

Regular Agenda Item 4.II: 2022 library budget draft

LIBRARY (7000-411600)	2018 Actual	2019 Actual	2020 Actual	2021 Budget	2021 Projected	2022 Budget
<i>Expenses</i>						
110 Salaries	\$ 429,373	\$ 613,727	\$ 662,834	\$ 683,521	\$ 683,521	\$ 765,356
114 Part-time Salaries	91,332	118,534	51,204	124,365	124,365	117,716
220 Social Security	37,860	54,150	53,198	61,803	61,803	67,555
230 Retirement	62,845	84,019	88,619	96,223	96,223	106,718
240 Workforce Safety Insurance	692	1,022	10,164	1,865	1,865	1,154
245 Corporate Education	2,953	2,179	1,500	-	-	-
250 Unemployment	-	-	2,265	1,000	1,000	1,000
312 Attorney	-	-	3,486	1,000	1,000	4,000
320 Health Insurance	49,746	53,173	65,904	101,995	101,995	87,676
321 Property Insurance	-	-	142	-	-	-
333 Building Rental	143,880	143,880	140,120	117,000	117,000	120,510
340 Travel & Education	4,246	5,126	2,894	7,050	7,050	17,392
356 Telephone	1,194	-	5,667	6,650	6,650	1,531
360 Miscellaneous Printing & Mailing	3,971	5,842	3,616	7,000	7,000	-
387 Medical and Vaccines	-	-	-	500	500	500
399 Recruitment	2,093	1,897	1,612	3,000	3,000	3,000
410 Office Supplies	19,030	14,821	9,798	16,000	15,000	13,000
424 Gas & Oil	-	-	-	500	-	1,200
427 Repairs	-	-	-	1,000	-	6,000
428 Service Agreement Contracts	26,897	14,597	40,088	46,755	46,755	11,100
490 Misc	-	-	-	-	-	750
497 Technology	40,084	55,592	21,480	25,699	25,199	45,070
500 Supplies	-	-	-	-	-	500
640 Furniture & Equipment	26,676	7,962	27,371	8,762	7,762	-
641 Furn & Equip Non Depreciated <\$5,000	-	-	-	-	-	2,810
644 Postal Meter Rent	887	1,173	972	1,200	1,200	1,200
648 Professional Publications	1,122	1,632	594	1,200	1,200	2,440
649 Programming	7,583	8,587	8,056	11,000	11,000	21,000
650 Electronic Resources	25,211	27,002	26,035	36,000	36,000	36,000
661 Shipping	6,472	1,333	10	-	-	6,000
662 Books	90,884	94,492	51,724	100,750	100,750	100,750
663 Magazines	5,684	5,928	6,312	6,500	6,500	5,260
664 Audio and Video	24,402	23,041	11,236	31,500	31,500	31,500
667 Memberships	648	886	2,090	3,218	3,218	3,176
668 Printing	-	-	-	-	-	1,000
669 Insurance	729	858	743	2,750	1,750	2,750
672 Emergency Medical Supplies	137	245	-	250	250	250
673 Cleaning Supplies	434	349	148	500	500	-
689 Promotional Activities	9,197	9,609	2,740	11,400	11,400	11,400
724 Consulting/Testing Fees	1,125	9,000	4,625	-	-	-

LIBRARY (7000-411600)	2018 Actual	2019 Actual	2020 Actual	2021 Budget	2021 Projected	2022 Budget
740 Service Charges		157	490			500
750 Miscellaneous	490	703	3	750	750	-
852 Website	650	-	-	-	-	
864 Furn & Equip Depreciated >\$5,000						10,707
880 Cost Allocation						41,238
890 Transfer out				5,000	5,000	20,000
901 Cataloguing	6,727	2,064	2,490	2,300	2,300	2,450
903 History Room	856	1,818	8			
994 ODIN	4,003	7,003	7,731	12,000	12,000	20,000
	<u>4,003</u>	<u>7,003</u>	<u>7,731</u>	<u>12,000</u>	<u>12,000</u>	<u>20,000</u>
	<u>\$ 1,130,113</u>	<u>\$ 1,372,400</u>	<u>\$ 1,317,968</u>	<u>\$ 1,538,006</u>	<u>\$ 1,533,006</u>	<u>\$ 1,692,159</u>

LIBRARY (7000-411600)	2018 Actual	2019 Actual	2020 Actual	2021 Budget	2021 Projected	2022 Budget
<i>Revenue</i>						
310001 Taxes	\$ 1,093,593	\$ 1,093,593	\$ 1,092,117	\$ 1,395,020	\$ 1,395,020	\$ 1,465,738
310002 Levy Discounts				\$ (51,616)	\$ (51,616)	\$ (54,232)
335600 Intergovernmental	35,154	35,154	-	31,000	31,000	31,000
345200 Charges for Services	471	471	-	500	500	
360000 Miscellaneous	35,505	35,505	6,577	16,000	16,000	5,000
360100 Sponsorships						25,000
375000 Pledges	2,823	2,823	-	2,000	2,000	
	<u>\$ 1,167,546</u>	<u>\$ 1,167,546</u>	<u>\$ 1,098,694</u>	<u>\$ 1,392,904</u>	<u>\$ 1,392,904</u>	<u>\$ 1,472,506</u>
Net Surplus/(Deficit)			<u>\$ (219,274)</u>	<u>\$ (145,102)</u>	<u>\$ (140,102)</u>	<u>\$ (219,653)</u>

2022 Library Budget Request Summary

Budget overview

The 2022 draft request represents maintenance of the library's current level of service for both in-library and outreach services.

