



**Approved Budgets**  
**for**  
**Fiscal Year 2021 and 2022**  
**Assuming a 1.9945 Mill Levy**

**Presented to and approved by the  
Library Board at the public hearing  
and regular board meeting held on**

**August 24, 2020**



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	FY 2020 Budget	FY 2021 Budget Request	Variance	Percent Change	FY 2022 Budget Request	Variance	Percent Change
<b>REVENUE</b>							
Millage Rate	2.0000	1.9945			1.9945		
Tax Revenue	\$ 4,798,747	\$ 4,949,347	\$ 150,600	3.1%	\$ 5,040,572	\$ 91,225	1.8%
Other Revenue	397,126	466,575	69,449	17.5%	463,544	(3,031)	-0.6%
<b>Total Revenue</b>	<b>\$ 5,195,873</b>	<b>\$ 5,415,922</b>	<b>\$ 220,049</b>	<b>4.2%</b>	<b>\$ 5,504,116</b>	<b>\$ 88,194</b>	<b>1.6%</b>

<b>OPERATING EXPENSES</b>							
Salaries & Wages	\$ 1,621,747	\$ 1,611,276	\$ (10,471)	-0.6%	\$ 1,659,617	\$ 48,341	3.0%
Fringes & Benefits	658,522	660,600	2,078	0.3%	677,090	16,490	2.5%
Library Materials	673,363	631,232	(42,131)	-6.3%	631,232	-	0.0%
Library Supplies	143,887	133,358	(10,529)	-7.3%	127,340	(6,018)	-4.5%
Administrative Services	286,170	307,850	21,680	7.6%	317,240	9,390	3.1%
Building & Utilities	348,347	318,100	(30,247)	-8.7%	337,450	19,350	6.1%
Furnishings & Equipment	10,415	-	(10,415)	-100.0%	-	-	0.0%
Other Charges	267,075	271,710	4,635	1.7%	267,010	(4,700)	-1.7%
<b>Total Operating Expenses</b>	<b>\$ 4,009,526</b>	<b>\$ 3,934,126</b>	<b>\$ (75,400)</b>	<b>-1.9%</b>	<b>\$ 4,016,979</b>	<b>\$ 82,853</b>	<b>2.1%</b>

<b>CAPITAL PROJECTS</b>							
Capital Projects	\$ 1,186,347	\$ 1,481,796	\$ 295,449	24.9%	\$ 1,487,137	\$ 5,341	0.4%
<b>Total Expenses</b>	<b>\$ 5,195,873</b>	<b>\$ 5,415,922</b>	<b>\$ 220,049</b>	<b>4.2%</b>	<b>\$ 5,504,116</b>	<b>\$ 88,194</b>	<b>1.6%</b>

RESERVES	Year End 2020	Year End 2021	Difference	% of Total		Year End 2022	Difference	% of Total	
				Exp				Exp	
General Reserve	\$ 698,660	\$ 704,878	\$ 6,218	13.0%		\$ 717,127	\$ 12,249	13.0%	
Building Reserves	50,000	50,000	-	0.9%		50,000	-	0.9%	
PPT Reserve	805,946	805,946	-	14.9%		805,946	-	14.6%	
Patio Feasibility Reserve	4,700	4,700	-	0.1%		4,700	-	0.1%	
Benefits Reserve	29,740	29,740	-	0.5%		29,740	-	0.5%	
Technology Reserve	111,305	111,305	-	2.1%		111,305	-	2.0%	
Building Improvement Reserve	2,022,500	2,022,500	-	37.3%		2,022,500	-	36.7%	
Unassigned Fund Balance	3,079,083	3,079,083	-	56.9%		3,079,083	-	55.9%	
<b>Total</b>	<b>\$ 6,801,934</b>	<b>\$ 6,808,152</b>	<b>\$ 6,218</b>	<b>125.7%</b>		<b>\$ 6,820,401</b>	<b>\$ 12,249</b>	<b>123.9%</b>	

## GENERAL BUDGET SUMMARY

**Overview:** These budget documents provide a general overview of the Fiscal Year 2021 and 2022 Budget scenarios for the Portage District Library. They include projections of tax revenue for the Library, assuming a 1.9945 mill levy and forecasts for total other expected income. Along with revenue projections, these budget sheets also categorize and delineate library operating expenses and capital projects, to give a total cost picture for operating the Library in Fiscal Year 2021. The main goals for the FY2021 Budget are: (1) to allocate and expend funds appropriately across specific line items to support operations which fulfill the Library's Long Range Strategic Plans; (2) to function in a quarterly budgeting mode in order to identify the Library's cash flow for investment purposes; and (3) to produce accurate financial reports of library activities. The FY2022 Budget is a projection based on information that is available as of June 2020 and is meant to serve as an estimate only.

