



Proposed Budgets

for

Fiscal Year 2022 and 2023

Assuming a 1.9945 Mill Levy

**To be voted on by the Library Board at
the regular board meeting held on**

August 23, 2021

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	FY 2021 Budget	FY 2022 Budget Request	Variance	Percent Change	FY 2023 Budget Request	Variance	Percent Change
REVENUE							
Millage Rate	1.9945	1.9945			1.9945		
Tax Revenue	\$ 4,949,347	\$ 5,064,867	\$ 115,520	2.3%	\$ 5,169,430	\$ 104,563	2.1%
Other Revenue	466,575	506,473	39,898	8.6%	524,289	17,816	3.5%
Total Revenue	\$ 5,415,922	\$ 5,571,340	\$ 155,418	2.9%	\$ 5,693,719	\$ 122,379	2.2%

OPERATING EXPENSES							
Salaries & Wages	\$ 1,611,276	\$ 1,717,136	\$ 105,860	6.6%	\$ 1,768,649	\$ 51,513	3.0%
Fringes & Benefits	660,600	699,678	39,078	5.9%	722,520	22,842	3.3%
Library Materials	631,232	663,303	32,071	5.1%	680,190	16,887	2.5%
Library Supplies	133,358	149,380	16,022	12.0%	125,530	(23,850)	-16.0%
Administrative Services	307,850	330,820	22,970	7.5%	331,220	400	0.1%
Building & Utilities	318,100	380,063	61,963	19.5%	347,070	(32,993)	-8.7%
Furnishings & Equipment	-	-	-	0.0%	-	-	0.0%
Other Charges	271,710	284,960	13,250	4.9%	287,575	2,615	0.9%
Total Operating Expenses	\$ 3,934,126	\$ 4,225,340	\$ 291,214	7.4%	\$ 4,262,754	\$ 37,414	0.9%

CAPITAL PROJECTS							
Capital Projects	\$ 1,481,796	\$ 1,346,000	\$ (135,796)	-9.2%	\$ 1,430,965	\$ 84,965	6.3%
Total Expenses	\$ 5,415,922	\$ 5,571,340	\$ 155,418	2.9%	\$ 5,693,719	\$ 122,379	2.2%

RESERVES	Year End 2021	Year End 2022	Difference	% of Total		Year End 2023	Difference	% of Total	
				Exp				Exp	
General Reserve	\$ 704,878	\$ 727,173	\$ 22,295	13.1%		\$ 742,128	\$ 14,955	13.0%	
Building Reserves	50,000	50,000	-	0.9%		50,000	-	0.9%	
PPT Reserve	805,946	805,946	-	14.5%		805,946	-	14.2%	
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	-	2.0%		111,305	-	2.0%	
Building Improvement Reserve	22,500	22,500	-	0.4%		22,500	-	0.4%	
Unassigned Fund Balance	3,708,198	3,708,198	-	66.6%		3,708,198	-	65.1%	
Total	\$ 5,437,267	\$ 5,459,562	\$ 22,295	98.0%		\$ 5,474,517	\$ 14,955	96.2%	

GENERAL BUDGET SUMMARY

Overview: These budget documents provide a general overview of the Fiscal Year 2022 and 2023 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 2022. The main goals for the FY2022 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 FY2023 Budget is a projection based on information that is available as of June 2021 and is meant to serve as an estimate only.

Key Considerations: When reviewing the proposed Fiscal Year 2022 Portage District Library Budget, it should be noted that it covers the time period January 1, 2022 through December 31, 2021 [Note: In the same manner, taxes collected in December 2021 must be considered revenue for FY2022] In preparing the budget for Fiscal Year 2022, the Library considered the current economic climate in Portage, as well as a projection of property tax revenue for Fiscal Year 2022 and Fiscal Year 2023. The overall projection of property tax revenue is for a 2.4% increase in Fiscal Year 2022 and for a 2.0% increase in Fiscal Year 2023. 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 it full amount. If PPT is not reimbursed to its anticipated level in FY2022, the Library has a PPT Reserve to assist. The estimated loss in tax revenue due to personal property elimination is set at \$373,818 for FY2022. 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 \$22,404 in FY2021 and again by \$14,845 in FY2022 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 15.70% 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 \$805,946 in a PPT Reserve at the end of FY2021. In June of FY2021, the Library will 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 will be \$863,356 per year, with a net interest cost of \$278,730.

