

Lake Forest Library

Annual Budget Fiscal Year 2020

May 1, 2019 – April 30, 2020



*Inspiring lifelong learning, promoting the
free and respectful exchange of ideas, and
building community*

The library card is a passport to wonders and miracles, glimpses into other lives, religions, experiences, the hopes and dreams and strivings of ALL human beings, and it is this passport that opens our eyes and hearts to the world beyond our front doors, that is one of our best hopes against tyranny, xenophobia, hopelessness, despair, anarchy, and ignorance. – Libba Bray

It's funny that we think of libraries as quiet demure places where we are shushed by dusty, bun-balancing, bespectacled women. The truth is libraries are raucous clubhouses for free speech, controversy and community. Librarians have stood up to the Patriot Act, sat down with noisy toddlers, and reached out to illiterate adults. Libraries can never be shushed. – Paula Poundstone

Table of Contents

Introduction iii

Lake Forest Library Fiscal Guidelines and Goals vi

Summary of Revenues and Expenditures 1

Revenue and Income 2

Revenue and Income Notes 3

Operating and Capital Expenditures 4

Compensation Package 5

Compensation Package Notes 6

Library Materials 7

Library Materials Notes 8

Other Operating Expenditures 9

Contractual Services Detail 10

Other Operating Expenditures Notes 11

Building Maintenance 12

Building Maintenance Notes 13

Introduction

The Lake Forest Library presents its budget for FY2020 (May 1, 2019 – April 30, 2020) with an annual operating and capital budget totaling \$4,343,352. The FY2020 budget reflects the Library team's ability to weigh options, innovate, and think broadly in order to live within our financial means without either compromising the level of services and resources necessary to fulfill our mission nor failing to responsibly plan for future needs.

Reflecting the Library's unwavering commitment to fiduciary responsibility, the FY2020 budget is a balanced budget with expenses fully funded from current revenues. In addition, the Library maintains a reserve fund of \$1,537,906 (44%) against operating expenses.

Preparation and Planning

In preparing the FY2020 budget, the Library examined each aspect of its operation to determine the best and most cost-efficient method for providing Library services without compromising the high level of service we provide and the Lake Forest community deserves. As a result, the FY2020 budget is a fiscally responsible budget that focuses on providing the best library resources, programming, and services for the Lake Forest community.

Budget in Review

In fall 2018, the Library Board approved a levy subject to the 1991 Property Tax Extension Limitation Act. The Act limits the annual increase in property tax extensions to the lesser of 5% or the increase in the consumer price index (CPI), plus allowances for new construction and voter-approved increases. The FY2020 budget reflects an increase in revenues based on a 2.1% CPI-based levy increase and an estimated growth value of \$16,575. Together, these provide a revenue increase of \$101,837 over FY2019. In line with our continued commitment to transparency, known grant awards are reflected as revenue in the Library's budget.

The budget anticipates a slight increase in interest revenue given the market shift and the increased reserve balances. However, it is anticipated that revenue lines dependent on state funding and library-generated fees will be adversely impacted as explained within. Overall, inclusive of known grant funds of \$73,000, the Library anticipates a 3% increase in revenues.

Operating expenses are expected to increase by 2%. The budget maintains a robust materials account, a healthy programming account, and a well-funded building maintenance and improvements account. All expense lines were evaluated on a line item basis for efficiency and relevance.

Salaries and wages for a staff of FTE 31, due in part to longevity and market-comparable benefits, are a large part of the budget. The FY2020 budget anticipates merit increases of 0 - 5% and market adjustments. This is on par with similarly situated libraries and as advised by HR Source. Medical insurance increases and IMRF issues impact this line item significantly. In FY2020, the Library benchmarked its salaries against similarly-situated institutions and implemented a merit-based performance system which does not provide for automatic cost-of-living increases. The Library's longevity pay plan ends in FY2020.

The Library continues to develop partnerships and collaborations with other community organizations and governmental departments to stretch our dollars. Recent and ongoing strategic planning meetings with the

City of Lake Forest stressed the growing importance of public-private partnerships to support budgets. Going forward, the Library will continue to investigate collaborative programming and funding opportunities that support and advance the Library's mission.

History

The Library was chartered on July 4, 1898; and moved from its original location on the second floor of City Hall to its current building and location in 1931. The building, designed by architect Edwin H. Clark (who also designed the Brookfield Zoo and the Village Hall in Winnetka, Illinois), was dedicated on June 7, 1931. Mrs. Charles H. Schweppe and Mrs. Stanley Keith funded the building of the Library in memory of Mrs. Keith's first husband, Kersey Coates Reed. Then library president, Alfred E. Hamill, a wealthy book collector, poet, investment banker, and friend of David Adler (designer of Hamill's Centaurs estate), oversaw the building and siting of the Library.