**Key Considerations:** When reviewing the proposed Fiscal Year 2021 Portage District Library Budget, it should be noted that it covers the time period January 1, 2021 through December 31, 2021. [Note: In the same manner, taxes collected in December 2020 must be considered revenue for FY2021] In preparing the budget for Fiscal Year 2021, the Library considered the current economic climate in Portage, as well as a projection of property tax revenue for Fiscal Year 2021 and Fiscal Year 2022. The overall projection of property tax revenue is for a 3.1% increase in Fiscal Year 2021 and for a 1.84% increase in Fiscal Year 2022. New building initiatives and increasing home values in Portage are strong and expected to increase in the coming years. Additionally, the State of Michigan is facing a budget shortfall in the coming year due to a shut down of business activity within the state from the COVID-19 pandemic. The level of funding from the State of Michigan is unknown at this time and the Library is taking precautions in this budget to safeguard against any shortfalls. If PPT is not reimbursed to its anticipated level in FY2021, the Library has a PPT Reserve to assist. Additionally, the Library has several full-time positions that are vacant and budgeted for that will not be filled until a clear picture of state funding is known. Shortfalls to revenue could be made up not filling vacant positions and thus saving on wages and benefits. The estimated loss in tax revenue due to personal property elimination is set at \$342,843 for FY2021. The reimbursement of these funds will come from the Local Community Stabilization Authority and will be treated as State Aid and not Tax Revenue. Therefore, the Library has included this amount under Other Revenue in this budget document. The Library has increased its General Fund Reserve by \$178,437 in FY2020 and again by \$6,017 in FY2021 to keep it at a level of 13% (which falls within the ideal range of 13% to 15% of total expenditures); has maintained funding for library materials at a level of 16.12% of operating expenses; allocated more than \$200,000 for technology improvements; continues a Building Fund Reserve (\$50,000); maintains \$29,740 for a Benefits Reserve to be used for employee lump sum retirement payments of accrued sick and vacation time payout; \$4,700 for improvements to the north patio; and \$2,022,500 for the building improvement project; and \$805,946 in a PPT Reserve at the end of FY2020. In late FY2020, the Library will sell bonds to raise capital to complete its building improvement project. Construction is set to begin in the spring of FY2021 and be completed in FY2022. Planning and preliminary work has begun in early FY2020. The proceeds from the bonds will be combined with the \$2,025,500 of the Building Improvement Reserve and budgeted funds from the Building Improvement Project from the FY2020 budget (\$955,347) and FY2021 budget (\$940,347) to finance the construction.

**Undesignated Fund Balance:** As of the end of Fiscal Year 2019, the Library had an Unassigned Fund Balance of \$3,079,083. This amount will be increased at the end of FY2020 with any further unspent funds. This Unassigned Fund Balance is in addition to the 13% General Reserve of annual budgeted expenditures that are available for situations that may arise. Furthermore, the library has \$50,000 in a Building reserve for emergencies that may arise with building assets. The Library is preparing this budget under the realization that all funding to be reimbursed by the Local Community Stabilization Authority for Personal Property Tax elimination will be realized. The Library has been very careful over the last 5 years to continually add to its Unassigned Fund Balance with the idea that at some point in the future, this revenue will not be 100% reimbursed. It would use its PPT Reserve to help offset any decreases in this area in future years. The Library is set to use its \$2,025,500 Building Improvement Reserve in FY2021 and FY2022 to undertake a large building renovation project that will most likely move the Library to a remote location for the majority of FY2021 and a portion of FY2022. The Library is at risk because the community has one large employer in its jurisdiction that could affect funding to a significant level if that employer made a significant shift in its business. That employer is currently expanding its local operations and giving every indication that it will remain a strong force in the community.

	FY 2020 Budget	FY 2021 Budget Request	Variance	Percent Change	FY 2022 Budget Request	Variance	Percent Change
<b>TAX REVENUE</b>							
Millage Rate	2.000	1.995	(0)		1.995	0	
Property Tax	\$ 4,737,270	\$ 4,879,266	\$ 141,996	3.0%	\$ 4,969,440	\$ 90,174	1.8%
IFT/CFT Tax	61,477	70,081	8,604	14.0%	71,132	1,051	1.5%
<b>Total Tax Revenue</b>	<b>\$ 4,798,747</b>	<b>\$ 4,949,347</b>	<b>\$ 150,600</b>	<b>3.1%</b>	<b>\$ 5,040,572</b>	<b>\$ 91,225</b>	<b>1.8%</b>
<b>OTHER REVENUE</b>							
State Aid	\$ 37,500	\$ -	\$ (37,500)	-100.0%	\$ -	\$ -	0.0%
Local Community Stabilization Share Approp.	313,063	342,843	29,780	9.5%	342,843	-	0.0%
County Penal Fine Income	60,000	50,000	(10,000)	-16.7%	50,000	-	0.0%
Local Fine & Fee Income	70,000	27,950	(42,050)	-60.1%	27,950	-	0.0%
Interest Income	80,000	40,000	(40,000)	-50.0%	40,000	-	0.0%
Rental Income	3,000	-	(3,000)	-100.0%	3,000	3,000	0.0%
Vending Services	12,000	12,000	-	0.0%	12,000	-	0.0%
Funding to/from Reserves	(178,437)	(6,218)	172,219	-96.5%	(12,249)	(6,031)	97.0%
<b>Total Other Revenue</b>	<b>\$ 397,126</b>	<b>\$ 466,575</b>	<b>\$ 69,449</b>	<b>17.5%</b>	<b>\$ 463,544</b>	<b>\$ (3,031)</b>	<b>-0.6%</b>
<b>Total Revenue</b>	<b>\$ 5,195,873</b>	<b>\$ 5,415,922</b>	<b>\$ 220,049</b>	<b>4.2%</b>	<b>\$ 5,504,116</b>	<b>\$ 88,194</b>	<b>1.6%</b>

