



Jo Anne G. Mondowney
Executive Director

March 1, 2023

HONORABLE CITY COUNCIL

RE: AUTHORIZATION TO AMEND THE FY2022-23 BUDGET FOR THE DETROIT PUBLIC LIBRARY

The Detroit Public Library (DPL) is requesting authorization to amend its Fiscal Year 2022-23 Adopted Budget to increase projected revenues and offsetting appropriation by \$4,548,677. The current budget total appropriation is \$33,565,469.

The purpose of the budget amendment is to pay for the completion of the restoration of the Main Library due to flood damage in June 2021 (\$2,332,271), roof replacements at Knapp, Redford, and Wilder (\$716,375), and the HVAC system replacements at Chase and Hubbard branches (1,500,030). These purchases will increase the Capital Outlay expenditure account 644124 by \$4,548,677. The total loss for the flood damage is \$4,667,288. To date, the AIG, the insurance company, has issued a total of \$3,340,965 in insurance proceeds. Of the proceeds received, the Library has paid out a total of \$2,335,016. The Library is expected to receive another \$826,323 in insurance proceeds; combined with the \$500,000 deductible, the total amount left to be paid out to the restoration vendor is \$2,322,271. The roof replacements and HVAC system replacements were approved by the Library Commission with the use of fund balance in the amount of \$2,216,405 during the FY2022. Because the projects were not completed in FY2022, the funds allocated went back into the fund balance. The projects are expected to be completed during the FY2023 budget year, therefore, approval is needed to request the funds be allocated to this year's budget line item. The State of Michigan's Economic Development Corporation approved a grant of \$500,000 for the Detroit Public Library to offset the costs of the HVAC systems replacement at Chase and Hubbard branches; this amount will be included in the budget amended. The budget Prior Year Surplus would be amended by \$2,760,410. DPL requests to increase it FY2022-23 Department Appropriation 29720 from \$22,523,969 to \$27,072,646 an increase of \$4,548,677.

Increase Revenue Appropriation No.	29720 DPL-Administration Mgmt	\$4,548,677
Increase Appropriation No.	29720 DPL-Administration Mgmt	\$4,548,677

Respectfully Submitted,


Jo Anne G. Mondowney, Executive Director
Detroit Public Library

APPROVED:


Steven Watson
Deputy CFO/Budget Director

03/16/2023
Date

cc: Malik Washington, City Council Liaison

RESOLUTION

BY COUNCIL MEMBER _____

WHEREAS, it is the intention of the City of Detroit to provide adequate funding for the operations of the Detroit Public Library for the fiscal year beginning July 1, 2022 and ending June 30, 2023.

NOW THEREFORE BE IT;

RESOLVED, that the Budget Department be and is hereby authorized to amend the 2022-23 Budget as follows;

Increase Revenue Appropriation No.	29720 DPL-Administration Mgmt	\$4,548,677
Increase Appropriation No.	29720 DPL-Administration Mgmt	\$4,548,677

AND BE IT FURTHER RESOLVED,

that the Finance Director be and is hereby authorized to increase the necessary accounts and honor vouchers and payrolls when presented in accordance with the foregoing communications and regulations of the City of Detroit