

LAKE FOREST LIBRARY

Budget FY2017

Approved March 8, 2016

Comments on FY17 Budget

With lower inflation, the .8% increase in the levy and .2% estimated for growth, a total of 1% tax based revenue should give us enough revenue to meet expenditures and address a few ADA issues.

Our concern this year is what will happen in Springfield; there is a possibility there will be a property tax freeze for two years. The City is raising the property tax over the cap for the first time to 1.8%; if there is a freeze, it will be on the property tax rate next year.

I have included a 0-2.5% merit increase in salary; last year, most libraries again reported increases in the range of 2-3%. I have no estimate from the City yet. We know that the IMRF rate (Illinois Municipal Retirement Fund) has increased in the last few years because of decline in investment revenue, and that continues to increase. City estimates for medical insurance and dental increases are about 10%.

The Long Range Plan FY2017 Capital Expenditures (the last page of the Budget) shows that there are a number of capital projects planned for the next few years; some of those can be postponed. The ADA requirements in the audit done by the City, indicate that those costs will be substantial, but there is no requirement tied to a specific year, only that we have to have a plan. I have developed a plan to address the ADA issues that extends through 2036; at this time, there is no requirement to do anything unless we have the funds.

Our reserve at the end of FY16 was \$1,831,118; with the FY17 Budget, the reserve will be down a bit, to an estimated \$1,709,000. The Reserve detail on page 1 of the Budget shows we continue to have the 15% (\$600,000+) City recommended operating reserve, \$1,100,000 in reserve for capital equipment, capital improvements (ADA requirements) and tech improvements. Please see the "Reserve Detail" at the bottom of page 1.

1/22/16

LAKE FOREST LIBRARY

Budget FY2017

**LAKE FOREST LIBRARY
FY2017 SUMMARY**

<u>PROGRAM/CATEGORY</u>	<u>AMOUNT</u>	<u>COMMENT</u>
Personnel	\$2,731,784	Up 3% from FY16 budget. Usual fringe benefits increases. Merit increases of up to 2.5%.
Print, Audiovisual & Electronic Media	\$575,000	Up 5%; electronic services additions.
Other Objects of Expenditure	\$434,700	Up 5.3%; Contractual Services costs up.
Building Maintenance	\$181,000	Up 5%; based on FY15 actuals. Some ADA work.
Capital Equipment	\$100,000	Down 33%; includes HVAC, technology upgrades; replace telephone system.
Capital Improvements	\$125,000	Up 66%; carpet in reading/reference rooms; painting; ADA.
Reserves	\$1,708,999	Based on City recommended reserve of 15% of operating expenditures; continue to build reserve for capital projects.

Reserve Detail:

Capital Equipment:	\$300,000
Capital Improvements:	\$500,000
Technology Improvements:	\$300,000
Operating: Balance of Funds on Hand	<u>\$608,999</u>
TOTAL	\$1,708,999

LAKE FOREST LIBRARY
Summary of Revenues and Expenditures
by Major Object for FY 2017

	FY15 Actual	FY16 Budget	FY16 Estimated Actual	FY17 Proposed Budget	% Change
Funds on Hand 5/1	\$1,395,132	\$1,395,134	\$1,395,134	\$1,831,119	31.25
Current Revenue					
Tax-Based	\$3,828,758	\$3,904,470	\$3,904,470	\$3,948,764	1.13
TIF Surplus	\$0	\$0	\$0	\$0	0.00
Non Tax-Based	\$99,837	\$60,800	\$60,800	\$71,600	17.76
Gifts	\$166,268	\$5,000	\$5,000	\$5,000	0.00
Total Revenues	\$4,094,863	\$3,970,270	\$3,970,270	\$4,025,364	1.39
Total Funds Available	\$5,489,995	\$5,365,404	\$5,365,404	\$5,856,483	9.15
Operating Expenditures					
Personnel Services	\$2,425,262	\$2,653,561	\$2,653,561	\$2,731,784	2.95
Print, AV & Electronic Media	\$546,466	\$545,000	\$545,000	\$575,000	5.50
Other Objects of Expenditure	\$353,787	\$412,900	\$412,900	\$434,700	5.28
Building Maintenance	\$126,924	\$167,000	\$167,000	\$181,000	8.38
Total Operating Expenditures	\$3,452,439	\$3,778,461	\$3,778,461	\$3,922,484	3.81
Capital Equipment	\$93,698	\$150,000	\$150,000	\$100,000	-33.33
Capital Improvements	\$112,739	\$75,000	\$75,000	\$125,000	66.67
Total Other	\$206,437	\$225,000	\$225,000	\$225,000	0.00
Grand Total Expenditures	\$3,658,876	\$4,003,461	\$4,003,461	\$4,147,484	3.60
Differences in Revenues and Expenditures	\$435,987	(\$33,191)	(\$33,191)	(\$122,120)	267.93
Funds on Hand	\$1,831,119	\$1,361,943	\$1,361,943	\$1,708,999	25.48