#### TAX REVENUE - Fiscal Year 2021

> **Property Tax**: The Library is planning for an increase in property tax revenue of \$141,996. The Library saw good increases to tax values of residential property throughout its service area. The Library is also subject to a Headlee Rollback from its maximum levy of 2.0 mills to a maximum of 1.9945. This has resulted in an approximately \$13,000 of reduced funding.

> **Industrial Facilities Tax**: Anticipated revenue for the Library to be generated from tax assessments made on industries in the service population area of the Portage District Library. There were several new projects, mainly Pfizer, that have added to the revenue in this area. Additionally, as exemption periods run out on properties, they then resort back to being taxed at the full allowable millage.

> **State-Aid**: Funding for Libraries by the State of Michigan has stabilized in past year. However, in the wake of budget shortfalls at the state level, future funding may be in jeopardy for the next few years. The Library is being aggressive and planning for funding to be cut for FY2021.

> **Local Community Stabilization Share Appropriation**: The reimbursement for the Personal Property Tax loss is budgeted to be \$342,843. This number will increase each year as more personal property becomes eligible for exemption.

> **County Penal Fines**: Based on historical data, the Library will budget for a decrease in revenue to be generated by a share of penal fines distributed to public libraries by Kalamazoo County. The Library budgets very conservatively for this revenue, as funding has sharply decreased in recent years.

> **Local Fines & Fees**: The Library is considering adopting the trend of other Libraries and eliminate fines for overdue material. The Library will still charge patrons for lost material, as well as non-resident memberships.

> **Investment Interest Income:** Anticipated revenue for the Library that will be generated by interest earned on investments. The Library continues to try to generate interest revenue where possible through a combination of CDs, Agency Bonds, Commercial Paper and Sweep Accounts. Based on the rate of return that is available for these types of investments, and available funds for investment, the Library will decrease its anticipated investment earnings from the prior year's rate. Rates have fallen over the last year and the Library is anticipating spending a portion of its Fund Balance on the Building Improvement Project, and thus will have less funds to invest.

> **Rental Income:** The Library is anticipating no rental revenue for FY2021 while it is conducting Library services at a remote location. Once the Library returns back to its permanent site, rental revenue will again be budgeted for.

> **Vending Services:** Anticipated revenue for the Library resulting from charging the public a fee for photocopies, computer printouts, coffee, and other miscellaneous items. The Library is conservatively budgeting for no increase in this line.

> **Funding from Reserves:** The Library calculates the General Reserve to be 13% of all revenue before Funding from Reserves. Due to a slight increase in revenue for FY2021, the Library will adjust the General Reserve upward by \$6,017 and budget those funds to be applied in the FY2021 budget. Plans for expenditures from these areas will be brought forth to the Library Board at other times during the year, if needed.

#### **TAX REVENUE - Fiscal Year 2022**

> **Tax Revenue Projection:** The Library is estimating that overall property values within the City of Portage and Pavilion Township will increase by 1.5%, while property values in Texas Township will increase by 4.0% in FY2022. Building is strong in the community and this area is seeing new property being added to the tax rolls. These are conservative estimates and fit within the Library's concept of estimating revenues conservatively.

> **Funding From Reserves:** For FY2022, the Library is planning to only make the necessary adjustment to the General Reserve.

	FY 2020 Budget	FY 2021 Budget Request	Variance	Percent Change	FY 2022 Budget Request	Variance	Percent Change
<b>SALARIES &amp; WAGES</b>							
Full Time Staff Salaries	\$ 1,018,497	\$ 1,022,640	\$ 4,143	0.4%	\$ 1,053,320	\$ 30,680	3.0%
Full Time Staff Hourly	228,574	228,118	(456)	-0.2%	234,962	6,844	3.0%
Part Time Staff Salaries	131,358	127,560	(3,798)	-2.9%	131,387	3,827	3.0%
Library Aide Salaries	232,918	222,484	(10,434)	-4.5%	229,159	6,675	3.0%
Substitute Salaries	10,400	10,474	74	0.7%	10,789	315	3.0%
<b>Total Salaries &amp; Wages</b>	<b>\$ 1,621,747</b>	<b>\$ 1,611,276</b>	<b>\$ (10,471)</b>	<b>-0.6%</b>	<b>\$ 1,659,617</b>	<b>\$ 48,341</b>	<b>3.0%</b>
<b>FRINGES &amp; BENEFITS</b>							
Health Insurance	\$ 335,000	\$ 340,000	\$ 5,000	1.5%	\$ 350,500	\$ 10,500	3.1%
Dental	34,500	34,500	-	0.0%	34,500	-	0.0%
Vision	5,400	5,200	(200)	-3.7%	5,400	200	3.8%
Life & Disability Insurance	17,850	13,500	(4,350)	-24.4%	13,500	-	0.0%
Pension	122,508	126,737	4,229	3.5%	128,829	2,092	1.7%
Employee Assistance Program	1,600	1,600	-	0.0%	1,600	-	0.0%
Personal Well-being Program	10,800	10,800	-	0.0%	10,800	-	0.0%
Workers Compensation	6,800	5,000	(1,800)	-26.5%	5,000	-	0.0%
FICA - Employer	124,064	123,263	(801)	-0.6%	126,961	3,698	3.0%
<b>Total Fringes &amp; Benefits</b>	<b>\$ 658,522</b>	<b>\$ 660,600</b>	<b>\$ 2,078</b>	<b>0.3%</b>	<b>\$ 677,090</b>	<b>\$ 16,490</b>	<b>2.5%</b>
<b>Total Salaries &amp; Benefits</b>	<b>\$ 2,280,269</b>	<b>\$ 2,271,876</b>	<b>\$ (8,393)</b>	<b>-0.4%</b>	<b>\$ 2,336,707</b>	<b>\$ 64,831</b>	<b>2.9%</b>