The needed mill levy to support operations in 2021 was 8.18. The needed mill levy to support operations reflected in the 2022 draft request is 8.54. The 2021 amount levied for the library was 7.43.

The library's budget request for 2022 would need to include an additional mill to continue recovery from the mill reduction that began in 2018.

The library's reserve fund account totaled \$314,300 at the end of 2020. With expected net deficit of \$140,102 at the end of 2021, the library cannot support operations from its reserve funds in 2022 and maintain its current level of service.

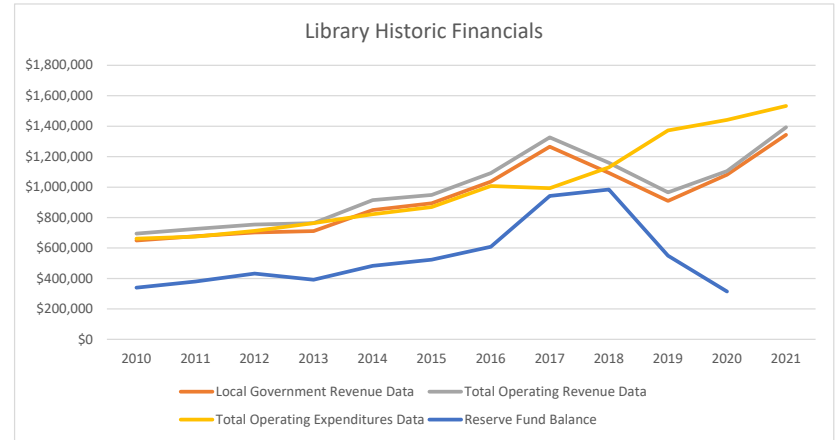
Revenue

Taxes (310001)

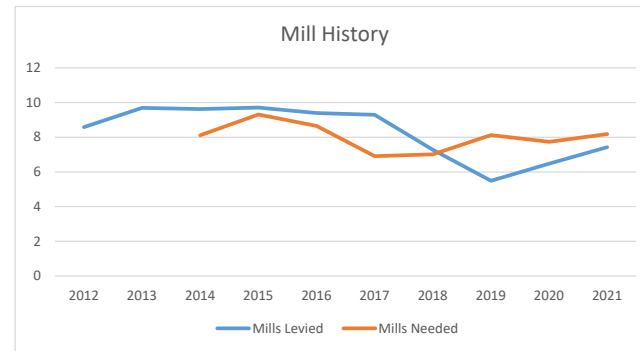
In 2021, the library levied 7.43 mills. The library would levy \$1,465,738 in property taxes in 2022 at 7.43 mills. The amount needed to support operations within the 2022 budget draft totals \$1,685,391 or 8.54 mills.

The following page outlines a history of needed mills, actual mills levied, operating revenue, and operating expenses. The library's mills were reduced and the library's reserve fund began supporting the library's operations in 2018.

Year Data	Local Government Revenue Data	Total Operating Revenue Data	Total Operating Expenditures Data	Reserve Fund Balance
2010	\$649,330	\$694,662	\$661,585	\$339,192
2011	\$677,375	\$725,105	\$674,251	\$380,086
2012	\$702,409	\$754,729	\$712,642	\$432,172
2013	\$710,763	\$763,527	\$763,527	\$391,371
2014	\$848,790	\$914,781	\$822,194	\$482,847
2015	\$893,457	\$948,481	\$869,232	\$522,753
2016	\$1,036,043	\$1,091,981	\$1,006,610	\$608,124
2017	\$1,265,430	\$1,326,456	\$992,807	\$941,773
2018	\$1,093,593	\$1,159,988	\$1,130,113	\$984,144
2019	\$908,850	\$965,507	\$1,371,931	\$549,453
2020	\$1,081,616	\$1,105,316	\$1,440,866	\$314,300
2021	\$1,343,404	\$1,392,904	\$1,533,006	



Year Data	Mills Levied	Mills Needed
2012	8.58	
2013	9.69	
2014	9.62	8.11
2015	9.71	9.31
2016	9.4	8.65
2017	9.29	6.91
2018	7.28	7.02
2019	5.49	8.12
2020	6.48	7.74
2021	7.43	8.18



Sponsorships (360100)

Friends of the West Fargo Public Library

The 2022 draft budget expenses include \$25,000 of funding from the Friends of the West Fargo Public Library, which is anticipated to be raised and requested from the Friends throughout 2021 and 2022.

