, we live streamed the performance to the TADL Facebook and YouTube pages. We also continued our partnership with Versiti, holding blood drives to replenish this vital community resource. We also hosted the League of Women Voters Grand Traverse Area in April and May, with informative events on media literacy and composting.

We have added some new items to the Library of Things as well, including ¾ size electric guitars, small synthesizers, and a 3D printing pen kit. We brought 6 of our synthesizers to the MakerFest in April, and they were a huge hit with the kids. We're really excited to bring these music makers to them!

April Reference Questions

Digital: 93
Phone: 322
Walk-in: 2044

TADL Meeting Room Stats APRIL 2024

Total: **201**
TADL meetings: **27**
Personal/Outside Group Meetings: **174**
Paid Meetings: **9**
Unpaid Meetings: **192**
Walk-ins: **23**
Advance Reservation: **178**

Number of Meetings by Room APRIL 2024

McGuire Room: **38**
Thirlby Room: **94**
Study Room D: **69**

May Reference Questions

Digital: 101
Phone: 265
Walk-in: 1531

TADL Meeting Room Stats MAY 2024

Total: **162**
TADL meetings: **27**
Personal/Outside Group Meetings: **135**
Paid Meetings: **10**

Unpaid Meetings: **152**
Walk-ins: **22**
Advance Reservation: **140**

Number of Meetings by Room MAY 2024

McGuire Room: **38**
Thirlby Room: **60**
Study Room D: **64**

Respectfully Submitted,
Josh Denby
Department Head, Sight and Sound

Circulation

April Circulation Numbers - Combined Branches (Woodmere, Kingsley, East Bay)

New patron accounts created: **↓303** (vs 1800 last year)

Curbside pickups for April 2024: 15

Circulation Statistics for MeLCat, April 2024:

- TADL items sent to borrowing institutions: **↑1267** (vs 1251 last year)
- TADL items received from lending institutions: **↑2347** (vs 1929 last year)

May Circulation Numbers - Combined Branches (Woodmere, Kingsley, East Bay)

New patron accounts created: **↑542** (vs 206 last year)

Curbside pickups for May 2024: 17

Circulation Statistics for MeLCat, May 2024:

- TADL items sent to borrowing institutions: **↑1326** (vs 1251 last year)
- TADL items received from lending institutions: **↑2306** (vs 1929 last year)

Respectfully Submitted,
Christina Meyers
Head of Circulation

Marketing and Communications

April

Summer reading club (**all strategic plan areas**) comes early to the marketing department, as all items for school visits need to be in-hand by the end of the month. Combine that with an eclipse (**targeted outreach**), our Read-a-Thon (**innovative engagement**), the bookmark contest (**innovative engagement**), an earlier-than-usual MakerFest ... April flew right by!

May

The pace continued through May, with marketing support for our autism certification program (**inclusive space**), our school library card mailing (**targeted outreach**), and TADL Waves (**innovative engagement**), in addition to producing factual information millage



pieces (webpage and handouts). I also coordinated a volunteer workbee to help prep newsletters for TBL and treasure maps we're using as a special outreach tool to school reading intervention programs (**targeted outreach**). We wrapped up the bookmark contest (**innovative engagement**) and the winning designs are now at the printer. We plan to put them out in late June.

Press: We were mentioned online or in print 26 of the 31 days in April. We were mentioned online or in print 18 of the 31 days in May.

Website: April - 55,000 pageviews; 15,000 users; May - 50,949 pageviews; 13,000 users

Human Resources

Please join us in wishing congratulations to our new hires and internal transfers/promotions, and best wishes to employees leaving TADL!

Newly Hired Employees:



Justin Williamson
FT Systems Administrator

Employee Position Transfers:

None

Employee Departures:

Nick Kandrot, Substitute

Respectfully submitted,
Danielle Baldwin, Finance and Human Resources Manager

Facilities

April: Bathroom renovations continued. Phase I of the renovations was started on March 11 and those bathrooms were opened on April 18. Additional Facilities projects included:

- Installing new donated bench
- Research for revising/updating Lost Child Procedure
- Meeting with a security consultant to review facility preparedness
- New 1st and 2nd floor water shutoffs installed for increased plumbing repair efficiency
- New slatwall installed in Sight & Sound and Circulation Desk for item visibility
- All exterior windows cleaned

May: Bathroom renovations continued. Phase II is now almost complete, with the main public restrooms on the first floor expected to open by 6/7/24. Additional finishing work will then continue on the bathrooms that were renovated first. Additional Facilities projects included:

- Assembly and testing of the new Electric Bookbike (it's fantastic!)
- Staining of wood hardscape along the children's garden walk (photo by Erin of the Children's Garden)



- Review of consultant Security Assessment and Recommendations Report (SARR)
- Coordinate seasonal landscaping for Woodmere and East Bay
- Adjust clock tower time (a rare instance of one clock being incorrect)
- No-Mow May completed! Many pollinators were spotted everywhere.

Respectfully submitted,
Bret R Boulter, Facilities Manager

TADL Talking Book Library

The Braille Talking Book Library (BTBL) had their bi-annual meeting in April that I attended. Among the topics we discussed were the upcoming Libraries without Walls conference (adaptive technology), Summer Reading Club, and the National Library Service Biennial Conference.

I attended the Libraries without Walls conference in Lansing. It was a one day conference covering adaptive technology.

The National Library Service had a pop-up training on their Summer Reading Club. Some of the programs that will be offered are a virtual escape room and a virtual choose your own adventure. Braille and Talking Book Library in Lansing will be hosting two events that are only in Michigan, a virtual tour of Isle Royale National Park and Birding by Ear.

Programs-

- Chair Yoga is still popular. We have a group of patrons who attend every month. 15 patrons attended in April and 18 in May.
- Project Kidsight is a Lions Club project that offers free vision screening to children. They use a camera that takes a picture of the child's eyes. A report is printed out and parents are informed of any issues that need to be followed up on. 22 children were screened.
- I offered a nature walk at Arcadia Marsh. It was led by Steve Lagerquist from the Grand Traverse Regional Land Conservancy. 16 people joined us.
- Ageless Grace is a program on neuroplasticity exercises. 7 people attended.
- Tuesdays @ Two read "Lessons in Chemistry" by Bonnie Garmusin April and "The Time Keeper" by Mitch Albom in May.

Outreaches-

- I have 10 regular bookmobile outreaches to Senior Living facilities. Kim Wiggins from Reference accompanies me to 5 of them and offers digital assistance. In April, we served 106 patrons. In May we served 139 and I added a new outreach, The Pavilions.
- The Senior Center requested a presentation on the library. I talked about the many different things we have to offer. 24 people attended.
- The YMCA held a Seniorpalooza in May. Melissa McKenna and I attended. We talked to 92 people about services and programs we offer.

Notary requests-6 in April, 10 in May

Anita Chouinard
Talking Book Manager

East Bay Branch Library

April and May of 2024 brought some new programs and outreach opportunities to the East Bay Branch including:

- A four-part knitting class led by East Bay Patron and prolific knitter, Cara Bagley-Aurand.
- A Grief Support meeting led by Munson Hospice Bereavement Coordinator and Certified Advanced Grief Counseling Specialist, Erin Grey, and Library Assistant Jody Wilson. Patrons were invited to drop-in to have questions answered and gather resources for themselves or their loved ones in a casual environment. This was our first time offering a program of this nature and we were very pleased to have 8 attendees.
- Matt Archibald took the Bookmobile to visit Mill Creek Elementary.
- Our friends at East Bay Township kicked off the brand new East Bay Corners Farmers Market that will run weekly from May - October on the far side of our parking lot. We are excited to table at this as often as we can, and have been connecting with many East Bay residents that don't usually make it into the library.



- We participated in Star Wars Day festivities for the first time, hosting our own May 4th celebration with themed snacks, crafts, and music.
- With the help of Jeff Godin and the Technology Department, we were able to supply 333 students at Mill Creek Elementary and Grand Traverse Academy with new library cards.



In addition to these new items, we kept on with our regular programming. We saw a high attendance for Chair Yoga with 12 people in April, and one occurrence of Sing & Stomp in May had 48 attendees!

Respectfully submitted,

Chantel Lentz
Branch Manager

Kingsley Branch Library



April 2024 was a month for celebrating at KBL! Over 300 patrons and Kingsley residents attended our 15th Birthday Party for KBL (2009-2024), which was also a secret surprise party to celebrate our wonderful Early Literacy Librarian, Beth Anderson! She has given 25 years to our community as a Kingsley librarian, and many consider her the heart of our programs and operations. Three cheers for Beth! Beth is pictured here (middle) with students Bristol Helmreich (left) and Lucy Graves, who both wrote and read

wonderful, heartfelt essays about how Beth has inspired their lifelong love of reading and learning.

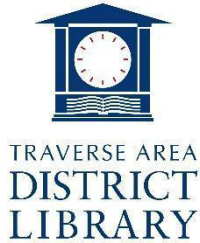


Other programs and points of interest for the months of April and May included:

- Partnering with Archangel Ancient Tree Archive to distribute Champion Black Willow saplings to help reintroduce this unique tree across the County for Earth Day;
- The official launch of KBL's 3D printer, with many thanks to KBL staff Brian Carey, and the assistance of the Technology Department;
- I presented at the Senior Center Wednesday Lunch for National Library Week on life-improving library resources for seniors;
- Star Wars Day (May 4th) brought out all of our community cosplayers and galaxy-dwellers for treats, crafts, and movies... we were a regular "hive of scum and villainy";
- Staff Erin Dixon and Brian Carey attended a workshop on book repair held at Otsego County Library, where they honed their skills and tried new techniques;
- Partnered with local farmers at Chaos Homestead in Buckley to bring baby goats to our storytime the week of May 20th;
- And to wrap it up, we also hosted 62 classroom visits, 24 storytimes, 5 Teen Dungeons & Dragons sessions, 2 Book Clubs, and 2 Simply Delicious with Chef Tom programs, for a total attendance of over 2400 patrons. Oh, and we also planned what I am sure will be our best Summer Reading Club yet!

Respectfully submitted,

Amy Monette
Branch Manager



**TADL Board of Trustees
Finance & Facilities Committee**
June 4, 2024
2:00 pm ~ McGuire Room

610 Woodmere Ave. / Traverse City, MI / 49686

Attendance: P. Deyo in person and S. Odgers virtually. B. Boulter, D. Baldwin and M. Howard, staff.

Agenda Approval: It was motioned by Deyo and seconded by Odgers to approve the agenda. All were in favor. The agenda was approved.

Minutes Approval: It was motioned by Deyo and seconded by Odgers that the minutes from the February 6, 2024, Finance and Facilities Committee be approved. All were in favor. The minutes were approved.

Public Comment: No public comment.

Finance:

- **Audit Presentation by Marisa Milliron and Heidi Wendel, Dennis, Gartland & Niergarth**

Ms. Milliron presented the finds from the audit. TADL again received a clean audit. She discussed some of the key findings. Odgers asked about the personnel costs which are at 57%. Howard and Ms. Milliron said these are consistent with best practices. After some more discussion and questions, Odgers made the motion to accept the audit and forward to the full board for acceptance. Deyo seconded. The motion passed.

- **Policy 2.9 Electronic Transfers Policy**

After meeting with bank representatives from Fifth Third about financial fraud and security measures TADL can take to protect its assets, the bank suggested that Automatic Clearing House (ACH) transfers were a secure way to transfer funds. Howard and Baldwin amended the policy to allow for ACH transfers. The Policy and Personnel Committee offered some edits. After some discussion, it was motioned by Deyo and seconded by Odgers to forward this amended policy to the Board.

- **Request for Support for Revitalizing Debates in Michigan**

Mr. Merek Garland had emailed the Board asking for support for the Michigan Debate Task Force. Deyo was in favor of supporting this request. Howard will reach out to Pakieser about inviting Mr. Garland to the June Board meeting.

Facilities:

- **Bathroom Update:**

Boulter said the project is going well. They are still waiting on some fixtures. The floors had to be redone because the first application of the epoxy flooring wasn't acceptable. The second try was much better. This project has taken longer than anticipated mostly because of waiting for various contractors who are very busy.

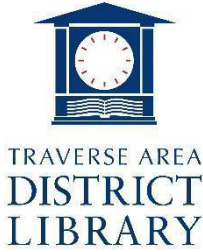
Deyo also asked about the E-Book Bike. Boulter said it is assembled and fun to ride and will hopefully make it to Farmers Market soon, weather permitting.

Next Meeting Date / Time: August 6, 2024 at 2:00 pm

Next Meeting Topic Suggestions: MERS Annual Statement, Decision to direct money toward the Unfunded Pension Liability; TV's in Sight and Sound.

Public Comment: No public comment.

Adjournment: It was motioned by Deyo and seconded by Odgers to adjourn. The meeting adjourned at 2:38 p.m.



TADL Board of Trustees Policy and Personnel Committee

June 4, 2024
11:00 am Thirlby Room

610 Woodmere Ave. / Traverse City, MI / 49686

Attendance: M. Vickery, and J. Beuthin, Trustees. M. Myers, D. Baldwin, M. Howard, staff

Agenda Approval: The agenda was approved.

Minutes Approval: The minutes of the February 6, 2024 meeting were approved.

Public Comment: There was none.

Policy Committee:

- **Policy 2.9 Electronic Transfers Policy**

After meeting with bank representatives from Fifth Third about financial fraud and security measures TADL can take to protect its assets, the bank suggested that Automatic Clearing House (ACH) transfers were a secure way to transfer funds. Howard and Baldwin amended the policy to allow for ACH transfers. Howard said this policy will also go before the Facilities and Finance Committee. After some discussion, it was motioned by Vickery and seconded by Beuthin to forward this amended policy to the Board.

- **Policy 4.7 Art Exhibition Policy**

Howard explained that there was some confusion about the section, Sale of Art within the policy. Howard offered the proposed changes. There was much discussion about the Director's discretion to allow for the sale of art. Howard will develop a rubric for making such decisions. After some discussion, it was motioned by Vickery and seconded by Beuthin to forward this amended policy to the Board.

- **Policy 4.8 Display Case Policy**

Howard was explaining that her and Heather Brady, Marketing Manager, have had inquiries from individuals to display and sell their crafts/art in the display cases. Sales have not been allowed in the past but it was unclear in the policy. After some discussion, it was motioned by Vickery and seconded by Beuthin to forward this amended policy to the Board.

- **New Policy: Library Director Succession Policy and Procedure**

Howard has been working on a succession policy for the Director. This would guide the process in case the Director cannot serve in their capacity and how to guarantee a continuity of service in case of a sudden absence. Some elements still missing from the

policy are: the fiduciary of the director, key personnel, the Board Chair and Policy, and Personnel Committee Chair. Howard took the suggestions and will revise the policy for the August meeting.

- **Request for Support for Revitalizing Debates in Michigan**

Mr. Merek Garland had emailed the Board asking for support for the Michigan Debate Task Force. Both Trustees were not sure if it's in the libraries mission or interest to support this request.

Personnel Committee:

- None

Next Meeting Date / Time: No meeting in July. Next meeting is August 6, 2024.

Next Meeting Topic Suggestions: Director Succession Policy

Public Comment: None

Adjournment: The meeting adjourned at 11:57 am.

2.9 Electronic Transactions Policy

Purpose

The purpose of this policy is to authorize and regulate the use of electronic transactions and Automatic Clearing House (ACH) arrangements for the Traverse Area District Library in compliance with Public Act 738 of 2002.

Authority

The authority to enter into electronic transfer agreements with previously Board approved financial institutions and responsibility for the oversight of all agreements shall be delegated to the Library Director or in his/her absence the Assistant Director for Technology by the Board of Trustees.

Use and Monitoring of Electronic Transactions

1. Electronic transfer transactions shall be used to transfer payment of salaries, benefits, or employee deductions/reimbursements; or for the purpose of transferring funds between Traverse Area District Library owned checking, savings, credit card or investment accounts.
2. ~~All~~ No other ACH or electronic transfers of funds are authorized ~~without the express written approval of the Board Treasurer~~ within Board approved financial policies that define transactions and budget disbursement limits.
3. All electronic payments must be reported in the monthly financial reports indicating service received, payment date, payee(s), and amount. All electronic transfer of funds must also be detailed indicating amount transferred, date, purpose, and Traverse Area District Library accounts affected.
4. All electronic payments must be approved by the Library Director, Finance Manager, or their delegate, prior to entry of the transaction into the applicable software system.
5. Electronic transfers between the internal library bank accounts and/or investments only will be established at no more than \$500,000 per day, regardless of purpose. Current staff members with transfer authority include: Library Director and Finance Manager.
6. Access to electronic bank software will be restricted to Administration Office personnel on a need to know basis. Each staff member with access will have a dollar limit established and authority granted specific to their function and transaction need.

New on June 16, 2022 / Revised December 15, 2022 / [Revised June 20, 2024](#)

Motion by: _____

Adopted: Yes No

Support by: _____

~~J. Wescott~~ M. Vickery, Board Secretary

Date

2.9 Electronic Transactions Policy

Purpose

The purpose of this policy is to authorize and regulate the use of electronic transactions and Automatic Clearing House (ACH) arrangements for the Traverse Area District Library in compliance with Public Act 738 of 2002.

Authority

The authority to enter into electronic transfer agreements with previously Board approved financial institutions and responsibility for the oversight of all agreements shall be delegated to the Library Director or in his/her absence the Assistant Director for Technology by the Board of Trustees.

Use and Monitoring of Electronic Transactions

1. Electronic transfer transactions shall be used to transfer payment of salaries, benefits, or employee deductions/reimbursements; or for the purpose of transferring funds between Traverse Area District Library owned checking, savings, credit card or investment accounts.
2. All other ACH or electronic transfers of funds are authorized within Board approved financial policies that define transactions and budget disbursement limits.
3. All electronic payments must be reported in the monthly financial reports indicating service received, payment date, payee(s), and amount. All electronic transfer of funds must also be detailed indicating amount transferred, date, purpose, and Traverse Area District Library accounts affected.
4. All electronic payments must be approved by the Library Director, Finance Manager, or their delegate, prior to entry of the transaction into the applicable software system.
5. Electronic transfers between the internal library bank accounts and/or investments only will be established at no more than \$500,000 per day, regardless of purpose. Current staff members with transfer authority include: Library Director and Finance Manager.
6. Access to electronic bank software will be restricted to Administration Office personnel on a need to know basis. Each staff member with access will have a dollar limit established and authority granted specific to their function and transaction need.

New on June 16, 2022 / Revised December 15, 2022 / Revised June 20, 2024

Motion by: _____

Adopted: Yes No

Support by: _____

M. Vickery, Board Secretary

Date

4.7 ART EXHIBITION POLICY

Policy

The Traverse Area District Library strives to encourage education, celebrate culture, deliver entertainment, and inspire community.

To that end, the Library, with the support of the Library Board, does provide a rotating art exhibit program featuring local or regional artists as well as occasionally sponsors online art exhibitions as well as themed art contests or competitions. The programs are designed to encourage community involvement in order to support the arts in the Traverse District Library's service area.

The public Library may choose to display materials from its own collection or accept applications from individuals to provide items for exhibition in a variety of mediums, reflecting an array of topics and interests, appealing to the diverse interests and concerns of the community.

A Library Arts Committee composed of the Library Director and designees have the sole discretion regarding selection, exhibition period, and in what manner any art at the Library or on the Library's website is to be exhibited. This committee retains the right to deny or refuse any exhibit proposal and also has the right to cancel an exhibit in its discretion.

Guidelines and Procedures

Selection Criteria for Art Exhibits

The following are general selection criteria, a particular exhibition, contest, or competition may have additional selection criteria as determined appropriate and applicable by the Library Director:

Aesthetics: Exhibit is pleasing to the perceived public and in keeping with the exhibition space design or the theme, topic or purpose of the exhibition, display, competition or contest.

Quality of Exhibit: Art should be in good condition and capable of display in the intended display location.

Suitability of Exhibit: Exhibit must be suitable for the Library's physical and online limitations. Art to be displayed at the Library or any of its branches should not require climate control, physical security, or other special handling. Art must be available for a period of no less than the number of days the Library desires to hold the art for exhibition.

Compliance: All displays must meet existing State and Federal laws on obscenity, libel, defamation of character, and invasion of privacy. Displays may not promote or represent any activity or purpose that is in violation of local, state, or federal ordinances or laws, including copyright and public performance laws.

A display shall not be for a commercial purpose, for the solicitation of business, for profit or for fundraising by an outside agency, for religious proselytizing, or to support or oppose a candidate or ballot question.

Granting of permission to display materials does not imply Library endorsement of content; nor will the library accept responsibility for the accuracy or inaccuracy of statements made in such materials.

Art Exhibit Proposal Process

Art submittals will be assessed for approval by the Library Arts Committee. To submit a proposal, please complete and return any application or other submission required in connection with the exhibit, competition or contest.

Prospective exhibitors should keep in mind that the display space is located in a very open and prominent area of the Library or the Library's website; as such, it will be viewable by patrons of all ages. Accordingly, the library discourages proposed exhibitions that include significant elements of sexually explicit imagery, nudity, or graphic depictions of violence.

The name of the artist/group responsible for the display must be included in any submission.

Terms Applicable to the Submission of Art to the Library

Grant of License

If you submit your work for consideration, you grant to the Library (and its subsidiaries, successors, and assigns) a non-exclusive, perpetual, world-wide, unlimited, transferable, irrevocable, royalty-free license to: (a) use and publish your work, whether in whole or in part, for any Library related purposes, including but not limited to Library or Library event(s) promotional materials, in any form of media as selected by the Library; and (b) use and publish your name (including any professional name currently used or later adopted by you), likeness, and biographical information in connection with the Work for Library related purposes (collectively, "License").

Representations and Warranties

By submitting your work to the Library, you make the following representations and warranties to Library: (a) the work is an entirely original work, or original reproduction or adaptation of preexisting works in the public domain; (b) the work has never been published; (c) you have full power and authority to grant the License; (d) the Library's License will not infringe upon any rights of any third party; (e) at the time of submitting the work, you are the sole and exclusive owner of the work and any rights to the work; and (f) you have not previously assigned or otherwise transferred the work or any rights in the work to any third party that would be infringed upon by your submission of the work and the grant of License to the Library.

Indemnification

By submitting your work and in consideration of the Library reviewing or displaying your work, you agree to indemnify, defend, and hold TADL harmless from and against any and all Claims

that arise out of or are in connection with any claim of infringement by a third-party with respect to the work. For purposes of this paragraph, "Claims" means any request for payment for copyright infringement, liability, damage, expense, judgment, settlement, lawsuit, cause of action, proceeding, decree, costs, expense, or fees (including attorney fees).