### **SALARIES & WAGES - Fiscal Year 2021**

> **Full-Time Staff Salaries:** Projection of estimated salaries for all current full-time positions will increase by 0.4%. The Library is budgeting for merit increases of current salaries that will be available for staff to earn. The Library currently has two (2) full-time salaried positions vacant. For the remainder of FY2020, the Library has implemented a hiring freeze of full-time personnel as the Library waits to see if there will be a reduction in revenue funding from state and local sources due to the stay-at-home order and shortfalls in the state budget. The reduction in funding for this line is due to actual increases in wages for FY2020 trending lower than previously budgeted, which has a ripple effect into the next year.

> **Full-Time Staff Hourly:** The overall budget for this line is down 0.2%. The decrease in needed funds is similar to Full-Time Salaries. A combination of lower than budgeted merit increases from the prior year coupled with the budget for a vacant position not having its budget increased has resulted in a 0.2% decline in needed funding.

> **Part-Time Staff Salaries:** Projection of a 2.9% decrease to individual wages for the year. The Library currently has a vacant part-time position in this area and it is expected to remain vacant for the remainder of FY2020. A determination will be made in FY2021 if the position will be filled, once a clearer picture of state and local funding is known.

> **Library Aides Salaries:** Individual wages are projected to decrease by 4.5%. The reduction of wages allows for the funding of all current positions in FY2021, along with merit increase. There are no vacant positions in this area. .



> **Substitute Salaries:** The Library will fund substitute librarians for both Saturdays and Sundays in FY2021. The Library feels this will provide a benefit to current staff in several ways, including providing them more time during the week to accomplish needed tasks.

**SALARIES & WAGES - Fiscal Year 2022**

> **Salary & Wage Projection:** The library is budgeting for a merit increase to wage rates for Fiscal Year 2022. The Library will continue to review its staffing level and add staff in areas that align with its strategic plan or needs.

#### **FRINGES & BENEFITS - Fiscal Year 2021**

- > **Health**: Projection of a 1.5% increase to health insurance benefits is due to several factors. The PA152 hard cap has increased slightly from the prior year. All open positions budgeted for are done so assuming that new hires will select a higher level of coverage (family vs. single) than prior employees. This will allow the Library to be well covered from a budgeting standpoint.
- > **Dental & Vision**: Projection of a small decrease in funding for Dental and Vision Insurance.
- > **Life & Disability Insurance**: Projection of a decrease is due to the switch to a new carrier for FY2020, at a lower premium.
- > **Pension**: Projection of a 3.5% increase in employer contributions into the retirement fund for all current and future full-time employees is due to overall higher wages.
- > **Employee Assistance**: Projected cost for the employee assistance program. The Library contracts with an independent company to provide counseling in various areas if employees or their family members wish to seek assistance.
- > **Tuition Reimbursement**: The Library is budgeting \$10,800 for the Personal Well-Being Program that allows staff to attend classes or attain memberships in organizations or clubs of their choosing during the 2021 fiscal year.
- > **Workers' Compensation**: Projection of a small decrease in Workers' Compensation is to bring this budget more in line with actual expenses.
- > **FICA / Employer**: Projected cost for employer paid social security for all paid Library employees, currently 7.65% of total wages.

#### **FRINGES & BENEFITS - Fiscal Year 2022**

- > **Fringes & Benefits Projection** - The Library will project for a small increase to the hard cap limits that dictate Health Insurance costs. Other third party administrator costs are being projected based on past history. FICA and Pension costs are anticipated to increase as the Library's overall budget for wages increases.



