

Date: January 6, 2016

To: The Urbana Free Library Board of Trustees

From: Celeste Choate, Executive Director

Re: Budget Amendment Memo for Board Meeting of January 12, 2016

To see the L05 General Fund and the L10 Trust funds in their entirety, please see the Budget and Forecast Report or the Detail Trial Report, available at <http://urbanafreelibrary.org/financial-reports>.

1. One important element of the FY16 budget is the 2.75% wage scale increase that was built into the budget – the staff wage lines include the increase. The Board approved the budget with the caveat that the raise was not to be implemented until more information was known about the State budget and the impact of the budget on the Per Capita Grant. I request the Board approve implement the increased wages, including retro pay for staff currently on staff, going back to July 1, 2015. No budget amendment for raises is needed, just Board approval for implementation.

Background: The State expected to provide TUFL \$51,562 for the State Per Capita Grant. I recently learned that it is possible that public libraries may only receive \$.77 per capita, which would mean that TUFL may only receive \$31,762, an almost \$20,000 decrease in budgeted revenue. I believe the FY16 budget can “cover” the entire Per Capita Grant, and the raises can be sustainable in the future even if the Per Capita Grant allocation remains decreased.

We now know what TUFL spent for the first half of FY16 for employee insurance and we now know which insurance options staff selected for the 2016 calendar year, which includes the second half of FY16. The \$90,000 anticipated in the table below is a cautious estimate which accounts for anticipated staffing changes and the potential for unanticipated changes.

Paid July-Dec 2015	\$	68,000
Anticipated Jan-Jun 2016	\$	90,000
Total anticipated FY16	\$	158,000
Total budgeted FY16 TUFL costs for current employees	\$	211,050
Anticipated FY16 savings that could cover deficits in Per Capita Grant revenue	\$	53,050

Reasonably estimated FY17 costs also appear to be less than budgeted in FY16, and will more than make up the \$20,000 difference between anticipated Per Capita Grant level this year and what we may receive in FY17. Even if we were only to receive the \$31,762 instead of \$51,562 this year and next for the Per Capita Grant, the 2.75% raise to the pay scale will be sustainable, as the table below shows.

Anticipated Jun-Dec 2016	\$	90,000
Estimate: Add \$5,000 as a buffer and increase insurance costs 5% Jan-Jun 2017	\$	99,750
Total anticipated FY17	\$	189,750
Total budgeted FY16 / a basis for FY17 TUFL costs for current employees	\$	211,050
Anticipated FY17 savings that could cover deficits in Per Capita Grant revenue	\$	21,300

2. Shifts in Adult Wages:

- a. Move \$7,200 from Librarian FT (L05 2 2040-4123) to Librarian HR SCH (L05 2 2040-4225) for hours worked by librarians on the 2nd floor Reference Desk from the starting point of a FT employee's departure through December 2015.
- b. Move \$225 from Librarian FT (L05 2 2040-4123) to CIRC CLERK HR SCH (L05 8 8040-4245) for Information Assistant work on the 2nd floor Reference Desk in December 2015.
- c. Move \$30,500 from Adult Serv Dir FT (L05 2 2040-4111) to Librarian FT (L05 2 2040-4123) for the Interim Director's wages as she becomes a librarian again, effective January 17, 2016.

3. The City Council passed a budget amendment on December 14, 2015, to provide the Library with a payment of \$33,350 to provide sufficient funds to pay its Ameren gas bills for the main Library building at 210 W. Green Street and the Tepper Building at 209 W. Elm St.
<http://urbanaininois.us/sites/default/files/attachments/ordinances-2015-12-115-116.pdf>.

I propose we create a revenue line for "City Ameren transfer" for the Library's portion of the Ameren bill of \$33,350 and create an expense line for Gas for the same amount, then pay the City what it has already paid on TUFL's behalf.