Artist's Responsibilities

The artist will meet with a designated Library representative to review guidelines and procedures for coordinating the logistical details of the exhibit.

The artist will complete and sign any submission required by the Library in connection with the exhibition, competition, or contents.

The artist will supply items that are consistent in form, quality, and content with the original proposal.

The artist assumes all responsibility for transporting exhibit items. For physical installations, receiving, installation and removal dates and times must be coordinated with designated library staff.

The artist will supply titles and desired descriptions for items and provide biographical or historical information as requested.

It is the responsibility of the Artist to insure any art loaned to the Library.

Sale of Art

Sales in conjunction with the exhibit are not allowed unless permission is expressly requested by the exhibitor/artist, and approved by the Library Director at the time of the space reservation. ~~; however, transactions may not be conducted on Library property and it is the sole responsibility of the artist or organization to maintain a current sales tax license, collect, report and submit the appropriate forms and collected taxes to any taxing entities.~~ Exhibitor/Artist contact information can be included in the display for direct inquiries regarding the sale of exhibited items. Transactions may not be conducted on Library property and it is the sole responsibility of the exhibitor/artist to maintain a current sales tax license, collect, report and submit the appropriate forms and collected taxes to any taxing entities.

Request for Reconsideration

Persons who object to material exhibited at the Library may file a Request for Reconsideration with the Traverse Area District Library Board. Following a hearing, the Board shall determine whether the material complies with the Selection Criteria as set forth herein. The Board will provide notice of the hearing to the Committee and artist(s) affected and provide an opportunity for the objector, the Committee, and the artist(s) affected to be heard regarding whether the material complies with the Selection Criteria. Any request shall be filed at least 15 days prior to the next regular Board Meeting at which the hearing will be conducted. The Board's decision will be final.

Care, Preservation and Exhibition

The Library will exercise the same care with respect to physical art exhibitions as it does in the safekeeping of comparable property of its own. Precautions will be taken to protect the exhibition from fire, theft, mishandling, insects and extremes of light, temperature and humidity while in the Library’s custody.

The Library shall not be responsible for any damage or injury to any art exhibit. And the artist expressly releases and holds the Library, its officers, employees or agents harmless from any claims due to loss or damage to or theft of an art exhibit while in the Library’s care and custody.

Evidence of damage at the time of receipt of the art or while in the Library’s custody will be reported to the Artist immediately. It is understood that art which in the opinion of the Library show evidence of infestation, may be treated at the discretion of the Library.

The Library has the right to determine which written and interpretive materials will accompany the exhibit.

Delivery and Removal of Art Objects

Arrangements for delivery of all art loaned will be the responsibility of the Artist. The Library cannot accept delivery and will not repack the art. Upon delivery, the Artist and designated Library representative will jointly complete an initial Inventory and Condition Report. The Artist will promptly remove a physical the art exhibit at the end of the exhibition period at a time agreed upon by both parties and the Library and the Artist will jointly complete a final Inventory and Condition Report.

Reproduction and Credit

Unless notified in writing to the contrary, it is understood that the art on exhibit at the Library may be photographed by the general public. Also, the Library may photograph or reproduce the art for educational, catalog, and publicity purposes. Unless otherwise notified in writing, the Library will give credit to the Artist in any publications.

Change in Ownership or Address

It is the responsibility of the Artist or their agent to notify the Library in writing, promptly, if there is any change in ownership of the object(s) or if there is a change in the identity or address of the Artist. The Library assumes no responsibility to search for an artist or owner who cannot be reached at the address of record.

New Policy Adopted on September 17, 2020 / Re-numbered December 15, 2022 / Revised June 20, 2024

Motion by: _____

Adopted: Y N

Supported by: _____

Date: _____

| J. Wescott M. Vickery, Board Secretary

4.7 ART EXHIBITION POLICY

Policy

The Traverse Area District Library strives to encourage education, celebrate culture, deliver entertainment, and inspire community.

To that end, the Library, with the support of the Library Board, does provide a rotating art exhibit program featuring local or regional artists as well as occasionally sponsors online art exhibitions as well as themed art contests or competitions. The programs are designed to encourage community involvement in order to support the arts in the Traverse District Library's service area.

The public Library may choose to display materials from its own collection or accept applications from individuals to provide items for exhibition in a variety of mediums, reflecting an array of topics and interests, appealing to the diverse interests and concerns of the community.

A Library Arts Committee composed of the Library Director and designees have the sole discretion regarding selection, exhibition period, and in what manner any art at the Library or on the Library's website is to be exhibited. This committee retains the right to deny or refuse any exhibit proposal and also has the right to cancel an exhibit in its discretion.

Guidelines and Procedures

Selection Criteria for Art Exhibits

The following are general selection criteria, a particular exhibition, contest, or competition may have additional selection criteria as determined appropriate and applicable by the Library Director:

Aesthetics: Exhibit is pleasing to the perceived public and in keeping with the exhibition space design or the theme, topic or purpose of the exhibition, display, competition or contest.

Quality of Exhibit: Art should be in good condition and capable of display in the intended display location.

Suitability of Exhibit: Exhibit must be suitable for the Library's physical and online limitations. Art to be displayed at the Library or any of its branches should not require climate control, physical security, or other special handling. Art must be available for a period of no less than the number of days the Library desires to hold the art for exhibition.

Compliance: All displays must meet existing State and Federal laws on obscenity, libel, defamation of character, and invasion of privacy. Displays may not promote or represent any activity or purpose that is in violation of local, state, or federal ordinances or laws, including copyright and public performance laws.

A display shall not be for a commercial purpose, for the solicitation of business, for profit or for fundraising by an outside agency, for religious proselytizing, or to support or oppose a candidate or ballot question.

Granting of permission to display materials does not imply Library endorsement of content; nor will the library accept responsibility for the accuracy or inaccuracy of statements made in such materials.

Art Exhibit Proposal Process

Art submittals will be assessed for approval by the Library Arts Committee. To submit a proposal, please complete and return any application or other submission required in connection with the exhibit, competition or contest.

Prospective exhibitors should keep in mind that the display space is located in a very open and prominent area of the Library or the Library's website; as such, it will be viewable by patrons of all ages. Accordingly, the library discourages proposed exhibitions that include significant elements of sexually explicit imagery, nudity, or graphic depictions of violence.

The name of the artist/group responsible for the display must be included in any submission.

Terms Applicable to the Submission of Art to the Library

Grant of License

If you submit your work for consideration, you grant to the Library (and its subsidiaries, successors, and assigns) a non-exclusive, perpetual, world-wide, unlimited, transferable, irrevocable, royalty-free license to: (a) use and publish your work, whether in whole or in part, for any Library related purposes, including but not limited to Library or Library event(s) promotional materials, in any form of media as selected by the Library; and (b) use and publish your name (including any professional name currently used or later adopted by you), likeness, and biographical information in connection with the Work for Library related purposes (collectively, "License").

Representations and Warranties

By submitting your work to the Library, you make the following representations and warranties to Library: (a) the work is an entirely original work, or original reproduction or adaptation of preexisting works in the public domain; (b) the work has never been published; (c) you have full power and authority to grant the License; (d) the Library's License will not infringe upon any rights of any third party; (e) at the time of submitting the work, you are the sole and exclusive owner of the work and any rights to the work; and (f) you have not previously assigned or otherwise transferred the work or any rights in the work to any third party that would be infringed upon by your submission of the work and the grant of License to the Library.

Indemnification

By submitting your work and in consideration of the Library reviewing or displaying your work, you agree to indemnify, defend, and hold TADL harmless from and against any and all Claims

that arise out of or are in connection with any claim of infringement by a third-party with respect to the work. For purposes of this paragraph, "Claims" means any request for payment for copyright infringement, liability, damage, expense, judgment, settlement, lawsuit, cause of action, proceeding, decree, costs, expense, or fees (including attorney fees).

Artist's Responsibilities

The artist will meet with a designated Library representative to review guidelines and procedures for coordinating the logistical details of the exhibit.

The artist will complete and sign any submission required by the Library in connection with the exhibition, competition, or contents.

The artist will supply items that are consistent in form, quality, and content with the original proposal.

The artist assumes all responsibility for transporting exhibit items. For physical installations, receiving, installation and removal dates and times must be coordinated with designated library staff.

The artist will supply titles and desired descriptions for items and provide biographical or historical information as requested.

It is the responsibility of the Artist to insure any art loaned to the Library.

Sale of Art

Sales in conjunction with the exhibit are not allowed unless permission is expressly requested by the exhibitor/artist, and approved by the Library Director at the time of the space reservation. Exhibitor/Artist contact information can be included in the display for direct inquiries regarding the sale of exhibited items. Transactions may not be conducted on Library property and it is the sole responsibility of the exhibitor/artist to maintain a current sales tax license, collect, report and submit the appropriate forms and collected taxes to any taxing entities.

Request for Reconsideration

Persons who object to material exhibited at the Library may file a Request for Reconsideration with the Traverse Area District Library Board. Following a hearing, the Board shall determine whether the material complies with the Selection Criteria as set forth herein. The Board will provide notice of the hearing to the Committee and artist(s) affected and provide an opportunity for the objector, the Committee, and the artist(s) affected to be heard regarding whether the material complies with the Selection Criteria. Any request shall be filed at least 15 days prior to the next regular Board Meeting at which the hearing will be conducted. The Board's decision will be final.

Care, Preservation and Exhibition

The Library will exercise the same care with respect to physical art exhibitions as it does in the safekeeping of comparable property of its own. Precautions will be taken to protect the exhibition from fire, theft, mishandling, insects and extremes of light, temperature and humidity while in the Library’s custody.

The Library shall not be responsible for any damage or injury to any art exhibit. And the artist expressly releases and holds the Library, its officers, employees or agents harmless from any claims due to loss or damage to or theft of an art exhibit while in the Library’s care and custody.

Evidence of damage at the time of receipt of the art or while in the Library’s custody will be reported to the Artist immediately. It is understood that art which in the opinion of the Library show evidence of infestation, may be treated at the discretion of the Library.

The Library has the right to determine which written and interpretive materials will accompany the exhibit.

Delivery and Removal of Art Objects

Arrangements for delivery of all art loaned will be the responsibility of the Artist. The Library cannot accept delivery and will not repack the art. Upon delivery, the Artist and designated Library representative will jointly complete an initial Inventory and Condition Report. The Artist will promptly remove a physical the art exhibit at the end of the exhibition period at a time agreed upon by both parties and the Library and the Artist will jointly complete a final Inventory and Condition Report.

Reproduction and Credit

Unless notified in writing to the contrary, it is understood that the art on exhibit at the Library may be photographed by the general public. Also, the Library may photograph or reproduce the art for educational, catalog, and publicity purposes. Unless otherwise notified in writing, the Library will give credit to the Artist in any publications.

Change in Ownership or Address

It is the responsibility of the Artist or their agent to notify the Library in writing, promptly, if there is any change in ownership of the object(s) or if there is a change in the identity or address of the Artist. The Library assumes no responsibility to search for an artist or owner who cannot be reached at the address of record.

New Policy Adopted on September 17, 2020 / Re-numbered December 15, 2022 / Revised June 20, 2024

Motion by: _____

Adopted: Y N

Supported by: _____

Date: _____

M. Vickery, Board Secretary

4.8 Display Case Policy

The Traverse Area District Library provides space for displays and exhibits of items from the library’s own collections, as well as exhibits and displays ~~curated in conjunction with sponsored by other~~ community agencies, organizations, or individuals ~~when not in use by the library~~. All displays must comply with existing library policies and procedures.

Exhibits are displayed for one month, and must be scheduled in advance by submitting a request through tadl.org/displays. The Library reserves the right to decide the appropriateness of exhibit material to the public library setting.

New Policy Adopted October 15, 2020 / *Re-numbered on December 15, 2022* / [Revised June 20, 2024](#)

Motion by: _____

Supported by: _____

Adopted: Y N

Date: _____

[J. Wescott M. Vickery](#), Board Secretary

4.8 Display Case Policy

The Traverse Area District Library provides space for displays and exhibits of items from the library’s own collections, as well as exhibits and displays curated in conjunction with community agencies, organizations, or individuals. All displays must comply with existing library policies and procedures.

Exhibits are displayed for one month, and must be scheduled in advance by submitting a request through tadl.org/displays. The Library reserves the right to decide the appropriateness of exhibit material to the public library setting.

New Policy Adopted October 15, 2020 / Re-numbered on December 15, 2022 / *Revised June 20, 2024*

Motion by: _____

Supported by: _____

Adopted: Y N

Date: _____

M/ Vickery, Board Secretary

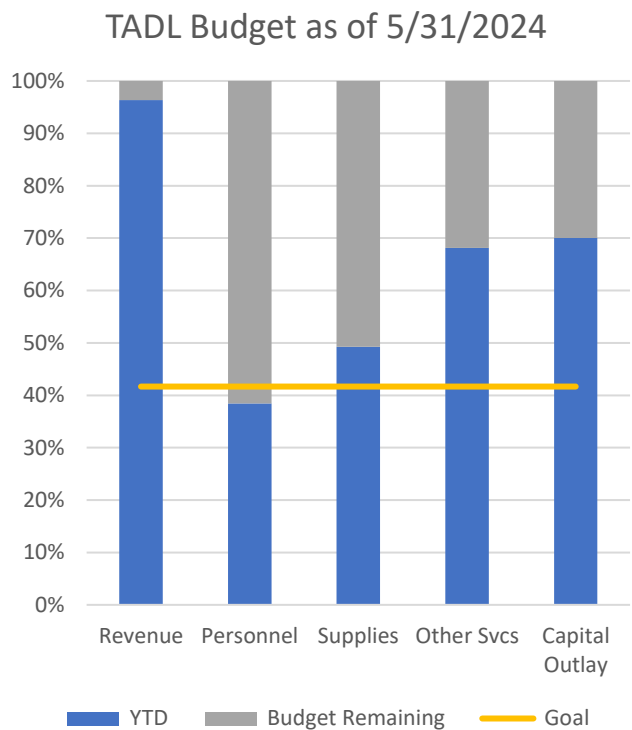
Revenue

We have received 99.96% of our budgeted Property Tax revenue as of 5/31/24. Revenue for Overdue Fines, Sales, and Meeting Room Rentals are all trending above our 42% goal for 5/31. We should be receiving Penal Fine payments in July. We received \$7,722 in Donations this month, most of which was an unrestricted anonymous donation totaling \$6,000 that we used to purchase some sparkly new book carts, book repair and maintenance machines, and East Bay entrance furniture. Thank you to our donors! Investments are doing well with \$18,550 received in interest and unrealized gains this month.

Expenditures

Note that percentage of budget completed is 42% as of 5/31/24. Line item details of note are below.

- *Personnel*
Our Goal percentages are different for this category with all payroll related line items (Salaries, FICA, retirement) having goals of 38.5% and all health benefits having goals of 50%. We are meeting these YTD goals well.
- *Supplies*
We are slightly over goal for YTD Materials purchases (Books, Media, etc) due to annual prepaid charges and periodicals purchased in January, as well as our annual book leasing contract that we paid in April for the remainder of the year plus part of next year ('25 expenses are now in Prepaid Expenditures though).
- *Other Services/Charges*
Insurance and Member Library Allocations have been paid in full this year with line item percentages reflecting such. Payments in 2023 for various software and self-check equipment rentals were prepaid and recognized in 2024's YTD expenses, so this tends to weight our percentage of Budget Used higher at the beginning of each fiscal year, specifically for Professional/Contractual Services, but it evens out as the year progresses. Other line items are trending on target.
- *Capital Outlay*
We had just one expenditure this month, which was the imaging/design of the new Electronic Book Bike.



Respectfully submitted,
Danielle Baldwin
Finance and Human Resources Manager



RevenueCategory;SubCategor...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Revenue						
400 - Property Taxes - Current/Delinquent/Pilt	6,155,304.00	6,155,304.00	231,047.21	6,148,002.35	-7,301.65	99.88%
500 - Grants - Federal/State/Other	29,450.00	29,450.00	0.00	11,796.50	-17,653.50	40.06%
540 - State Aid Grant - Library	107,468.39	107,468.39	53,734.18	53,734.18	-53,734.21	50.00%
541 - State Aid Grant - TBL	41,073.00	41,073.00	0.00	20,536.00	-20,537.00	50.00%
581 - Penal Fines	150,900.00	150,900.00	0.00	0.00	-150,900.00	0.00%
602 - Fees/Services	29,650.00	29,650.00	0.00	17,000.00	-12,650.00	57.34%
607 - Overdue Fines/Replacement Fees	18,000.00	18,000.00	1,763.33	8,268.71	-9,731.29	45.94%
642 - Sales	22,650.00	22,650.00	2,842.18	10,881.25	-11,768.75	48.04%
653 - Meeting Room Rental/Equip Fees	2,000.00	2,000.00	800.00	3,100.00	1,100.00	155.00%
665 - Interest & Gains/Losses	7,500.00	7,500.00	3,648.26	15,869.63	8,369.63	211.60%
674 - Donations/Contributions	26,200.00	26,200.00	1,310.50	3,430.77	-22,769.23	13.09%
676 - Misc Revenue & Reimbursements	505.00	505.00	77.37	1,757.46	1,252.46	348.01%
Revenue Total:	6,590,700.39	6,590,700.39	295,223.03	6,294,376.85	-296,323.54	95.50%
Expense						
Category: 70 - Personnel						
700 - Salaries & Wages	2,839,018.45	2,839,018.45	207,794.34	834,339.23	2,004,679.22	29.39%
710 - Social Security/Medicare	64,850.22	64,850.22	4,971.02	19,880.27	44,969.95	30.66%
712 - Medical Insurance	457,387.50	457,387.50	63,574.34	197,268.59	260,118.91	43.13%
713 - Dental Insurance	27,149.51	27,149.51	2,147.92	11,019.05	16,130.46	40.59%
715 - Vision Insurance	4,078.20	4,078.20	310.08	1,712.08	2,366.12	41.98%
716 - Life Insurance	9,397.40	9,397.40	738.76	3,707.07	5,690.33	39.45%
717 - Disability Insurance	16,268.03	16,268.03	1,310.73	6,577.35	9,690.68	40.43%
720 - 401K Retirement Contribution	131,106.14	131,106.14	8,707.37	34,483.40	96,622.74	26.30%
721 - MERS Defined Contribution Retirement	185,086.79	185,086.79	13,918.95	56,078.44	129,008.35	30.30%
722 - MERS DB Unfunded Liability	120,000.00	120,000.00	10,000.00	40,000.00	80,000.00	33.33%
723 - Worker's Compensation	8,300.00	8,300.00	0.00	0.00	8,300.00	0.00%
Category: 70 - Personnel Total:	3,862,642.24	3,862,642.24	313,473.51	1,205,065.48	2,657,576.76	31.20%
Category: 72 - Supplies						
728 - General Operating Supplies	217,350.00	217,350.00	29,180.12	67,191.22	150,158.78	30.91%
736 - Repair & Maintenance Supplies	16,750.00	16,750.00	1,093.42	3,831.93	12,918.07	22.88%
741 - Books/Media/Online Resources/LoT	749,705.00	749,705.00	117,282.30	350,758.77	398,946.23	46.79%
Category: 72 - Supplies Total:	983,805.00	983,805.00	147,555.84	421,781.92	562,023.08	42.87%
Category: 80 - Other Services and Charges						
801 - Professional & Contractual Services	336,360.00	336,360.00	24,962.20	153,524.83	182,835.17	45.64%
804 - Advertising & Outreach	43,500.00	43,500.00	1,313.20	3,158.22	40,341.78	7.26%
807 - Insurance & Bonds	30,574.49	30,574.49	220.00	28,557.00	2,017.49	93.40%
809 - General Equip/Building/Grounds Maintenance	328,730.00	328,730.00	30,661.87	116,873.54	211,856.46	35.55%
850 - Communications	28,500.00	28,500.00	1,581.67	8,458.82	20,041.18	29.68%
921 - Utilities	114,800.00	114,800.00	14,861.41	32,275.24	82,524.76	28.11%
955 - Education & Travel	129,947.66	129,947.66	38,802.65	48,021.09	81,926.57	36.95%
959 - Member Library Allocations	718,841.00	718,841.00	0.00	718,841.00	0.00	100.00%
961 - Misc	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00%
964 - Property Tax Reimbursements	6,500.00	6,500.00	0.00	951.61	5,548.39	14.64%
Category: 80 - Other Services and Charges Total:	1,739,253.15	1,739,253.15	112,403.00	1,110,661.35	628,591.80	63.86%
Category: 97 - Capital Outlay						
971 - Capital Furniture/Equipment/Building	5,000.00	5,000.00	0.00	2,825.00	2,175.00	56.50%
Category: 97 - Capital Outlay Total:	5,000.00	5,000.00	0.00	2,825.00	2,175.00	56.50%
Expense Total:	6,590,700.39	6,590,700.39	573,432.35	2,740,333.75	3,850,366.64	41.58%
Report Surplus (Deficit):	0.00	0.00	-278,209.32	3,554,043.10	3,554,043.10	0.00%