	FY 2021 Budget				FY 2022 Budget			
	FY 2020 Budget	Request	Variance	Percent Change	Request	Variance	Percent Change	
<b>LIBRARY MATERIALS</b>								
Books - Adult	\$ 178,470	\$ 166,290	\$ (12,180)	-6.8%	\$ 166,290	\$ -	0.0%	
Digital Collections	190,670	183,022	(7,648)	-4.0%	183,022	-	0.0%	
Audio/Visual - Adult	45,930	42,480	(3,450)	-7.5%	42,480	-	0.0%	
Books - Youth	104,863	100,200	(4,663)	-4.4%	100,200	-	0.0%	
Audio/Visual - Youth	15,400	12,900	(2,500)	-16.2%	12,900	-	0.0%	
Audio/Visual - Hot Picks	32,130	31,040	(1,090)	-3.4%	31,040	-	0.0%	
Electronic Information Products	89,400	76,000	(13,400)	-15.0%	76,000	-	0.0%	
Periodicals & Publications	16,500	19,300	2,800	17.0%	19,300	-	0.0%	
<b>Total Library Materials</b>	<b>\$ 673,363</b>	<b>\$ 631,232</b>	<b>\$ (42,131)</b>	<b>-6.3%</b>	<b>\$ 631,232</b>	<b>\$ -</b>	<b>0.0%</b>	

### **LIBRARY MATERIALS - Fiscal Year 2021**

> **Books - Adult:** Projection of a decrease in printed materials in FY2021. The decrease is in the area of print reference material. The Library is shifting funding in this area to online databases, where it is more accessible to patrons in and out of the library. Within the print collection, there will be a small increase to Fiction material.

> **Digital Collections:** The Library is projecting a decrease in funding for this area for FY2021. In FY2019 the Library budgeted for a large increase for the Hoopla service. Use of this service is very good and the reduction reflects a level of funding more in line with its current use, while still allowing room for increased use. The E-Book collection, Tumblebook and Freegal music service will maintain its funding in this budget. A new streaming movie service, Kanopy, will be added for FY2021. The Library will also maintain funding for additional wireless hotspots.

> **Audio/Visual - Adult:** Projection of a minor decrease for the purchase of Talking Books. This decrease is a continuation of a small decrease from FY2020.

> **Books - Youth:** Projection of a small decrease to the Preschool and Parent Teacher collections. While these are heavily used collections, a review of their usage through CollectionHQ reveals a small decrease is warranted.

> **Audio/Visual - Youth:** Projection of a \$2,500 decrease to purchase Compact Discs, Video DVD's, and Talking Books for the Youth collection. The decrease come in the area of videos. While this collection is used, prices for material is decreasing and a reduction in funding will still allow adequate purchasing of material.

> **Audio/Visual - Hot Picks:** Projection of a small decrease in this category is warranted after a review of statistics for this collection.

> **Electronic Information:** Projection of a \$13,400 decrease for the purchase of licensed databases. The reduction is the result of a review of the database offering, compared to usage stats, and the elimination of some databases that are not utilized at a rate that warrants their purchase.

> **Periodicals & Publications:** Projection of a small increase for periodicals and publications is a realignment of getting all the costs associated with this service into this line.

### **LIBRARY MATERIALS - Fiscal Year 2022**

> **Library Material Projection:** The Library feels that the collection is one of the core services that it provides for patrons and that it must be funded at an appropriate level. The Library is in a period where collections, and more importantly, format need to be analyzed so that funds can be shifted to the appropriate places to meet patron demands. In addition, available shelf space and the introduction of more electronic formats will need to be considered. The Library will continue utilizing Collection HQ to help it monitor popular collections and to determine where funding increases and decreases should take place. Areas of increase are currently in E-Books and the Hoopla service. As the Library goes through its building improvement project and considers new layouts of shelving, consideration will be given to the right size of the Library collection in relation to all of the other services the Library needs to provide.

	FY 2021 Budget			Percent	FY 2022 Budget			Percent
	FY 2020 Budget	Request	Variance	Change	Request	Variance	Change	
<b>SUPPLIES</b>								
Office Supplies	\$ 29,447	\$ 22,718	\$ (6,729)	-22.9%	\$ 16,600	\$ (6,118)	-26.9%	
Operating Supplies	68,200	54,700	(13,500)	-19.8%	54,700	-	0.0%	
Central Copying/Printing	32,600	34,800	2,200	6.7%	34,900	100	0.3%	
Postal/Freight	13,640	21,140	7,500	55.0%	21,140	-	0.0%	
<b>Total Supplies</b>	<b>\$ 143,887</b>	<b>\$ 133,358</b>	<b>\$ (10,529)</b>	<b>-7.3%</b>	<b>\$ 127,340</b>	<b>\$ (6,018)</b>	<b>-4.5%</b>	

### **SUPPLIES - Fiscal Year 2021**

> **Office Supplies:** Projection of a \$6,729 decrease in the Office Supplies category is due to the decreased funding for Circulation Supplies. In FY2020, the Library needed to purchase new Library cards for patrons. This is a purchase that the Library performs every few years as supplies are depleted. The budget for that purchase was \$12,597. This reduction is offset by funding for needed Library bags and supplies to maintain the new Curbside Pick-up service.

> **Operating Supplies:** Projection of a 19.8% decrease in overall Operating Supplies. The majority of the decrease is in the area of Repair of Maintenance Supplies. The Library will be upgrading all lighting in the Building Improvement Project to LED and thus, severely reduce its funding for replacement lightbulbs for FY2021. The Library will reduced the budget for lightbulbs by \$11,000 in FY2021.