Designed in the *Grecian Moderne* style popular in the 1920s and 1930s, the Library is located in a National Register of Historic Places District. The building follows a classic symmetrical plan around a central domed rotunda, similar to the 1929 Shedd Aquarium in Chicago, Illinois. The building, its landscape, and its art are an excellent example of the Chicago Renaissance, the period from the 1893 World's Columbian Exposition to the start of World War II.

The Library added three wings in 1978. In 1991, the three-level stack area was renovated (glass floors removed, skylight added, and stacks opened to the public) and the first floor restrooms and circulation office were added. The Children's Library underwent significant renovations in 2000 and 2009. The Library installed a DVD media bank on the west side of Lake Forest in 2011 and added a digital media lab in 2014.

The rotunda houses the Kersey Coates Reed memorial stone relief of *The Archer* by Oskar J. W. Hansen (1892–1971) and the extraordinary Nicolai Remisoff (1887–1975) murals. The archer's face is a likeness of Mr. Reed. The inscription reads: "In memory of Kersey Coates Reed, eighteen hundred and eighty—nineteen hundred and twenty-nine—who was much loved in Lake Forest—where he lived—and who cared greatly for good books—this building has been erected." The twelve murals painted by Remisoff depict the great authors of antiquity.

The Library owns and stewards an extensive and valuable art collection in addition to the Hansen stone relief and the twelve murals by Remisoff. Ten first edition original prints by John James Audubon line the paneled walls of the Friends Reading Room; other first floor art includes watercolors by local artists Franklin and Mark McMahon as well as a set of Joseph Pennell lithographs representing classical sites. The Children's Library and the Library grounds include stained glass works, murals, and sculptures in bronze, marble, and wood.

Capital Equipment and Building Improvements

In 2017, the Library dome was inspected when unusual buckling was noticed on one of the historic 1931 Nicolai Remisoff mural panels that line the Library's rotunda. Replacement of the leaded-copper dome and restoration of the dome's masonry substructure is required. In addition, the building has other structural and systems issues.

In November 2017, the Library Board issued a Request for Qualifications for Architectural Services to obtain the needed expertise and counsel to examine and assess the building, its historic significance, components, and use in view of the current and future needs of the community. In March 2018, the Library Board selected Hammel, Green and Abrahamson, Inc. to prepare a feasibility study. The feasibility study will assess the building's structural issues and provide recommendations on how to respond to emerging service demands and the future needs of the Lake Forest community. The feasibility study reflected the need for significant restoration and renovation if the Lake Forest Community was to continue to have access to 21st Century library services and presented the Library Board with five building options. The Library Board continues to explore these and other options with City Council and staff and the community at large.

The FY2020 budget provides for legal, architectural, and consultant expenses associated with the feasibility study as operating expenses. The FY2020 budget also includes \$250,000 for capital equipment and building improvements. A total reserve balance of \$3,587,906, of which \$2,050,000 is restricted (\$1,450,000 capital improvements; \$300,000 capital equipment; and \$300,000 technology improvements), is also reflected in the FY2020 budget.

The capital improvement and capital equipment lines in the FY2020 budget and the restricted reserves will not cover the upcoming necessary capital equipment and building improvements. Funding for such extraordinary capital equipment and building improvements will need to come from fund raising or increased revenues in future levies.

Conclusion

Although much is unknown about the Library's ultimate course of action with respect to the building, our work continues. Which means that every day, Library staff come to work energized by our mission to inspire life-long learning, promote the free and respectful exchange of ideas, and build community.

Lake Forest Library Fiscal Guidelines and Goals

These guidelines and goals influence and guide the financial management of the Library. Each year the Library Board reviews the budget process to ensure all public funds are accounted for, the Library's resources are properly managed and maintained, including the building and grounds, and that there is adequate funding to provide the library services desired by the Lake Forest Community.

The budget process works to:

- Balance long-term financial planning with day-to-day operations;
- Promote long-term sustainability;
- Provide an opportunity to evaluate the delivery cost of library services in relationship to the Library's mission; and
- Address and adequately plan for new service trends.

Fiscal and Budget Management

The Library engages in target based budgeting. A process that works to identify conservative but realistic projected revenues and expenses at the beginning of the budget process. This process examines library services to determine value, necessity, impact, and cost effectiveness. Throughout the fiscal year, expenses and expenditures are compared to the approved budget to adjust spending as needed to offset revenue shortfalls or unexpected expenditures.

As part of the budget process, the Library receives an independent asset appraisal and maintains adequate insurance coverage to protect its assets.