RevenueCategory;SubCategor...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Revenue						
400 - Property Taxes - Current/Delinquent/Pilt	6,155,304.00	6,155,304.00	4,632.79	6,152,635.14	-2,668.86	99.96%
500 - Grants - Federal/State/Other	29,450.00	29,450.00	17,500.00	29,296.50	-153.50	99.48%
540 - State Aid Grant - Library	107,468.39	107,468.39	0.00	53,734.18	-53,734.21	50.00%
541 - State Aid Grant - TBL	41,073.00	41,073.00	0.00	20,536.00	-20,537.00	50.00%
581 - Penal Fines	150,900.00	150,900.00	0.00	0.00	-150,900.00	0.00%
602 - Fees/Services	29,650.00	29,650.00	0.00	17,000.00	-12,650.00	57.34%
607 - Overdue Fines/Replacement Fees	18,000.00	18,000.00	2,033.20	10,301.91	-7,698.09	57.23%
642 - Sales	22,650.00	22,650.00	3,193.57	14,074.82	-8,575.18	62.14%
653 - Meeting Room Rental/Equip Fees	2,000.00	2,000.00	600.00	3,700.00	1,700.00	185.00%
665 - Interest & Gains/Losses	7,500.00	7,500.00	18,549.41	34,419.04	26,919.04	458.92%
674 - Donations/Contributions	26,200.00	26,200.00	7,722.16	11,152.93	-15,047.07	42.57%
676 - Misc Revenue & Reimbursements	505.00	505.00	1,615.00	3,372.46	2,867.46	667.81%
Revenue Total:	6,590,700.39	6,590,700.39	55,846.13	6,350,222.98	-240,477.41	96.35%
Expense						
Category: 70 - Personnel						
700 - Salaries & Wages	2,839,018.45	2,839,018.45	208,874.97	1,043,214.20	1,795,804.25	36.75%
710 - Social Security/Medicare	64,850.22	64,850.22	4,938.63	24,818.90	40,031.32	38.27%
712 - Medical Insurance	457,387.50	457,387.50	28,264.41	225,533.00	231,854.50	49.31%
713 - Dental Insurance	27,149.51	27,149.51	2,179.87	13,198.92	13,950.59	48.62%
715 - Vision Insurance	4,078.20	4,078.20	310.08	2,022.16	2,056.04	49.58%
716 - Life Insurance	9,397.40	9,397.40	738.76	4,445.83	4,951.57	47.31%
717 - Disability Insurance	16,268.03	16,268.03	1,310.73	7,888.08	8,379.95	48.49%
720 - 401K Retirement Contribution	131,106.14	131,106.14	8,698.04	43,181.44	87,924.70	32.94%
721 - MERS Defined Contribution Retirement	185,086.79	185,086.79	14,067.42	70,145.86	114,940.93	37.90%
722 - MERS DB Unfunded Liability	120,000.00	120,000.00	10,000.00	50,000.00	70,000.00	41.67%
723 - Worker's Compensation	8,300.00	8,300.00	0.00	0.00	8,300.00	0.00%
Category: 70 - Personnel Total:	3,862,642.24	3,862,642.24	279,382.91	1,484,448.39	2,378,193.85	38.43%
Category: 72 - Supplies						
728 - General Operating Supplies	217,350.00	217,350.00	14,703.45	81,894.67	135,455.33	37.68%
736 - Repair & Maintenance Supplies	16,750.00	16,750.00	1,611.65	5,443.58	11,306.42	32.50%
741 - Books/Media/Online Resources/LoT	749,705.00	749,705.00	46,256.99	397,015.76	352,689.24	52.96%
Category: 72 - Supplies Total:	983,805.00	983,805.00	62,572.09	484,354.01	499,450.99	49.23%
Category: 80 - Other Services and Charges						
801 - Professional & Contractual Services	336,360.00	336,360.00	23,140.86	176,665.69	159,694.31	52.52%
804 - Advertising & Outreach	43,500.00	43,500.00	1,044.23	4,202.45	39,297.55	9.66%
807 - Insurance & Bonds	30,574.49	30,574.49	450.00	29,007.00	1,567.49	94.87%
809 - General Equip/Building/Grounds Maintenance	328,730.00	328,730.00	29,284.83	146,158.37	182,571.63	44.46%
850 - Communications	28,500.00	28,500.00	1,164.49	9,623.31	18,876.69	33.77%
921 - Utilities	114,800.00	114,800.00	8,173.39	40,448.63	74,351.37	35.23%
955 - Education & Travel	129,947.66	129,947.66	10,335.01	58,356.10	71,591.56	44.91%
959 - Member Library Allocations	718,841.00	718,841.00	0.00	718,841.00	0.00	100.00%
961 - Misc	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00%
964 - Property Tax Reimbursements	6,500.00	6,500.00	1,145.06	2,096.67	4,403.33	32.26%
Category: 80 - Other Services and Charges Total:	1,739,253.15	1,739,253.15	74,737.87	1,185,399.22	553,853.93	68.16%
Category: 97 - Capital Outlay						
971 - Capital Furniture/Equipment/Building	5,000.00	5,000.00	676.37	3,501.37	1,498.63	70.03%
Category: 97 - Capital Outlay Total:	5,000.00	5,000.00	676.37	3,501.37	1,498.63	70.03%
Expense Total:	6,590,700.39	6,590,700.39	417,369.24	3,157,702.99	3,432,997.40	47.91%
Report Surplus (Deficit):	0.00	0.00	-361,523.11	3,192,519.99	3,192,519.99	0.00%



Our crew of volunteers did a great job of assembling outdoor furniture and play items, installing our new Little Free Libraries and helping with several outside repairs. These guys assist regularly all for the “pay” of Bad Dog Deli lunch!

PCL's snail mail quarterly newsletter went out to 3800 households. The newsletter covers June, July and August programming.

PCL is gearing up for Summer Reading Club. Our programs happen on Tuesdays in July, but registration, activities and displays kick off June 12. The theme is Find Adventure at Your Library. SRC is for kids, teens AND adults with prizes for all including a coupon for free Buchan's ice cream!

Many repairs happened last month including two furnaces that were not running properly, critter damage to the air conditioner units, an indoor lock that refused to work, and a filter replacement to the ceiling projector in the community room. Hoping we are good for the summer now!

The summer concert series in our garden starts soon! July 11 at 7 p.m., Doc Probes is “All About Jimmy Buffet” with Rick Kiehl playing bass. August 21st 7 p.m. features Ruth and Max Bloomquist, Michigan's folk music legends. Pack a picnic and chairs or a blanket. Rain venue is the Community Room, no picnic! On September 7 at 6 p.m., come celebrate PCL's 5th anniversary in our new building with the music of Barbara Jordan, an old-fashioned hot dog picnic and cake (complimentary)! Rumor is that Barbara is composing a song just for us! End the concert season with our friends Gary Brandt and Jackie Davidson, September 12 at 7 p.m. when they return with their popular program, “Singing the Good Old Songs Again!” Jackie sang with the New Christy Minstrels!

Email message from a happy patron: “I wanted to express my sincere thanks to the Peninsula Library for all the effort put into the May the Fourth Be With You celebration this year. My kids, 4-11, absolutely loved the craft bags and activities at the library. We so appreciate all the hard work and creativity that go into making these items. My children talked about it all week! Peninsula Community Library is an integral and invaluable asset to the community. Thank you for all you do!”

PCL Fun Fact: PCL has a Little Free Library on Power Island!

Circulation May 2024: 2020 + 78 manual checkouts, May 2023: 1954

May Volunteers: 14 people (1 teens), 36 hours of time to PCL

Curbside pickups: 2. Home delivery: 0. New library cards: 9

Hold Transit Counts May: 617 to other libraries from PCL, 328 from other libraries to PCL

Programs May: 21 Participation May: 463 Reference Questions: 493

Website Hits: Not available this month Twilight Baby Bags: 1, 1000 Books Before Kindergarten: 2

Wireless Users: 165 Meeting Room Reservations: 10

PENINSULA COMMUNITY LIBRARY 2893 ISLAND VIEW ROAD, TRAVERSE CITY, MI 49686 231-223-7700

www.peninsulacommunitylibrary.org

Like us on Facebook – Peninsula Community Library

Next Meeting: July 11 at 4:30 p.m.



TRAVERSE AREA
DISTRICT
LIBRARY

**Board of Library Trustees Regular Meeting
Library Director Report
Meeting Date June 20, 2024**

Library Activity

For a graphical presentation of the statistical information included below, please visit the link: [online TADL dashboard](#).

<u>Year to Date Circulation Activity</u>			
<u>End of Month</u>	<u>Print/Audio/Video</u>	<u>Electronic Books/Audio/Video</u>	<u>TOTAL</u>
May 2023	428,257	138,290	566,547
May 2024	418,050	140,949	558,999

Lending

Physical Circulation is down by 1.3% from last year.

Visitors – Woodmere, East Bay, and Kingsley Facilities

In May 2024, there were 28,326 visitors as opposed to 26,707 visitors in May 2023. The busiest day for May was Tuesday, the 22th, with 1,153 visitors. In April and May 2024, TADL welcomed 930 new patrons district-wide, 345 of those were for Grand Traverse Academy students.

Public Computing

In May, there were 2,034 sessions as opposed to 1,822 in May 2023 which is an 11% increase over last year.

Additions to the Collection

In April and May 2024, 5,453 items were added to the district.

Behavior Issues

There were 10 incidents in April and only one medical emergency incident in May 2024 resulting in 1 suspension. These incidents were from a strange mix of situations including emotional support animals, Child Protective Services, threatening behavior, medical emergencies, and intoxication in the library.

Website and Mobile ADA Accessibility

The US Justice Department published the Final Rule to Strengthen Web and Mobile App Access for People with Disabilities. I am happy to report our website and mobile app are up-to-date.

Book Banning

Some nonprofits and free-speech organizations like PEN America and the ACLU have joined forces with some of the largest publishing houses in the U.S. to push back against book bans with 4 lawsuits.

1. Ruthie Walls, et. al. vs. Sarah Huckabee Sanders
2. PEN America, Penguin Random House vs. Escambia County, Fla., School Board
3. Hachette Book Group, HarperCollins Publishers, Macmillan Publishers and Simon & Schuster, Penguin Random House vs. State of Iowa
4. Lambda Legal, ACLU Iowa, and Jenner & Block LLP vs. State of Iowa State of Iowa

April & May Outreach, Partnership & Community Activities

Purposeful Partnerships

- Signed an MOU with Parkinson's Foundation to do classes at the library.

Innovative Engagement

- Conducted 2 Doughnuts with the Director events and talked to many patrons.

Community Outreach

- Attended multiple Housing/Homeless Coalition meetings.
- Helped Central High School Students with their Senior Class Paper Presentations.
- Assisted at the TADL Poet's Night Out.
- Attended the Northwest Michigan Arts & Culture Summit.

Out and About

- I attended the Public Library Association Conference with Melissa McKenna, Danielle Baldwin, and Christina Meyers. The conference was exhilarating and exhausting!
- Attended the KBL 15th Anniversary Building party which was also a celebration of Ms. Beth working with the library for 25 years. It was a truly touching celebration. Ms. Beth has touched many lives and we are lucky to have her working at KBL!
- Attended the MLA Advocacy Day in Lansing.
- I continue to be the Treasurer for Northland Library Cooperative and attend those meetings.
- Dined on a wonderful dinner at the Peninsula Community Library Books at the Boat House Fundraiser.
- Attended the Friends Annual Meeting.
- Participated in the final Michigan Library Association Think Space Conference.

Happy Summer Reading Club!

Michele P. Howard, MILS



- Traverse Area District Library -

We want to hear from YOU!

Comments & Item Suggestions*

Date: 3-26-23

Restrooms are ^{way} overdue
for a remodel. Counters
are always flooded, facets
spray water + toilet paper
dispenser fell off the
wall onto my lap ETC.



*Please hold this item for me

Name _____ Contact _____

Lots + lots of Trail users in here.
If finances are tight, get
county money to help.

It's disgraceful +
certainly not up
to the standards
of the rest of the library.



- Traverse Area District Library -

We want to hear from YOU!

Comments & Item Suggestions*

Date: 12/1/23

Woodmere Library
25 years that's great,
but bathrooms with their
heavy use should have
been redone LONG ago.



~ Traverse Area District Library ~

We want to hear from YOU!

Comments & Item Suggestions*

Date: 04/17/24

keep up your
MAGNIFICENT
WORK



~ Traverse Area District Library ~

We want to hear from YOU!

Comments & Item Suggestions*

Date: _____

Thank you for this
excellent community
resource.



~ Traverse Area District Library ~

We want to hear from YOU!

Collection Suggestion: [Book * Music * Movie * Video Game * E-Resource * Program * Other]

Comment: As usual, the library is
100% efficient in providing
research material.

Date: _____
Name & contact info (optional):

Ax MI Tax Talking Points

Framing Comment

An effort known as Ax MI Tax aims to eliminate all real and personal property taxes in Michigan. This proposal will cut over \$17 billion in funding for schools, roads, recreation, and public safety. At the same time, it provides fractional and restricted replacement funding to cities, villages, townships, and counties with no replacement revenue to schools or other authorities.

This proposal is not tax reform. It is an attack on our communities, and on schools, parks, libraries, community colleges, elections, trash collection, and public safety, which provide benefits to every resident of Michigan. The human impact will be profound, and the elimination of these services will ultimately devalue the property of every homeowner and business because Michigan will be a much less desirable place to live.

In a state that already has two constitutional property tax limitations, this proposal will cut over \$17 billion in funding for critical services. It will immediately eliminate tens of thousands of jobs from our local economy and increase unemployment. It only provides fractional and restricted replacement funding to cities, villages, townships, and counties. There is NO replacement revenue for any other millage, including local school millages, state education tax, libraries, parks authorities, community colleges, garbage pick-up, roads, public safety authorities, transit, etc. Additionally, it seeks to establish minority rule by requiring super majorities for any revenue proposals going forward.

In short, this is bad public policy. Taxpayer-provided resources are needed to fund services we recognize are for the greater good. They provide real human and economic benefit to us all and are necessary for us to function as a society. In their absence, we lose more than just services: we lose the very community we know and love.

General Talking Points:

The Ax MI Tax ballot proposal:

- Cuts over \$17 billion in funding for critical services and only provides fractional and restricted replacement funding to cities, villages, townships, and counties. Eliminates all other millages, including local school millages, state education tax, libraries, parks authorities, community colleges, garbage pick-up, roads millages, public safety authorities, debt, transit, zoo, art institute, etc.
- Eliminates thousands of skilled jobs from the Michigan economy.
- Encourages Michigan-based businesses to leave due to their inability to attract and retain workers in a state that will effectively have no public services or educational opportunities.
- Puts in place minority rule by requiring a 2/3 majority of the legislature for any increase in revenue that exceeds .01% over five years and similarly puts in place a 60% super majority requirement for local tax questions.

Schools

Ax MI Tax Talking Points

- Devastates and effectively eliminates capital improvements to our school buildings by cutting nearly \$10 billion in funding with zero replacement revenue.
- Creates massive cuts to school support services, such as counselors, librarians, and educational aides, further impacting student well-being and academic success.
- Eliminates roughly 45% of ISD funding, which supports special education services.
- Will likely force schools to cut essential programs, such as:
 - Arts and music programs
 - Advanced Placement (AP) and International Baccalaureate (IB) classes
 - Vocational and technical education programs
 - Athletics and extracurricular activities
- Removes the ability for school districts to levy millages to repair, update, and build new school buildings. Bonds and sinking funds will not be able to cover the costs to keep existing buildings from crumbling or build new ones when they do.
- Has a significant and disproportionate impact on students from low-income families and communities that already face educational challenges.
- Guts school budgets, leading to teacher layoffs, significantly larger class sizes, program cuts, and even school closures.

Local Government

- Provides only fractional and restricted revenue replacement, ensuring a reduction in essential services, including police, fire, and EMS.
- Prohibits spending on any parks and recreation programs.
- Prohibits spending on any senior programs.
- Does not provide funding for county jails.
- Does not provide for the maintenance of any public grounds, i.e., the grass can't be cut or the snow shoveled around facilities.
- Provides no funding for trash collection or recycling services.
- Provides no funding for elections.
- Does not protect statutory revenue sharing, putting over \$500 million at risk.
- Effectively eliminates economic development tools like downtown development authorities (DDAs) and tax increment financing (TIF).
- Communities utilizing Authorities for public safety or other services with tax capacity as a funding source receive no replacement revenue.
- Puts public pensions at risk due to both the stark revenue elimination and limited use provisions of the proposal.
- Requires a 60% super majority to approve any new tax proposal.

Other Tax Entities

Ax MI Tax Talking Points

- Eliminates over \$4 billion (nearly 30%) from the state general fund budget, which could impact important services like the state police, corrections, economic development, veterans' affairs, etc.
- Drastically impacts community colleges, eliminating approximately 35% of their funding and potentially impacting another 24% due to the reduction in state general fund revenues.
- Eliminates most funding for public libraries, which will lead to the closure of important community anchors where residents utilize their services for both education and work. These closures will lead to layoffs and thousands of newly unemployed Michigan residents.
- Damages public transportation systems, which are vital for many residents to get to school, their place of employment, or the doctor's office. Funding cuts will lead to reduced service, fare hikes, and even complete shutdowns.
- Parks authorities like Huron Clinton Metro Parks will receive no replacement funding.
- Requires a 2/3 majority for any revenue increase over five years of more than .01%, not even matching inflation rates.

What you can and cannot do as a local elected official

With regard to ballot question committees, Michigan law significantly limits the types of activity that a Public Body can undertake. A governmental entity is essentially limited to:

- Taking a position on a ballot question; and
- Doing analysis on the impact of a ballot question.

Individual officers of a Public Body may also communicate a position on a ballot question. Apart from these narrow exceptions, section 57 of the Michigan Campaign Finance Act (MCFA), 1976 PA 388, as amended, MCL 169.257, strictly prohibits activities related to the support or opposition of a ballot question committee.

The MCFA broadly defines a Public Body to include:

- a. A state agency, department, division, bureau, board, commission, council, authority, or other body in the executive branch of state government.
- b. The legislature or an agency, board, commission, or council in the legislative branch of state government.
- c. A county, city, township, village, intercounty, intercity, or regional governing body; a council, school district, special district, or municipal corporation; or a board, department, commission, or council or an agency of a board, department, commission, or council.
- d. Any other body that is created by state or local authority or is primarily funded by or through state or local authority, if the body exercises governmental or proprietary authority or performs a governmental or proprietary function. [MCL 169.211]

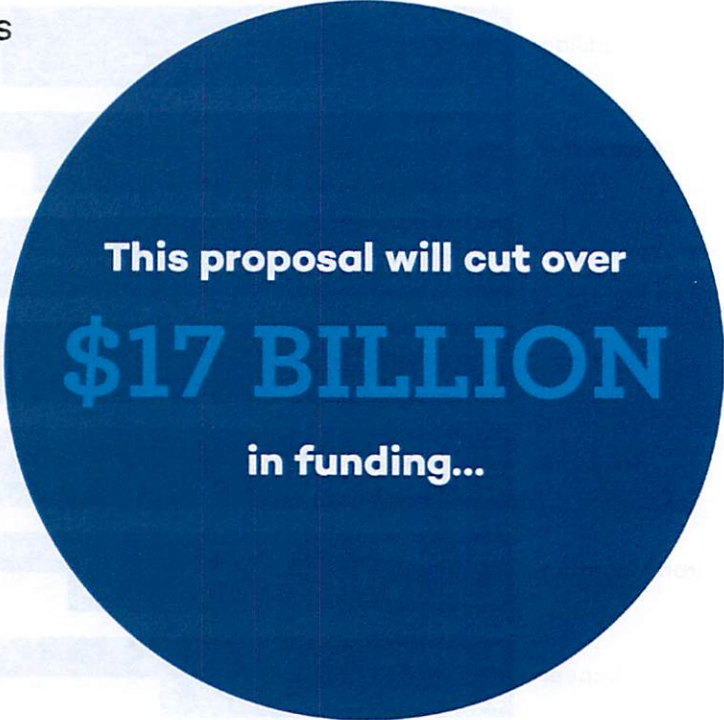
The MCFA significantly limits the actions that a Public Body can undertake relative

to a ballot question. Generally, the MCFA provides the following:

- **Use of Public Resources Prohibited.** Michigan's Campaign Finance Act prohibits a Public Body or an individual acting on behalf of the Public Body from using or authorizing the use of public resources to make a contribution or expenditure to influence or assist the qualification, passage, or defeat of a ballot question. [MCL 169.257(1)]
- **Exceptions for Views of Officials and Factual Information.** This general prohibition does not apply to "the expression of views by an elected or appointed public official who has policy making responsibilities" or to the production or dissemination of factual information concerning issues relevant to the function of a Public Body. A Public Body may undertake an analysis of the potential impacts of a ballot question. [MCL 169.257(1) (a) to (b)]
- **Adoption of Resolution.** A Public Body may adopt a resolution supporting or opposing a ballot question.
- **Publicizing Resolution.** A resolution supporting or opposing a ballot question may only be publicized in the same manner as other resolutions adopted by a Public Body and the use of public resources to distribute or publicize the resolution beyond ordinary means is a violation of the MCFA.
- **Occasional, Incidental Use of Public Resources by Official.** The occasional, incidental use of public resources to communicate with a constituent or the media regarding a ballot question falls within the statutory exception because public officials have an obligation to take positions on controversial political questions so that constituents are fully informed and better able to assess their qualifications for office.
- **Mass Communication Prohibited.** Mass distribution of e-mail messages, mailing of brochures, postcards, or flyers that in express terms advocates the passage or defeat of a ballot question is prohibited.

Ax MI Tax Update

An effort known as Ax MI Tax aims to eliminate all real and personal property taxes in Michigan. This ballot initiative is being pursued by individuals who say they “don’t care” about what is lost. This “don’t care” approach to the impact of this proposal devalues the importance of having shared interest and connections between community members.



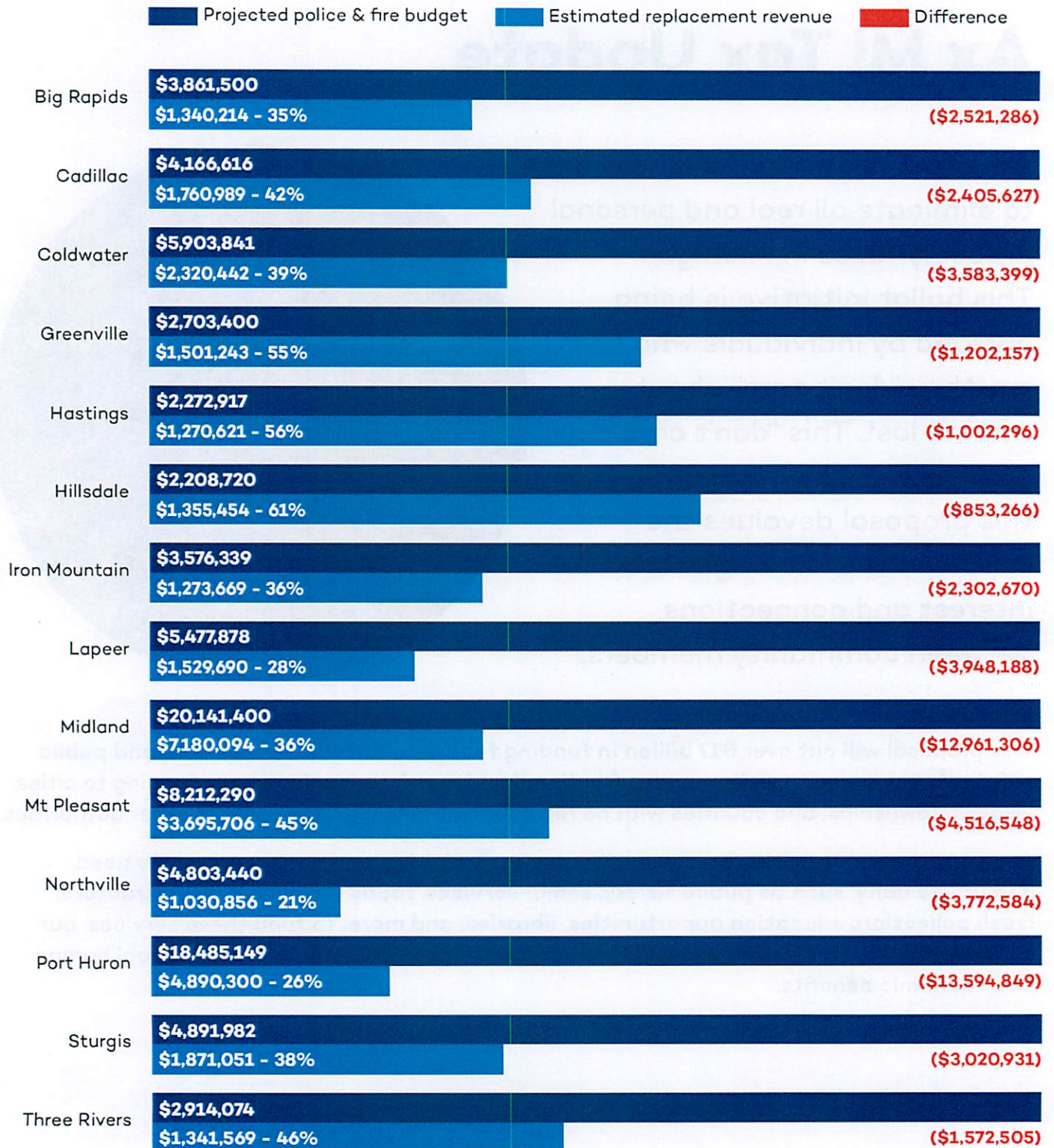
This proposal will cut over
\$17 BILLION
in funding...