**Lake Forest Library
Comparison Revenues**

TYPE	FY15 Actual	FY16 Budget	FY16 Estimated Actual	FY17 Proposed Budget	% Change	\$ Change
Property Tax	\$3,793,925	\$3,879,470	\$3,879,470	\$3,918,764	1.01	\$39,294
Illinois Municipal Retirement Fund	\$0	\$0	\$0	\$0	0.00	\$0
Tax Replacement	\$34,833	\$25,000	\$25,000	\$20,000	-20.00	(\$5,000)
TIF Surplus	\$0	\$0	\$0	\$0	0.00	\$0
Photocopy	\$8,344	\$6,000	\$6,000	\$8,000	33.33	\$2,000
Book Rental/Book Bags	\$387	\$400	\$400	\$300	-25.00	(\$100)
Charge plate/cards	\$412	\$400	\$400	\$300	-25.00	(\$100)
Library fines	\$42,364	\$44,000	\$44,000	\$38,000	-13.64	(\$6,000)
Interest earned	\$10,076	\$8,000	\$8,000	\$10,000	25.00	\$2,000
Other revenues	(\$32)	\$0	\$0	\$0	0.00	\$0
Per Capita Grant	\$24,219	\$0	\$0	\$0	0.00	\$0
Contributions	\$168,142	\$5,000	\$5,000	\$5,000	0.00	\$0
Impact Fee	\$12,193	\$2,000	\$2,000	\$25,000	1,150.00	\$23,000
TOTAL	\$4,094,863	\$3,970,270	\$3,970,270	\$4,025,364	1.39	\$55,094

COMPARISON REVENUES

Justification:

Total levy: 2015 levy, FY17 of \$3,918,764 (\$3,518,559 Operating; \$391,969 Sites; \$8,236 Growth) based on 1% increase in library levy (\$38,957): .8% increase in CPI and .2% growth. Includes property tax, IMRF, and Social Security levies.

Tax replacement: conservative estimate: \$20,000, based on FY15 actual.

Photocopy: FY15 actual.

Book rental/Charge Plate, Cards: based on FY16 estimated actual.

Library Fines: FY15 actual, FY16 e.a. Circulation is down, thus fines also.

Interest: based on actual for FY15; low interest rates.

Other Revenue: LIMRiCC D and O insurance refund; final payout Fy16: \$21,059.

Per Capita Grant: grant approved by Illinois State Library. Approved FY15 grant, but unlikely to be funded. Grant application sent; anticipate no funding for FY16.

Contributions: based on a conservative estimate. Received Buchanan Family Foundation grant of \$15,000 (down \$5,000 in FY15 and FY16). Will continue to submit an annual grant proposal, but funding prospects unknown. Very high for FY15 actual because of D and O refund from closed insurance pool.

Impact fee: started in October, 1994; based on FY16 actual as of December; conservative figure. Growth for FY16 from City .2%.

**LAKE FOREST LIBRARY
Expenditures**

OPERATING EXPENDITURES

Category	FY15 Actual	FY16 Budget	FY16 Estimated Actual	FY17 Proposed Budget	% Change	\$ Change
Salaries/Wages	\$1,780,957	\$1,995,399	\$1,995,399	\$2,060,284	3.25	\$64,885
Fringes	\$644,305	\$658,162	\$658,162	\$671,500	2.03	\$13,338
Print, Audiovisual and Electronic Media	\$546,466	\$545,000	\$545,000	\$575,000	5.50	\$30,000
Other Objects of Expenditure	\$353,787	\$412,900	\$412,900	\$434,700	5.28	\$21,800
Building Maintenance	\$126,924	\$167,000	\$167,000	\$181,000	8.38	\$14,000
Sub-Total	\$3,452,439	\$3,778,461	\$3,778,461	\$3,922,484	3.81	\$144,023