Non-budgeted expenses occurring during the fiscal year must be approved by the Library Board.

The Library maintains positive fund balances and annually evaluate the general operating unrestricted operating fund for sufficient reserves and fund restricted reserves as prudent.

Operating Costs

The Library fully budgets all anticipated expenses for the upcoming fiscal year and maintains adequate reserves for unanticipated expenses.

As part of the budgeting process, all service contracts and other charges will be evaluated for cost effectiveness and to determine if there are alternative less costly options. Similarly, outsourcing/contracting services will be evaluated and implemented when cost effective.

When cost effective, the Library will contract for services for administrative and other services from the City of Lake Forest.

Personnel

The Library seeks to retain talented and competent staff who demonstrate initiative and flexibility to adjust to changes in institutional priorities. Additions to staff are supported by documented need and value-added service results. The personnel pay plan is reviewed and adjusted annually consistent with market rates for positions with comparable responsibilities. In addition, the Library

works to provide market comparable benefits and fully fund its annual obligations for employee pension plans.

Revenue

Each revenue source is reviewed individually, recognizing that each revenue source is unique in its predictability, stability, and volatility.

The Library abides by the 1991 Property Tax Extension Limitation Act, which limits the annual increase in property tax extensions to the lesser of five percent, or the increase in the consumer price index, plus allowances for new construction and voter approved increases, unless the Library Board in consultation with the City Council of the City of Lake Forest determines an exception is necessary.

The Library pursues grant and other funding options when appropriate.

Fund Balance

The Library follows these fund balance classification policies and procedures.

1. Committed Fund Balance shall be established, modified, or rescinded through a Lake Forest Board of Trustees resolution.
2. Assigned Fund Balance will generally follow the approved budget and may be assigned to a specific purpose by the Library Director.
3. In the General Fund, the Library considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both a restricted and unrestricted fund balance is available, followed by committed amounts then assigned amounts. Unassigned amounts are used only after the other categories of fund balance have been fully utilized.
4. In governmental funds other than the General Fund, the Library considers restricted amounts to have been spent last. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Library will first utilize assigned amounts, followed by committed amounts then restricted amounts.

Reserves

The Library maintains a general operating fund balance for fiscal cash liquidity purposes, (*i.e.*, fiscal reserve), that provides sufficient cash flow to minimize the potential of short-term tax anticipation borrowing.

Unassigned fund balances should be equal to no less than 30% of non-pass through operating revenues for the general operating fund plus accrued sick and vacation leave. In the event the general operating fund balance falls below the established target for a particular fund, the Library shall establish a plan to return the fund balance to its target.

The Library maintains restricted funds sufficient to address long-term capital and technology needs.

Accounting, Auditing, and Reporting

The Library properly maintains books of record and account, in which full and correct entries are made of all financial transactions and the assets and business of the Library.

The Library engages (alone or through the City of Lake Forest) an independent firm of certified public accountants to perform an annual financial and compliance audit according to Generally Accepted Auditing Standards (GAAS). The accountants will issue an opinion that will be included in the annual financial report.

