



Portage District
LIBRARY

Approved Budgets

for

Fiscal Year 2023 and 2024

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 22, 2022

Table of Contents

Summary of FY 2023 Budget.....	1
Revenue.....	3
Salaries & Wages.....	5
Fringe Benefits.....	5
Library Materials.....	7
Supplies.....	9
Administrative Services.....	11
Utilities.....	13
Building.....	13
Equipment.....	15
Furnishings.....	15
Other Charges.....	17
Capital Projects.....	19

	FY 2022 Budget	FY 2023 Budget Request	Variance	Percent Change	FY 2024 Budget Estimate	Variance	Percent Change
REVENUE							
Millage Rate	1.9945	1.9945			1.9945		
Tax Revenue	\$ 5,064,867	\$ 5,303,902	\$ 239,035	4.7%	\$ 5,412,792	\$ 108,890	2.1%
Other Revenue	506,473	494,748	(11,725)	-2.3%	512,096	17,348	3.5%
Total Revenue	\$ 5,571,340	\$ 5,798,650	\$ 227,310	4.1%	\$ 5,924,888	\$ 126,238	2.2%

OPERATING EXPENSES							
Salaries & Wages	\$ 1,717,136	\$ 1,858,492	\$ 141,356	8.2%	\$ 1,923,537	\$ 65,045	3.5%
Fringes & Benefits	699,678	720,772	21,094	3.0%	741,617	20,845	2.9%
Library Materials	663,303	674,066	10,763	1.6%	691,531	17,465	2.6%
Library Supplies	149,380	163,660	14,280	9.6%	146,610	(17,050)	-10.4%
Administrative Services	330,820	342,080	11,260	3.4%	347,200	5,120	1.5%
Building & Utilities	380,063	386,420	6,357	1.7%	403,620	17,200	4.5%
Furnishings & Equipment	-	-	-	0.0%	-	-	0.0%
Other Charges	284,960	369,060	84,100	29.5%	373,890	4,830	1.3%
Total Operating Expenses	\$ 4,225,340	\$ 4,514,550	\$ 289,210	6.8%	\$ 4,628,005	\$ 113,455	2.5%

CAPITAL PROJECTS							
Capital Projects	\$ 1,346,000	\$ 1,284,100	\$ (61,900)	-4.6%	\$ 1,296,883	\$ 12,783	1.0%
Total Expenses	\$ 5,571,340	\$ 5,798,650	\$ 227,310	4.1%	\$ 5,924,888	\$ 126,238	2.2%

RESERVES	Year End 2022	Year End 2023	Difference	% of Total		Year End 2024	Difference	% of Total	
				Exp				Exp	
General Reserve	\$ 727,173	\$ 757,807	\$ 30,634	13.1%		\$ 772,092	\$ 14,285	13.0%	
Building Reserves	50,000	50,000	-	0.9%		50,000	-	0.8%	
PPT Reserve	805,946	805,946	-	13.9%		805,946	-	13.6%	
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	-	1.9%		111,305	-	1.9%	
Building Improvement Reserve	731,419	731,419	-	12.6%		731,419	-	12.3%	
Unassigned Fund Balance	4,040,163	4,040,163	-	69.7%		4,040,163	-	68.2%	
Total	\$ 6,500,446	\$ 6,531,080	\$ 30,634	112.6%		\$ 6,545,365	\$ 14,285	110.5%	

GENERAL BUDGET SUMMARY

Overview: These budget documents provide a general overview of the Fiscal Year 2023 and 2024 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 2023. The main goals for the FY2023 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 an annual 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 FY2024 Budget is a projection based on information that is available as of June 2022 and is meant to serve as an estimate only.