CAPITAL EXPENDITURES

Capital Equipment	\$93,698	\$150,000	\$150,000	\$100,000	-33.33	(\$50,000)
Capital Improvement	\$112,739	\$75,000	\$75,000	\$125,000	66.67	\$50,000
Reserves	\$0	\$0	\$0	\$0	0.00	\$0
Sub-Total	\$206,437	\$225,000	\$225,000	\$225,000	0.00	\$0
GRAND TOTAL	\$3,658,876	\$4,003,461	\$4,003,461	\$4,147,484	3.60	\$144,023

**LAKE FOREST LIBRARY
Compensation Package**

	FY15 Actual	FY16 Budget	FY16 Estimated Actual	FY17 Proposed Budget	% Increase	\$ Increase
Current Employees						
Full Time Equivalent	30.00	30.00	30.00	30.00		
Salaries & Wages	\$1,765,968	\$1,982,399	\$1,982,399	\$2,045,284	3.17	\$62,885
Longevity	\$14,989	\$13,000	\$13,000	\$15,000	15.38	\$2,000
Sub-Total	\$1,780,957	\$1,995,399	\$1,995,399	\$2,060,284	3.25	\$64,885
Fringe Benefits						
ERI Liability	\$0	\$0	\$0	\$0		\$0
IMRF (retirement)	\$188,972	\$192,366	\$192,366	\$192,000	-0.19	(\$366)
Social Security	\$130,667	\$130,921	\$130,921	\$131,000	0.06	\$79
Worker's Comp	\$16,080	\$18,000	\$18,000	\$16,000	-11.11	(\$2,000)
Insurance, Life	\$1,928	\$2,500	\$2,500	\$2,500	0.00	\$0
Insurance, Medical	\$292,495	\$300,000	\$300,000	\$315,000	5.00	\$15,000
Insurance, Dental	\$10,256	\$10,275	\$10,275	\$11,000	7.06	\$725
Flexi-Benefits	\$3,907	\$4,100	\$4,100	\$4,000	-2.44	(\$100)
Sub-Total	\$644,305	\$658,162	\$658,162	\$671,500	2.03	\$13,338
GRAND TOTAL	\$2,425,262	\$2,653,561	\$2,653,561	\$2,731,784	2.95	\$78,223

COMPENSATION PACKAGE

Salaries & Wages:

Salary FY16: (estimated)	\$1,995,399
Salary Adjustments (2.5% average)	49,885
New Staff	<u>0</u>
SUB-TOTAL	\$2,045,284
Longevity	<u>\$15,000</u>
TOTAL	\$2,060,284

Merit increases of 0-2.5% average; range adjustments based on CPI and Dept. of Labor stats for area and occupation, 2.8%.

Longevity: a direct relationship to length of service, annual bonus paid in December, same as City. Based on FY16 estimated actual.

IMRF Retirement: direct relationship to payroll—based on City Finance Director's payroll audit. Calendar 2015-2016, down to 12.29% and 12.43%; final number in early 2016.

Social Security: direct relationship to payroll; 7.65% per \$100 salaries.

Unemployment Compensation: FY16 should be 0.

Worker's Compensation: a direct relationship to payroll and state mandated costs—based on FY15 actual.

Insurance, Life: based on FY15 actual.

Insurance, Medical: increase in cost based on FY15 actual; FY16 e.a.

Insurance, Dental: based on FY15 actual, e.a. FY16.

Flex-Benefits: direct relationship to payroll; \$150 each full time employee; includes an administrative service charge. Based on FY15 actual.

LAKE FOREST LIBRARY
Print, Nonprint, and Audiovisual

Item	FY15 Actual	FY15 Budget	FY16 Estimated Actual	FY17 Proposed Budget	% Change	\$ Change
Print	\$255,003	\$250,000	\$250,000	\$260,000	4.00	\$10,000
Nonprint	\$194,416	\$180,000	\$180,000	\$200,000	11.11	\$20,000
Audiovisual	\$97,047	\$115,000	\$115,000	\$115,000	0.00	\$0
TOTAL	\$546,466	\$545,000	\$545,000	\$575,000	5.50	\$30,000

PRINT, NONPRINT, & AUDIOVISUAL

Total increase: 5% increase in cost to keep expenditures for access/materials at recommended 14% of operating budget and to cover increasing cost of materials, especially e books, e audio books and downloadable magazines and videos.

Print: books and periodicals; small increase per Staff recommendation

Nonprint: Staff recommends increase go to electronic online services; includes databases and e books. We are added another e book resource 3M in FY15 and plan to add Hoopla in FY16. All have very high costs.