Undesignated Fund Balance: As of the end of Fiscal Year 2020, the Library had an Unassigned Fund Balance of \$3,708,198. This amount will be increased at the end of FY2021 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 will use all or a majority of its \$2,025,500 Building Improvement Reserve in FY2021 and FY2022 to undertake the building renovation project. The project is slated to be completed in April of 2022, at which point the Library will move from its temporary location back to its permanent renovated building. As of the preparation of this budget, projects costs are favorable and the Library is trending under budget for the project. Unanticipated price hikes have been realized as suppliers struggle to obtain material. However, with the very favorable interest rate secured with the sale of bonds, the Library is well positioned to complete all of its intended goals in the construction project within budget.

	FY 2021 Budget	FY 2022 Budget Request	Variance	Percent Change	FY 2023 Budget Request	Variance	Percent Change
TAX REVENUE							
Millage Rate	1.995	1.995	-		1.995	0	
Property Tax	\$ 4,879,266	\$ 4,996,353	\$ 117,087	2.4%	\$ 5,099,717	\$ 103,364	2.1%
IFT/CFT Tax	70,081	68,514	(1,567)	-2.2%	69,713	1,199	1.8%
Total Tax Revenue	\$ 4,949,347	\$ 5,064,867	\$ 115,520	2.3%	\$ 5,169,430	\$ 104,563	2.1%
OTHER REVENUE							
State Aid	\$ -	\$ 35,000	\$ 35,000	N/A	\$ 35,000	\$ -	0.0%
Local Community Stabilization Share Approp.	342,843	373,818	30,975	9.0%	381,294	7,476	2.0%
County Penal Fine Income	50,000	50,000	-	0.0%	50,000	-	0.0%
Local Fine & Fee Income	27,950	17,950	(10,000)	-35.8%	17,950	-	0.0%
Interest Income	40,000	40,000	-	0.0%	40,000	-	0.0%
Rental Income	-	2,000	2,000	N/A	3,000	1,000	50.0%
Vending Services	12,000	10,000	(2,000)	-16.7%	12,000	2,000	20.0%
Funding to/from Reserves	(6,218)	(22,295)	(16,077)	258.6%	(14,955)	7,340	-32.9%
Total Other Revenue	\$ 466,575	\$ 506,473	\$ 39,898	8.6%	\$ 524,289	\$ 17,816	3.5%
Total Revenue	\$ 5,415,922	\$ 5,571,340	\$ 155,418	2.9%	\$ 5,693,719	\$ 122,379	2.2%

TAX REVENUE - Fiscal Year 2022

- > **Property Tax**: The Library is planning for an increase in property tax revenue of \$117,927. The Library saw good increases to tax values of residential property throughout its service area. The Library was not subject to a Headlee Rollback and will levy its maximum 1.9945 mills.
- > **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. As exemption periods run out on properties, they will then resort back to being taxed at the full allowable millage.
- > **State-Aid**: anticipated funding for Libraries by the State of Michigan was not reduced in FY2021. As a result, the Library is restoring its anticipated funding to its prior level.
- > **Local Community Stabilization Share Appropriation**: The reimbursement for the Personal Property Tax loss is budgeted to be \$373,818. 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 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 reducing its budget for Fines & Fees due to the adoption of the elimination of 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, the Library will continue to be conservative in its anticipated investment earnings.

> **Rental Income**: The Library is anticipating a small amount of rental revenue for FY2022 since it will only be in its permanent position for a portion of the year.

> **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 a small decrease in this line.

> **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 FY2022, the Library will adjust the General Reserve upward by \$22,403.

TAX REVENUE - Fiscal Year 2023

> **Tax Revenue Projection**: The Library is estimating that overall property values within the City of Portage and Pavilion Township will increase by 1.75%, while property values in Texas Township will increase by 4.0% in FY2023. 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 FY2023, the Library is planning to only make the necessary adjustment to the General Reserve.