Lake Forest Library
Summary of Revenue and Expenditures
FY2020

	FY15	FY16	FY17	FY18	FY19	FY19	FY20	%
	Audited	Audited	Audited	Audited	Budget	Unaudited	Budget	Change
Funds on Hand 5/1	\$1,395,132	\$1,831,118	\$1,456,774	\$1,348,747	\$1,348,747	\$1,537,906	\$1,537,906	
Current Revenue								
Tax-Based	\$3,793,925	\$3,871,122	\$3,910,955	\$3,948,139	\$4,072,315	\$4,063,010	\$4,174,152	3
TIF Payout	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	100
Other Revenue	\$71,245	\$48,377	\$57,471	\$87,701	\$22,000	\$71,932	\$31,000	41
Library Revenue	\$61,551	\$97,792	\$73,167	\$106,880	\$42,850	\$146,091	\$45,200	
Gifts	\$168,142	\$26,400	\$20,075	\$167,773	\$15,000	\$28,939	\$10,000	(33)
Grant Funds					\$55,000	\$62,000	\$73,000	33
Total Revenues	\$4,094,863	\$4,043,691	\$4,061,668	\$4,310,493	\$4,207,165	\$4,371,971	\$4,343,352	3
Total Funds Available	\$5,489,995	\$5,874,809	\$5,518,442	\$5,659,240	\$5,555,912	\$5,909,877	\$5,881,258	6
Operating Expenditures								
Personnel Services	\$2,425,262	\$2,516,111	\$2,440,398	\$2,476,227	\$2,655,790	\$2,189,563	\$2,558,797	(4)
Print, A/V & E-resources	\$546,466	\$474,950	\$524,186	\$508,538	\$580,000	\$553,277	\$639,000	10
Other Objects of Expenditure	\$353,787	\$389,921	\$361,462	\$354,303	\$570,375	\$487,531	\$649,755	14
Building Maintenance	\$126,924	\$139,674	\$121,572	\$127,333	\$196,000	\$148,244	\$245,800	25
Total Operating Expenditures	\$3,452,439	\$3,520,656	\$3,447,618	\$3,466,401	\$4,002,165	\$3,378,615	\$4,093,352	2
Capital Equipment	\$93,698	\$66,918	\$5,443	\$3,009	\$100,000	\$97,480	\$125,000	25
Capital Improvements	\$112,739	\$50,272	\$47,491	\$51,923	\$105,000	\$0	\$125,000	19
Total Other	\$206,437	\$117,190	\$52,934	\$54,932	\$205,000	\$97,480	\$250,000	22
Grand Total Expenditures	\$3,658,876	\$3,637,846	\$3,500,552	\$3,521,333	\$4,207,165	\$3,476,096	\$4,343,352	3
Difference in Revenues and Expenditures	\$435,987	\$405,845	\$561,116	\$789,160	\$0	\$895,876	\$0	
Committed Funds			\$1,100,000	\$1,450,000	\$1,450,000	\$2,050,000	\$2,050,000	
Funds on Hand*	\$1,395,132	\$1,831,118	\$1,456,774	\$1,348,747	\$1,348,747	\$1,537,906	\$1,537,906	
Total Funds	\$1,831,119	\$2,236,963	\$3,117,890	\$3,587,907	\$2,798,747	\$4,483,782	\$3,587,906	

FY2019 as of 4/30/2019 unaudited.

**Lake Forest Library
Revenue and Income
FY2020**

	FY15 Audited	FY16 Audited	FY17 Audited	FY18 Audited	FY19 Budget	FY19 Unaudited	FY20 Budget	% Change	\$ Change
Property Tax Revenue									
Property Tax	\$3,793,925	\$3,871,122	\$3,910,955	\$3,948,139	\$4,072,315	\$4,063,010	\$4,174,152	3	\$101,837
Total Property Tax	\$3,793,925	\$3,871,122	\$3,910,955	\$3,948,139	\$4,072,315	\$4,063,010	\$4,174,152	3	\$101,837
TIF Payout	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	0	\$10,000
Other Revenue									
IMRF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0
PP Tax Replacement	\$34,833	\$27,435	\$35,980	\$37,364	\$10,000	25,939.61	\$13,000	30	\$3,000
Impact Fee	\$12,193	\$20,942	\$6,556	\$35,293	\$12,000	\$21,773	\$10,000	(17)	(\$2,000)
Per Capita Grant	\$24,219	\$0	\$14,935	\$15,044	\$0	\$24,219	\$8,000	0	\$8,000
Total Other Revenue	\$71,245	\$48,377	\$57,471	\$87,701	\$22,000	\$71,932	\$31,000	41	\$9,000
Library Revenue									
Photocopy	\$8,344	\$7,646	\$8,231	\$8,204	\$5,500	\$8,636	\$5,000	(9)	(\$500)
Book Rental/Book Bags	\$387	\$299	\$299	\$397	\$100	\$0	\$0	(100)	(\$100)
Charge plate/cards	\$42,364 \$412	\$380	\$318	\$318	\$250	\$273	\$200	(20)	(\$50)
Library fines		\$38,626	\$36,746	\$28,192	\$10,000	\$15,126	\$7,000	(30)	(\$3,000)
Interest earned	\$10,076	\$15,717	\$27,573	\$69,186	\$25,000	\$121,412	\$32,000	28	\$7,000
Other revenues	(\$32)	\$35,124		\$583	\$2,000	\$643	\$1,000	(100)	(\$1,000)
Total Library Revenue	\$61,551	\$97,792	\$73,167	\$106,880	\$42,850	\$146,091	\$45,200	5	\$2,350
Total Grant Income					\$55,000	\$62,000	\$73,000	33	\$18,000
Total Gifts	\$168,142	\$26,400	\$20,075	\$167,773	\$15,000	\$28,939	\$10,000	(33)	(\$5,000)
TOTAL	\$4,094,863	\$4,043,691	\$4,061,668	\$4,310,493	\$4,207,165	\$4,371,971	\$4,343,352	3	136,187

FY2019 as of 4/30/2019 unaudited.