Audiovisual: cds, DVD's, video games; no increase per Staff recommendation

LAKE FOREST LIBRARY
Other Objects of Expenditure

Item	FY15 Actual	FY16 Budget	FY16 Estimated Actual	FY17 Proposed Budget	%	\$ Change
Office Supplies	\$31,186	\$41,000	\$41,000	\$39,000	-4.88	(\$2,000)
Vending	\$7,248	\$8,600	\$8,600	\$9,000	4.65	\$400
Contractual Services	\$225,081	\$247,000	\$247,000	\$251,000	1.62	\$4,000
Audit	\$6,898	\$7,000	\$7,000	\$8,000	14.29	\$1,000
Expense Allowance	\$1,633	\$5,000	\$5,000	\$7,000	40.00	\$2,000
Administrative Services	\$12,600	\$12,600	\$12,600	\$23,000	82.54	\$10,400
Auto Allowance	\$826	\$1,500	\$1,500	\$1,500	0.00	\$0
Insurance, Liability	\$2,435	\$1,700	\$1,700	\$2,700	58.82	\$1,000
Personnel Recruitment	\$0	\$1,000	\$1,000	\$1,000	0.00	\$0
Maintenance of Equip	\$1,530	\$2,000	\$2,000	\$3,000	50.00	\$1,000
Art Work	\$0	\$0	\$0	\$1,000		\$1,000
Membership Dues	\$9,244	\$7,000	\$7,000	\$9,500	35.71	\$2,500
Postage	\$6,488	\$6,500	\$6,500	\$9,000	38.46	\$2,500
Printing	\$13,310	\$15,000	\$15,000	\$16,000	6.67	\$1,000
Phone	\$18,644	\$21,000	\$21,000	\$13,000	-38.10	(\$8,000)
Binding	\$4,607	\$5,000	\$5,000	\$5,000	0.00	\$0
Juvenile Programs	(\$1,144)	\$5,000	\$5,000	\$5,000	0.00	\$0
Adult Programs	(\$164)	\$5,000	\$5,000	\$5,000	0.00	\$0
Promotion	\$9,956	\$15,000	\$15,000	\$16,000	6.67	\$1,000
Training	\$3,409	\$6,000	\$6,000	\$10,000	66.67	\$4,000
TOTAL	\$353,787	\$412,900	\$412,900	\$434,700	5.28	\$21,800

**LAKE FOREST LIBRARY
Contractual Services
line item detail**

Item	FY15 Actual	FY16 Budget	FY16 Estimated Actual	FY17 Proposed Budget
OCLC/RAILS/ISL*	\$8,729	\$10,000	\$10,000	\$10,000
Online	\$6,700	\$20,000	\$20,000	\$10,000
CCS**	\$67,935	\$75,000	\$75,000	\$75,000
LAN***	\$64,433	\$70,000	\$70,000	\$70,000
Other: equipment, misc.	\$37,735	\$40,000	\$40,000	\$45,000
Computer Equipment Lease ⁺	\$39,549	\$32,000	\$32,000	\$41,000
TOTAL	\$225,081	\$247,000	\$247,000	\$251,000

OCLC: Online Computer Library Center--small increase in cost allocation by CCS.

RAILS Reaching Across IL System: no change

ISL: Illinois State Library

Online: decrease based on FY15 actual & FY16 as of August

CCS: Cooperative Computer Services--based on FY15 actual; anticipate increased cost for consulting & possible migration late 2016/early 2017

LAN: Local Area Network: based on FY15 actual; Computer View manages LAN and wireless

Other: based on FY15 actual & FY16 as of August; software upgrades; Mac for graphics; Media Lab upgrades

Computer Equipment Lease: third lease 2013-2015; new (3 year) lease in FY16

OTHER OBJECTS OF EXPENDITURE

Justification:

Office Supplies: based on FY16 Budget.

Vending: coffee, tea, supplies; based on FY16 est. actual.

Contractual Services: see detail of line item, following page.

Audit: tied to City cost; based on FY16 actual. City to bid for FY17.

Expense Allowance: cost of meetings, meals; based on FY16 actual.
Staff attend ALA, PLA and ILA conferences.

Administrative Services: charged by City for services, mainly payroll and billing, snow removal. This year they doubled our cost from \$12,00 to \$23,000. Based on FY16 actual.

Insurance, Liability: based on increased cost in FY16.

Maintenance of Equipment: varies from year to year; based on FY16 est. actual.