Key Considerations: When reviewing the proposed Fiscal Year 2023 Portage District Library Budget, it should be noted that it covers the time period January 1, 2023 through December 31, 2023 [Note: In the same manner, taxes collected in December 2022 must be considered revenue for FY2023]. In preparing the budget for Fiscal Year 2023, the Library considered the current economic climate in Portage, as well as a projection of property tax revenue for Fiscal Year 2023 and Fiscal Year 2024. The overall projection of property tax revenue is for a 4.7% increase in Fiscal Year 2023 and for a 2.1% increase in Fiscal Year 2024. New building initiatives and increasing home values in Portage are strong and expected to increase in the coming years. The State of Michigan has continued to fund PPT reimbursement and State Aid to libraries at its full amount. If PPT is not reimbursed to its anticipated level in FY2023, the Library has a PPT Reserve to assist. The estimated loss in tax revenue due to personal property elimination is set at \$370,431 for FY2023. 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 \$30,634 in FY2023 and again by \$14,285 in FY2024 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 14.75% of operating expenses; allocated \$170,000 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 \$805,946 in a PPT Reserve at the end of FY2022. In June of FY2021, the Library sold bonds to raise capital to complete its building improvement project. The bonds were sold with a True Interest Cost of 0.84798%. The bonds will be paid back through FY2029, which corresponds with the Library's last year of the additional millage. The average debt service on the bonds for Fiscal Years 2022-2029 will be \$963,356 per year, with a net interest cost of \$278,730.

Undesignated Fund Balance: As of the end of Fiscal Year 2021, the Library had an Unassigned Fund Balance of \$4,040,163. This amount will be increased at the end of FY2022 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 may use a portion of its \$731,419 Building Improvement Reserve in FY2022 to fund small projects that could not be accomplished during the building renovation.

	FY 2022 Budget	FY 2023 Budget Request	Variance	Percent Change	FY 2024 Budget Estimate	Variance	Percent Change
TAX REVENUE							
Millage Rate	1.995	1.995	-		1.995	0	
Property Tax	\$ 4,996,353	\$ 5,230,933	\$ 234,580	4.7%	\$ 5,338,546	\$ 107,613	2.1%
IFT/CFT Tax	68,514	72,969	4,455	6.5%	74,246	1,277	1.8%
Total Tax Revenue	\$ 5,064,867	\$ 5,303,902	\$ 239,035	4.7%	\$ 5,412,792	\$ 108,890	2.1%
OTHER REVENUE							
State Aid	\$ 35,000	\$ 35,000	\$ -	0.0%	\$ 35,000	\$ -	0.0%
Local Community Stabilization Share Approp.	373,818	370,431	(3,387)	-0.9%	370,431	-	0.0%
County Penal Fine Income	50,000	50,000	-	0.0%	50,000	-	0.0%
Local Fine & Fee Income	17,950	17,950	-	0.0%	17,950	-	0.0%
Interest Income	40,000	40,000	-	0.0%	40,000	-	0.0%
Rental Income	2,000	2,000	-	0.0%	3,000	1,000	50.0%
Vending Services	10,000	10,000	-	0.0%	10,000	-	0.0%
Funding to/from Reserves	(22,295)	(30,633)	(8,338)	37.4%	(14,285)	16,348	-53.4%
Total Other Revenue	\$ 506,473	\$ 494,748	\$ (11,725)	-2.3%	\$ 512,096	\$ 17,348	3.5%
Total Revenue	\$ 5,571,340	\$ 5,798,650	\$ 227,310	4.1%	\$ 5,924,888	\$ 126,238	2.2%

TAX REVENUE - Fiscal Year 2023

> **Property Tax:** The Library is planning for an increase in property tax revenue of \$239,035. The Library saw good increases to tax values of residential property throughout its service area. The Library was not subject to as additional Headlee Rollback and will levy its maximum 1.9945 mills. Tax values rose by 5.03% across all property types. The largest increase was in Texas Township at 7.02%, followed by Pavilion Township at 6.12% and Portage at 4.72%. Portage accounts for 85.77% of the library's tax base. There is strong tax growth within the Library's taxing jurisdiction with several new housing developments in the city.

> **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.

> **State-Aid:** Anticipated funding for Libraries by the State of Michigan was not reduced in FY2022. As a result, the Library is maintaining its current level of estimated revenue.