	FY 2021 Budget	FY 2022 Budget Request	Variance	Percent Change	FY 2023 Budget Request	Variance	Percent Change
SALARIES & WAGES							
Full Time Staff Salaries	\$ 1,022,640	\$ 1,117,376	\$ 94,736	9.3%	\$ 1,150,897	\$ 33,521	3.0%
Full Time Staff Hourly	228,118	239,607	11,489	5.0%	246,795	7,188	3.0%
Part Time Staff Salaries	127,560	128,743	1,183	0.9%	132,605	3,862	3.0%
Library Aide Salaries	222,484	220,910	(1,574)	-0.7%	227,537	6,627	3.0%
Substitute Salaries	10,474	10,500	26	0.2%	10,815	315	3.0%
Total Salaries & Wages	\$ 1,611,276	\$ 1,717,136	\$ 105,860	6.6%	\$ 1,768,649	\$ 51,513	3.0%
FRINGES & BENEFITS							
Health Insurance	\$ 340,000	\$ 362,600	\$ 22,600	6.6%	\$ 376,500	\$ 13,900	3.8%
Dental	34,500	36,000	1,500	4.3%	36,500	500	1.4%
Vision	5,200	5,500	300	5.8%	5,650	150	2.7%
Life & Disability Insurance	13,500	10,750	(2,750)	-20.4%	10,800	50	0.5%
Pension	126,737	135,699	8,962	7.1%	139,769	4,070	3.0%
Employee Assistance Program	1,600	1,800	200	12.5%	2,000	200	11.1%
Personal Well-being Program	10,800	11,000	200	1.9%	11,000	-	0.0%
Workers Compensation	5,000	5,000	-	0.0%	5,000	-	0.0%
FICA - Employer	123,263	131,329	8,066	6.5%	135,301	3,972	3.0%
Total Fringes & Benefits	\$ 660,600	\$ 699,678	\$ 39,078	5.9%	\$ 722,520	\$ 22,842	3.3%
Total Salaries & Benefits	\$ 2,271,876	\$ 2,416,814	\$ 144,938	6.4%	\$ 2,491,169	\$ 74,355	3.1%

SALARIES & WAGES - Fiscal Year 2022

> **Full-Time Staff Salaries:** Salaries and wages for all positions are being budgeted to increase 6.6%. The Library is budgeting for merit increases of salaries and wages for all current positions at a 3.0% increase. 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 cognizant of hiring conditions in the post-pandemic era and issue merit increase based on factors that are that allow for employees to keep pace with the cost of living. Besides merit increases, the Library is also budgeting additional funds to allow for a reorganization of positions. Departments are currently having discussions on their staffing needs and the most effective staffing model to meet those needs. The results of these discussions could lead to a shifting of positions from part-time to hourly or the changing of job duties to those that are more needed to assist patrons. In addition, the Library's entire organization chart is being analyzed to determine if its current design meets the needs of Library goals. There are no planned cuts to positions and all positions currently budgeted in the FY2021 budget are being included in this budget. The Library plans to fill all of its current open positions in a time frame that corresponds with moving back into its permanent location. This will allow the Library to provide all of its intended services in a manner that it desires to its patrons.

SALARIES & WAGES - Fiscal Year 2022

> **Salary & Wage Projection:** The library is budgeting for a merit increase to wage rates for Fiscal Year 2023. 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 2022

- > **Health:** Projection of a 9.26% increase to health insurance benefits is due to several factors. The PA152 hard cap has increased approximately 3.0% from the prior year. All open positions budgeted for are done so assuming that new hires will select the highest level of coverage (family vs. single). This will allow the Library to be well covered from a budgeting stand point. Additionally, funds are in this budget to allow the Library to make changes to its staffing model and provide the corresponding benefits that are necessary.
- > **Dental & Vision:** Projection of a small decrease 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 decrease is due to prior increases to premiums not materializing. This budget is more inline with current expenses.
- > **Pension:** Projection of a 7.1% 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 2022 fiscal year.
- > **Workers' Compensation:** Projection of no increase in Workers' Compensation cost for FY2022.
- > **FICA / Employer:** Projected cost for employer paid social security for all paid Library employees, currently 7.65% of total wages.

FRINGES & BENEFITS - Fiscal Year 2023

- > **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

	FY 2022 Budget				FY 2023 Budget			
	FY 2021 Budget	Request	Variance	Percent Change	Request	Variance	Percent Change	
LIBRARY MATERIALS								
Books - Adult	\$ 166,290	\$ 164,740	\$ (1,550)	-0.9%	\$ 157,370	\$ (7,370)	-4.5%	
Digital Collections	183,022	200,022	17,000	9.3%	213,012	12,990	6.5%	
Audio/Visual - Adult	42,480	41,480	(1,000)	-2.4%	40,480	(1,000)	-2.4%	
Books - Youth	100,200	114,831	14,631	14.6%	126,900	12,069	10.5%	
Audio/Visual - Youth	12,900	13,300	400	3.1%	13,498	198	1.5%	
Audio/Visual - Hot Picks	31,040	30,630	(410)	-1.3%	30,630	-	0.0%	
Electronic Information Products	76,000	79,000	3,000	3.9%	79,000	-	0.0%	
Periodicals & Publications	19,300	19,300	-	0.0%	19,300	-	0.0%	
Total Library Materials	\$ 631,232	\$ 663,303	\$ 32,071	5.1%	\$ 680,190	\$ 16,887	2.5%	