**REVENUE and INCOME
FY2020**

Notes

Tax-Based: The Library Board approved a levy subject to the 1991 Property Tax Extension Limitation Act. The Act limits the annual increase in property tax extensions to the lesser of 5% or the increase in the consumer price index (CPI), plus allowances for new construction and voter approved increases. The FY2020 budget reflects an increase in revenue based on a 2.1% CPI-based levy increase and an estimated growth value of \$16,575, or 4%. Together, these provide a revenue increase of \$101,837 over FY2019; or a total of \$4,174,152.

Personal Property Tax Replacement: reflects a conservative 30% increase over FY19 budget based on FY2019 estimated actual. State continues to retain these funds.

Photocopy: decreased from FY2019 budget based on FY2019 estimated actual as scan/email service continues to replace photocopying.

Book Rental/Replacement cards: reduced based on FY2019 estimated actual and discontinuation of the rental program in FY2019.

Library Fines: reduced 30% based on FY2019 estimated actual. Reduction due to increased lending periods, move to auto renewals, increased use of due date email notification, and online renewal feature.

Interest: increased 28% based on FY2019 estimated actual. Conservative in the event reserves are utilized in capital improvement and restoration projects.

Other Revenue: small increase in anticipation of successful grant applications.

Per Capita Grant: grant application submitted in January 2018 for FY2020; no guarantee of funding given State of Illinois financial situation.

Gifts: based on FY2018 estimated actual. This line reflects other than extraordinary gifts.

Grants: includes \$73,000 award from Friends of Lake Forest Library; approved October 2018; to be paid May 2, 2019.

Impact fee: implemented in October 1994; based on FY2019 estimated actual. City's growth estimate in for FY2020 is 4% down from 6% in FY2019; and overall market remains slow.

Although the Library will receive an increase in the tax levy due to the CPI and growth lines, other revenue streams are reduced. Overall revenue and income increase is an estimated 3%, inclusive of awarded grant funds for FY2019.

Lake Forest Library
Operating and Capital Expenditures
FY2020

Category	FY15 Audited	FY16 Audited	FY17 Audited	FY18 Audited	FY 19 Budget	FY 19 Unaudited	FY20 Budget	% Change	\$ Change
Salaries/Wages	\$1,780,957	\$1,858,651	\$1,778,891	\$1,825,308	\$1,882,049	\$1,624,714	\$1,817,898	(3)	(\$64,151)
Fringes	\$644,305	\$657,460	\$661,507	\$650,919	\$773,741	\$564,849	\$740,899	(4)	(\$32,842)
Print, Audiovisual, and Electronic Media	\$546,466	\$474,950	\$524,186	\$508,538	\$580,000	\$553,277	\$639,000	10	\$59,000
Other Objects of Expenditure	\$353,787	\$389,921	\$361,462	\$354,303	\$570,375	\$487,531	\$649,755	14	\$79,380
Building Maintenance	\$126,924	\$139,674	\$121,572	\$127,333	\$196,000	\$148,244	\$245,800	25	\$49,800
Sub-Total	\$3,452,439	\$3,520,656	\$3,447,618	\$3,466,401	\$4,002,165	\$3,378,615	\$4,093,352	2	\$91,187
Capital Expenditures									
Capital Equipment	\$93,698	\$66,918	\$5,443	\$3,009	\$100,000	\$97,480	\$125,000	25	\$25,000
Capital Improvement	\$112,739	\$50,272	\$47,491	\$51,923	\$105,000	\$0	\$125,000	19	\$20,000
Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	
Sub-Total	\$206,437	\$117,190	\$52,934	\$54,932	\$205,000	\$97,480	\$250,000	22	\$45,000
Total	\$3,658,876	\$3,637,846	\$3,500,552	\$3,521,333	\$4,207,165	\$3,476,096	\$4,343,352	3	\$685,832

FY2019 as of 4/30/2019 unaudited.