This proposal **will cut over \$17 billion in funding for schools, roads, recreation, and public safety.** At the same time, it provides fractional and restricted replacement funding to cities, villages, townships, and counties with no replacement revenue to schools or other authorities.

As you know, communities are filled with spaces, activities, and **core services we need and utilize daily, such as public safety, senior services, roads and water infrastructure, trash collection, education opportunities, libraries, and more.** To fund these services, our communities rely on property taxes. These property taxes are vital to providing real human and economic benefits.

Local Public Safety Impacts

A sample of the consequences of this ballot proposal on public safety budgets.



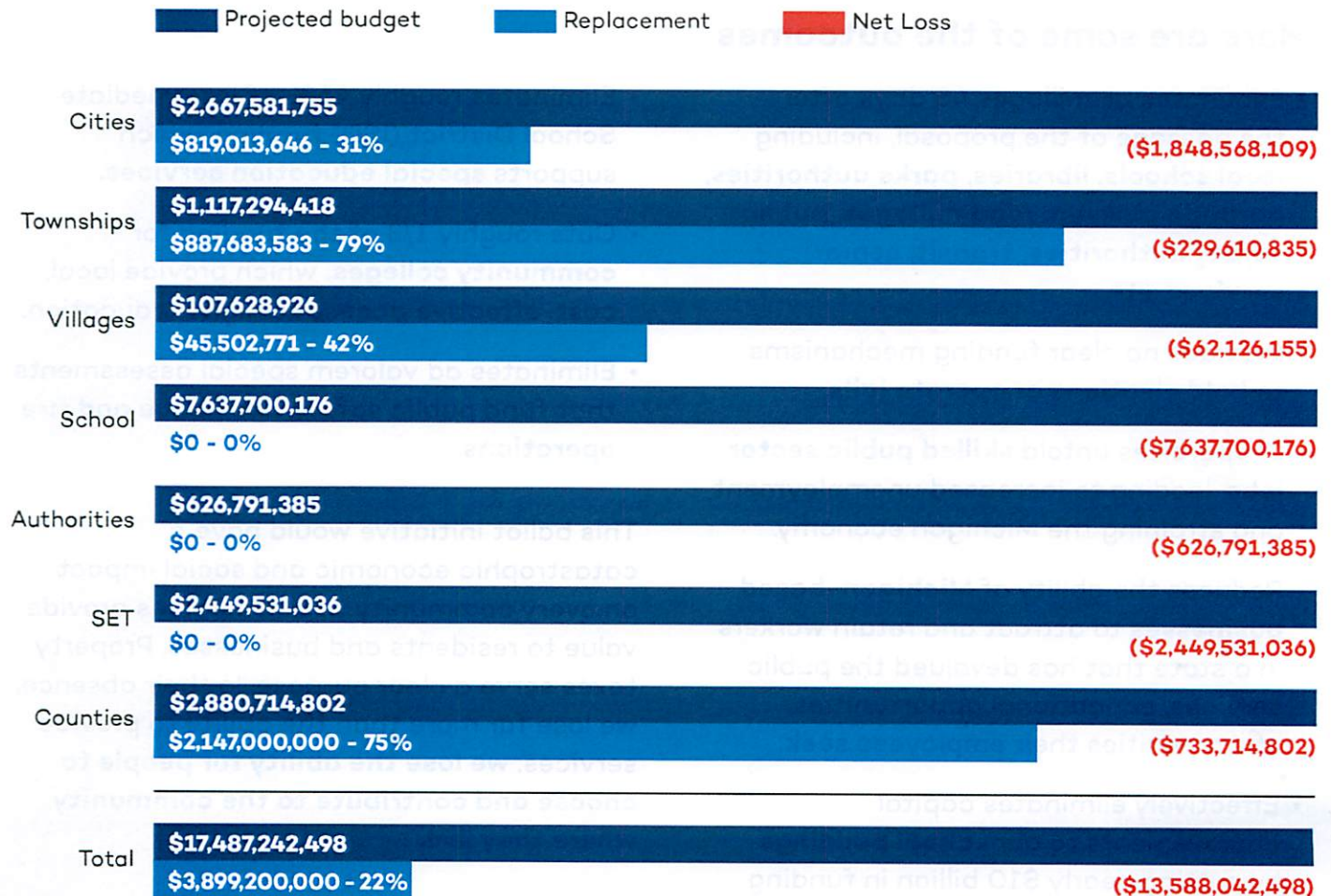
The proposal language includes the following

- Eliminating all current and future state, county, and municipal personal property taxes.
- Redistributing state tax revenue from sales, income, marijuana, alcohol, and tobacco to cities villages, townships, and counties.
- Redistributed tax revenue can only be expended on essential services and infrastructure, which are narrowly defined as public safety, courts, roads, and water infrastructure.
- Requiring 60% of voters to approve local taxes and 2/3 vote of the Legislature to increase any state tax by more than .01% over five years.

While reducing taxes may seem appealing, **this proposal will negatively impact in a profound way the very people and services it claims to protect.** The elimination of these resources will make it impossible for state and local governments to deliver core services, invest in our infrastructure, and spur economic growth.

Statewide Aggregate Impacts

A chart demonstrating the financial impact statewide.





**INCREASED
UNEMPLOYMENT**



**ELIMINATES
SCHOOL FUNDING**



**ELIMINATES CAPITAL
IMPROVEMENTS TO BUILDINGS**



**NO CLEAR FUNDING
FOR VOTING OR JAILS**



**CUTS FUNDING FOR
POLICE AND FIRE**



**REDUCES LOCAL
BUSINESS VALUE**

Here are some of the outcomes

- Eliminates all millages 45 days after the passage of the proposal, including **local schools, libraries, parks authorities, garbage pick-up, road millages, public safety authorities, transit, senior services**, etc.
 - Provides no clear funding mechanisms to **hold elections or operate jails**.
 - Jeopardizes untold **skilled public sector jobs**, leading to increased unemployment and straining the Michigan economy.
 - Reduces the ability of **Michigan-based businesses** to attract and retain workers in a state that has devalued the public services, educational opportunities, and amenities their employees seek.
 - Effectively eliminates capital improvements to our **school buildings** by cutting nearly \$10 billion in funding with zero replacement revenue.
 - Eliminates roughly 45% of Intermediate School District (ISD) funding, which supports **special education services**.
 - Cuts roughly 1/3 of the funding for **community colleges**, which provide local, cost-effective access to higher education.
 - Eliminates ad valorem special assessments that fund public safety, like **police and fire operations**.
- This ballot initiative would have a catastrophic economic and social impact on every community whose services provide value to residents and businesses. Property taxes serve a clear purpose. In their absence, we lose far more than the ability to provide services; **we lose the ability for people to choose and contribute to the community where they live.**

Traverse Area District Library

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT**

December 31, 2023

Draft

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT.....	2
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	5
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION.....	15
STATEMENT OF ACTIVITIES.....	16
FUND FINANCIAL STATEMENTS	
GOVERNMENTAL FUNDS - BALANCE SHEETS.....	17
GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE.....	18
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE WITH THE STATEMENT OF ACTIVITIES.....	19
NOTES TO FINANCIAL STATEMENTS.....	20
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF CHANGES IN THE MERS NET PENSION ASSET AND RELATED RATIOS.....	37
SCHEDULE OF MERS EMPLOYER'S CONTRIBUTIONS.....	38
BUDGETARY COMPARISON SCHEDULE FOR THE GENERAL FUND.....	39
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 <i>GOVERNMENT AUDITING STANDARDS</i>	40

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Traverse Area District Library
Traverse City, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Traverse Area District Library (the "Library"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Traverse Area District Library's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Library, as of December 31, 2023 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Library and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Library's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, on pages 5 through 15, and pension schedules and budgetary comparison information, on pages 37 - 39, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standard Board who considers it to be an essential part of financial reporting for placing 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 _____ 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 solely 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 the effectiveness of the Library's 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 Traverse Area District Library's internal control over financial reporting and compliance.

Certified Public Accountants
Traverse City, Michigan

**Traverse Area District Library
Management Discussion and Analysis
For the year ended December 31, 2023**

As management of the Traverse Area District Library (the “Library” or “TADL”), we offer readers of the Traverse Area District Library financial statements this narrative review and analysis of the financial activities for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

Financial Highlights

1. TADL continued the strategic planning process which involved input from direct interviews and survey results from over 480 citizens. This Plan was adopted by the Board of Trustees in June 2021. While always keeping our patrons and community our top priority, we met the challenges of 2023 with renewed vigor from the input we received during the strategic planning process which guided our collection, programs and budgets during 2023 and will continue to do so for the next year.
2. The main source of operating revenue for the library is generated by a millage. Taxes collected in 2023 were based on 2022 property tax values. The amount collected for 2023 increased 6.0% over the previous year. The 2023 taxable values, which determine what the Library receives in 2024, increased 9.1%.
3. On August 2, 2016, voters approved the renewal of our millage at .9544 mills by a greater than 75% margin. Subsequent Headlee Millage Rollbacks have resulted in the levy being reduced to .9467 in 2017, .9431 in 2018, .9382 in 2019, .9292 in 2020, .9202 in 2021, .9044 in 2022, but remained at .9044 in 2023 due to high inflation rates. As inflation rates have stabilized, we do expect another rollback in 2024.
4. The overall operating revenue in 2023 increased from the prior year by 8.6% due mainly to property taxes increasing, not being subject to the Headlee rollback, and investment gains increasing substantially from 2022. Expenses increased due to an added focus toward library materials with purchases of more books and electronic materials, as well as inflation impacting the costs of goods and services.
5. In 2023, the library paid \$120,000 to the Municipal Employees’ Retirement System (MERS). With the extra payments and the freezing of our Defined Benefit plan, the plan is now funded at 91% versus 90% last year based on an adjustment to life expectancy and rates of return on investments.

Management Discussion and Analysis – Continued

6. Overall personnel expenses went down 0.4% in 2023. This was due to the library incurring higher one-time expenses in 2022, including higher extra payments to our MERS Defined Benefit plan as well as paying out the Reserve Sick Leave liability to current employees who would have otherwise received the payout at retirement and at a cost-of-living pay rate much higher than paid out in 2022. Employee insurance premiums, which include employer contributions toward employee HSA accounts, increased by 0.3% compared to 2022. This difference can be attributed to changes in employee demographics and selected coverage levels. The actual increase in medical plan premiums was 4.7%.
7. Of the six TADL locations, three are Member libraries with service contracts. Funding is based on the percentage of increase or decrease in the collection of Property Taxes, Penal Fines and State Aid from the prior year. The total of these revenue sources increased in 2023, resulting in an increase in member library funding of 1.5% in 2023. In December of 2021 the Fife Lake Public Library, Interlochen Public Library and Peninsula Community Library contracts were re-negotiated and a 10-year contract was signed with each library.
8. The Teamsters Union labor contract negotiated in 2021 and a 3-year contract was signed. The new contract will expire at the end of 2024. This contract continued a 3% annual wage increase each year of the three-year contract.
9. The Unassigned General Fund Balance increased by \$374,276 from last year's audit, bringing the total to \$1,456,207. This increase preserves a balance equal to two months of operating expenses.
10. By adapting to the ever-changing financial landscapes in 2023, the Library continues to operate well within current revenue collections.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Library.

- The first two statements are Library-wide financial statements that provide both short-term and long-term information about the Library's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Library, reporting the Library's operations in more detail than the Library-wide statements.

Management Discussion and Analysis – Continued

- The governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the Library's budget for the year.

Library-wide Statements

The Library-wide statements report information about the Library as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the Library's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two Library-wide statements report the Library's net position and how it has changed. Net position - the difference between the Library's assets and liabilities - is one way to measure the Library's financial health or position.

- Over time, increases or decreases in the Library's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the Library's overall health, you need to consider additional non-financial factors such as changes in the Library's property tax base and the condition of buildings and other facilities.

Fund Financial Statements

The fund financial statements provide more detailed information about the Library's funds, focusing on its most significant or "major" funds: not the Library as a whole. Funds are accounting devices the Library uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law.
- The Library establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues.

Management Discussion and Analysis – Continued

The Library has one kind of fund:

- **Governmental funds:** Most of the Library’s basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Library’s programs. Because this information does not encompass the additional long-term focus of the Library-wide statements, this report includes reconciliation schedules that explain the relationship (or differences) between the Library-wide statements and the fund financial statements.

Financial Analysis of the Library as a Whole

Net position. The Library’s combined total net position was \$8,518,831 on December 31, 2023, a decrease of 1.9% from the prior year. Figure A-1 illustrates the net position for years ended December 31.

Figure A-1

Condensed Statement of Net Position

	<u>2023</u>	<u>2022</u>
Assets		
Current assets	\$ 9,566,087	\$ 8,807,704
Non-current assets	6,697,502	6,818,913
Deferred outflows of resources	<u>371,164</u>	<u>868,845</u>
Total assets and deferred outflows of resources	<u>\$ 16,634,753</u>	<u>\$ 16,495,462</u>
Liabilities		
Current liabilities	\$ 245,212	\$ 229,752
Non-current liabilities	1,689,187	1,970,057
Total liabilities	<u>1,934,399</u>	<u>2,199,809</u>
Deferred inflows of resources	<u>6,193,154</u>	<u>5,604,207</u>
Net position		
Investment in capital assets	6,503,425	6,720,773
Restricted	1,237,699	1,363,205
Unrestricted	<u>766,076</u>	<u>607,468</u>
Total net position	<u>8,507,200</u>	<u>8,691,446</u>
Total liabilities, deferred inflows of resources	<u>\$ 16,634,753</u>	<u>\$ 16,495,462</u>

Management Discussion and Analysis – Continued

Changes in net assets. The Library’s total revenue of \$6,437,380 was less than expenditures; decreasing net assets by \$184,246. This decrease was primarily due to increase in library services.

Of the Library’s \$6,621,626 in expenditures, approximately 57% is related to personnel costs.

Figure A-2

Changes in Net Position from Operating Results

	2023	2022
Revenue		
Program revenue		
Charges for services	\$ 83,428	\$ 80,283
Operating grants and contributions	305,463	305,656
Total program revenue	388,891	385,939
General revenue		
Property taxes	5,661,127	5,357,525
Fines and forfeitures	213,858	190,441
Unrestricted investment earnings	173,504	(106,661)
Total general revenue	6,048,489	5,441,305
Total revenue	6,437,380	5,827,244
Expenditures		
Library services	5,970,368	5,784,917
Depreciation - unallocated	651,258	667,462
Total expenditures	6,621,626	6,452,379
Increase (decrease) in net position	(184,246)	(625,135)
Net position - beginning of year	8,691,446	9,316,581
Net position - end of year	\$ 8,507,200	\$ 8,691,446

Financial Analysis of the Library’s Funds

The strong financial performance of the Library as a whole is reflected in its governmental funds. As the Library completed the year, its governmental funds reported a fund balance of \$3,270,652.

Management Discussion and Analysis – Continued

General Fund Budgetary Highlights

Over the course of the year, the Library revised the annual operating budget. Budget items that were significantly different from original budgeted amounts and items causing budget adjustments are enumerated below.

- There was a significant increase in unrealized investment gains, as well as more modest increases in other revenue categories including property taxes, grants, penal fines, sales, and donations for an overall increase in budgeted revenue of \$268,030.
- Along with an increase in Revenues due to donations, we also had adjustments to our expenditures as we put those donations to work. Expenditures were adjusted as follows:
 - Personnel was adjusted upward slightly by \$26,718 to ensure all individual budgetary line items within the category would not go over budget.
 - Supplies were increased \$151,467 due to additional spending created by various grants and donations and also by a management focus on increased spending on physical and digital materials.
 - Other Services and Charges was adjusted up a total of \$35,147 due to building maintenance contractor charges throughout the year.
 - Capital Improvements budgets were adjusted upward of \$45,000 for purchases of the outdoor drinking fountain, a new server and an HVAC unit specific for the IT room to keep server temperatures stable.

Management Discussion and Analysis – Continued

Figure A-3

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>General Fund Revenues</i>			
Property taxes	\$ 5,661,131	\$ 5,661,127	\$ (4)
State grants	149,301	149,301	-
Other grants	67,202	67,206	4
Charges for services	79,358	83,428	4,070
Fines and forfeitures	212,034	213,858	1,824
Investment income	89,040	116,732	27,692
Contributions and other income	77,588	88,956	11,368
Total revenues	<u>6,335,654</u>	<u>6,380,608</u>	<u>44,954</u>
<i>General Fund Expenditures</i>			
Personnel	3,587,835	3,535,788	52,047
Supplies	1,023,242	874,580	148,662
Other services and charges	1,669,879	1,546,869	123,010
Capital outlay	45,000	38,773	6,227
Total expenditures	<u>6,325,956</u>	<u>5,996,010</u>	<u>329,946</u>
Net change in fund balance	<u>\$ 9,698</u>	<u>\$ 384,598</u>	<u>\$ 374,900</u>

Capital Asset and Debt Administration

Capital Assets

By the end of 2023, the Library had invested approximately \$14.9 million in a broad range of capital assets, including building improvements, books, computer and audio-visual equipment. Total depreciation expense for the year was \$623,334. Figure A-4 details the historical costs, accumulated depreciation, and book value of the Library's capital assets.

Management Discussion and Analysis – Continued

Figure A-4

	<u>2023</u>	<u>2022</u>
Land	\$ 345,545	\$ 345,545
Building	8,616,889	8,565,421
Collections	4,127,282	4,030,050
Furniture & equipment	<u>1,894,698</u>	<u>1,921,223</u>
Total capital assets	14,984,414	14,862,239
Accumulated depreciation	<u>8,470,124</u>	<u>8,136,027</u>
Net capital assets	<u>\$ 6,514,290</u>	<u>\$ 6,726,212</u>

Debt Administration

The following (Figure A-5) is a summary of the outstanding debt at December 31:

Figure A5

	<u>2023</u>	<u>2022</u>
Governmental activities:		
Compensated absences	<u>\$ 277,138</u>	<u>\$ 270,879</u>

Factors Bearing on the Library’s Future

At the time these financial statements were prepared and audited, the Library was aware of circumstances that could significantly affect its financial health in the future.

1. Local property taxes represent the largest portion of the Library’s revenue providing 89% of the total library funding this year. Taxable values have increased each year of the last decade with the increases as follows according to annual county equalization reports:
 - 2014 1.762%
 - 2015 3.273%
 - 2016 1.683%
 - 2017 3.622%
 - 2018 4.896%
 - 2019 5.128%
 - 2020 5.24%
 - 2021 4.66%
 - 2022 7.38%
 - 2023 9.42%

Management Discussion and Analysis – Continued

Due to the increasing value of taxable properties, TADL has generally had Headlee Millage reductions for the past but a reduction was not required in 2023 due to the rate of inflation. The Headlee Millage reduction is expected to reduce the library's levy in December 2024 for 2025 operations. Our tax receipts will, of course, increase overall, but the lower millage rate will prevent us from collecting the full voter approved amount, unless voters approve a higher Millage.

2. We are continuing to monitor discussions of extending the duration of TIF97 and expansion of borders without a tax capture component. If this should occur, in accordance with Board policy, we will opt out to preserve library funding.
3. In 2023, TADL received a Local Community Stabilization payment of \$33,220 from the state as a result of Personal Property tax legislation. This was down from the previous year by 2.9%.
4. In 2023, the Library was required to reimburse the county and/or townships due to Board of Review and Tax Tribunal judgments for a total of \$5,199. The possibility of adverse Board of Review and Tax Tribunal rulings remains a threat that can vary tremendously from year to year and is not within the control of the Library.
5. State Aid receipts increased 3.2% in 2023. We continue to appreciate the efforts by the Michigan Library Association to advocate for increased library funding to the legislature, and the positive response from our legislators in approving funding increases. We hope that funding will be continuing to be prioritized for libraries.
6. Penal fine receipts have generally declined annually since 2015. This is of great concern as this is the second largest funding source. It remains a target of legislative activity at the state level as well as potential local ordinances that are passed to capture fines for the municipalities in which the offenses take place. In 2023, Penal fines increased 11.8% totaling \$179,251. We do not foresee the trend of decreasing penal fines reversing in the near future, but see revenue in 2023 as an outlier.
7. A new labor contract will be negotiated in 2024 with an effective date of January 1, 2025. Negotiation with the labor union will ultimately provide stabilization of wage and retirement costs for the contract period; however, the precise financial impact on future TADL budgets remains to be calculated. In addition, rising inflation rates make health insurance expenditures unpredictable.
8. A committee of the Board of Trustees also negotiated a new ten-year contract with each of our three Member libraries in 2021 to continue a stable funding source for our Members to be able to provide library services in their communities.