> **Local Community Stabilization Share Appropriation:** The reimbursement for the Personal Property Tax loss is budgeted to be \$370,431. This represents a slight decrease from the prior year as the funding received was slightly lower than the budgeted amount in the prior year. This level of funding will safeguard against possible reductions in funding for unforeseen circumstances.

> **County Penal Fines:** Based on historical data, the Library will budget for no change 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 maintaining its budget for Fines & Fees for 2023. This will be the first full year the Library will be open to patrons since FY2019, and a conservative approach is warranted.

> **Investment Interest Income**: Anticipated revenue for the Library that will be generated by interest earned on investments. The Library attempts to stagger the maturity of its investments. Therefore, as investments mature, they will be reinvested at higher rates of return.

> **Rental Income & Vending Services**: The Library is anticipating no increase in room rental or charges for photocopies, computer printouts, and other miscellaneous items.

> **Funding from Reserves**: The Library calculates the General Reserve to be 13% of all revenue before Funding to/from Reserves. Due to a slight increase in revenue for FY2023, the Library will adjust the General Reserve upward by \$30,633.

TAX REVENUE - Fiscal Year 2024

> **Tax Revenue Projection**: The Library is estimating that overall property values within the City of Portage by 1.75%, Pavilion Township by 1.50%, while property values in Texas Township will increase by 4.0% in FY2024. Building is strong in the community and the 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 FY2024, the Library is planning to only make the necessary adjustment to the General Reserve.

	FY 2022 Budget	FY 2023 Budget Request	Variance	Percent Change	FY 2024 Budget Estimate	Variance	Percent Change
SALARIES & WAGES							
Full Time Staff Salaries	\$ 1,117,376	\$ 1,105,821	\$ (11,555)	-1.0%	\$ 1,144,524	\$ 38,703	3.5%
Full Time Staff Hourly	239,607	314,638	75,031	31.3%	325,650	11,012	3.5%
Part Time Staff Salaries	128,743	183,376	54,633	42.4%	189,794	6,418	3.5%
Library Aide Salaries	220,910	247,122	26,212	11.9%	255,771	8,649	3.5%
Substitute Salaries	10,500	7,535	(2,965)	-28.2%	7,798	263	3.5%
Total Salaries & Wages	\$ 1,717,136	\$ 1,858,492	\$ 141,356	8.2%	\$ 1,923,537	\$ 65,045	3.5%
FRINGES & BENEFITS							
Health Insurance	\$ 362,600	\$ 365,000	\$ 2,400	0.7%	\$ 375,000	\$ 10,000	2.7%
Dental	36,000	36,500	500	1.4%	36,500	-	0.0%
Vision	5,500	5,500	-	0.0%	5,650	150	2.7%
Life & Disability Insurance	10,750	11,750	1,000	9.3%	12,500	750	6.4%
Pension	135,699	142,046	6,347	4.7%	147,017	4,971	3.5%
Employee Assistance Program	1,800	1,800	-	0.0%	1,800	-	0.0%
Personal Well-being Program	11,000	11,000	-	0.0%	11,000	-	0.0%
Workers Compensation	5,000	5,000	-	0.0%	5,000	-	0.0%
FICA - Employer	131,329	142,176	10,847	8.3%	147,150	4,974	3.5%
Total Fringes & Benefits	\$ 699,678	\$ 720,772	\$ 21,094	3.0%	\$ 741,617	\$ 20,845	2.9%
Total Salaries & Benefits	\$ 2,416,814	\$ 2,579,264	\$ 162,450	6.7%	\$ 2,665,154	\$ 85,890	3.3%

SALARIES & WAGES - Fiscal Year 2023

>**Staff Salaries & Wages:** Salaries and wages for all positions are being budgeted to increase 8.2% overall. This includes funds to be used for merit increases of salaries and. Merit increases are based on a combination of performance reviews and current market conditions for labor (i.e. cost of living). The Library will be using a consultant in 2022 to review its current salary ranges and suggest changes where needed. Additionally, the consultants will help the Library implement a strategy for year-end wage increases that can be used in future years. As result of this study, which will not be finalized until after the final budget is approved, the Library recognizes that there may be changes to salary ranges and is budgeting a small amount of funds for possible increases. Additionally, the Library is budgeting funds that would allow for the promotion of a part-time position to a full-time position with benefits. There are several areas under consideration and any change will not take place until 2023. The Library's strategic plan will be used to guide the Library in this decision.