THE URBANA FREE LIBRARY Budget FY16 DRAFT FOR the 1-12-16 Board meeting	Approved FY16	Change						FY2016
REVENUE								
Current taxes								\$ 2,959,153
State income tax								\$ 86,107
State per capita grant								\$ 51,562
U of I/Urbana schools								\$ -
County grant								\$ 37,500
Fines and fees								\$ 74,000
Notary fees								\$ 5,400
Lost and damaged								\$ 12,100
Interloan and LHO								\$ 3,200
Non-resident cards								\$ 15,500
Copiers/printers								\$ 16,000
Café Revenue (will include taxes taken in)								\$ 58,500
Interest								\$ 1,700
City FICA + Medicare reimbursement								\$ 162,678
City IMRF								\$ 215,463
Fax + Telephone								\$ 4,500
Transfer in from L10 Gift funds								\$ 22,500
City supplemental transfer								
Miscellaneous								\$ 5,200
City Ameren transfer	\$ -	\$ 33,350						\$ 33,350
TOTAL REVENUE								\$ 3,764,412
EXPENSE								\$3,727,336
CENTRALIZED COSTS								
			ACCOUNT	MINOR	MAJOR	DIVISION	LIBRARY	
CENTRALIZED NON-STAFF COSTS	Approved FY16	Change	new FY2016					
TOTAL PROGRAM/PR COSTS				\$ 20,835				
TOTAL TRAVEL AND TRAINING				\$ 9,000				
TOTAL BUILDING COSTS				\$ 198,906				
TOTAL UTILITY COSTS				\$ 127,350				
TOTAL CONTRACTUAL COSTS				\$ 53,203				
TOTAL MATERIALS HANDLING COSTS				\$ 36,087				
TOTAL SUPPLY COSTS				\$ 47,415				
TOTAL EQUIPMENT COSTS				\$ 108,453				
TOTAL CENTRALIZED NON-STAFF COSTS						\$601,249		
			ACCOUNT	MINOR	MAJOR	DIVISION	LIBRARY	
CENTRALIZED STAFF COSTS	Approved FY16	Change	new FY2016					
TOTAL EMPLOYEE INSURANCE				\$ 247,220				
TOTAL OTHER STAFF COSTS				\$ 378,140				
TOTAL CENTRALIZED STAFF COSTS						\$625,360		
TOTAL CENTRALIZED COSTS								\$ 1,226,609
ADMINISTRATION DIVISION								
			ACCOUNT	MINOR	MAJOR	DIVISION	LIBRARY	
TOTAL ADMINISTRATION WAGES					\$372,464			
TOTAL ADMIN DIVISION						\$ 372,464		
ADULT DIVISION								
			ACCOUNT	MINOR	MAJOR	DIVISION	LIBRARY	
TOTAL ADULT PATRON RESOURCES					\$280,793			
TOTAL ADULT WAGES					\$328,677			
TOTAL ADULT DIVISION						\$ 609,470		
CHILDRENS DIVISION								
			ACCOUNT	MINOR	MAJOR	DIVISION	LIBRARY	
TOTAL CHILDRENS PATRON RESOURCES					\$ 78,571			
TOTAL CHILDRENS WAGES					\$343,810			
TOTAL CHILDRENS DIVISION						\$ 422,381		
ARCHIVES DIVISION								
			ACCOUNT	MINOR	MAJOR	DIVISION	LIBRARY	
TOTAL ARCHIVES PATRON RESOURCES					\$ 25,136			
TOTAL ARCHIVES WAGES					\$229,182			
TOTAL ARCHIVES DIVISION						\$ 254,318		

CAFE DIVISION			ACCOUNT	MINOR	MAJOR	DIVISION	LIBRARY
TOTAL CAFE NON-STAFF COSTS					\$ 31,397		
TOTAL CAFE WAGES					\$ 41,614		
TOTAL CAFE DIVISION						\$ 73,011	
ACQUISITIONS DIVISION			ACCOUNT	MINOR	MAJOR	DIVISION	LIBRARY
TOTAL ACQUISITIONS WAGES					\$ 224,092		
TOTAL ACQUISITIONS DIVISION						\$ 224,092	
CIRCULATION DIVISION			ACCOUNT	MINOR	MAJOR	DIVISION	LIBRARY
TOTAL CIRCULATION WAGES					\$ 544,992		
TOTAL CIRCULATION DIVISION						\$ 544,992	
TOTAL EXPENSE							\$ 3,727,336
Based on this budget, we will see an excess/(deficit) of this amount. At the end FY16, this will be designated in Fund Balance funds for:							\$ 37,076
Anticipated Fund Balance L05 0 0120-2999 at end of FY15 based on proposed June 25, 2015 budget							\$ 1,688,895
			Current estimated balance at the end of FY15	Estimated addition in FY16			
11 year accrual funds L05 0 0120-2117			\$ (63,293)	\$ (7,750)			\$ (71,043)
Building, capital expense L05 0 1040-5105			\$ (13,743)	\$ (14,000)			\$ (27,743)
L05 9 1040-4000 HEALTH SAVINGS PLAN SEPARATION				\$ (10,000)			\$ (10,000)
Excess/(Defecit) not assigned/designated elsewhere				\$ 5,326			\$ 5,326
Anticipated Unassigned Balance at the end of FY16							\$ 1,585,435
Assigned for other purposes within Fund Balance L05 0 0120-2999							
11 year accrual funds L05 0 0120-2117			\$ 63,293	\$ 7,750			\$ 71,043
Building, capital expense L05 0 1040-5105			\$ 13,743	\$ 14,000			\$ 27,743
Anticipated new Fund Balance for FY17 from FY16 (unassigned + assigned within the L05 0 0120-2999)							\$ 1,684,221
Anticipated FUND BAL. ASSIGNED RHS PLAN L05 0 0120-3000 at end of FY15 based on proposed June 25, 2015 Budget							\$ 65,000
L05 9 1040-4000 HEALTH SAVINGS PLAN SEPARATION							\$ 10,000
Anticipated Balance at the end of FY16							\$ 75,000