Management Discussion and Analysis – Continued

9. We continued the practice of contributing extra funds toward our unfunded pension liability for our frozen MERS Defined Benefit plan in 2023. An additional \$52,452 was paid on top of the required annual contribution of \$67,548. While we expect to continue this practice of additional payments, our future required contributions are based in part on investment earnings and we do not know the effect of the current fluctuating markets on those investments.
10. After significant testing, completion of insulation installation, and completion of roof venting, it was resolved in 2023 that the roof is working well and will last another 10 years. We will continue to monitor and maintain the roof but will turn the focus of other Capital Improvement areas in 2024.
11. The Main library still requires regular maintenance and upgrades. In 2023, the Board approved funding to install a community garden and outdoor drinking fountain, improvements to our HVAC system, and interior painting. Topping the list for 2024 is more interior painting, a renovation of the restrooms, and much needed updates to our audio/visual components in our meeting rooms.

Requests for Information

This financial report is designed to provide a general overview of the Library's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director, Traverse Area District Library, 610 Woodmere, Traverse City, Michigan 49686.

Traverse Area District Library

STATEMENT OF NET POSITION

December 31, 2023

	<u>Governmental Activities</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
ASSETS	
Current assets	
Cash and equivalents	\$ 658,869
Investments	3,101,023
Accounts receivable	5,595,027
Prepaid expenses	<u>211,168</u>
Total current assets	<u>9,566,087</u>
Non-current assets	
Capital assets, net of accumulated depreciation	6,514,290
Operating lease right-of-use asset	<u>183,212</u>
Total non-current assets	<u>6,697,502</u>
DEFERRED OUTFLOWS OF RESOURCES	
Defered outflows of resources for net pension liability	<u>371,164</u>
Total assets and deferred outflows of resources	<u>\$ 16,634,753</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
LIABILITIES	
Current liabilities	
Accounts payable	\$ 72,568
Accrued liabilities	118,978
Lease liability, current portion	25,952
Current portion of long-term debt	<u>27,714</u>
Total current liabilities	<u>245,212</u>
Non-current liabilities	
Long-term debt	249,424
Lease liability, net of current portion	168,125
Net pension liability	<u>1,271,638</u>
Total non-current liabilities	<u>1,689,187</u>
Total liabilities	<u>1,934,399</u>
DEFERRED INFLOWS OF RESOURCES	
Taxes levied but intended for subsequent period	6,115,520
Defered inflows of resources for net pension obligation	<u>77,634</u>
Total deferred inflows of resources	<u>6,193,154</u>
NET POSITION	
Investment in capital assets	6,503,425
Restricted for	
Sight and sound	7,679
Youth services	1,456
Local history collections	13,407
East Bay	200
Teen services	5,537
Talking Book Library	19,659
Kingsley	50
Adult service	1,219
Bookmobile	250
Public improvement	1,162,484
Permanent fund	
Expendable	4,708
Nonspendable	21,050
Unrestricted	<u>766,076</u>
Total net position	<u>8,507,200</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 16,634,753</u>

The accompanying notes are an integral part of these financial statements.

Traverse Area District Library

STATEMENT OF ACTIVITIES

Year Ended December 31, 2023

Functions	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
Governmental activities					
Library services	\$ 5,970,368	\$ 83,428	\$ 305,463	\$ -	\$ (5,581,477)
Depreciation and amortization - unallocated	651,258	-	-	-	(651,258)
Total governmental activities	\$ 6,621,626	\$ 83,428	\$ 305,463	\$ -	(6,232,735)
General revenues					
Property taxes					
Levied for general purposes					5,661,127
Fines and forfeitures					213,858
Investment earnings (losses)					173,504
Total general revenues					6,048,489
Change in net position					(184,246)
Net position, beginning of year					8,691,446
Net position, end of year					\$ 8,507,200

The accompanying notes are an integral part of these financial statements.

Traverse Area District Library

GOVERNMENTAL FUNDS - BALANCE SHEETS

December 31, 2023

	General Fund	Public Improvement	Non-Major Permanent Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 658,869	\$ -	\$ -	\$ 658,869
Investments	1,873,751	1,201,698	25,574	3,101,023
Receivables				
Property taxes	5,567,189	-	-	5,567,189
Interest	8,888	8,628	184	17,700
Accounts	10,138	-	-	10,138
Prepaid expenditures	198,043	13,125	-	211,168
Total assets	<u>\$ 8,316,878</u>	<u>\$ 1,223,451</u>	<u>\$ 25,758</u>	<u>\$ 9,566,087</u>
LIABILITIES				
Accounts payable	\$ 72,568	\$ -	\$ -	\$ 72,568
Accrued liabilities	118,978	-	-	118,978
Total liabilities	<u>191,546</u>	<u>-</u>	<u>-</u>	<u>191,546</u>
DEFERRED INFLOWS OF RESOURCES				
Taxes levied intended for subsequent period	6,115,520	-	-	6,115,520
FUND BALANCE				
Nonspendable	198,043	13,125	21,050	232,218
Restricted				
Sight and sound	4,324	3,355	-	7,679
Youth services	125	1,331	-	1,456
Local history collection	2,542	10,865	-	13,407
East Bay	200	-	-	200
Teen services	500	5,037	-	5,537
Talking Book Library	9,398	10,261	-	19,659
Kingsley	50	-	-	50
Adult Services	1,219	-	-	1,219
Bookmobile	250	-	-	250
Fund use	-	1,162,484	4,708	1,167,192
Committed				
Children's programming endowment	81,000	-	-	81,000
Employee benefit obligations	277,138	-	-	277,138
Assigned				
Operations	41,699	-	-	41,699
Accounting software	-	16,993	-	16,993
Unassigned	1,393,324	-	-	1,393,324
Total fund balance	<u>2,009,812</u>	<u>1,223,451</u>	<u>25,758</u>	<u>3,259,021</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 8,316,878</u>	<u>\$ 1,223,451</u>	<u>\$ 25,758</u>	

Reconciliation of Governmental Fund Balance to District-Wide Governmental Activities Net Position

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, including the operating lease right-of-use assets, are used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.
 The cost of the capital assets is \$14,984,414 and the accumulated depreciation is \$8,470,124. 6,514,290
 The operating lease right-of-use lease asset is \$211,136 and the accumulated amortization is \$27,924. 183,212

Deferred inflows of resources net of deferred outflows of resources for pension liabilities are not a financial resource and, therefore, are not reported in governmental funds. 293,530

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Net pension liability	(1,271,638)
Lease liabilities	(194,077)
Compensated absences	(277,138)

Total net position - governmental activities

\$ 8,507,200

The accompanying notes are an integral part of these financial statements.

Traverse Area District Library

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended December 31, 2023

	General Fund	Public Improvement	Non-Major Permanent Fund	Total Governmental Funds
REVENUES				
Property taxes	\$ 5,661,127	\$ -	\$ -	\$ 5,661,127
State grants	149,301	-	-	149,301
Other grants	67,206	-	-	67,206
Charges for services	83,428	-	-	83,428
Fines and forfeitures	213,858	-	-	213,858
Investment income (loss)	116,732	55,660	1,112	173,504
Contributions and other income	88,956	-	-	88,956
Total revenues	6,380,608	55,660	1,112	6,437,380
EXPENDITURES				
Current				
Personnel	3,535,788	-	-	3,535,788
Supplies and collection additions	874,580	-	-	874,580
Other services and charges	1,546,869	3,328	62	1,550,259
Capital outlay	38,773	205,554	-	244,327
Total expenditures	5,996,010	208,882	62	6,204,954
REVENUES OVER EXPENDITURES	384,598	(153,222)	1,050	232,426
Fund balance, beginning of year	1,625,214	1,376,673	24,708	3,026,595
Fund balance, end of year	\$ 2,009,812	\$ 1,223,451	\$ 25,758	\$ 3,259,021

The accompanying notes are an integral part of these financial statements.

Traverse Area District Library

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE WITH THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2023

Total net change in fund balance - governmental funds \$ 232,426

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase, build, or lease capital assets are reported in the governmental funds as expenditures. However, those costs are allocated over their estimated useful lives as annual depreciation and amortization expense in the statement of activities. This is the amount by which depreciation and amortization expense is more than capital outlays during the period.

Capital outlays	\$ 411,412	
Depreciation expense	(623,334)	
Amortization expense	<u>(27,924)</u>	(239,846)

Change in deferred outflows of resources, net of the change in deferred inflows of resources for pension obligations. (575,315)

In the statement of activities, certain operating expenses - accrued leave - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. This year, the amount earned was more than the accrued leave paid. (6,259)

Change in lease liabilities 22,498

Decrease in net pension liability 382,250

Change in net position of governmental activities \$ (184,246)

Traverse Area District Library
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The accounting policies of the Traverse Area District Library (the "Library") conform to generally accepted accounting principles as applied to governmental units. The following is a summary of the significant policies.

The Traverse Area District Library was established on January 1, 1983 pursuant to the Library Act of Michigan by participating municipalities of the City of Traverse City and Grand Traverse County. The Library provides library services to the public.

The Financial Reporting Entity

As a district Library, the Library is governed by a Board of Trustees, appointed in accordance with the Library bylaws. The Board has governance responsibilities over all activities related to the Traverse Area District Library. The Board receives funding from local and State government sources and must comply with concomitant requirements of these funding entities. However, the Board is not included in any other governmental "reporting entity" as defined by the Government Accounting Standards Board since the Board members, who are appointed, have decision-making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters. In accordance with generally accepted accounting principles, there are no component units to be included in the financial statements.

The Traverse Area District Library maintains associate library relationships with the Peninsula Community, Fife Lake Public, and Interlochen Public Libraries. These contractual relationships provide for an exchange of library services. The agreements also provide for payments to the associate members of the amounts based on varying factors. Supplemental payments may also be made to the associate members at the discretion of the Board of Trustees. The Library operates branches in the Village of Kingsley and East Bay Township.

The Traverse Area District Library also provides services for eligible blind and physically handicapped residents to an eight-county region by means of the TADL Talking Book Library. Part of the Michigan Braille and Talking Book Library Network of Regional and Subregional Libraries, expenditures related to this program are partially funded through State and Federal grants and in-kind support.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by charges for services and tax revenues.

NOTES TO FINANCIAL STATEMENTS - Continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from the goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

The balance sheets and statements of revenues, expenditures and changes in fund balance (i.e. fund financial statements) for the Library's governmental and internal service funds display information about the major and aggregated non-major funds for the various fund types. Major funds are generally those that represent 10% or more of the respective fund type's assets, liabilities, revenues or expenditures.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide statements report using the economic resource measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants, property taxes and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental funds use a financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the financial resources measurement focus, only current assets and current liabilities are generally included on governmental fund balance sheets. The governmental fund operating statements present a summary of sources and uses of available spendable resources. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Current expenditures are generally recorded when the fund liability is incurred, if measurable. Exceptions to this general rule include principal and interest on long-term debt, which is recognized when due and accrued compensated absences, which is recorded when payable from current available financial resources.

State revenue, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fund Types and Major Funds

Activities in Major Funds

General Fund - This fund is used to account for all financial resources except those provided for in other funds. The fund includes the general operating expenditures of the Library.

Public Improvement Special Revenue Fund - This fund is used to accumulate money for acquiring, constructing, extending, altering, repairing, or equipping public improvements or buildings.

Activities in Non-Major Funds

Permanent Fund - This fund is used to account for the corpus and earnings of a trust of which the earnings can be spent.

Budgeting Data

The annual budgets are prepared by the Library's management and adopted by the Library Board; subsequent amendments are approved by the Library Board. During the current year, the budget was amended in a legally permissible manner.

The budgets have been prepared in accordance with generally accepted accounting principles. The budget statement (statement of revenue, expenditures and change in fund balance - budget and actual) is presented on the same basis of accounting used in preparing the adopted budget.

The budget has been adopted on an activity basis; expenditures at this level in excess of amounts budgeted are a violation of Michigan Law. A comparison of actual results of operations to the budget as adopted by the Board is included in the financial statements.

The Library follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. On or about December 1st, the Library submits to the general public a proposed operating budget for the fiscal year commencing the following January 1st. The operation budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. On or about December 31st, the budget is legally enacted through passage of a resolution.
- d. The Library Director is authorized to transfer budgeted amounts within the four budgeted categories.
- e. Appropriations for the funds lapse at the end of the fiscal year.

NOTES TO FINANCIAL STATEMENTS - Continued

Cash and Investments

The Library considers all cash, demand deposits and short-term investments with an original maturity of three months or less to be cash equivalents.

Cash deposits are reported at carrying amounts that reasonably estimate fair value. Investments are reported at fair value.

Property Tax Receivable

Property taxes are levied and attached as an enforceable lien on property on December 1st on the taxable valuation of property as of the preceding December 31st. The property taxes are billed and collected by local units of government within the Library District, which then remit the Library's designated portion on a semi-monthly basis. During March of each year, uncollected real property taxes are transferred to the respective County which pays the Library for those balances and accepts responsibility for collection. Responsibility for the collection of unpaid personal property taxes remains with the local units of government.

Although the Library's 2023 ad valorem tax is levied and collectible on December 1, 2023, it is the Library's policy to recognize revenues from the current tax levy in the subsequent year when the proceeds of this levy are budgeted and made available for the financing of the Library's operations.

Capital Assets

Capital assets, which include property and equipment are reported in the government-wide statements (statement of net position) and are stated at cost. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer. The Library generally capitalizes assets with costs of \$5,000 or more and an estimated life in excess of one year. Collection assets are recorded as group additions and deletions each year. No depreciation is recorded on land or construction-in-process. Expenditures for major renewals and maintenance and repairs are charged to current expenditures as incurred. Depreciation is computed using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is recorded in operations.

The estimated useful lives, in years, for depreciable assets are as follows:

Furniture, fixtures and equipment	3-40 years
Buildings and improvements	15-40 years
Collections-books, DVD's, videotapes, etc.	6 years

Leased Assets and Liabilities

Lease agreements with a non-cancelable term exceeding 12 months are recorded as lease liabilities in the government-wide financial statements. The right-of-use asset is recorded as operating lease right-of-use asset and amortized using a straight-line method over the lease term. The lease liability is valued at net present value, whereby interest is calculated based on the Prime rate at lease inception.

Deferred Inflows and Outflows of Resources

Government-wide financial statements report *deferred inflows of resources* in connection with the net pension obligation. Governmental funds report *deferred inflows of resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or for resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred inflows of resources* reported in the governmental funds were as follows for receivables and revenues at December 31, 2023:

Property taxes:	
General Fund	<u>\$ 6,115,520</u>

Government-wide financial statements report *deferred outflows of resources* in connection with consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Deferred outflows of resources are related to recording the net pension liability.

Compensated Absences

The Library's employees earn leave in varying amounts based on length of service. Unused leave may accumulate and be carried over to a subsequent year, subject to restrictions. Leave accrued at year-end which is subject to payment upon termination has been included as a liability on the statement of net position and not on the fund balance sheet as the balance has not yet matured from resignations or retirements.

Fund Balance

In the fund financial statements, governmental funds classify fund balance as nonspendable for amounts that are not in a spendable form, such as inventory and prepaid expenses, or are required to be maintained intact. Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers, such as grant providers, constitutionally, or through enabling legislation. Effectively, restrictions may be changed or lifted only with the consent of resource providers. Committed fund balance includes amounts that can be used only for the specific purpose determined by a formal action of government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally. Assigned fund balance comprises amounts intended to be used by the government for a specific purpose. Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

NOTES TO FINANCIAL STATEMENTS - Continued

When both restricted and unrestricted fund balances are available for use, it is the Library's policy to use restricted fund balance first, then unrestricted fund balance. However, the Library reserves the right to use unrestricted fund balance first. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

It is the Board of Trustees intent to utilize the Public Improvement Fund's restricted balance as set forth in the governmental funds' balance sheet.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Pensions

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pension and pension expense, information about the fiduciary net pension of the Municipal Employees Retirement System ("MERS") of Michigan, and additions to/deductions from MERS fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Library has evaluated subsequent events and transactions for potential recognition and disclosure through _____, the date the financial statements were available to be issued.

NOTE B - CASH AND INVESTMENTS

At December 31, 2023, the Library's cash and investments include the following:

	<u>Balance Sheet Classification</u>		
	<u>Cash and</u>		
	<u>Equivalents</u>	<u>Investments</u>	<u>Total</u>
Total	<u>\$ 658,869</u>	<u>\$ 3,101,023</u>	<u>\$ 3,759,892</u>

These deposits are held at financial institutions located in Michigan. State policy limits the Library's investing options to financial institutions located in Michigan.

Deposits Risk

Interest Rate Risk - State law limits the allowable investments and the maturities of some of the allowable investments as identified in the following list of authorized investments. 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. The maturity dates for each investment are identified below for investments held at year-end.

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 the Library's specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the following listing. The Library's investment policy does not have specific limits in excess of State law on investment credit risk. The rating for each investment (not including money market investments) is AA+.

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Library's deposits may not be returned. The Library minimizes this risk by pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors to be in compliance with the requirements set forth in the Library's investment policy. As of year-end, \$539,836 of the Library's bank balance of \$789,836 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. The Library minimized this risk by pre-qualifying the financial institutions, brokers/dealers, intermediaries and advisors to be in compliance with the requirements set forth in the Library's investment policy. The custodial risk for money market mutual funds cannot be determined because the mutual fund does not consist of specifically identifiable securities. The Library is exposed to custodial credit risk for the remaining securities because they are uninsured and unregistered with securities held by the counter party or the counter party's trust department or agent, but not in the Library's name.

NOTES TO FINANCIAL STATEMENTS - Continued

Statutory Authority

State statutes authorize the Library to invest in:

- a. Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Banker's acceptance of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended through December 31, 1997.

The Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Library has the following recurring fair value measurements as of December 31, 2023:

Investments by Fair Value Level	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investment Maturities (in years)	
				Current	1-5
Government backed bonds	\$ -	\$ 760,667	\$ -	\$ 74,836	\$ 685,831
Treasury bonds	-	1,535,184	-	316,397	1,218,787
Certificates of deposit	312,508	-	-	312,508	-
Money market funds	492,664	-	-	492,664	-
Total	<u>\$ 805,172</u>	<u>\$ 2,295,851</u>	<u>\$ -</u>	<u>\$ 1,196,405</u>	<u>\$ 1,904,618</u>

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis.

There have been no changes in the methodologies used at December 31, 2023.

U.S. government bonds, municipal bonds and corporate bonds: Valued at fair value using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Certificates of Deposit: Valued at the fair value based on quoted prices.

NOTES TO FINANCIAL STATEMENTS - Continued

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Library believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE C - INVESTMENT IN CAPITAL ASSETS

Investment in capital assets changed as follows during the year ended December 31, 2023:

	<u>Beginning</u>	<u>Capital Acquisitions</u>	<u>Disposals</u>	<u>Ending</u>
Buildings	\$ 8,565,421	\$ 51,468	\$ -	\$ 8,616,889
Collections	4,030,050	338,854	(241,622)	4,127,282
Furniture and equipment	<u>1,921,223</u>	<u>21,090</u>	<u>(47,615)</u>	<u>1,894,698</u>
Total depreciable assets	14,516,694	411,412	(289,237)	14,638,869
Less accumulated depreciation	(8,136,027)	(623,334)	289,237	(8,470,124)
Land	<u>345,545</u>	<u>-</u>	<u>-</u>	<u>345,545</u>
Total capital assets, net	<u>\$ 6,726,212</u>	<u>\$ (211,922)</u>	<u>\$ -</u>	<u>\$ 6,514,290</u>

Total depreciation expense for the year ended December 31, 2023 was \$623,334.

NOTE D - LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended December 31, 2023:

	<u>Beginning Balance</u>	<u>New Debt</u>	<u>Payments</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Compensated absences	<u>\$ 270,879</u>	<u>\$ 6,259</u>	<u>\$ -</u>	<u>\$ 277,138</u>	<u>\$ 27,714</u>

Compensated absences are liquidated in the general fund.

NOTE E - LEASES

The Library has entered into an equipment and building lease. The equipment operating lease for the self-checkout machine began on June 1, 2023 for a five-year term and with the option for a one-year renewal term. The annual payment amount is \$26,946. The building lease, with the Village of Kingsley, began on May 1, 2019 for a period of ten years and includes an option to renew for an additional ten-year term. The monthly payment amount is \$500.

Quantitative information concerning the Library's leases consisted of the following as of and for the year ended December 31, 2023:

Lease expense					
Amortization expense by class of underlying asset					
Building				\$	4,595
Equipment					<u>23,329</u>
Total amortization expense					27,924
Interest on lease liabilities					<u>6,825</u>
Total				\$	<u><u>34,749</u></u>
		<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u>
		<u>Balance</u>			<u>Balance</u>
Operating lease right-of-use assets					
Building	\$	79,647	\$ -	\$ -	\$ 79,647
Equipment		<u>159,413</u>	<u>-</u>	<u>-</u>	<u>159,413</u>
Total operating lease right-of-use assets		<u>239,060</u>	<u>-</u>	<u>-</u>	<u>239,060</u>
Accumulated amortization					
Building		(4,595)	(4,595)	-	(9,190)
Equipment		<u>(23,329)</u>	<u>(23,329)</u>	<u>-</u>	<u>(46,658)</u>
Total accumulated amortization		<u>(27,924)</u>	<u>(27,924)</u>	<u>-</u>	<u>(55,848)</u>
Total operating lease right-of-use assets, net	\$	<u>211,136</u>	<u>\$ (27,924)</u>	<u>\$ -</u>	<u>\$183,212</u>
					<u>Current</u>
					<u>Portion</u>
Lease liabilities	\$	<u>215,953</u>	<u>\$ -</u>	<u>\$ (21,876)</u>	<u>\$194,077</u>
					<u>\$ 25,952</u>

NOTES TO FINANCIAL STATEMENTS - Continued

Years Ending December 31,	Principal	Interest	Total Payments
2024	\$ 25,952	\$ 6,994	\$ 32,946
2025	27,490	5,456	32,946
2026	28,397	4,549	32,946
2027	29,334	3,612	32,946
2028	30,301	2,645	32,946
2029-2033	23,259	6,741	30,000
2034-2038	27,357	2,643	30,000
2039-2043	<u>1,987</u>	<u>13</u>	<u>2,000</u>
Total	<u>\$ 194,077</u>	<u>\$ 32,653</u>	<u>\$ 226,730</u>

NOTE F - PENSION PLAN

The Library participates in two retirement programs as detailed below:

Defined Contribution Plan - Employee Investment Plan and Trust

The Library participates in a self-administered defined contribution pension plan established on June 1, 1985. There are two types of contributions that the Library may make: discretionary matching and discretionary profit sharing. Employees are eligible to participate in the plan after reaching 21 years of age and providing three months of service. As authorized by the plan document, each participant may contribute from 1% to 15% of compensation to this plan. The Library may contribute each year, depending on its funding. Participants in the plan are vested depending on their years of service. The employee will be credited with one year of service for each plan year in which at least 1,000 hours of service were completed. All employee contributions are 100% vested at all times.