SALARIES & WAGES - Fiscal Year 2024

> **Salary & Wage Projection:** The library is budgeting for merit increases to wage rates for Fiscal Year 2024. 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 2023

- > **Health:** Projection of a 0.7% increase to health insurance benefits is due to several factors. The PA152 hard cap has increased approximately 3.7% from the prior year. The Library currently has only one (1) open full-time position and therefore a more accurate picture of needed funds is known. This differs from the prior year when the Library had three (3) open. In the prior year, open positions were budgeted at a higher level of insurance (i.e. family vs. individual) than they were filled, and therefore, a reduction in anticipated cost for 2023. There are funds included in this budget should the Library decide to increase a part-time position to full-time.
- > **Dental & Vision:** Projection of no increase in funding for Dental and Vision Insurance based on anticipated increases in premiums and possible changes to the Library's staffing model.
- > **Life & Disability Insurance:** Projection of a small increase is due to wage increase and the possibility of an additional full-time staff member.
- > **Pension:** Projection of a 4.7% increase in employer contributions into the retirement fund for all current and future full-time employees is due to overall higher wages and possible changes to staffing.
- > **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.
- > **Personal Well-being:** The Library is budgeting \$11,000 for the Personal Well-Being Program that allows staff to attend classes or attain memberships in organizations or clubs of their choosing during the 2023 fiscal year.
- > **Workers' Compensation:** Projection of no increase in Workers' Compensation cost for FY2023.
- > **FICA / Employer:** Projected cost for employer paid social security for all paid Library employees, currently 7.65% of total wages.

FRINGES & BENEFITS - Fiscal Year 2024

- > **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 2023 Budget			Percent Change	FY 2024 Budget		
	FY 2022 Budget	Request	Variance		Estimate	Variance	Percent Change
LIBRARY MATERIALS							
Books - Adult	\$ 164,740	\$ 167,980	\$ 3,240	2.0%	\$ 169,700	\$ 1,720	1.0%
Digital Collections	200,022	210,530	10,508	5.3%	223,500	12,970	6.2%
Audio/Visual - Adult	41,480	35,200	(6,280)	-15.1%	32,000	(3,200)	-9.1%
Books - Youth	114,831	122,593	7,762	6.8%	126,988	4,395	3.6%
Audio/Visual - Youth	13,300	13,873	573	4.3%	13,953	80	0.6%
Audio/Visual - Hot Picks	30,630	23,090	(7,540)	-24.6%	22,090	(1,000)	-4.3%
Electronic Information Products	79,000	81,500	2,500	3.2%	84,000	2,500	3.1%
Periodicals & Publications	19,300	19,300	-	0.0%	19,300	-	0.0%
Total Library Materials	\$ 663,303	\$ 674,066	\$ 10,763	1.6%	\$ 691,531	\$ 17,465	2.6%

LIBRARY MATERIALS - Fiscal Year 2023

> **Books - Adult:** Projection of an increase in printed materials in FY2023. The largest increase is in the area of Adult Fiction. The Library is adding large print to its Favorite Authors collection and will increase funding to add necessary material to the collection. Funding is being requested to fund the Ready Reads and the Local Authors collections. While some material has been purchased in these areas in the past, dedicated funds will allow for these collections to grow. Additionally, there will be a small increase in funding to the Non-Fiction Book collection.

> **Digital Collections:** The Library is projecting a increase in funding for this area for FY2023. The Library is budgeting for a small increase for the Hoopla service. This will allow the Library to meet the anticipated growing demand of this service. The largest increase is to the Adult E-book line. This is an ever growing collection and funds are needed to purchase necessary material, and to fund increases to consortium fees. Kanopy is a new movie service that was added in 2022. Based on circulation stats, funding for this service will be scaled back, as the level of activity is less than anticipated. The Freegal music service will continue to be funded.