> **Central Copying & Printing:** Projection of a small increase is needed to maintain communication with Library patron regarding Library service during the planned Library Improvement Project.

> **Postal/Freight:** Projection of an increase to Postage & Freight is for direct communication to residents within the Portage District Library's area regarding the shift of service to an offsite location.

### **SUPPLIES - Fiscal Year 2022**

> **Supplies Projection:** In FY2022, the library will continue to budget as it did in FY2021. There will be small adjustments to the FY2022 funding levels as certain initiatives change.

	FY 2021 Budget				FY 2022 Budget			
	FY 2020 Budget	Request	Variance	Percent Change	Request	Variance	Percent Change	
<b>ADMINISTRATIVE SERVICES</b>								
Public Relations	\$ 9,500	\$ 12,000	\$ 2,500	26.3%	\$ 12,000	\$ -	0.0%	
Fundraising	9,300	9,300	-	0.0%	9,300	-	0.0%	
Professional Surveys	800	800	-	0.0%	800	-	0.0%	
Human Resources	7,500	7,500	-	0.0%	7,750	250	3.3%	
Bank Service Charges	10,120	10,120	-	0.0%	10,240	120	1.2%	
Legal Services	10,000	10,000	-	0.0%	10,000	-	0.0%	
Online Subscription	35,600	52,580	16,980	47.7%	52,900	320	0.6%	
Online Maintenance	5,000	3,000	(2,000)	0.0%	3,000	-	0.0%	
Internet Services	98,000	106,200	8,200	8.4%	106,900	700	0.7%	
Payroll Services	11,000	15,000	4,000	36.4%	16,000	1,000	6.7%	
Financial Services	12,500	13,000	500	4.0%	14,000	1,000	7.7%	
Cataloging & Processing Services	62,900	60,400	(2,500)	-4.0%	60,400	-	0.0%	
Other Administrative Services	13,200	7,200	(6,000)	-45.5%	13,200	6,000	83.3%	
Investment Services	750	750	-	0.0%	750	-	0.0%	
<b>Total Administrative Services</b>	<b>\$ 286,170</b>	<b>\$ 307,850</b>	<b>\$ 21,680</b>	<b>7.6%</b>	<b>\$ 317,240</b>	<b>\$ 9,390</b>	<b>3.1%</b>	



### **ADMINISTRATIVE SERVICES - Fiscal Year 2021**

- > **Public Relations:** A projection of a \$2,500 increase for Public Relations in FY2021. The increase in funds is needed to maintain sufficient gear to create online programming during the Library move to an offsite location. This is a new service that the Library initiated during the COVID-19 Stay at Home order and was viewed favorably by patrons. The additional funding will ensure enough equipment to continue the appropriate level of service.
- > **Fundraising:** Projection of no increase in this line.
- > **Professional Surveys:** Projection of no increase in this line.
- > **Human Resources:** Funding to the Human Resources line will fund shredding services, job advertising, drug screening and backgrounds checks for new employees. This funding level will also enable the Library to conduct yearly human resource training.
- > **Bank Service Charges:** Projection of no increase in this line.
- > **Legal Services:** Projection of no increase in this line.
- > **Online Subscriptions:** This line is to be used to budget for subscription services to online products such as Boopsie, DeskTracker, Content DM, Evanced, Gale Analytics, Collection HQ and Mosio. The increase in funding is for additional services related to the production of online videos.
- > **Online Maintenance:** This line will be used for the Library's website, including graphics, maintenance, and summer reading updates. The decrease is possible due to an analysis of prior spending.
- > **Internet Services:** Projection of a \$8,200 increase in funding for FY2021 is for the addition of two factor authentication and VPN licensing. through the stay at home order, the library was able to provide access to Library specific software and information through VPN connections for staff. With a possible move to an offsite location, this remote connectivity by staff will not be reduced.
- > **Payroll Services:** Projection of \$4,000 increase is for enhanced services that the Library contracted with Paylocity for in FY2020. These services include a Learning Management System for staff training, enhanced Onboarding capabilities that link new hire forms directly with the employees payroll profile, and a Recruiting platform that will manage online application completion & tracking, as well as communication with prospective candidates.
- > **Financial Services:** Projection of a small increase to perform the year end audit procedures for FY2021. The budgeted amount will allow the Library to have the annual audit conducted as well as a small amount for additional assistance from the Library's auditors for other issues that may arise.
- > **Cataloging and Processing Services:** Projection of a small decrease for costs associated with necessary services to make material ready for circulation.
- > **Other Administrative Services:** These funds are used for any expenditures needed in the overall administration of the library at the discretion of the Library Director. Some examples of expenditures are: Library Board election costs; Staff Development Day training and the Volunteer Recognition Luncheon. The decrease in funding for FY2021 is due to the lack of a Library Board election.
- > **Investment Services:** Funds are for expenses related to the library's investment accounts.

### **ADMINISTRATIVE SERVICES - Fiscal Year 2022**

- > The Library is budgeting for small increases due to a rise in prices and the potential costs associated with a Library Board election.