LIBRARY MATERIALS - Fiscal Year 2021

- > **Books - Adult:** Projection of a decrease in printed materials in FY2022. The decrease is in the area of print reference material. The Library has been analyzing and weeding the Adult Reference collection. A \$1,700 reduction in that line is warranted based on patron use of the collection. Within the print collection, there will be a small increase to Fiction material for additional funding for Local Authors.
- > **Digital Collections:** The Library is projecting an increase in funding for this area for FY2022. 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 in the Adult E-book line. Throughout FY2020, the Library saw an increase in the number of holds on e-books. While this may have been spurred by the Library's closure and unavailability of print material, the Library will feel this is a growing collection and should budget accordingly to meet the increasing demand. Additionally, the Library added an electronic magazine subscription to its collection in FY2021 that will continue to be funded. Tumblebook, Kanopy, and Freegal music service will maintain its funding in this budget. 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 FY2021.
- > **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 collections 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 \$400 increase to fund additional for the Wonderbook collection within the Easy Talking Book line. It was a new service in FY2020 and has been very heavily used.
- > **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 \$3,000 increase is needed to maintain the current selection of databases and cover increases in renewal costs.
- > **Periodicals & Publications:** Projection of a no increase for periodicals and publications is warranted at this time.

LIBRARY MATERIALS - Fiscal Year 2023

- > **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, the Hoopla service and Youth print material.

	FY 2022 Budget			Percent	FY 2023 Budget			Percent
	FY 2021 Budget	Request	Variance	Change	Request	Variance	Change	
SUPPLIES								
Office Supplies	\$ 22,718	\$ 22,040	\$ (678)	-3.0%	\$ 20,110	\$ (1,930)	-8.8%	
Operating Supplies	54,700	56,700	2,000	3.7%	57,200	500	0.9%	
Central Copying/Printing	34,800	49,500	14,700	42.2%	36,700	(12,800)	-25.9%	
Postal/Freight	21,140	21,140	-	0.0%	11,520	(9,620)	-45.5%	
Total Supplies	\$ 133,358	\$ 149,380	\$ 16,022	12.0%	\$ 125,530	\$ (23,850)	-16.0%	

SUPPLIES - Fiscal Year 2022

> **Office Supplies:** Projection of a \$678 decrease in the Office Supplies category is due to the decreased funding for Circulation Supplies and Vending Supplies. In FY2021, the Library needed to purchase curbside delivery bags to accommodate the new service started in FY2020. The purchase of these bags will be less in FY2022 than the previous year. Additionally, Vending Supplies will decrease from the previous year's budget. The Library is expecting to not offer vending services until May of 2022, therefore, reducing the quantity of needed supplies. The budget for Youth Program Supplies is increasing by \$1,500 to accommodate the purchase of new supplies for the renovated building.

> **Operating Supplies:** Projection of a 3.7% increase in overall Operating Supplies. The increase is due to an increased estimate for repair and maintenance supplies that the Library is currently experiencing.

> **Central Copying & Printing:** Projection of a \$14,700 increase is needed to replace signage in the renovated building. Additionally, funds will be used to assist in the rebranding of the Library with a new logo and mass communication with the public regarding the reopening.

> **Postal/Freight:** Projection of no increase to Postage & Freight for direct communication to residents within the Portage District Library's area. With the move back to the permanent location, funds need to be available for mass mailing of notices and announcements.

SUPPLIES - Fiscal Year 2023

> **Supplies Projection:** In FY2023, the library will decrease its funding for Postage as it will have completed its return to the renovated space in FY2022. Additionally, all communication regarding the Library's new fine policy would have been previously communicated.