> **Audio/Visual - Adult:** Projection of a \$6,280 decrease for the purchase of Talking Books, Compact Discs and Videos. Circulation of these collections has been dropping and a reduction of funding is warranted. The Library anticipates phasing out its Compact Disc music collection by 2026, so further reductions in this area will occur.

> **Books - Youth:** Projection of an increase to the Preschool, Juvenile and Early Reader Collections. Collection HQ stats show that additional funds are needed in these areas to meet the demands of patrons. Due to the use of these collections, material needs to be replaced at a rate that is higher than other collection due to wear and tear. Funding will be provided for the replacement of Discovery and Early Reader Kits. These are heavily used and are in need of updating.

> **Audio/Visual - Youth:** Projection of a slight increase for the replacement of Juvenile Videos. This is a heavily used collection and in need of replacement material.

> **Audio/Visual - Hot Picks:** Projection of a \$7,540 decrease in funding is due to the elimination of funding for CD-ROM Hot Pick material. It is increasingly harder for borrowers to use the video games at home in manner that is convenient. Additionally, a reduction to the funding for Hot Pick CDs will be made as this collection is being phased out.

> **Electronic Information:** Projection of a \$2,500 increase is needed to maintain the current selection of databases and covering increases in renewal costs.

> **Periodicals & Publications:** Projection of a no increase for periodicals and publications is warranted at this time.

LIBRARY MATERIALS - Fiscal Year 2024

> **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 always analyzing collection levels and circulation stats 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 are considerations that need to be followed closely. The Library will continue utilizing Collection HQ to help it monitor popular collections and to determine where funding increases and decreases should take place. The areas that are in need of increases are currently in E-Books, Adult, and Youth print material.

	FY 2023 Budget			Percent	FY 2024 Budget			Percent
	FY 2022 Budget	Request	Variance	Change	Estimate	Variance	Change	
SUPPLIES								
Office Supplies	\$ 22,040	\$ 30,300	\$ 8,260	37.5%	\$ 29,750	\$ (550)	-1.8%	
Operating Supplies	56,700	57,000	300	0.5%	56,000	(1,000)	-1.8%	
Central Copying/Printing	49,500	53,200	3,700	7.5%	53,500	300	0.6%	
Postal/Freight	21,140	23,160	2,020	9.6%	7,360	(15,800)	-68.2%	
Total Supplies	\$ 149,380	\$ 163,660	\$ 14,280	9.6%	\$ 146,610	\$ (17,050)	-10.4%	

SUPPLIES - Fiscal Year 2023

- > **Office Supplies:** Projection of a \$8,260 increase in the Office Supplies category is due to the increased funding for ILL delivery fees and Outreach services. The Library budgets for supplies at a level that can fund necessary purchases if needed, but tries to only purchase as needed. With the higher cost of fuel, the Library is budgeting additional funds for the fees associated with Inter-Library Loan delivery. Additionally, with the hiring of an Adult Librarian with a focus on outreach, funding is being requested to build an outreach kit of supplies that can be transported to off-site locations to assist in the promotion of Library services.
- > **Operating Supplies:** Projection of a small increase in overall Operating Supplies. The increase is to maintain adequate funding for Repair and Maintenance Supplies, as well as Computer Supplies.
- > **Central Copying & Printing:** Projection of a \$3,700 increase is needed for copy and printing of Library services. Increased funding is needed to meet the demand for a monthly event poster to promote programming. Additionally, expenses associated with mainting patron library cards has been moved to this line. The Library added a printer that will allow replacement library cards to be printed at the Circulation Desk, allowing patron to keep their old patron number in the event of a lost card. Increases to these areas will be offset by a reduction to the need for funding for signage throughout the Library. This was accomplished during the renovation.
- > **Postal/Freight:** Projection of a small increase to Postage & Freight for direct communication to residents within the Portage District Library's area. This increase will provide funding in the event of an increase to postage rates, as well as provide funds for additional communication to patrons regarding a change in our Circulation Policy.