	FY 2020 Budget	FY 2021 Budget Request	Variance	Percent Change	FY 2022 Budget Request	Variance	Percent Change
<b>UTILITIES</b>							
Gas & Electric	\$ 115,000	\$ 115,000	\$ -	0.0%	\$ 115,000	\$ -	0.0%
Water & Sewer	6,000	6,000	-	0.0%	6,000	-	0.0%
Telephone	15,570	28,350	12,780	82.1%	28,350	-	0.0%
<b>Total Utilities</b>	<b>\$ 136,570</b>	<b>\$ 149,350</b>	<b>\$ 12,780</b>	<b>9.4%</b>	<b>\$ 149,350</b>	<b>\$ -</b>	<b>0.0%</b>
<b>BUILDING</b>							
Library Grounds Maintenance	\$ 19,850	\$ 10,600	\$ (9,250)	-46.6%	\$ 10,600	\$ -	0.0%
Snow Removal	15,000	15,000	-	0.0%	15,000	-	0.0%
Building Repair & Maintenance	144,427	110,650	(33,777)	-23.4%	125,500	14,850	13.4%
Building Insurance	32,500	32,500	-	0.0%	37,000	4,500	13.8%
<b>Total Building</b>	<b>\$ 211,777</b>	<b>\$ 168,750</b>	<b>\$ (43,027)</b>	<b>-20.3%</b>	<b>\$ 188,100</b>	<b>\$ 19,350</b>	<b>11.5%</b>
<b>Total Building &amp; Utilities</b>	<b>\$ 348,347</b>	<b>\$ 318,100</b>	<b>\$ (30,247)</b>	<b>-8.7%</b>	<b>\$ 337,450</b>	<b>\$ 19,350</b>	<b>6.1%</b>

### **UTILITIES - Fiscal Year 2021**

- > **Gas & Electric:** Projection of a small increase in funding for FY2021. If the Library moves to a temporary location for the majority of FY2021, utility expenses will be treated as project costs and budgeted for within the Building Improvement Project. Therefore, the Library is expecting usage to be lower without normal operations within the building.
- > **Water & Sewer:** Projection of no increase is similar to Gas & Electric. There should be reduced activity in the building in FY2021.
- > **Telephone:** Projection of a \$12,780 increase in funding for FY2021. The Library will be looking at alternate telephone service providers for FY2021. Budgeted funds will cover the Library's main telephone service, stipends for cell phones for key staff, and internet access for programming outside the building.

### **UTILITIES - Fiscal Year 2022**

- > **Utilities Projection:** The Library is holding its budget constant for FY2022. The Library will be moving back into its facility that will include approximately 15,000 sq. ft. of additional space. The Library feels that the savings from a complete upgrade to LED lighting and new HVAC equipment will offset any additional utility costs associated with the expanded footprint of the building.

### **BUILDING - Fiscal Year 2021**

- > **Library Grounds Maintenance:** Projection of a \$9,250 decrease in funding for FY2021. It is anticipated that there will be minimal activity at the Library in FY2021. The largest portion of the Library's grass area will be under construction and due to the relocation, and the Library will not need to maintain the grounds to the same level, as it will be a construction site.
- > **Snow Plowing:** No increase is projected for FY2021. The Library believes that it has adequate funds budgeted to handle expected snowfall.
- > **Building Repair & Maintenance:** Projection of a \$33,777 decrease for FY2021. The Library will be under construction for the majority of the year and Library services will be moved offsite. HVAC equipment will be replaced, therefore eliminating the need to replace or maintain compressors to the same level. Additionally, there will be no special building projects, other than the large improvement project.
- > **Building Insurance:** The projection of no increase in funding for the Library's building insurance premiums. The Library has experienced a slight increase in premiums for FY2020, but feels the current funding level can handle another slight increase.

### **BUILDING - Fiscal Year 2022**

- > **Building Projection:** The Library is planning for an increase to insurance costs for FY2022, as the value of the building after the expansion and remodel will increase insurance costs.

	FY 2021 Budget			Percent Change	FY 2022 Budget			Percent Change
	FY 2020 Budget	Request	Variance		Request	Variance	Change	
<b>EQUIPMENT</b>								
Non-Capital Equipment	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	
Capital Outlay	-	-	-	0.0%	-	-	0.0%	
<b>Total Equipment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	
<b>FURNISHINGS</b>								
Non-Capital New Furnishings	\$ 7,533	\$ -	\$ (7,533)	0.0%	\$ -	\$ -	0.0%	
Non-Capital Furnishings Repair - Adult	1,440	-	(1,440)	0.0%	-	-	0.0%	
Non-Capital Furnishings Repair - Youth	1,442	-	(1,442)	0.0%	-	-	0.0%	
Non-Capital Furnishing Replacement	-	-	-	0.0%	-	-	0.0%	
<b>Total Furnishings</b>	<b>\$ 10,415</b>	<b>\$ -</b>	<b>\$ (10,415)</b>	<b>0.0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	
<b>Total Furnishings &amp; Equipment</b>	<b>\$ 10,415</b>	<b>\$ -</b>	<b>\$ (10,415)</b>	<b>0.0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	

**EQUIPMENT - Fiscal Year 2021**

> **Capital Outlay:** The Library is budgeting for no planned expenditures in this line at this time.