	FY 2022 Budget				FY 2023 Budget			
	FY 2021 Budget	Request	Variance	Percent Change	Request	Variance	Percent Change	
ADMINISTRATIVE SERVICES								
Public Relations	\$ 12,000	\$ 14,000	\$ 2,000	16.7%	\$ 14,000	\$ -	0.0%	
Fundraising	9,300	10,800	1,500	16.1%	10,800	-	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	10,920	800	7.9%	10,920	-	0.0%	
Legal Services	10,000	10,000	-	0.0%	10,000	-	0.0%	
Online Subscription	52,580	55,000	2,420	4.6%	53,100	(1,900)	-3.5%	
Online Maintenance	3,000	3,000	-	0.0%	3,000	-	0.0%	
Internet Services	106,200	112,200	6,000	5.6%	118,200	6,000	5.3%	
Payroll Services	15,000	16,000	1,000	6.7%	17,250	1,250	7.8%	
Financial Services	13,000	14,000	1,000	7.7%	14,500	500	3.6%	
Cataloging & Processing Services	60,400	61,300	900	1.5%	61,600	300	0.5%	
Other Administrative Services	7,200	13,300	6,100	84.7%	7,300	(6,000)	-45.1%	
Investment Services	750	2,000	1,250	166.7%	2,000	-	0.0%	
Total Administrative Services	\$ 307,850	\$ 330,820	\$ 22,970	7.5%	\$ 331,220	\$ 400	0.1%	

ADMINISTRATIVE SERVICES - Fiscal Year 2021

- > **Public Relations:** A projection of a \$2,000 increase for Public Relations in FY2022. The increase in funds will be used to set-up the new video & photography studio in the renovated building. Additional space has been allotted for this purpose and it will require some new equipment.
- > **Fundraising:** Projection of a \$1,500 increase is for the increased cost of producing 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.
- > **Bank Service Charges:** Projection of a small 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 Boopsie, DeskTracker, Content DM, Evanced, Gale Analytics, and Collection HQ. The increase in funding is for upgrades to digital signage.
- > **Online Maintenance:** This line will be used for the Library's website, including graphics, maintenance, and summer reading updates. No increase is needed for this line.
- > **Internet Services:** Projection of a \$6,000 increase in funding for FY2022 is for the additional cost associated with the EVC circuit.
- > **Payroll Services:** Projection of \$1,000 increase is for anticipated price increases for the Library's Payroll, Learning Management System, Onboarding and Recruiting modules through it contracted vendor, Paylocity.
- > **Financial Services:** Projection of a small increase to perform the year end audit procedures for FY2022. 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 increase in funding for FY2022 is for possible expenses related to the Library Board election.
- > **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 2023

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

	FY 2021 Budget	FY 2022 Budget Request	Variance	Percent Change	FY 2023 Budget Request	Variance	Percent Change
UTILITIES							
Gas & Electric	\$ 115,000	\$ 158,525	\$ 43,525	37.8%	\$ 120,000	\$ (38,525)	-24.3%
Water & Sewer	6,000	6,000	-	0.0%	6,000	-	0.0%
Telephone	28,350	33,820	5,470	19.3%	33,820	-	0.0%
Total Utilities	\$ 149,350	\$ 198,345	\$ 48,995	32.8%	\$ 159,820	\$ (38,525)	-19.4%
BUILDING							
Library Grounds Maintenance	\$ 10,600	\$ 13,800	\$ 3,200	30.2%	\$ 14,100	\$ 300	2.2%
Snow Removal	15,000	15,000	-	0.0%	15,000	-	0.0%
Building Repair & Maintenance	110,650	115,918	5,268	4.8%	121,150	5,232	4.5%
Building Insurance	32,500	37,000	4,500	13.8%	37,000	-	0.0%
Total Building	\$ 168,750	\$ 181,718	\$ 12,968	7.7%	\$ 187,250	\$ 5,532	3.0%
Total Building & Utilities	\$ 318,100	\$ 380,063	\$ 61,963	19.5%	\$ 347,070	\$ (32,993)	-8.7%

UTILITIES - Fiscal Year 2022

> **Gas & Electric:** Projection of a \$43,525 increase in funding for FY2022. The increase in funding is for the expenses at both the temporary location and the permanent. With an anticipated move back to the permanent location set for April 2022, the Library will experience additional heating costs during the winter. Additionally, the added funds will be used to help offset increases in natural gas prices for heating.

> **Water & Sewer:** Projection of no increase to this line. There should be reduced activity in the permanent location while the library occupies the temporary building. therefore, no additional funds will be budgeted.