SUPPLIES - Fiscal Year 2024

- > **Supplies Projection:** In FY2024, the library will decrease its funding for Postage as it will have completed its return to the renovated space in FY2022, moved to fine free, and conducted all of its major communication initiatives to patrons.

	FY 2023 Budget				FY 2024 Budget			
	FY 2022 Budget	Request	Variance	Percent Change	Estimate	Variance	Percent Change	
ADMINISTRATIVE SERVICES								
Public Relations	\$ 14,000	\$ 11,700	\$ (2,300)	-16.4%	\$ 11,800	\$ 100	0.9%	
Fundraising	10,800	10,800	-	0.0%	10,800	-	0.0%	
Professional Surveys	800	800	-	0.0%	800	-	0.0%	
Human Resources	7,500	12,500	5,000	66.7%	15,000	2,500	20.0%	
Bank Service Charges	10,920	12,680	1,760	16.1%	13,680	1,000	7.9%	
Legal Services	10,000	10,000	-	0.0%	10,000	-	0.0%	
Online Subscription	55,000	61,400	6,400	11.6%	59,320	(2,080)	-3.4%	
Online Maintenance	3,000	5,900	2,900	0.0%	4,000	(1,900)	-32.2%	
Internet Services	112,200	107,200	(5,000)	-4.5%	109,700	2,500	2.3%	
Payroll Services	16,000	19,000	3,000	18.8%	20,000	1,000	5.3%	
Financial Services	14,000	15,000	1,000	7.1%	16,000	1,000	6.7%	
Cataloging & Processing Services	61,300	65,800	4,500	7.3%	60,800	(5,000)	-7.6%	
Other Administrative Services	13,300	7,300	(6,000)	-45.1%	13,300	6,000	82.2%	
Investment Services	2,000	2,000	-	0.0%	2,000	-	0.0%	
Total Administrative Services	\$ 330,820	\$ 342,080	\$ 11,260	3.4%	\$ 347,200	\$ 5,120	1.5%	

ADMINISTRATIVE SERVICES - Fiscal Year 2023

- > **Public Relations:** A projection of a \$2,300 decrease for Public Relations in FY2023. The Library had additional expenses in 2022 associated with the move and getting its new studio equipped. Funding for video and sound equipment is being reduced in this year.
- > **Fundraising:** Projection of no increase to produce the annual campaign and fundraising letters to patrons.
- > **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. An increase of \$5,000 is being requested to provide necessary training and support to staff in this area.
- > **Bank Service Charges:** Projection of a \$1,760 increase for higher costs 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 DeskTracker, Content DM, Evanced, Gale Analytics, and Collection HQ. The majority of the increase in funding is for an upgrade to a new meeting room manager solution. The previous software was very basic and did not provide users the functions to do necessary tasks. A new solution will require a significant increase in funding. Offsetting the increase for the meeting room manager solution is a decrease in funding for the Blue Cloud Mobile product. Funding for this product is being moved to the Computer Repair and Maintenance-Software line in the Other Services category.
- > **Online Maintenance:** This line will be used for the Library's website, including graphics, maintenance, and summer reading updates. A \$2,900 increase is needed for upgrades and additions to the Enterprise product. Enterprise software runs the functionality that patrons use and see when they are accessing the Library's catalog.
- > **Internet Services:** Projection of a \$5,000 decrease in funding for FY2023 is warranted as the Library accomplished necessary work in the prior with the EVC circuit.
- > **Payroll Services:** Projection of \$3,000 increase is for anticipated price increases for the Library's Payroll, Learning Management System, Onboarding and Recruiting modules through its contracted vendor, Paylocity. The Library has expanded its use of Paylocity through the add-on modules in recent years and the product has proved efficient and effective in meeting the Library's goals.
- > **Financial Services:** Projection of a small increase to perform the year end audit procedures for FY2023. 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 increase 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 FY2023 is due to no Library Board election this year.
- > **Investment Services:** Funds are for expenses related to the library's investment accounts and ongoing expenses related to continuing disclosures for the Library Bonds.