**EQUIPMENT - Fiscal Year 2022**

> **Equipment Projection:** The Library is anticipating no funding for Equipment at this time.

**FURNISHINGS - Fiscal Year 2021**

> **Non-Capital New Furnishings:** The Library is budgeting for no planned expenditures in this line at this time.

> **Non-Capital Furnishings Repair - Adult:** The Library is budgeting for no planned expenditures in this line at this time.

> **Non-Capital Furnishings Repair - Youth:** The Library is budgeting for no planned expenditures in this line at this time.

**FURNISHINGS - Fiscal Year 2022**

> **Furnishings Projection:** The Library is not planning any furnishing projects for FY2022 at this time.

	FY 2021 Budget				FY 2022 Budget			
	FY 2020 Budget	Request	Variance	Percent Change	Request	Variance	Percent Change	
<b>OTHER CHARGES</b>								
Equipment Repair & Maintenance	\$ 181,150	\$ 198,100	\$ 16,950	9.4%	\$ 190,100	\$ (8,000)	-4.0%	
Library Programming	44,275	34,750	(9,525)	-21.5%	34,750	-	0.0%	
Training, Education & Memberships	41,650	38,860	(2,790)	-6.7%	42,160	3,300	8.5%	
<b>Total Other Charges</b>	<b>\$ 267,075</b>	<b>\$ 271,710</b>	<b>\$ 4,635</b>	<b>1.7%</b>	<b>\$ 267,010</b>	<b>\$ (4,700)</b>	<b>-1.7%</b>	

**OTHER CHARGES - Fiscal Year 2021**

> **Equipment Repair & Maintenance:** Projection of a 9.4% increase for anticipated costs related to keeping equipment in good repair and operational and to fund possible replacements, as well as for the licensing and support of software at the Library . The increase is due to the new software related to the creation station, increased use of Microsoft products, such as Teams, and other creative softwares, such as Adobe.

> **Library Programming:** Projection of a decrease in Library Programming. As the Library moves to an offsite temporary location, there will not be the ability to host as many programs on site and therefore, less expenses related to presenters.

> **Training and Education:** Projection of a \$2,790 decrease in Training, Education & Memberships. Expenditures in this category are for dues and memberships to various professional organizations for staff. Also included in this line is Staff, Board, and Director training and mileage reimbursements. The decrease in this line is due to the inability to attend in-person trainings, and thus, a reduction in travel expenses.

**OTHER CHARGES - Fiscal Year 2022**

> **Other Charges Projection:** FY2022 will see small increases to fund programming and training attendance, but will see decreases to some software maintenance contracts.

	FY 2021 Budget				FY 2022 Budget			
	FY 2020 Budget	Request	Variance	Percent Change	Request	Variance	Percent Change	
<b>CAPITAL IMPROVEMENT PROJECTS</b>								
Library Bond Payment	\$ -	\$ 210,000	\$ 210,000	0.0%	\$ 983,225	\$ 773,225	0.0%	
Library Technology Project	81,000	200,000	119,000	146.9%	100,000	(100,000)	-50.0%	
Capital Maintenance	150,000	150,000	-	0.0%	150,000	-	0.0%	
Building Improvement Project	955,347	921,796	(33,551)	0.0%	253,912	(667,884)	0.0%	
<b>Total Capital Projects</b>	<b>\$ 1,186,347</b>	<b>\$ 1,481,796</b>	<b>\$ 295,449</b>	<b>24.9%</b>	<b>\$ 1,487,137</b>	<b>\$ 5,341</b>	<b>0.4%</b>	



### **CAPITAL PROJECTS - Fiscal Year 2021**

> **Library Bond Payment:** The Library will issue bonds in the fall of FY2020 to fund the Library Improvement Project. the bonds will be structured to pay only interest in FY2021 and principal and interest in FY2022-2029. The total annual debt payments, principal and interest, will be structured to be very consistent in those years to negate fluctuation in the annual debt service payments and therefore, stress on some year's budgets.

> **Library Technology Project:** Requested funds will first be used in conjunction with the Library's technology plan for the Library Improvement Project. As the Library continues to develop the technology plan for the remodeled building. These funds will used to enhance needed improvements that are unable to be funded by the projects budget. If the prject budget is able to support all needed technolgy changes, then these funds funds will be available for other technology projects, as neded.

> **Capital Maintenance:** The Library is budgeting \$150,000 for capital maintenance. These funds are to be used for unplanned building repairs that are not funded in other lines. Additionally, unused funds will be set aside to be used in a building remodel or for future maintenance of the current building.

>**Building Improvement Project:** These funds will used in conjunction with funds from the Building Improvement Project budget from FY2020, the Building Enhancement Reserve and proceeds from the Library bond sale to finance the Buliding Improvement Project..

### **CAPITAL PROJECTS - Fiscal Year 2022**

> **Capital Projects Projection:** The Library will have it first principal payment on its bonds used to finance the Building Improvement Project..