**Lake Forest Library
Compensation Package
FY2020**

	FY15 Audited	FY16 Audited	FY17 Audited	FY18 Audited	FY19 Budget	FY19 Unaudited	FY20 Budget	% Increase	\$ Increase
Current Employees									
Full Time Equivalent	30	30	30	30	32	31	31		
Salaries & Wages	\$1,765,968	\$1,841,643	\$1,761,858	\$1,807,844	\$1,861,528	\$1,609,730	\$1,809,398	(3)	(\$52,130)
Longevity	\$14,989	\$17,007	\$17,033	\$17,464	\$20,521	\$14,984	\$8,500	(69)	(\$12,021)
Sub-Total	\$1,780,957	\$1,858,650	\$1,778,891	\$1,825,308	\$1,882,049	\$1,624,714	\$1,817,898	(4)	(\$64,151)
Fringe Benefits									
ERI Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0
IMRF (retirement)	\$188,972	\$193,348	\$180,369	\$179,509	\$244,666	\$141,609	\$189,170	(23)	(\$55,496)
Social Security	\$130,667	\$138,133	\$132,842	\$136,623	\$143,977	\$122,105	\$145,659	1	\$1,682
Worker's Comp	\$16,080	\$10,747	\$11,450	\$2,810	\$12,000	\$976	\$8,000	(33)	(\$4,000)
Insurance, Life	\$1,928	\$1,888	\$1,912	\$2,050	\$2,700	\$1,955	\$2,868	6	\$168
Insurance, Medical	\$292,495	\$300,612	\$320,364	\$314,975	\$352,674	\$283,878	\$375,602	7	\$22,928
Insurance, Dental	\$10,256	\$10,534	\$10,890	\$11,074	\$13,324	\$10,786	\$15,000	13	\$1,676
Flexi-Benefits	\$3,907	\$1,195	\$3,680	\$3,878	\$4,400	\$3,539	\$4,600	5	\$200
Sub-Total	\$644,305	\$656,457	\$661,507	\$650,919	\$773,741	\$564,849	\$740,899	(4)	\$122,823
GRAND TOTAL	\$2,425,262	\$2,515,107	\$2,440,398	\$2,476,227	\$2,655,790	\$2,189,563	\$2,558,797	(4)	(\$96,993)

FY2019 as of 4/30/2019 unaudited.

COMPENSATION PACKAGE FY2020

Notes

Salaries & Wages

In FY2019, the Library continued to focus on restructuring to fill positions that best serve the Library's needs and a managed use of outsourcing and overtime.

Total personnel costs, including pensions and insurance requirements, are budgeted to decrease 4% over FY2019 budget.

The budget anticipates merit increases of 0-5.0%; which is reflective of similarly situated libraries and recommendations from HRSource (formerly Management Association). In January 2019, the Library benchmarked its salaries against similarly situated institutions and adopted new salary ranges. In FY2020, the Library implemented a merit-based performance system, which does not provide for automatic cost-of-living increases. The Library's longevity pay plan ends in FY2020.

Longevity: length of service award; paid annually in December. Reduced by 50% in FY2020; and program to be discontinued after January 1, 2020.

IMRF Retirement: 13% of all fulltime and eligible part-time salaries and wages.

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

Unemployment Compensation: based on FY2019 estimated actual.

Worker's Compensation: a direct relationship to payroll and state-mandated costs based on FY2019 estimated actual.

Insurance, Life: premiums for the 2019 calendar year are included with an estimated increase for the first quarter of calendar year 2020.

Insurance, Dental: premiums for the 2019 calendar year are included with an estimated increase for the first quarter of calendar year 2020.

Insurance, Medical: premiums for the 2019 calendar year are included with an estimated increase for the first quarter of calendar year 2020.

Flex-Benefits: \$200 per each fulltime employee that carries health insurance and earns the *ThinkHealthy* points throughout the year; includes an administrative service charge.

**Lake Forest Library
Library Materials
FY2020**

Item	FY15 Audited	FY16 Audited	FY17 Audited	FY 18 Audited	FY19 Budget	FY19 Unaudited	FY20 Budget	% Change	\$ Change
Print	\$255,003	\$219,491	\$239,031	\$227,945	\$245,000	\$249,233	\$245,000	0	\$0
Nonprint	\$194,416	\$177,317	\$203,177	\$147,361	\$220,000	\$214,562	\$266,000	21	\$46,000
Audiovisual	\$97,047	\$78,142	\$81,978	\$141,042	\$115,000	\$89,483	\$128,000	11	\$13,000
Total	\$546,466	\$474,950	\$524,186	\$516,348	\$580,000	\$553,277	\$639,000	9	\$59,000

ISL recommended materials budget is 12% of operating budget; currently proposed is 14.5%.
Additional materials are purchased with grant funds that are not reflected herein.

FY2019 as of 4/30/2019 unaudited.

**LIBRARY MATERIALS
FY2020**

Notes

Materials budget exceeds the Illinois State Library recommendation of 12% of operating budget for materials. The Library continues to balance the interests of those patrons that prefer print with those that prefer streaming and download options.

Print: books, newspapers, and periodicals; ongoing evaluation of overall print collection. Newspaper and periodical collection is under constant evaluation for use; new titles are added and unused titles removed. Print materials are also added outside of this budget line with special grants and gifts.

Non-print materials: electronic online databases, services, and materials. Databases are under constant evaluation for use and better forming options. Increase for purchase of individual titles in shared databases.

Audiovisual: cds, DVDs, Great Courses, video games, audiobooks, Launchpads, and Playaways.