ADMINISTRATIVE SERVICES - Fiscal Year 2024

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

	FY 2022 Budget		FY 2023 Budget			FY 2024 Budget		Percent Change	
			Request	Variance	Change	Estimate	Variance	Change	
UTILITIES									
Gas & Electric	\$	158,525	\$ 158,500	\$ (25)	0.0%	\$ 158,500	\$ -	0.0%	
Water & Sewer		6,000	6,000	-	0.0%	6,000	-	0.0%	
Telephone		33,820	36,220	2,400	7.1%	38,220	2,000	5.5%	
Total Utilities	\$	198,345	\$ 200,720	\$ 2,375	1.2%	\$ 202,720	\$ 2,000	1.0%	
BUILDING									
Library Grounds Maintenance	\$	13,800	\$ 15,200	\$ 1,400	10.1%	\$ 18,500	\$ 3,300	21.7%	
Snow Removal		15,000	15,000	-	0.0%	15,000	-	0.0%	
Building Repair & Maintenance		115,918	118,500	2,582	2.2%	127,400	8,900	7.5%	
Building Insurance		37,000	37,000	-	0.0%	40,000	3,000	8.1%	
Total Building	\$	181,718	\$ 185,700	\$ 3,982	2.2%	\$ 200,900	\$ 15,200	8.2%	
Total Building & Utilities	\$	380,063	\$ 386,420	\$ 6,357	1.7%	\$ 403,620	\$ 17,200	4.5%	

UTILITIES - Fiscal Year 2022

> **Gas & Electric:** Projection of a minor increase in funding for FY2023. Gas & Electric charges are the hardest to predict in the year as there are several factors that have impact to the Library with results that are currently unknown. Fuel prices continue to rise and to what level is currently unknown. Additionally, the building renovation allowed the Library to install energy efficient equipment in the form of HVAC controls and LED lighting. Savings from these features should help offset added fuel prices. Lastly, the Library expanded by nearly 14,000 sq.ft. and that will add to energy costs. To safeguard against these unknowns, the Library is maintaining funding near its prior year level until these unknowns are clearer.

> **Water & Sewer:** Projection of no increase to this line. Current funding appears adequate at this time.

> **Telephone:** Projection of a \$2,400 increase in funding for FY2023. The Library will be looking at alternate telephone service providers for FY2023. 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 2024

> **Utilities Projection:** The Library will have a clearer picture of what future annual Gas & Electric costs will be for FY2024. Adjustment will then be made to more closely match realized costs.

BUILDING - Fiscal Year 2023

> **Library Grounds Maintenance:** Projection of a \$1,400 increase in funding for FY2023. The Library will be using the majority of the additional funds on maintaining its landscaping completed as part of the building renovation. This will include weeding, trimming, and both fall and spring clean-up of the grounds by contractors.

> **Snow Plowing:** No increase is projected for FY2023. The Library believes that it has adequate funds budgeted to handle expected snowfall.

> **Building Repair & Maintenance:** Projection of a \$5,000 increase for FY2023. These funds will cover unplanned repairs to the building as they occur.

> **Building Repair & Maintenance:** Contracted Services: The small decrease in funding in the line will fund necessary contractor provided services, such as daily building cleaning, HVAC and elevator maintenance, waste and recycling and other services necessary to maintain the Library's infrastructure in good safe working order.

> **Building Insurance:** The projection of no increase in funding for the Library's building insurance premiums. The Library's building insurance is calculated on the replacement value of its building, equipment and furnishings. An adjustment for the expanded facility and added equipment will be made in 2022, once all expansion and renovation costs are complete.

BUILDING - Fiscal Year 2024

> **Building Projection:** The Library will monitor the facilities and adjust funding to maintain a safe and appealing environment for both patrons and staff.