Supporting:

- Special programs like the Ready to Read early literacy program
- Much needed new furniture for the children's area of the library
- \$10,000 contribution to the library's equipment fund for a future replacement of the Little Red Reading Bus

The expense lines that reflect this revenue are as follows:

- 649 Programming (\$10,000 FOL contribution)
- 864 Furn & Equip Depreciated >\$5,000 (\$5,000 FOL contribution)
- 890 Transfer Out (\$10,000 FOL contribution)

Intergovernmental (335600)

State Aid to Public Libraries

The Library will qualify for approximately \$31,000 in state aid in 2022. Qualification for fiscal year 2022 is based on the amount levied in 2021 being greater than the Library's 3-year average of funds levied.

Expenses

Each year, personnel, collections, rent and other service agreements comprise approximately 90% of the library's budgeted expenses.

The following is a summary of these components in the library's 2022 draft budget request, including information and justification for what the requested amount supports.

Staffing (110-240 & 320)

- The draft budget request reflects no increase in FTE from 2021 to 2022.
- The 2022 rates for full and part-time salaries reflect an annual step increase and a 1% cost of living adjustment.
- The full-time salary line also reflects adjustments made to position vacancies in 2021, including the Deputy Director of Public Services position. The Library Board approved the repurposing of a vacant Library Services Manager position instead of requesting an additional position in 2022 to fulfill the need for a Deputy Director.

Building Rental (333)

- The City's current lease with West Fargo Public Schools expires on August 31, 2022. In planning for renewal of the lease, the City/Library should estimate 3% annual increase as is typical with other WFPS lease agreements.

Collections (650, 662-664)

- Library staff analyzed collection circulation data and reevaluated amounts within lines while keeping the overall requests flat. For example, within Books (662), staff reallocated funds from collections with lower turnover rates to those with higher turnover rates and to developing areas such as collections for the Little Red Reading Bus bookmobile. The library will continue to develop circulation data analysis practices to find efficiencies and align requests with developing areas and usage patterns.

Cost Allocation (880)

- This amount supports custodial services and supplies for the library. In 2021, the City began transitioning to centralized, City-staffed custodial services. This amount is the library's share of City-wide costs for these custodial operations, and it replaces the amount budgeted for a custodial contract in previous years.

Other expenses:

Travel & Education (340)

- In order to continuously improve services, the budget request includes professional development funds for attendance at 1 regional or national conference and attendance at the North Dakota Library Association conference for half of the library's full-time staff. Staff will attend these

conferences on a rotating basis and supplement with online coursework to keep annual costs down. This request also includes certification coursework for the Technical Services department (3.5 FTE), which was officially formed in 2019-2020. The Technical Services department is responsible for developing the library's collections and making materials accessible to the public.

- The request includes conference registration, food, lodging, and transportation expenses. These costs were not included in the library's 2021 budget request due to the pandemic, which is the reason for the increase in this line item.

Outreach operations (424-427 & 890)

- The requested amount in these lines reflects utilization of the Little Red Reading Bus for outreach operations 12 months out of the year to make the library more accessible across the West Fargo community. It does not reflect an increase in outreach stops or sites served but allows for gas and maintenance for staff to provide service with the bus at the library's current level of outreach service (monthly stops at 18 daycares and 5 adult living communities; summer route service; and community events). This is in step with the 3-year outreach operations plan presented to the Library Board on October 8, 2020, when the Board voted to assume operational responsibility for the Little Red Reading Bus.
- In keeping with replacement practices of other City fleet vehicles and equipment, the library is requesting funds (\$10,000) to be added to 7010 Library Equipment & Maintenance Fund (noted as Transfer Out 890 in the draft budget) each year to incrementally contribute funding for a replacement outreach vehicle. Final budget for a replacement vehicle is not yet determined, but a starting estimate of \$50,000 for a van-style vehicle could be used for the time being. In 2021, the library also plans to begin fundraising with the Friends of the West Fargo Public Library for a portion of a vehicle replacement cost. The 2022 budget draft reflects \$10,000 requested through levied funds and \$10,000 to be fundraised in coordination with the Friends of the Library.

Technology (497)

- Though the amount requested in Technology (497) has increased from 2021 to 2022, the 2022 requested amount is similar to the amount requested in recent years. The 2021 requested amount was decreased by partnering with IT to create shared programming laptops and remove those from the library's specific replacement cycle.

ODIN (994)

- This budget item is for membership in the statewide consortium that manages the Library's integrated library system and resource sharing (Online Dakota Information Network or "ODIN"). The Library has been undercharged by ODIN for several years and the amount will be incrementally increased over time. The Library should be paying approximately \$20,000 per year, and the requested

amount for 2022 reflects a final adjustment to correct WFPL's rate. Membership fees are based on a library's number of items and registered patrons.