**Lake Forest Library
Other Operating Expenditures
FY2020**

Item	FY15 Audited	FY16 Audited	FY17 Audited	FY18 Audited	FY19 Budget	FY19 Unaudited	FY20 Budget	% Change	\$ Change
Administrative Services	\$12,600	\$23,508	\$23,553	\$23,340	\$25,000	\$22,913	\$27,000	8	\$2,000
Adult Programs*	(\$164)	\$336	\$9,501	(\$2,259)	\$19,500	\$26,626	\$32,000	64	\$12,500
Art Work	\$0	\$1,723	\$0	\$49	\$0	\$0	\$0	0	\$0
Audit	\$6,898	\$7,430	\$6,400	\$6,590	\$7,200	\$6,785	\$8,000	11	\$800
Auto Allowance	\$826	\$1,003	\$1,472	\$1,472	\$1,600	\$1,383	\$2,400	50	\$800
Binding	\$4,607	\$3,770	\$2,437	\$1,241	\$3,000	\$1,027	\$3,000	0	\$0
Contractual Services	\$225,081	\$232,856	\$215,363	\$198,219	\$266,850	\$216,684	\$278,700	4	\$11,850
Insurance, D & O Liability	\$2,435	\$1,564	\$3,080	\$3,372	\$4,100	\$3,372	\$4,700	15	\$600
Juvenile Programs*	(\$1,144)	(\$4,524)	\$10,307	(\$14,202)	\$33,500	\$26,288	\$38,000	13	\$4,500
Legal					\$10,000	\$11,760	\$18,455	85	\$8,455
Maintenance of Equip	\$1,530	\$1,775	\$1,014	\$2,445	\$4,000	\$2,018	\$4,800	20	\$800
Meetings Expense	\$1,633	\$5,797	\$1,847	\$1,219	\$8,000	\$592	\$8,000	0	\$0
Membership Dues	\$9,244	\$6,484	\$3,676	\$10,607	\$10,500	\$7,506	\$13,000	24	\$2,500
Office Supplies	\$31,186	\$28,352	\$26,157	\$30,202	\$36,125	\$17,764	\$41,000	13	\$4,875
Online Banking Fee (fine)					\$0	\$549	\$1,200		\$1,200
Personnel Recruitment	\$0	\$14,475	\$4	\$365	\$500	\$507	\$500	0	\$0
Postage	\$6,488	\$8,971	\$6,508	\$5,319	\$10,000	\$4,333	\$12,000	20	\$2,000
Printing	\$13,310	\$15,601	\$16,155	\$15,075	\$20,000	\$18,570	\$24,000	20	\$4,000
Professional Development	\$3,409	\$7,957	\$5,642	\$8,873	\$11,500	\$10,469	\$15,000	30	\$3,500
Promotion	\$9,956	\$12,895	\$9,314	\$6,686	\$12,500	\$13,182	\$16,500	32	\$4,000
Special Projects	\$0	\$0	\$0	\$43,357	\$70,000	\$83,388	\$85,000	21	\$15,000
Telephone	\$18,644	\$13,291	\$6,303	\$5,776	\$7,500	\$6,602	\$7,500	0	\$0
Vending	\$7,248	\$7,659	\$7,706	\$6,556	\$9,000	\$5,217	\$9,000	0	\$0
Total	\$353,787	\$390,924	\$356,439	\$354,303	\$570,375	\$487,531	\$649,755	12	\$79,380

*Reflects award into these accounts for programming across fiscal years.

FY2019 as of 4/30/2019 unaudited.

**Lake Forest Library
Contractual Services Detail
FY2020**

Item	FY15 Audited	FY16 Audited	FY17 Audited	FY18 Audited	FY19 Budget	FY19 Unaudited	FY20 Budget	% Change	\$ Change
CCS (Integrated Library System)	\$67,935	\$66,524	\$68,064	\$68,019	\$82,000	\$67,426	\$82,000	0	\$0
CIT Computer Equipment Lease	\$39,549	\$32,176	\$32,318	\$27,277	\$40,000	\$37,377	\$42,000	5	\$2,000
LAN & Support (CVI)	\$64,433	\$77,004	\$66,326	\$55,216	\$72,000	\$71,230	\$78,000	8	\$6,000
OCLC/RAILS/ISL	\$8,729	\$9,412	\$9,213	\$7,684	\$12,000	\$9,414	\$14,000	17	\$2,000
Online/Internet	\$6,700	\$8,140	\$7,275	\$8,326	\$14,000	\$7,199	\$14,000	0	\$0
Other: equipment, misc.	\$37,735	\$39,600	\$32,167	\$31,698	\$45,000	\$24,039	\$46,000	2	\$1,000
Other: Website Calendar Subscription					\$1,250		\$1,500	20	\$250
Other: Website hosting & maintenance					\$600		\$1,200	100	\$600
Total	\$225,081	\$232,856	\$215,363	\$198,219	\$266,850	\$216,684	\$278,700	4	\$11,850