	FY 2023 Budget			Percent Change	FY 2024 Budget			Percent Change
	FY 2022 Budget	Request	Variance		Estimate	Variance	Change	
EQUIPMENT								
Non-Capital Equipment	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	
Capital Outlay	-	-	-	0.0%	-	-	0.0%	
Total Equipment	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	
FURNISHINGS								
Non-Capital New Furnishings	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	
Non-Capital Furnishings Repair - Adult	-	-	-	0.0%	-	-	0.0%	
Non-Capital Furnishings Repair - Youth	-	-	-	0.0%	-	-	0.0%	
Non-Capital Furnishing Replacement	-	-	-	0.0%	-	-	0.0%	
Total Furnishings	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	
Total Furnishings & Equipment	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	

EQUIPMENT - Fiscal Year 2023

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

EQUIPMENT - Fiscal Year 2024

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

FURNISHINGS - Fiscal Year 2023

> **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 2024

> **Furnishings Projection:** The Library is not planning any furnishing projects for FY2024 at this time.

	FY 2023 Budget		Percent	FY 2024 Budget		Percent
	FY 2022 Budget	Request	Change	Estimate	Variance	Change
OTHER CHARGES						
Equipment Repair & Maintenance	\$ 205,210	\$ 278,060	\$ 72,850 35.5%	\$ 278,960	\$ 900	0.3%
Library Programming	38,500	45,000	6,500 16.9%	45,630	630	1.4%
Training, Education & Memberships	41,250	46,000	4,750 11.5%	49,300	3,300	7.2%
Total Other Charges	\$ 284,960	\$ 369,060	\$ 84,100 29.5%	\$ 373,890	\$ 4,830	1.3%

OTHER CHARGES - Fiscal Year 2023

> **Equipment Repair & Maintenance:** Projection of a \$72,850 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 majority of this increase, \$40,000, is associated with future additions, upgrades and maintenance support for the new equipment located in the Creation Station and Maker Space. Additional increases due to costs associated with the Library's accounting software vendor, Blackbaud, and its document scanning partner PaperSave.

> **Library Programming:** Projection of a \$6,500 increase in Library Programming. A \$6,000 increase for Adult Programming will allow for several larger programs during 2023.

> **Training and Education:** Projection of a \$4,750 increase 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 increase in this line is being requested to increase staff training and adequate fund necessary dues & memberships for staff.

OTHER CHARGES - Fiscal Year 2024

> **Other Charges Projection:** FY2024 will see small increases technology support and programming where needed.

	FY 2023 Budget			Percent Change	FY 2024 Budget		
	FY 2022 Budget	Request	Variance		Estimate	Variance	Percent Change
CAPITAL IMPROVEMENT PROJECTS							
Library Bond Payment	\$ 966,000	\$ 964,100	\$ (1,900)	0.0%	\$ 962,350	\$ (1,750)	0.0%
Library Technology Project	230,000	170,000	(60,000)	-26.1%	138,000	(32,000)	-18.8%
Capital Maintenance	150,000	150,000	-	0.0%	196,533	46,533	31.0%
Building Improvement Project	-	-	-	0.0%	-	-	0.0%
Total Capital Projects	\$ 1,346,000	\$ 1,284,100	\$ (61,900)	-4.6%	\$ 1,296,883	\$ 12,783	1.0%

CAPITAL PROJECTS - Fiscal Year 2023

> **Library Bond Payment:** The Library issued bonds in the spring of FY2021 to fund the Library Improvement Project. The bonds are structured to pay only interest in FY2021 and principal and interest in FY2022-2029. The total annual debt payments, principal and interest, are structured to be consistent in those years to negate fluctuation in the annual debt service payments and therefore, cause stress on any one year's budget. This level will fund the Library's obligation for FY2023.

> **Library Technology Project:** Requested funds will be used in conjunction with the Library's technology plan. Planned expenditures include: the replacement of staff computers and mobile devices; two (2) new staff copiers; and necessary equipment upgrades for wireless access throughout the building.

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

CAPITAL PROJECTS - Fiscal Year 2024

> **Capital Projects Projection:** The Library will set funds aside to complete building projects that may arise.