The Library opened a MERS Defined Contribution plan as of November 1, 2016. As authorized by the plan document, each participant will contribute 3% of compensation to this plan. The Library contributes 8% of the employee's compensation. All employees are 100% vested after 5 years of service. The employee will be credited with one vesting year for each 12 months of continuous employment from the date of hire.

The employer contribution to the self-administered defined contribution plan and the MERS defined contribution plan for the year totaled \$111,258 and \$172,245, respectively. The employee contributions totaled \$196,734 and \$63,643, respectively. Plan provisions and contribution requirements are established and may be amended by the Library Board.

Defined Benefit Plan - Municipal Employees Retirement System of Michigan

The Library participates in the Municipal Employees Retirement System of Michigan ("MERS") defined benefit plan. The defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. MERS is an agent multiple-employer, State-wide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the MERS website at www.mersofmich.gov.

In October 2016, the Library and the Teamsters Union reached an agreement on the labor contract that had expired on December 31, 2015. The settlement included the transition from the MERS Defined Benefit plan to a MERS Defined Contribution plan. The MERS Defined Benefit plan was frozen as of November 1, 2016. Employees will maintain their benefits pursuant to the MERS Defined Benefit plan.

Benefits Provided

Benefits were frozen as of November 1, 2016.

The vesting period is 6 years.

Normal retirement age is 60 with early retirement at 55 with 15 years of service, or 50 with 25 years of service.

Final average compensation is calculated based on 5 years. Members contributions are 0% because the plan is closed.

Employees Covered by Benefit Terms

At the December 31, 2022 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	38
Inactive employees entitled to but not yet receiving benefits	8
Active employees	<u>20</u>
	<u><u>66</u></u>

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

Employer contributions were \$120,000 based on the annual required contribution.

Net Pension Liability

The employer's Net Pension Liability was measured as of December 31, 2022, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of December 31, 2022.

Actuarial Assumptions

The total pension liability in the December 31, 2022 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

Salary increases: 3.0% in the long-term.

Investment rate of return: 7.00%, net of investment expense, including inflation.

The long-term rate of inflation wage assumed in the valuation is 2.75% annually, which is consistent with the 2.5% price inflation assumption.

Mortality rates used were based on the PubG-2010 and fully generational MP-2019 mortality tables.

The actuarial assumptions used in valuation were based on the results of the actuarial experience studies covering 2014-2018 and dated 2020.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global equity	60.0 %	2.70 %
Global fixed income	20.0 %	0.40 %
Private investments	20.0 %	1.40 %

NOTES TO FINANCIAL STATEMENTS - Continued

Discount Rate

The discount rate used to measure the total pension liability is 7.25% for 2022. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a)-(b)
Balances at December 31, 2022	\$ 7,868,776	\$ 6,214,888	\$ 1,653,888
Changes for the year			
Service cost	744	-	744
Interest on total pension liability	550,748	-	550,748
Changes in benefits	-	-	-
Difference between expected and actual experience	(155,267)	-	(155,267)
Employer contributions	-	120,000	(120,000)
Net investment income	-	671,488	(671,488)
Benefit payments, including employee refunds	(545,243)	(545,243)	-
Administrative expense	-	(14,280)	14,280
Other changes	(1,267)	-	(1,267)
Net changes	(150,285)	231,965	(382,250)
Balances as of December 31, 2023	\$ 7,718,491	\$ 6,446,853	\$ 1,271,638

Sensitivity of Net Pension Liability to Changes in the Discount Rate

The following presents the Net Pension Liability of the Library, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower (6.25%) or 1% higher (8.25%) than the current rate.

	1% Decrease <u>6.25%</u>	Current Discount Rate 7.25%	1% Increase <u>8.25%</u>
Net pension liability	\$ 2,043,486	\$ 1,271,638	\$ 616,288

Note: The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expenses.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2023, the Library recognized pension benefit of \$0. The Library reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in experience	\$ -	\$ 77,634
Deficit investment returns	<u>371,164</u>	<u>-</u>
Total	<u>\$ 371,164</u>	<u>\$ 77,634</u>

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending</u>	
2024	\$ (8,217)
2025	129,636
2026	215,283
2027	<u>(43,172)</u>
	<u>\$ 293,530</u>

NOTE G - DEFERRED COMPENSATION PLAN

The Library offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all Library employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

In complying with the amended Section 457 requirements, these assets are for the exclusive benefit of participants and not subject to the claims of the Library's general creditors. As such, they are not included in a custodial fund of the Library.

NOTE H - RISKS AND UNCERTAINTIES

Risk Management

The Library is exposed to various risks of loss related to property, torts, errors and omissions, employee injuries (workers' compensation), as well as medical benefits provided to employees. The Library has purchased commercial insurance for claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in the past four fiscal years. There were no significant reductions in insurance coverage during the past year.

NOTE I - COMMITMENTS AND CONTINGENCIES

Collectively Bargained Employment Agreement

The employees of the Library are organized under the Teamsters State, county and municipal workers local 214 (the "Union"). The Board of Trustees and the Union have a contract for January 1, 2022 through December 31, 2024.

Draft

REQUIRED SUPPLEMENTARY INFORMATION

Traverse Area District Library

SCHEDULE OF CHANGES IN THE MERS NET PENSION ASSET AND RELATED RATIOS

Years Ended December 31:

	2023	2022	2021	2020	2019	2018	2017	2016
				Total Pension Liability				
Service cost	\$ 744	\$ 780	\$ 990	\$ 1,100	\$ 1,515	\$ 1,950	\$ 199,446	\$ 215,673
Interest	550,748	526,201	533,181	514,941	559,529	554,612	668,004	603,264
Changes in benefit terms	-	-	-	-	-	-	(1,603,158)	-
Difference between expected and actual experience	(155,267)	124,626	21,472	(37,768)	(271,179)	(30,107)	(117,979)	242,089
Changes in assumption	-	248,501	244,014	254,298	-	-	-	450,014
Benefit payments, including employee refunds	(545,243)	(554,092)	(528,986)	(505,221)	(448,086)	(451,825)	(431,735)	(429,433)
Other	(1,267)	(11,847)	(15,604)	24,596	(31,582)	(14,823)	(23,177)	(34,593)
Net change in total pension liability	(150,285)	334,169	255,067	251,946	(189,803)	59,807	(1,308,599)	1,047,014
Total pension liability, beginning	7,868,776	7,534,607	7,279,540	7,027,594	7,217,397	7,157,590	8,466,189	7,419,175
Total pension liability, ending	\$ 7,718,491	\$ 7,868,776	\$ 7,534,607	\$ 7,279,540	\$ 7,027,594	\$ 7,217,397	\$ 7,157,590	\$ 8,466,189
				Plan Fiduciary Net Position				
Contributions - employer	\$ 120,000	\$ 234,173	\$ 320,000	\$ 230,000	\$ 299,528	\$ 299,372	\$ 299,900	\$ 654,923
Contributions - employee	-	-	-	-	-	-	(123)	68,879
Net investment income	671,488	(750,260)	921,234	755,913	749,972	(231,447)	707,090	555,932
Benefit payments, including employee refunds	(545,243)	(554,092)	(528,986)	(505,221)	(448,086)	(451,825)	(431,735)	(429,433)
Administrative expense	(14,280)	(13,260)	(10,561)	(12,147)	(12,930)	(11,492)	(11,182)	(10,910)
Net change in plan fiduciary net position	231,965	(1,083,439)	701,687	468,545	588,484	(395,392)	563,950	839,391
Plan fiduciary net position, beginning	6,214,888	7,298,327	6,596,640	6,128,095	5,539,611	5,935,003	5,371,053	4,531,662
Plan fiduciary net position, ending	\$ 6,446,853	\$ 6,214,888	\$ 7,298,327	\$ 6,596,640	\$ 6,128,095	\$ 5,539,611	\$ 5,935,003	\$ 5,371,053
Employer net pension liability	\$ 1,271,638	\$ 1,653,888	\$ 236,280	\$ 682,900	\$ 899,499	\$ 1,677,786	\$ 1,222,587	\$ 3,095,136
Plan fiduciary net position as a percentage of total pension liability	84 %	79 %	97 %	91 %	87 %	77 %	83 %	63 %
Covered employee payroll	\$ 929,840	\$ 983,007	\$ 1,113,703	\$ 1,236,453	\$ 1,401,775	\$ 1,646,335	\$ 1,733,192	\$ 1,785,090
Employer's net pension liability as a percentage of covered employee payroll	137 %	168 %	21 %	55 %	64 %	102 %	71 %	173 %

Note to schedule:

The plan was closed October 31, 2016.

Traverse Area District Library

SCHEDULE OF MERS EMPLOYER'S CONTRIBUTIONS

Years Ended December 31,

	2023	2022	2021	2020	2019	2018	2017	2016
Actuarial determined contributions	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 99,528	\$ 99,372	\$ 99,777	\$ 304,734
Contribution in relation to the actuarially determined contributions	<u>120,000</u>	<u>234,173</u>	<u>320,000</u>	<u>230,000</u>	<u>299,528</u>	<u>299,372</u>	<u>299,777</u>	<u>679,734</u>
Contribution excess	<u>\$ -</u>	<u>\$ 114,173</u>	<u>\$ 200,000</u>	<u>\$ 110,000</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 375,000</u>
Covered employee payroll	<u>\$ 929,840</u>	<u>\$ 983,007</u>	<u>\$ 1,113,703</u>	<u>\$ 1,236,453</u>	<u>\$ 1,401,775</u>	<u>\$ 1,646,335</u>	<u>\$ 1,733,192</u>	<u>\$ 1,785,090</u>
Contributions as a percentage of covered employee payroll	13 %	24 %	29 %	19 %	21 %	18 %	17 %	38 %

Notes to Schedule

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5 year smoothed
Inflation	2.5%
Salary increases	3.0%
Investment rate of return	7.00%
Retirement age	Varies depending on plan adoption
Mortality	PubG-2010 Mortality Table and fully generational MP-2019 Mortality tables

Previous actuarial methods and assumptions:

A seven year smoothed asset valuation method was used for the time period of 2015 through 2018. Inflation and salary increases were expected to be 3.5% and 4.5%, respectively, for 2015. Salary increases were expected to be 3.75% for the time period of 2016 through 2019. Investment rate of return was expected to be 7.75% for the time period of 2016 through 2019.

Traverse Area District Library

BUDGETARY COMPARISON SCHEDULE FOR THE GENERAL FUND

Year Ended December 31, 2023

	Budgeted Amounts		Actual (GAAP Basis)	Variances - Positive (Negative)	
	Original	Final		Original to Final	Final to Actual Total
	REVENUES				
Property taxes	\$ 5,634,707	\$ 5,661,131	\$ 5,661,127	\$ 26,424	\$ (4)
State grants	148,541	149,301	149,301	760	-
Other grants	27,475	67,202	67,206	39,727	4
Charges for services	62,800	79,358	83,428	16,558	4,070
Fines and forfeitures	167,900	212,034	213,858	44,134	1,824
Interest income	-	89,040	116,732	89,040	27,692
Contributions and other income	26,200	77,588	88,956	51,388	11,368
Total revenues	6,067,623	6,335,654	6,380,608	268,031	44,954
EXPENDITURES					
Current					
Personnel	3,561,116	3,587,835	3,535,788	(26,719)	52,047
Supplies	871,775	1,023,242	874,580	(151,467)	148,662
Other services and charges	1,634,732	1,669,879	1,546,869	(35,147)	123,010
Capital outlay	-	45,000	38,773	(45,000)	6,227
Total expenditures	6,067,623	6,325,956	5,996,010	(258,333)	329,946
REVENUES OVER (UNDER) EXPENDITURES	-	9,698	384,598	9,698	374,900
Fund balance, beginning of year	1,625,214	1,625,214	1,625,214	-	-
Fund balance, end of year	<u>\$ 1,625,214</u>	<u>\$ 1,634,912</u>	<u>\$ 2,009,812</u>	<u>\$ 9,698</u>	<u>\$ 374,900</u>

**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***

Board of Trustees
Traverse Area District Library
Traverse City, Michigan

We have audited, 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the ***Traverse Area District Library*** (the "Library") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements and have issued our report thereon dated

_____.

Report on 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 opinions 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 Library'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.

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, as described below, we identified a deficiency in internal control that we consider to be a significant deficiency.

Finding 2023-001 Preparation of Financial Statements

Criteria: The preparation of financial statements is the responsibility of the Library management and requires internal controls over both (1) recording, processing and summarizing financial data (i.e., maintaining internal books and records) and (2) reporting this financial data in the form of financial statements, including all related note disclosures (i.e., external financial reporting).

Condition: As is the case with many small governments, the Library is relying on their independent external auditors to assist with the preparation of the financial statements and related note disclosures as part of its external financial reporting process.

Cause: This condition was caused by the Library's decision that it is more cost effective to outsource the preparation of its annual financial statements to auditors than to incur the time and expense of obtaining the necessary training and expertise required for the Library to perform this task internally.

Effect: The Library's ability to adjust its books and records and prepare financial statements is based, in part, on its reliance on its external auditors who cannot, by definition, be considered a part of the Library's internal controls.

Recommendation: The Library should perform a review of the draft financial statements and notes prior to approving them to accept responsibility for their content.

Management's 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 the best interests of the Library 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.

Report on 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*.

Board of Trustees
Traverse Area District Library

Library's Response to Finding

The Library's response to the finding identified in our audit is identified above. 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.

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.

Certified Public Accountants
Traverse City, Michigan

Seeking Your Support for Revitalizing Candidate Debates in Michigan

In Michigan, voters' chance to interact directly with candidates for governor and senator in unfiltered debates is decreasing. This reflects a national trend in which political debates are becoming less frequent and substantive. **The Michigan Debate Task Force has a solution, and we would like your signature of support.**

In addition to the dearth of candidate debates, any debates that occur in Michigan depend upon the *candidates' campaigns* deciding and negotiating the number, format, and location. Candidates will negotiate the best circumstances for their campaign, not the public's interest. In short, all debate decisions are in the hands of the candidates, which does not serve the public good.

The signatories of this letter – a diverse set of organizations from the business, civic, and higher education sectors in Michigan – seek to reverse this trend in our state and work toward improving the information available to voters, thus improving campaigns and our democratic system more broadly.

To do so, we will soon publicly announce our intentions to host a series of three debates during the general election phase of the 2024 US Senate race in Michigan. Each debate will be in a different region of the state to demonstrate the importance of the geographic diversity of our state, including one in Traverse City. In addition, rather than trying to cover all possible issues in each debate, the three debates will divide the issue space and cover a subset of issues in each individual debate. This will allow for a deeper discussion of all issues.

We are reaching out to seek your support for an initiative that aims to unite prominent leaders and organizations throughout Michigan. By endorsing this project, you will be instrumental in enhancing our credibility and strengthening our efforts.

We plan to feature the names of all endorsers on our website and in various public forums. This visibility will highlight your pivotal support and significantly contribute to our project's success.

We hope you will consider joining this effort to improve the quality of candidate debates and information presented to the public during the 2024 US Senate contest.

Thank you in advance for your consideration.

Best regards,
Merek Roman

merekroman@gmail.com | 231.590.2434

Michigan Debate Task Force

Northern Michigan

Economic Club of Traverse City

Northwestern Michigan College

Northern Michigan Chamber
Alliance

Western Michigan

Grand Rapids Chamber

Grand Valley State University

The Hispanic Center of Western
Michigan

Urban League of West Michigan

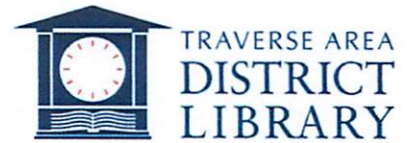
Southeast Michigan

Detroit Economic Club

Oakland University

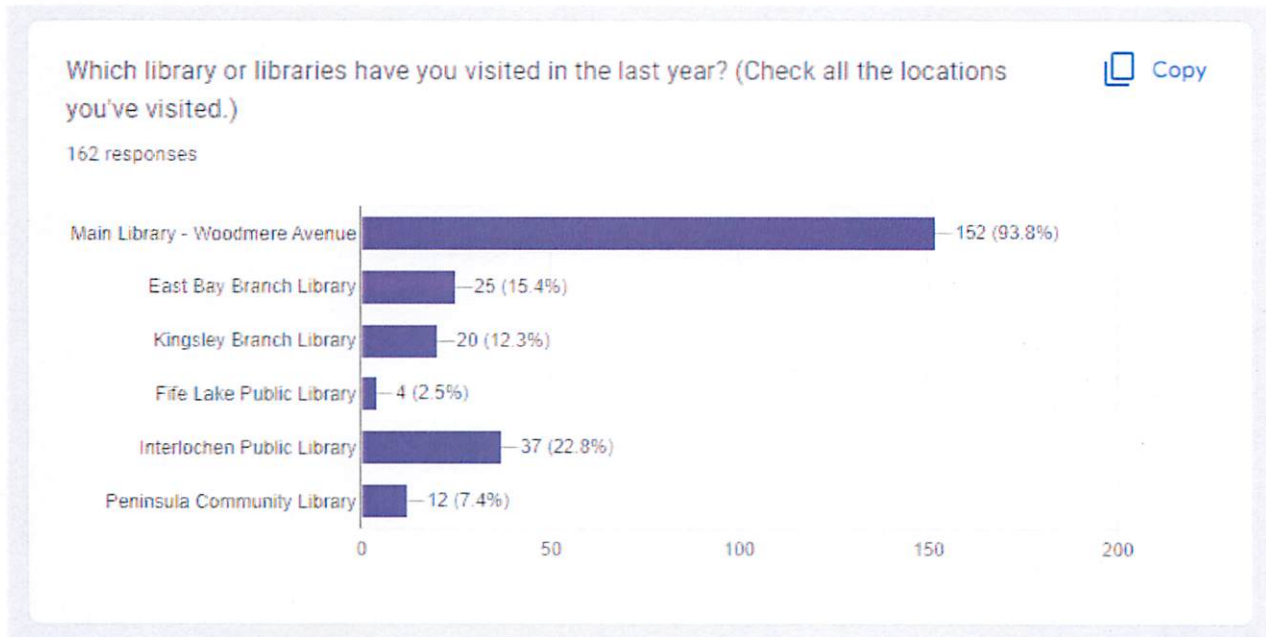
Urban League of Detroit and
Southeast Michigan

2023 vs 2024 Survey Results



Note: We didn't require answers to every question, and only two questions (do you have a library card/what is your age) were answered by every single respondee.

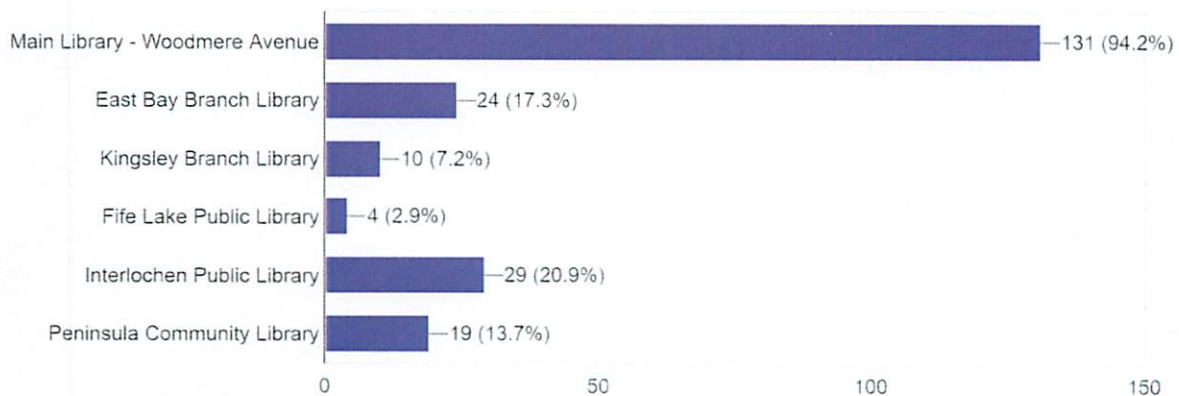
2023 162 responses; 2024 139 responses



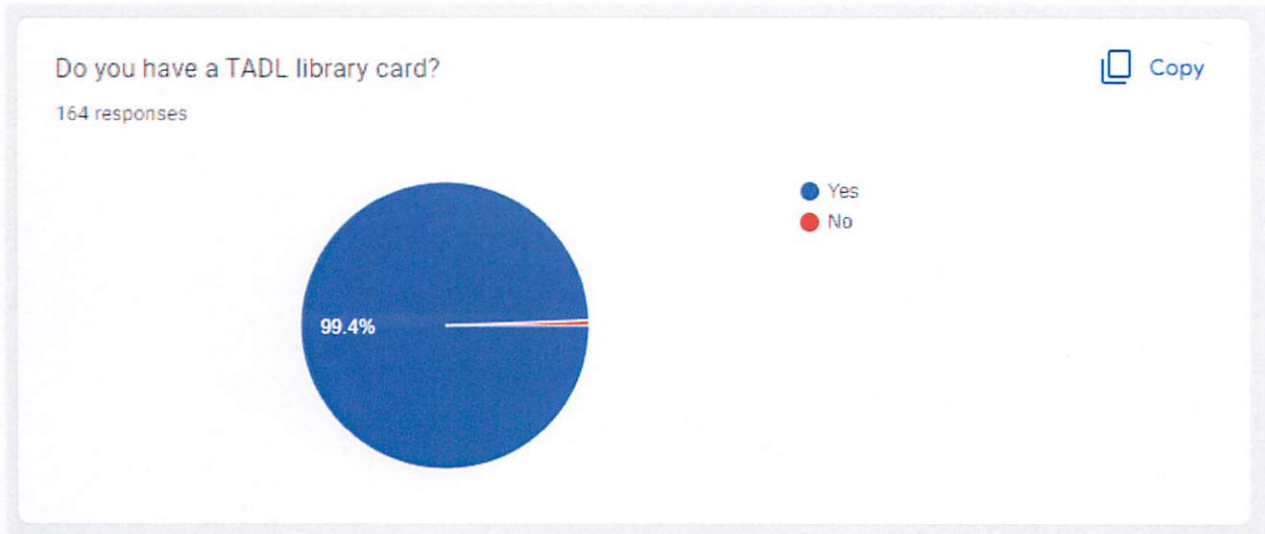
2024

Which library or libraries have you visited in the last year? (Check all the locations you've visited.)