OCLC: Online Computer Library Center

RAILS: Reaching Across Illinois Library System

ISL: Illinois State Library

Online: (website hosting and related online database expenses)

CCS: Cooperative Computer Services, ILS consortium

LAN: Local Area Network: based on FY18 estimated actual; Computer View manages LAN and wireless; Contract out for RFP in January 2018

Other: based on FY19 estimated actual and move to LibraryMarket for web support & calendar

Computer Equipment Lease (CIT Finance): new (3 year) lease started in FY16; out for bid 1st quarter 2019

FY2019 as of 4/30/2019 unaudited.

**OTHER OPERATING EXPENDITURES
FY2020**

Notes

Administrative Services: charged by City of Lake Forest for services such as human resources, payroll, financial accounting system, audit assistance, and snow removal. Fee increased 4% in FY2020.

Art Work: copyrighted graphic design images for promotional efforts.

Audit: fee already bid for FY2020 by City of Lake Forest.

Contractual Services: see line item detail, page 11.

Meetings Expense: cost of meetings, meals; based on FY2018 estimated actual. Staff attend ALA, PLA, and ILA conferences as well as specialized library, technology, instruction, and programming seminars.

Insurance, D & O Liability: based on increased coverage for D&O insurance.

Legal: increased 85% in light of pending special building projects.

Maintenance of Equipment: varies from year to year; based on FY2019 estimated actual.

Membership Dues: American Library Association, Illinois Library Association, local non-profits, and Management Association; based FY2018 estimated actual.

Office Supplies: based on FY2019 estimated actual.

Telephone: DVD2GO and fax lines. Based on FY2019 estimated actual.

Postage: based on FY2019 estimated actual.

Printing: based on FY2019 estimated actual.

Programs (Adult and Juvenile): The Friends of Lake Forest Library awarded grant funds for programming in October 2018 which will be paid May 1, 2019 for FY2020. Known awarded grant funds are now reflected in the Library's financials.

Promotion: based on FY2019 estimated actual.

Professional Development: continuing education, use of webinars and online training to manage costs.

Special Projects: no increase; but maintained line for ongoing special HR and building projects.

Vending: coffee, tea, and other supplies; based on FY2019 estimated actual.

**Lake Forest Library
Building Maintenance
FY2020**

Item	FY15 Audited	FY16 Audited	FY17 Audited	FY18 Audited	FY19 Budget	FY19 Unaudited	FY20 Budget	% Change	\$ Change
Janitorial Supplies	\$20,946	\$18,638	\$12,892	\$13,465	\$25,000	\$18,392	\$22,000	(12)	-\$3,000
Custodial Services					\$0		\$37,000	100	\$35,000
Contractual Services	\$12,045	\$11,335	\$11,706	\$11,552	\$22,000	\$12,271	\$27,000	23	\$5,000
Insurance (building)	\$24,297	\$27,219	\$25,953	\$27,996	\$33,000	\$28,974	\$38,000	15	\$5,000
Building Maintenance	\$5,007	\$23,728	\$15,099	\$24,922	\$35,000	\$26,881	\$35,000	0	\$0
Equip Maintenance	\$17,130	\$14,194	\$11,423	\$7,334	\$25,000	\$23,808	\$32,000	28	\$7,000
Grounds Maintenance	\$41,960	\$38,894	\$38,108	\$34,910	\$46,500	\$30,875	\$45,000	(3)	-\$1,500
Water	\$5,539	\$5,667	\$6,391	\$7,154	\$9,500	\$7,041	\$9,800	3	\$300
Total	\$126,924	\$139,674	\$121,572	\$127,333	\$196,000	\$148,244	\$245,800	25	\$49,800

**BUILDING MAINTENANCE
FY2020**

Notes

Janitor Supplies: reduced 12% based on estimated actual FY2019.

Custodial Services: custodial services added in first quarter of 2019 and resulted in significant improvement in the overall cleanliness of the building.

Contractual Services: increased 23% based on estimated actual FY2019; includes elevator maintenance, HVAC service, sprinkler, and other contracts.

Insurance: based on estimated actual FY2019.

Building Maintenance: varies from year to year depending on needs. An older building requires continued maintenance and upgrades to lighting and other features.

Equipment Maintenance: increased 28% based on estimated actual FY2019.

Grounds Maintenance: reduced 3% based on estimated actual FY2019.

Water: based on estimated actual FY2019. Increase for FY2020 due to surcharge on usage imposed in 2018 by the City of Lake Forest on personal and commercial properties to offset pension liabilities.