
LIBRARY

Budget Office Report

This report summarizes a due diligence review with departments of line item compliance with budget guidelines. Budget amounts submitted by departments have been revised based upon negotiations between the department and the Budget Office.

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Department Summary

Summary	FY 2002a	FY2003r	FY 2004b	FY 2005b
Gross Revenues	\$370,545	\$340,509	\$430,215	\$396,741
Gross Expenditures	\$4,589,900	\$4,917,423	\$4,801,230	\$4,875,490
Net Cost	\$4,219,355	\$4,576,914	\$4,371,015	\$4,478,749

Branch Libraries: Implementation of the 2 branch sites is delayed to FY 2006. The operations budget (\$1,400,000) is used to balance the FY 2004 and FY 2005 General Fund budget.

Revenues

The Library has 5 sources of revenues. The primary sources are overdue book fees and System Share fees. The IOLS reimbursement was a one-time occurrence in FY 2002 in the Licenses and Permits category.

Another significant change occurred in the Grant category. The LSTA grant account includes a \$50,000 grant in FY 2004 that is not anticipated in FY 2005.

The Library staff is projecting a decline in the amount of donations that will be received in FY 2004 and FY 2005.

Revenues	FY 2002a	FY2003r	FY 2004b	FY 2005b
Fines & Forfeitures	\$144,552	\$145,860	\$157,160	\$161,536
Licenses & Permits	\$37,436	\$450	\$450	\$475
External User Fees	\$130,024	\$106,423	\$170,530	\$177,230
Internal Fees	\$24,141	\$25,500	\$25,500	\$26,500
Grants	\$34,392	\$62,276	\$76,575	\$31,000
Total Revenues	\$370,545	\$340,509	\$430,215	\$396,741

Personnel Costs

On May 2003, the Library had 88.29 approved FTE's.

Personnel	FY 2002a	FY2003r	FY 2004b	FY 2005b
Salaries - 511101	\$2,529,112	\$2,632,456	\$2,622,742	\$2,622,742
Overtime - 513001	\$6,108	\$5,150	\$5,150	\$5,150
Temp Wages - 516001	\$6,429	\$13,784	\$13,784	\$13,784
Other Personnel costs	\$715,719	\$750,100	\$746,537	\$772,737
Total Personnel	\$3,257,368	\$3,401,490	\$3,388,213	\$3,391,723

Key Personnel Accounts:

New life and long-term disability plan effective May 2003 will result in annual savings of approximately \$6,373.

An increase in the health insurance rate of approximately 5.34% has an impact of approximately \$15,438 on the Library's FY 2004 budget.

M&O

M&O	FY 2002a	FY2003r	FY 2004b	FY 2005b
532001 – Spec Dept Supplies	\$10,560	\$17,931	\$16,941	\$16,941
534001 – Minor Equipment	\$21,738	\$54,445	\$19,480	\$19,260
534002 - Software	\$5,023	\$4,133	\$21,390	\$33,990
538100 – Adult Materials	\$241,702	\$256,790	\$231,586	\$231,586
538600 – Youth Materials	\$100,995	\$131,147	\$95,800	\$95,800
547001 - Travel/Mtgs	\$10,717	\$12,150	\$7,300	\$7,600
554002 – Rent Bldg/Ld	\$27,671	\$27,079	\$36,000	\$37,800
559001 – R/M Bldgs/Gr	\$43,554	\$37,722	\$70,000	\$50,200
564038 – Garden City Library	\$72,133	\$76,000	\$73,000	\$73,000
Other M&O	\$683,895	\$785,009	\$729,970	\$746,052
Total M&O	\$1,217,988	\$1,402,406	\$1,301,467	\$1,312,229

Key M&O Items:

- 1) Special Department Supplies is increased over the FY 2002 actuals level to purchase library cards and other circulation-oriented supplies. This is a “Cyclical” type of account. For FY 2003, \$17,931 is budgeted with \$10,000 being spent YTD.
- 2) Minor Equipment - The FY 2004 and FY 2005 budget is well within the 3 year historical average amount of \$26,086. The FY 2003 revised budget increase reflects a one-time increase of \$30,000 that was approved by Council during the FY 2002 and FY 2003 budget workshops.
- 3) Software - The FY 2004 and FY 2005 budget reflects a large increase over the FY 2002 actual spending level due to the required purchase of software licenses and subscriptions necessary for the network infrastructure.
- 4) Rent Bldg/Land – This account shows a significant increase due to the increased lease payment at the Towne Square Library branch. MBT and Council supported this increase in April 2003.

- 5) R/M Bldgs/Gr – This account is increased in FY 2004 to address the safety issues associated with the main elevator and with the repairs of the HVAC systems. The costs will not recur in FY 2005.

Other M&O Issues:

Materials Budgets: Library staff has budgeted the 2 materials accounts at less than the FY 2002 actuals amount. This could create a future materials “bubble” if the level of materials acquisition is less and less each year.

Open Access Agreement: The reimbursement for Garden City Library is in the Library budget. BPL staff is directed by City Council to negotiate the amount of reimbursement at a flat fee, fixed amount.

The reimbursement related to Ada Community Library is budgeted in the Intergovernmental account of DFM. The budget approach for the Open Access Agreement is for Library staff to negotiate with the member libraries to keep the reimbursement at a flat fixed fee level. This approach reduces the amount of uncertainty in the budget process.

Equipment

The largest equipment category for the Library is computers.

BPL is \$7,866 under their FY 2004 equipment target of \$61,500, and is within their \$68,366 FY 2005 equipment target.