Art Work: new Graphics employee uses this now; I reinstated funds.

Membership Dues: American Library Association, IL Library Association, local non-profits; based on FY15 actual.

Postage: based on FY15 actual and anticipated mailing of notice for expiring library cards.

Printing: based on est. actual for FY16.

Phone: City charges our allocation. We see decreases this year and more next year because we will have a separate system from the City that costs less.

Promotion: based on FY16 Budget.

Training: continuing education; without RAILS subsidizing, increased cost. There is less travel, but more cost for webinars.

**LAKE FOREST LIBRARY
Building Maintenance**

Item	FY15 Actual	FY16 Budget	FY16 Estimated Actual	FY17 Proposed Budget	% Change	\$ Change
Janitor Supplies	\$20,946	\$25,000	\$25,000	\$25,000	0.00	\$0
Contractual Services	\$12,045	\$15,000	\$15,000	\$15,000	0.00	\$0
Insurance	\$24,297	\$25,000	\$25,000	\$30,000	20.00	\$5,000
Building Maintenance	\$5,007	\$30,000	\$30,000	\$35,000	16.67	\$5,000
Equipment Maintenance	\$17,130	\$30,000	\$30,000	\$25,000	-16.67	(\$5,000)
Grounds Maintenance	\$41,960	\$36,000	\$36,000	\$45,000	25.00	\$9,000
Water	\$5,539	\$6,000	\$6,000	\$6,000	0.00	\$0
TOTAL	\$126,924	\$167,000	\$167,000	\$181,000	8.38	\$14,000

BUILDING MAINTENANCE

Justification:

Janitor Supplies: FY15 actual and FY16 Budget.

Contractual Services: for elevator maintenance, HVAC service contracts. FY16 Budget.

Insurance: based on FY15 actual and FY16 actual as of August.

Building Maintenance: varies from year to year depending on needs. An older building requires continued Maintenance; FY15 saw a decrease in cost, but an increase in Equipment Maintenance.

Equipment Maintenance: FY15 actual.

Grounds Maintenance: based on FY15 actual. Adding cost of winter protection of plants to avoid high cost of replacing damaged plants.

Water: based on FY15 actual; cost from City based on use.

CAPITAL EXPENDITURES - EQUIPMENT & IMPROVEMENT

Capital Expenditures for FY16:

- | | |
|--|-----------|
| 1. Equipment: Technology upgrades; HVAC; Telephone System Replacement, CCTV Upgrades | \$150,000 |
| 2. Improvements: Paint/Carpet Book Stack stairs; ADA Compliance Work | \$75,000 |

Capital Expenditures for FY17:

- | | |
|---|-----------|
| 1. Equipment: Technology upgrades; HVAC | \$100,000 |
| 2. Improvements: Paint/Carpet Reading, Reference Rooms; ADA Compliance Work | \$125,000 |

From Long Range Plan, FY2015; Summary of Building and Grounds Master Plan for FY17.

From Long Range Plan, FY2015; Summary of Building and Grounds Master Plan for FY17.

LONG RANGE PLAN FY2017 draft

Summary of Building and Grounds Master Plan

FY17: HVAC/equipment replacements	\$50,000
Technology upgrades and replacements	\$50,000
Painting/unanticipated maintenance/ADA	\$50,000
Carpet replacement in Reading, Reference rooms	<u>\$75,000</u>
Total:	\$225,000
FY18: HVAC/equipment replacements	\$50,000
Technology upgrades and replacements	\$50,000
Painting/unanticipated maintenance work	\$50,000
Carpet Conference Room, Director Office	\$25,000
Self check out units 2	<u>\$50,000</u>
Total:	\$225,000
FY19: Equipment replacements	\$25,000
Engineering study of HVAC systems	\$25,000
Technology upgrades and replacements	\$50,000
Painting/unanticipated maintenance work	\$50,000
Carpet: Business, Fine Arts rooms	\$50,000
Restrooms (2 public Circ area) ADA compliant	<u>\$75,000</u>
Total:	\$275,000
FY20: HVAC total upgrade	\$500,000
Technology upgrades and replacements	\$50,000
Painting/unanticipated maintenance work	\$50,000
Circulation Office ADA	<u>\$25,000</u>
Total:	\$625,000
FY21: Equipment replacements	\$25,000
Technology upgrades and replacements	\$50,000
Painting/unanticipated maintenance work	\$50,000
Parking lot/ADA signage	<u>\$100,000</u>
Total:	\$225,000

10/1/15