> **Telephone:** Projection of a \$5,470 increase in funding for FY2022. The Library will be looking at alternate telephone service providers for FY2022. 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 2023

> **Utilities Projection:** The Library is anticipating reducing its budget for FY2023. The Library will be completely moved back into its permanent location and will not have any additional overhead. Additionally, a portion or all of the building lighting will be switched to LED, which should save on energy costs.

BUILDING - Fiscal Year 2022

> **Library Grounds Maintenance:** Projection of a \$3,200 increase in funding for FY2022. The Library will be using the majority of the additional funds on landscaping after construction has been completed. There is an area of the north patio that will not be included in the project and will be in need of new plantings.

> **Snow Plowing:** No increase is projected for FY2022. The Library believes that it has adequate funds budgeted to handle expected snowfall.

> **Building Repair & Maintenance:** Projection of a \$6,000 increase for FY2022. The Library is anticipating additional cleaning costs for the expanded building size.

> **Building Insurance:** The projection of a \$4,500 increase in funding for the Library's building insurance premiums. The Library's building insurance is calculated on value, and with additional space, new equipment and furnishings, a higher premium is expected.

BUILDING - Fiscal Year 2023

> **Building Projection:** The Library is planning for an increase to insurance costs for FY2023, to cover potential increases to contracted services.

	FY 2022 Budget			Percent	FY 2023 Budget			Percent
	FY 2021 Budget	Request	Variance	Change	Request	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 2021

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

EQUIPMENT - Fiscal Year 2023

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

FURNISHINGS - Fiscal Year 2022

> **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 2023

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

	FY 2022 Budget				FY 2023 Budget			
	FY 2021 Budget	Request	Variance	Percent Change	Request	Variance	Percent Change	
OTHER CHARGES								
Equipment Repair & Maintenance	\$ 198,100	\$ 205,210	\$ 7,110	3.6%	\$ 207,210	\$ 2,000	1.0%	
Library Programming	34,750	38,500	3,750	10.8%	39,115	615	1.6%	
Training, Education & Memberships	38,860	41,250	2,390	6.2%	41,250	-	0.0%	
Total Other Charges	\$ 271,710	\$ 284,960	\$ 13,250	4.9%	\$ 287,575	\$ 2,615	0.9%	

OTHER CHARGES - Fiscal Year 2022

> **Equipment Repair & Maintenance:** Projection of a 3.6% 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 a switch of the accounting software to a hosted solution with its vendor, Blackbaud. This increase will be partially offset by a one year reduction in warranties for RFID technology. Self-check stations will be replaced in FY2022 and will include a one year warranty.

> **Library Programming:** Projection of a increase in Library Programming of \$3,750. The increase will be used to fund Adult Programming needs.

> **Training and Education:** Projection of a \$2,390 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 allow to the Library Director to attend PLA in-person.

OTHER CHARGES - Fiscal Year 2023

> **Other Charges Projection:** FY2022 will see small increases to fund programming and technology support.

	FY 2022 Budget				FY 2023 Budget			
	FY 2021 Budget	Request	Variance	Percent Change	Request	Variance	Percent Change	
CAPITAL IMPROVEMENT PROJECTS								
Library Bond Payment	\$ 210,000	\$ 966,000	\$ 756,000	0.0%	\$ 965,000	\$ (1,000)	0.0%	
Library Technology Project	200,000	230,000	30,000	15.0%	200,000	(30,000)	-13.0%	
Capital Maintenance	150,000	150,000	-	0.0%	265,965	115,965	77.3%	
Building Improvement Project	921,796	-	(921,796)	0.0%	-	-	0.0%	
Total Capital Projects	\$ 1,481,796	\$ 1,346,000	\$ (135,796)	-9.2%	\$ 1,430,965	\$ 84,965	6.3%	

CAPITAL PROJECTS - Fiscal Year 2022

> **Library Bond Payment:** The Library issued bonds in the spring of FY2021 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 be used in conjunction with the Library's technology plan for the Library Improvement Project. Planned expenditures include the replacement of self-check stations, meeting room technology, additional creation station and maker space equipment and software, and necessary equipment upgrades for wireless access.

> **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 future projects related to the building.

CAPITAL PROJECTS - Fiscal Year 2023

> **Capital Projects Projection:** The Library will set funds aside to complete building projects that may not have been able to be funded as part of the building project. The projects may include, security cameras, office furniture or additional meeting room technology.