139 responses

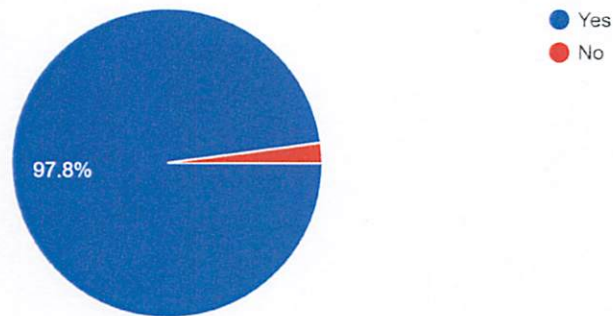


2023



2024

Do you have a TADL library card?
139 responses



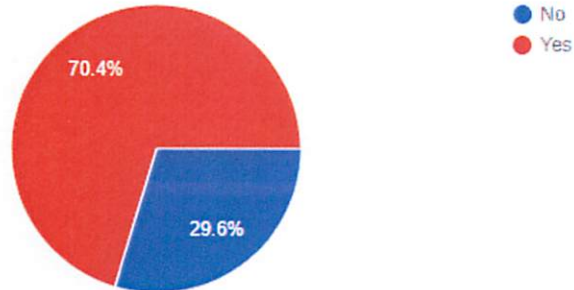
2023

Library Programs

Do you know that TADL libraries offer FREE onsite and online (virtual) programs?

 Copy

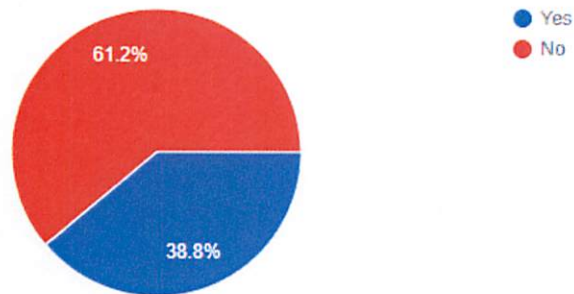
162 responses



If you answered yes to the question above, have you attended at least one library program in the past year?

 Copy

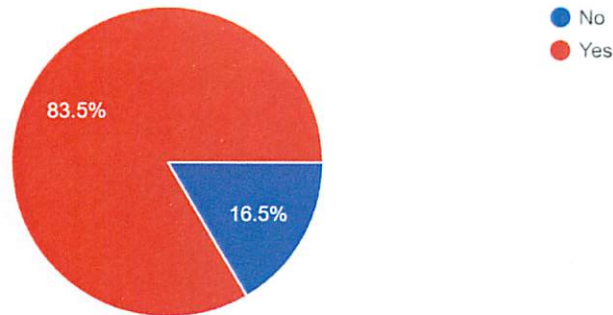
121 responses



2024

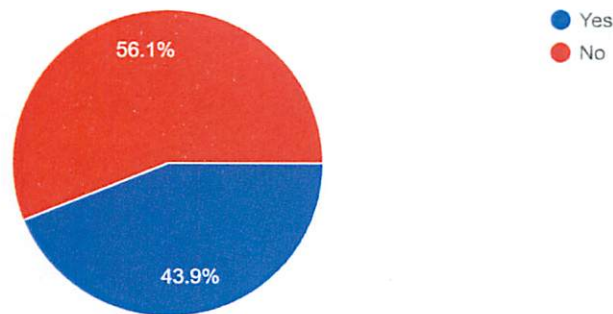
Do you know that TADL libraries offer FREE onsite and online (virtual) programs?

139 responses



If you answered yes to the question above, have you attended at least one library program in the past year?

123 responses

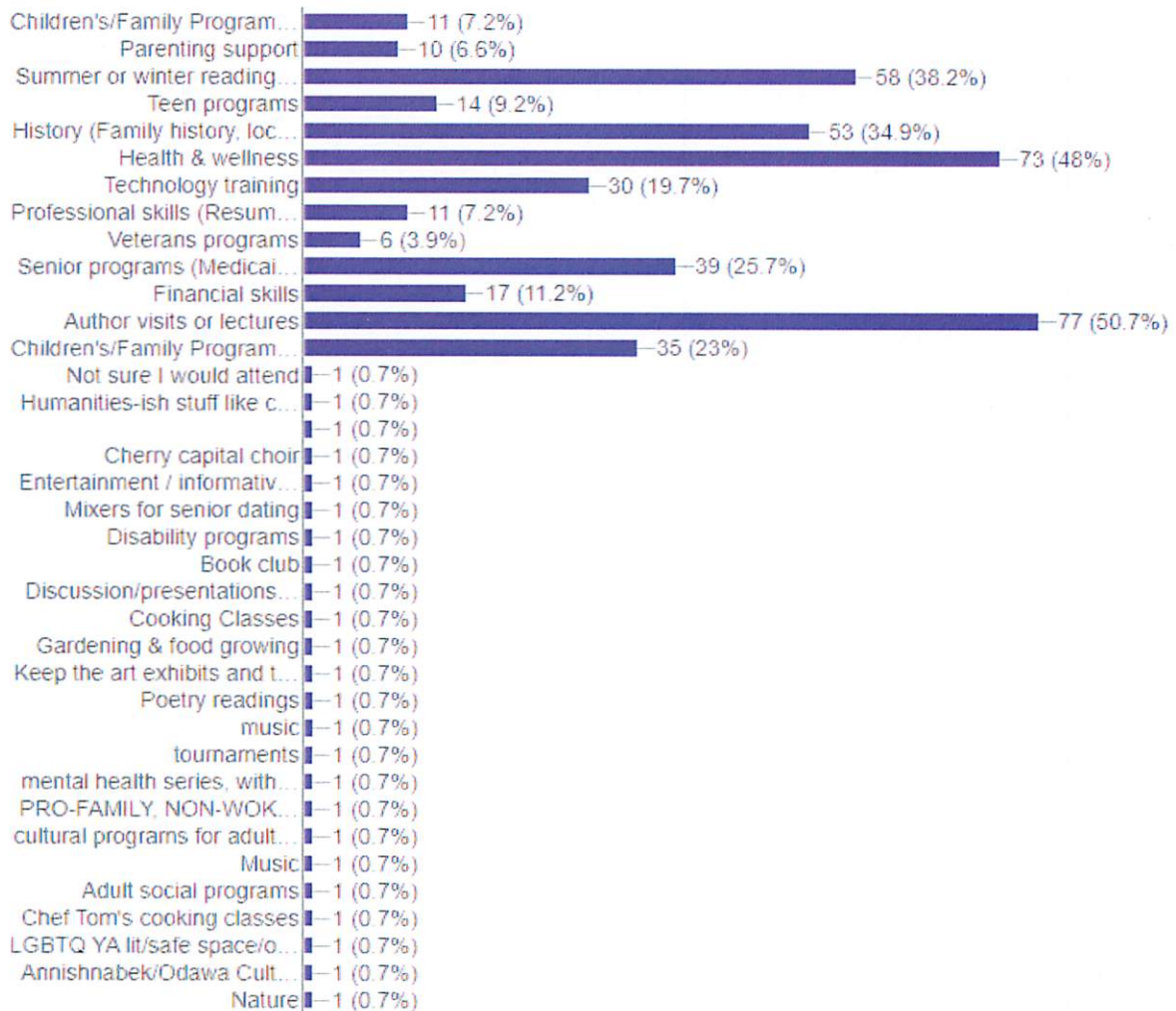


Awareness has improved but that has not translated into increased attendance for the survey respondees.

2023

What types of programs would interest you and your family? (Choose any that interest you.) [Copy](#)

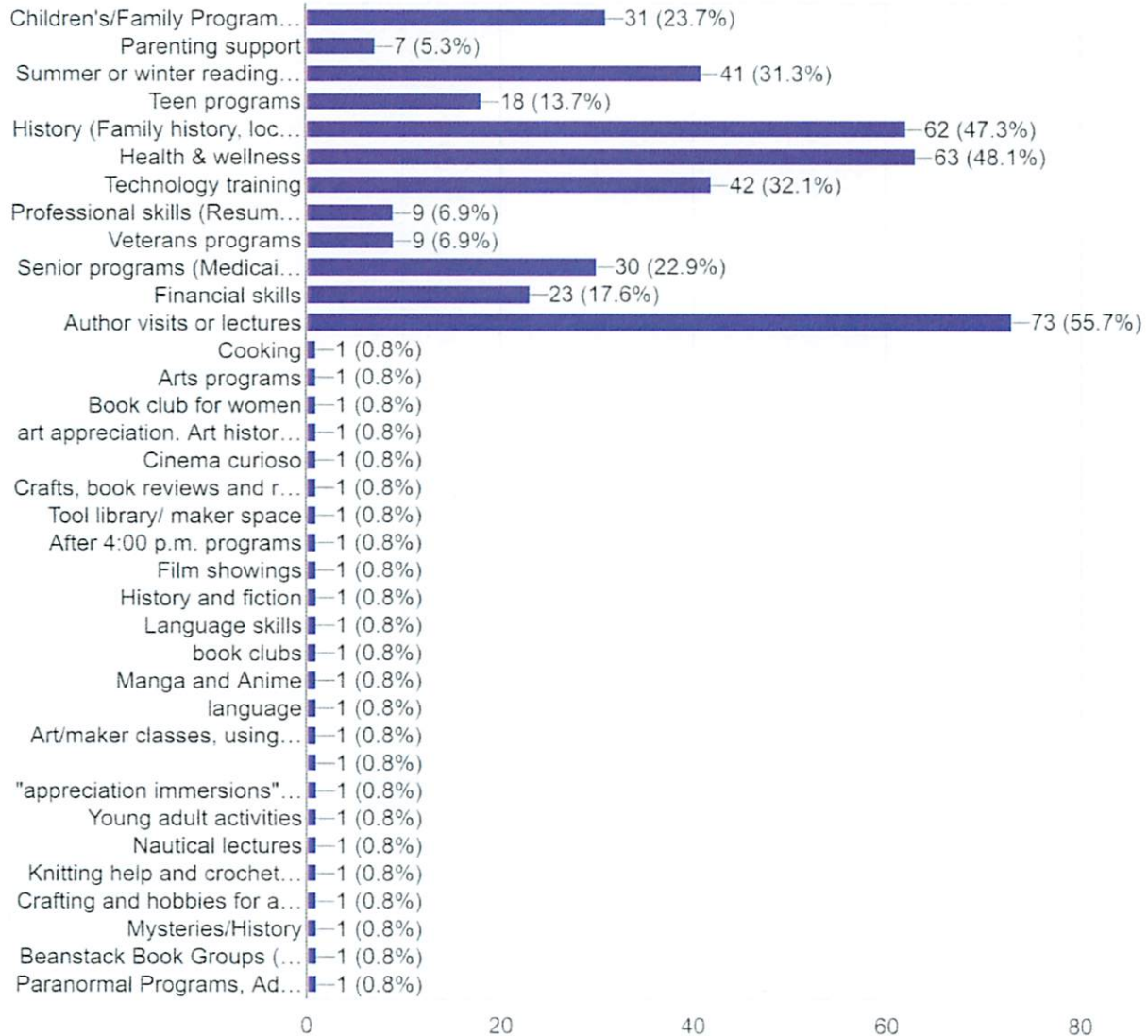
152 responses



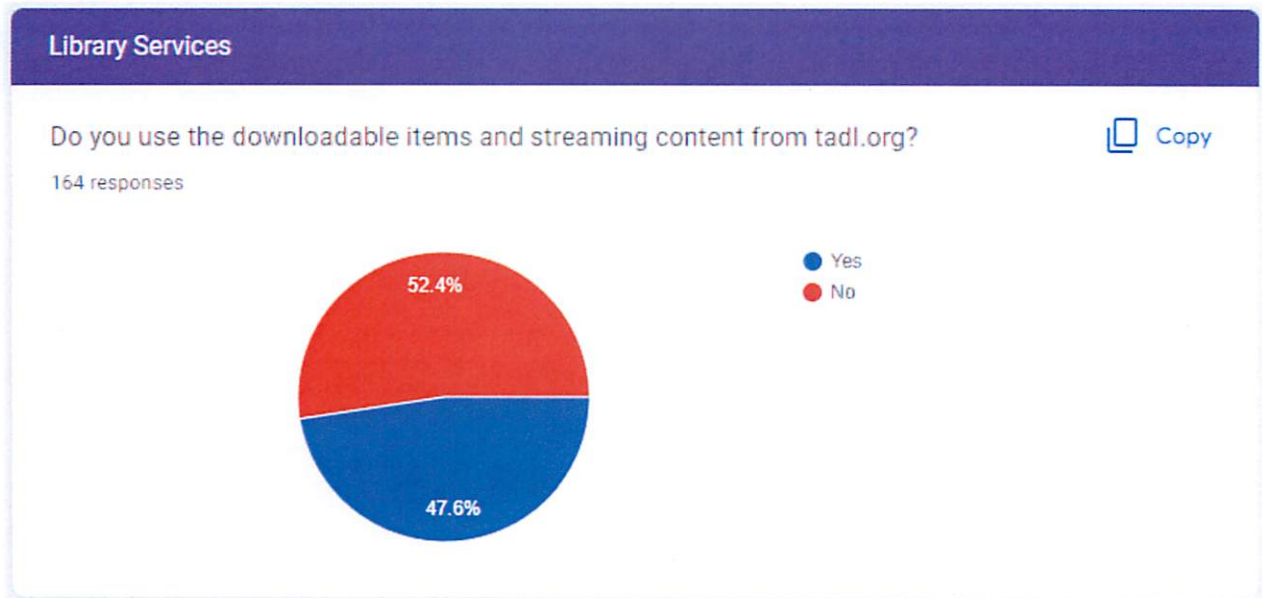
2024

What types of programs would interest you and your family? (Choose any that interest you.)

131 responses

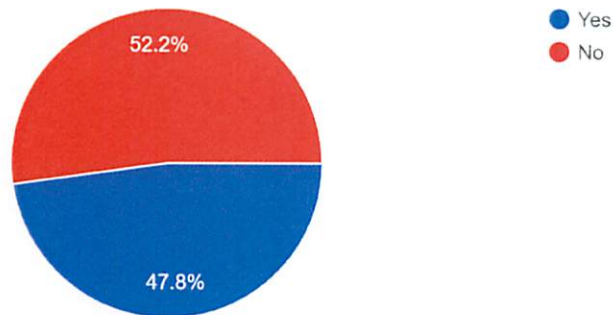


2023

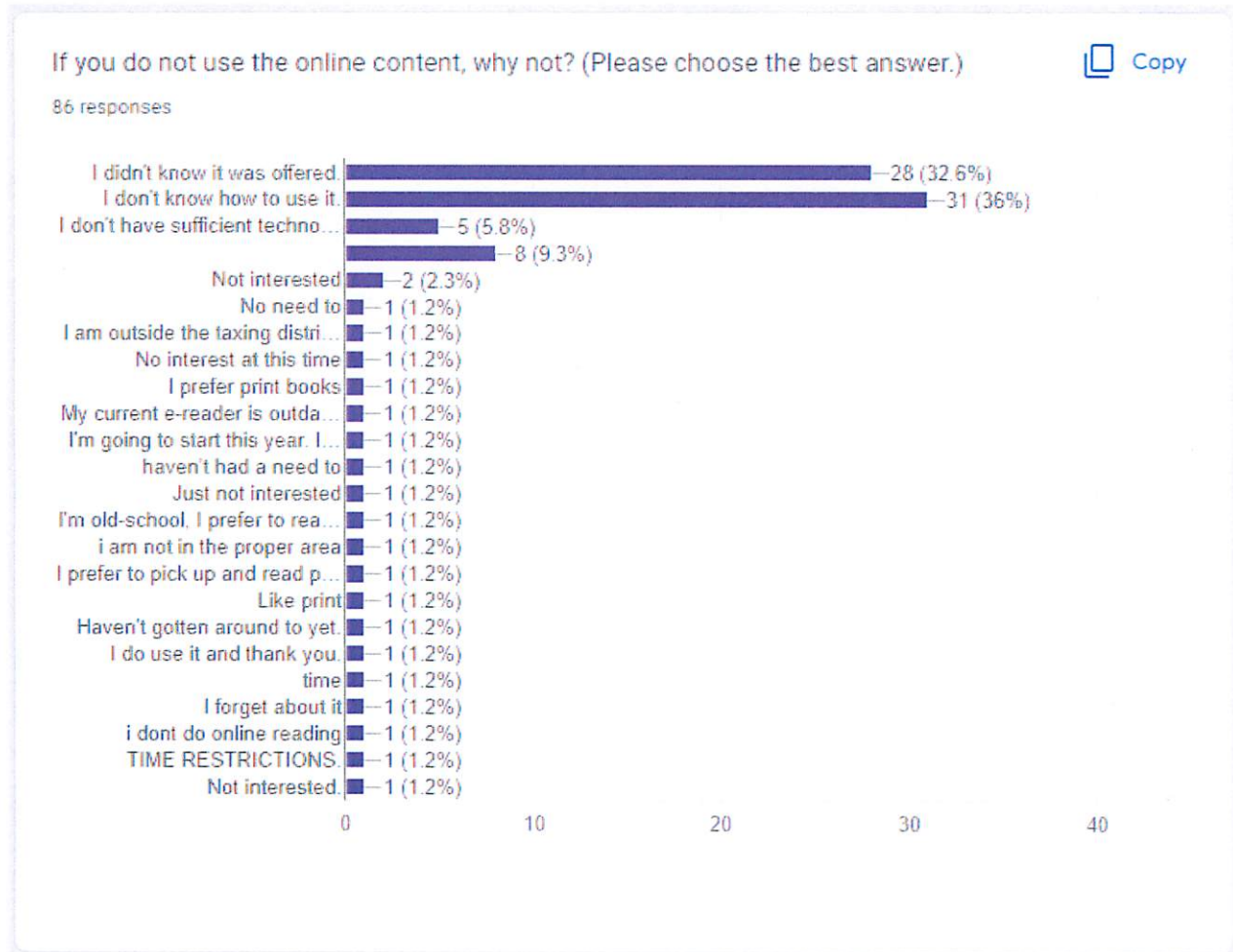


2024

Do you use the downloadable items and streaming content from tadl.org?
136 responses



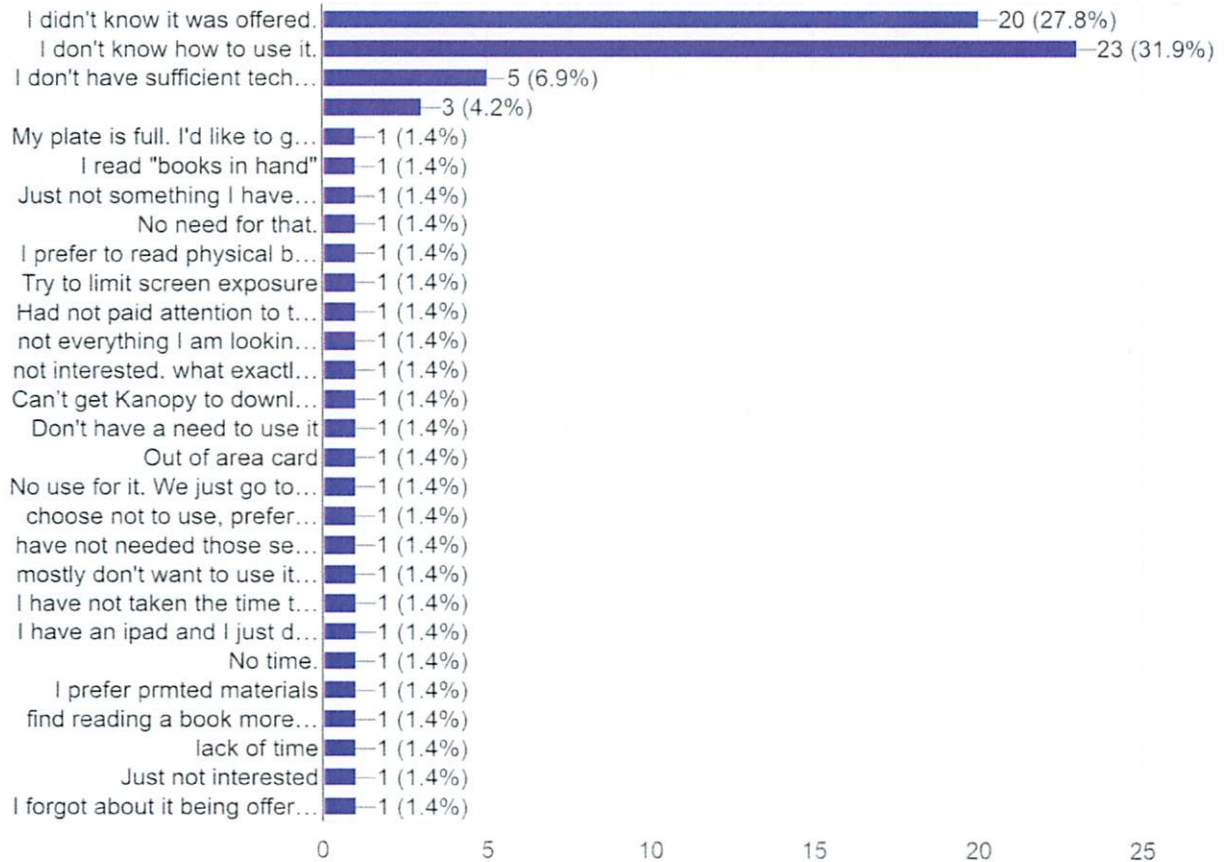
2023



2024

If you do not use the online content, why not? (Please choose the best answer.)

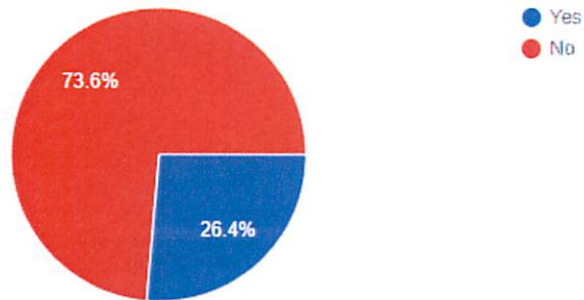
72 responses



2023

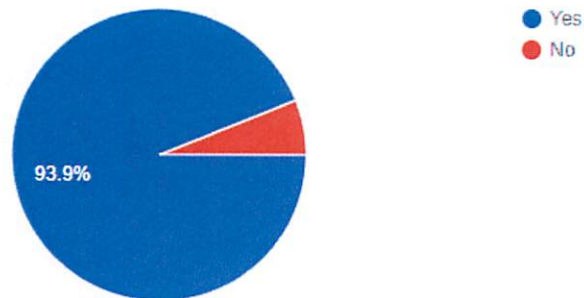
Did you know you can borrow laptops and hotspots (to provide internet service) to use at home? [Copy](#)

163 responses



Did you know that all TADL libraries have free high-speed wifi inside and outside the library buildings - plus public computers to use in the building? [Copy](#)

163 responses

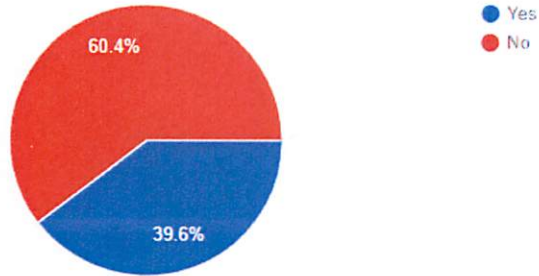


2024

Did you know you can borrow laptops and hotspots (to provide internet service) to use at home?

 Copy

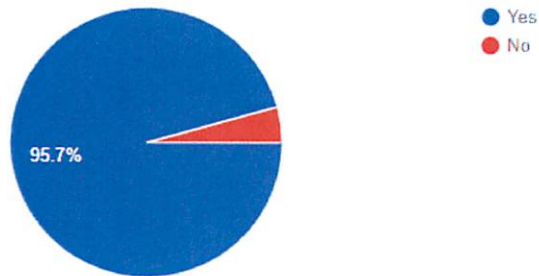
139 responses



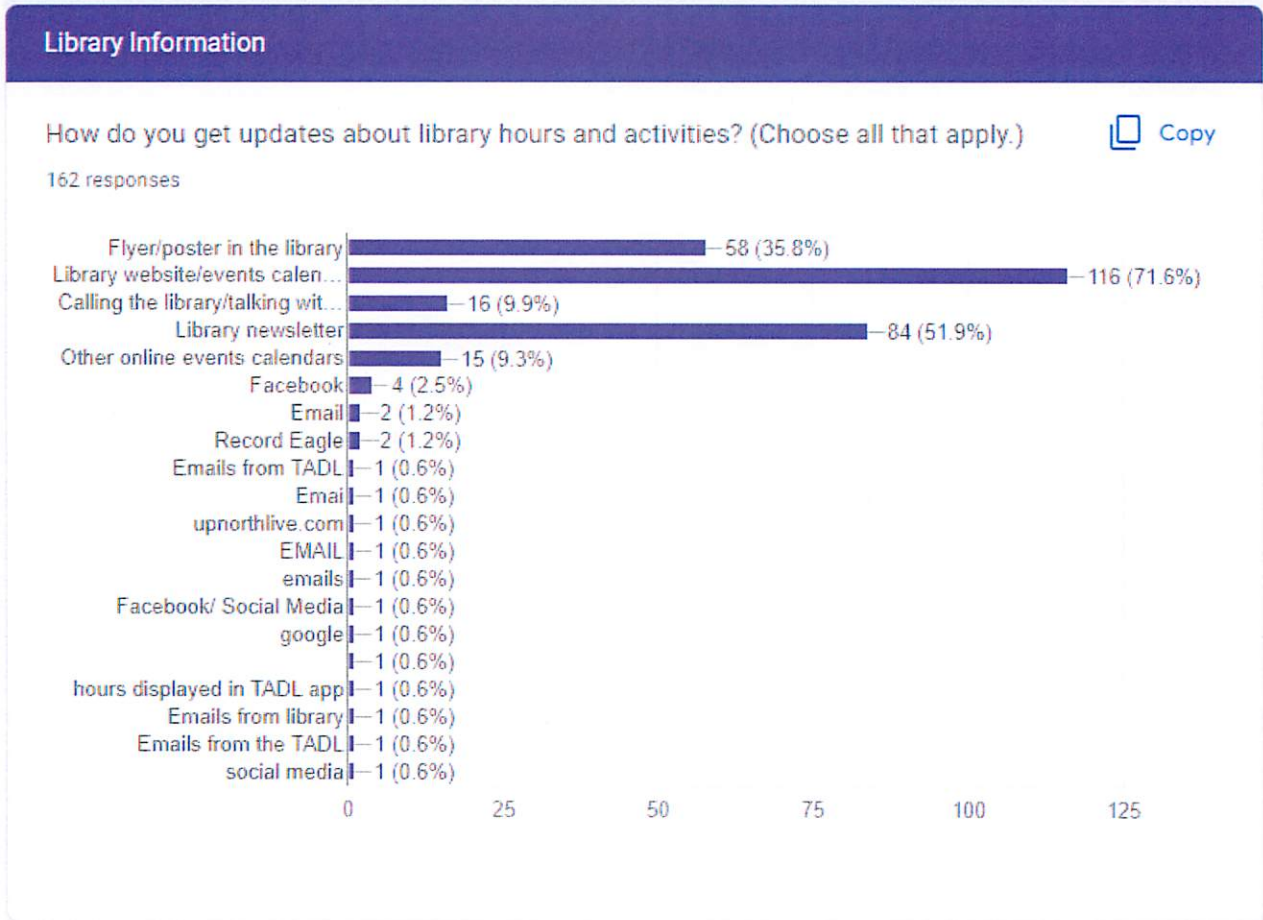
Did you know that all TADL libraries have free high-speed wifi inside and outside the library buildings - plus public computers to use in the building?

 Copy

139 responses



2023

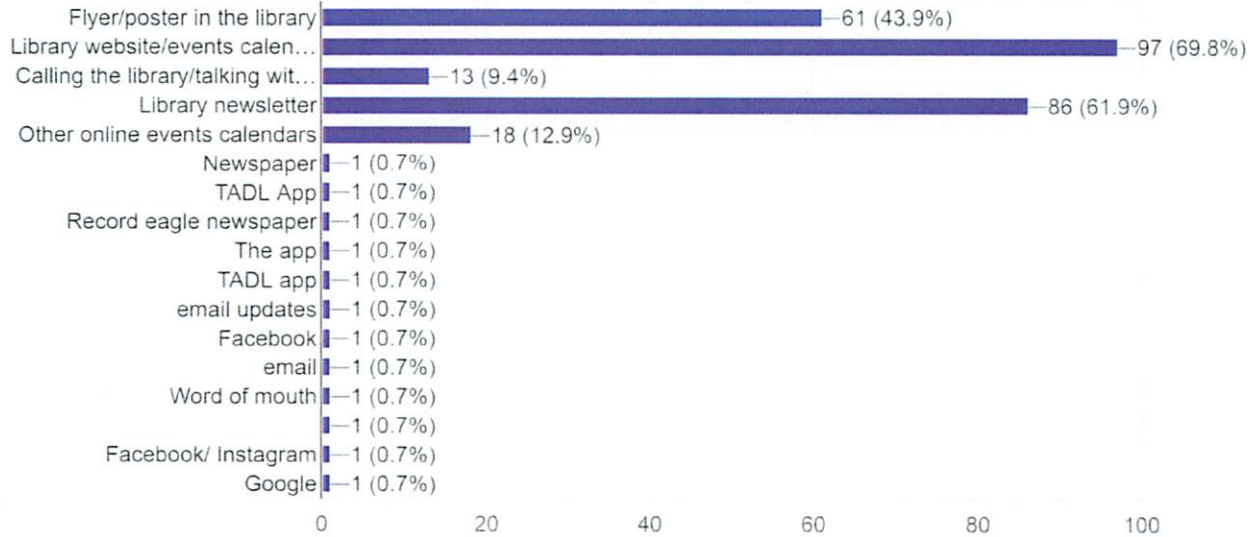




2024

How do you get updates about library hours and activities? (Choose all that apply.)

139 responses

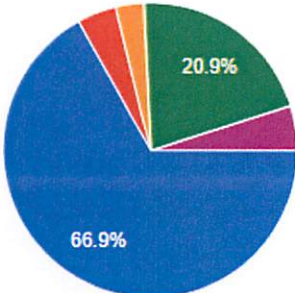


2023

What is the single best way for the library to provide you with information about new items, programs, and events?

 Copy

163 responses

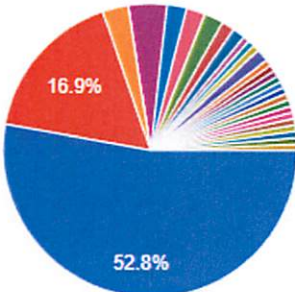


- Email
- Mail a postcard or newsletter
- Poster/flyer in the library
- Library website
- Library social media
- Other

If you had to choose one form of social media for library updates, what would it be?

 Copy

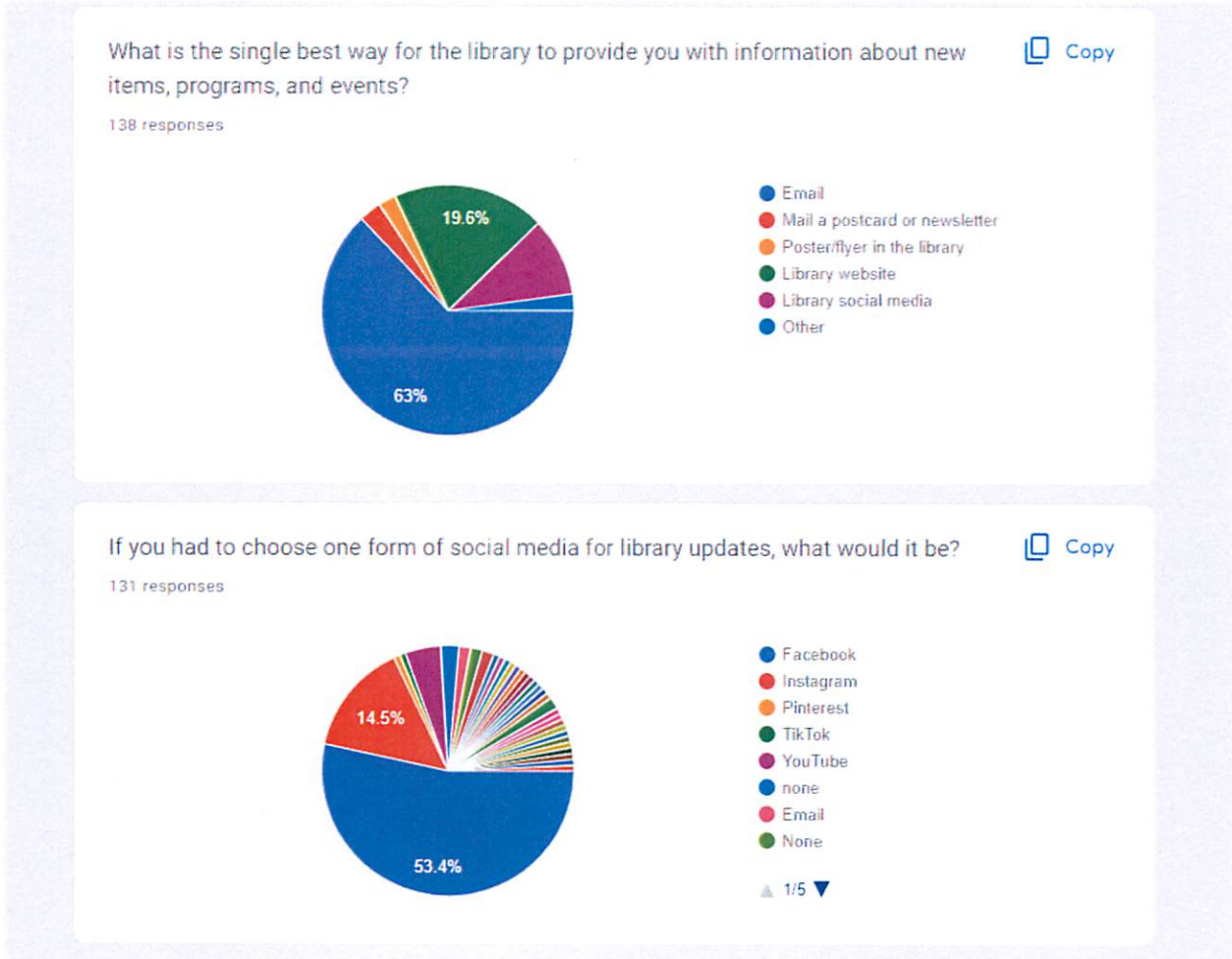
142 responses

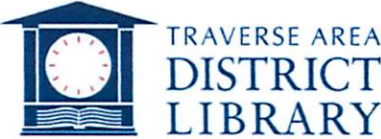


- Facebook
- Instagram
- Pinterest
- TikTok
- YouTube
- None
- email

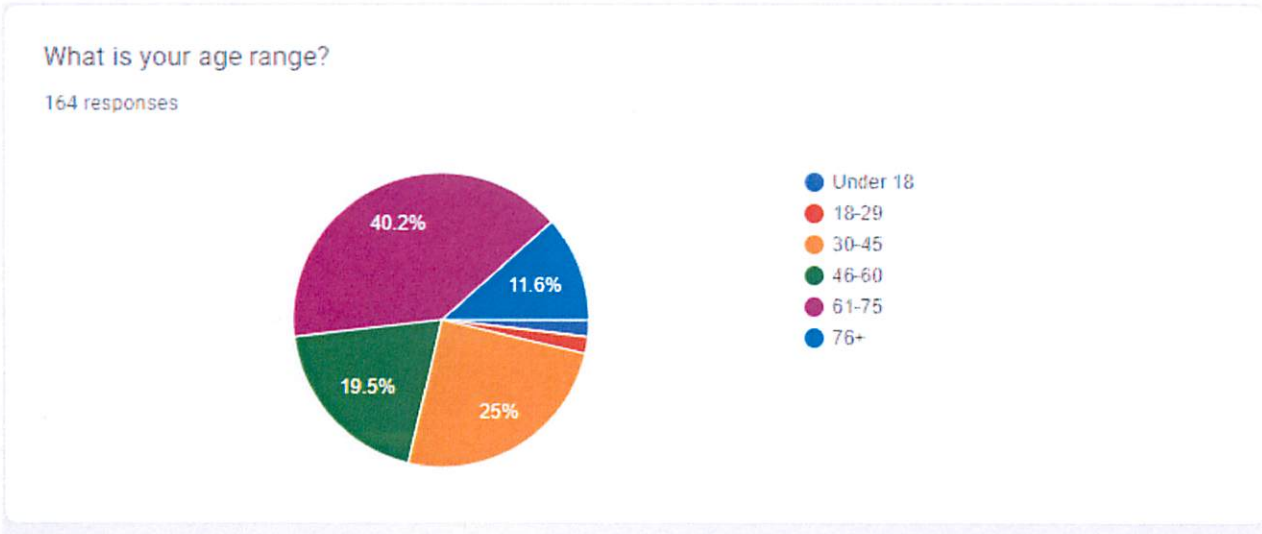
▲ 1/4 ▼

2024



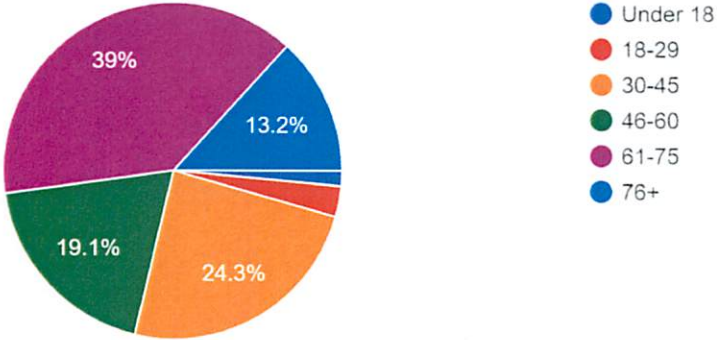


2023

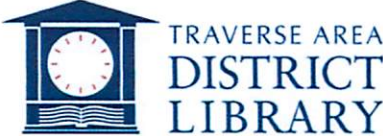


2024

What is your age range?
136 responses



Once again we received a good, balanced, range of respondees.



TADL Library User Survey 2024

Help us grow - please share any ideas for programs, books, or library services! (PS: We always have a suggestion form on tadl.org too, if you think of something later.)	Is there anything else you would like to share?
Video game club for teens	
	Love the team programs. My kids started with story time and have been library lovers for years. Glad to see the programs age with them.
	Thank you for hosting LWV meetings and
More puzzle comps please!	
I love the local authors like Jim DuFresne and Doug Stanton. I enjoy the mysteries of constellations with Bob Molar. Anything that piques the curiosity.	I love the Woodmere library. I hope it never changes. It's perfect. I wish we didn't need a security guard. I volunteer at safe harbor. The homeless library patrons are not the problem. We need to be kind to everyone.
	TADL is a great library. TC area is lucky to have such a good resource.
I have been checking out DVD series that have 10 to 12 disks. It would be helpful to have those for a month rather than just 2 weeks.	
Documentaries	Need to be able to download books to my kindle but I think kindle is to old.
You guys are the best already. Love our libraries.	
Please have more adult events onsite AFTER 3 pm! I notice a lot of great happenings at the main library but there are still adults who work during the day and cannot attend these during the week days!	
	Love our Interlochen Library! Best staff, friendly, helpful, great suggestions, like seeing favorite friends when I visit!
	I love the library! I visit 1-2 times a week and utilize the books and dvds the most. Last year I read 94 books! I'm also grateful for Melcat and have been able to get several books that way that our library didn't have. I also appreciate the wonderful essays that Michele Howard writes each month in the email it makes me proud to read her clear insight about important issues like book bans and keeping the library as an open meeting space for all opinions. In a time of divisiveness I think she does a great job of reminding the community the importance of the library as a place for all. Thank you Michele and keep up the great work!
Parenting Classes	TADL libraries are the best!!

TADL Library User Survey 2024

	<p>The show 1A today 2/29 on NPR spoke about the burnout library workers are facing- so many duties to the underprivileged that frequent your public space. We know the extras you do and the extra BS you all deal with, especially in TC downtown- but really everywhere - and you stay- providing a vital service to our community- and we THANK YOU for being there everyday!!!!</p>
<p>An automated text about new events/services with categories you can opt in for.</p>	<p>I appreciate our library and library staff for everything they offer/do. Thank you!!</p>
<p>Keep doing what you're doing so well. No</p>	
	<p>TADL is an essential community resource. You're doing a fine job; keep it up. You offer an excellent selection of books and DVDs. Don't let right- wing book banners and culture cancellers impose their Christian Nationalist agenda on TADL.</p>
<p>Literature into Film series?</p>	
	<p>Love the libraries here.</p>
<p>Love the Tuesday Book Club, you could offer a second book club during the day. There are many people who attend that book club.</p>	<p>Love the library. Thanks for the great job you are doing.</p>
<p>More books place-based on the southwest.</p>	
<p>Lego robotics for kids, an adult craft class,</p>	<p>Before I ever purchase a book I see at the store or online I try to get it out of the library first to see if it's worth buying. A lot of new books that come out you don't have and when I check Mel there is sometimes only 1 library who has it but you aren't allowed to check it out. Why?! It's frustrating!!</p>
<p>Have all the books in a series rather than 1 or 2 books without the rest.</p>	
<p>I think it would be great to have book clubs for different ages. That way people in their 20s, 30s, 40s, etc. could all connect with one another.</p>	<p>Love the library - thank you for all that you do!</p>
<p>A non-fiction book club</p>	<p>Thank you so much for all the great services you provide. I love my library!</p>
	<p>I love this library especially the book club kits and how easy it is to now reserve and have them for 6 weeks.</p>
<p>Really love the board game offerings, it would be fun to expand and maybe offer board game evenings at the library</p>	

TADL Library User Survey 2024

	Many Thanks for the great, knowledgeable and helpful staff at East Bay township library.
Author talk about latest book	
	You, all of you, do a great job. We are so very fortunate to have you in our lives.
	Thank you for all you do! It is important and has such a positive impact on the community!
	TADL and its staff are great
	I really appreciate all TADL does! I try to visit the library once a week, even if it's to just browse at what's new.
	Easy Bay library book club is great.
Discussion classes like Great Decisions	
	The staff at Kingsley library is the best! They are so helpful and know everyone by name and they just feel like friends! I've been to several of the libraries and although everyone is friendly, nobody makes us feel at home like the Kingsley crew.
Open a Acme library	
	I love the library!
	The Woodmere library is my favorite place to go. Friendly, helpful, informed staff, and everything I love ... books, movies, music, puzzles, peace and quiet, a beautiful view and the library of things, just to mention a few. I also want to say that the Peninsula Community Library is a very special place that offers everything I just mentioned, as well.
You offer so much that it's difficult to come up with anything. I'll get back to you on this later.	
	Thank you for supporting Poets Night Out all these years
	I love the library! I worship at the feet of its staff.
job fair for local non-profits to attract/connect with local talent	keep up the wellness classes
I like the idea of the learn to knit class, maybe more of that related to the services the library offers? 3d printing/modeling, how to do research, reshelving walk along, music appreciation. That's all I can think of right now	

TADL Library User Survey 2024

	No
I'd love to see a group where someone with crochet skills who would patiently teach a 70 year old to crochet. I just can't seem to connect the dots even using a slowed down you tube video. Also, I know there is a once-a-month craft group but it would be wonderful to have one more often.	
	My family loves this Library.
Programs on basic skills such as logic or having book clubs for the classics	The library is great!
	Thankful for all that is provided...Book Club bags should be able to be checked out for more than 4 weeks so that we have time to read and THEN return after the Book Club discussion
Online book discussion forum (interactive feature using beanstack and/or online forum), where people can discuss books or other materials they borrow from the libraries	The TADL libraries are great for the community! Thanks for all the books, dvds, materials, programs, etc, that you have to offer! A great treasure for everyone, indeed!
Baking and cooking programs, Expand Manga Selection	Keep Up The Good Work!
will think about it	
Maker space with a laser cutter, 3d printers and sewing machines available for library members along with knitting and art supply kits to learn new crafts. Yearly art show featuring art from local High School Students. Yearly Community Art Show open to all artists in the community. All artwork is to be hung throughout the library. More cooking classes.	More interaction with the community and the arts
More options for working parents to participate in baby/toddler activities at the library. I've peeked in once on the Family Storytime and it looks so fun, but I work a standard 9-5 with my daughter in daycare. It would be great if these were occasionally offered on the weekend or in early evenings. (Maybe they are and I haven't been good about reading the newsletter, but anything for working parents to participate with their young kids would be awesome)	
	Still love walking the gardens around the library in the summer. Always so beautiful.
	Enjoy the ability to peruse the holdings, use melcat, keep on top of my account on line