

ORANGE COUNTY LIBRARY DISTRICT

BUDGETS

Fiscal Year Ending September 30, 2019

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Director's Message

DATE: July 6, 2018

TO: Lisa Franchina, President
Marucci Guzmán, Vice President
Ted Maines, Trustee
Richard Maladecki, Trustee
Wilbert Vancol, Trustee

FROM: Mary Anne Hodel, Director/Chief Executive Officer

SUBJECT: Budgets for the Fiscal Year Ending September 30, 2019

Adding to quality of life by creating a learning environment and experiences that foster personal growth and development.

This mission statement was created as part of the process to develop the Library's strategic plan. This process also resulted in the formulation of our values:

- Promote learning to improve the lives of those in the community.
- Empower and foster creativity and collaboration.
- Deliver outstanding service to external and internal customers.
- Demonstrate respect, integrity, and excellence.

One of the key focal points of the new strategic plan is to improve the customer experience, establishing the Library as a friendly, welcoming and community centric service. While we strongly believe that our staff provide excellent service once engaged, we recognize the need to reach out to our customers and proactively engage them. The Library will continue to place a heavy emphasis on providing excellent customer service in the upcoming fiscal year.

Budget Presentation of Reserves

The Operating Fund budget for next fiscal year reflects a 27.7% increase compared to the current year budget. While some of this is due to additional tax revenues, the vast majority of the increase is related to the presentation of reserves. Previously, only the portion of reserves expected to be expended were included in the budget. However, the Florida Statutes governing the millage and budget process require us to include all of the reserves that are eligible for spending as revenue and those that we don't anticipate spending need to

be shown as an expenditure. Implementing the presentation of all of the reserves is causing a one-time adjustment to the budget, not only in the Operating Fund, but increases are also reflected in the budgets for the other funds. It should be noted that while the budgets reflect significant increases due to the change in presentation of reserves, there is not a corresponding increase in actual spending.

Ad Valorem Tax Revenues and Millage Rate

The Library is primarily funded through property tax revenues. In June 2007, the Florida Legislature passed legislation, which resulted in a 13% reduction in the Library's millage rate for fiscal year 2008. The Library's millage dropped from .4325 for fiscal 2007 to .3748 for fiscal 2008. The Library has not increased its millage rate since that time and for fiscal year 2019, staff are recommending that the millage be maintained once again at .3748. Based on the increase in property values, this millage will generate \$3,752,000 additional tax revenues for a total of \$43,905,000.

Transfer to Capital Projects Fund

Included in the Library's Operating Fund budget is a Transfer to Capital Projects Fund. The purpose of this Transfer is to increase the pot of dollars designated for future branch development. Previously, the money in the Capital Projects Fund was used to both purchase and remodel what is now the Chickasaw Branch, which opened as the 15th branch location in July 2015.

For next year's budget, we have included \$3,300,000 as a Transfer to Capital Projects Fund, which is an increase of \$1,800,000 over the current year's budget. Given the dramatic growth in the Horizon West area, funds have been included in next year's budget for a potential small leased facility in that area of the County. The leased facility is an interim measure until an appropriate site can be secured and a branch constructed using the money in the Capital Projects Fund. We will continue to monitor growth and evaluate the need for a future library in the general Lake Nona area.

Branch Projects

Of the four prototype branches constructed by the Library, the South Creek Branch is the most likely candidate for expansion given the size and shape of the site as well as the high usage numbers, including average monthly door count of 23,000 and annual program attendance of over 32,000. While an engineering study will need to be done to determine if the site will support such an expansion and how large, \$1,500,000 has been included in next year's budget for this proposed project.

Many of our leased facilities, including the Southwest, Southeast, and South Trail Branches, are popular with our customers and are heavily used. The location of these branches works very well for us and as a result, each has been in the same location for at least twenty years. While we have updated things like carpeting and painting, the heavily used restrooms are worn and outdated. \$410,000 has been included in next year's budget to remodel the restrooms in these three branches.

The Edgewater Branch in the Northgate Shopping Center at the corner of Lee Road and Edgewater has been in that location since 1997. Roof leaks have been a recurring problem and the Center has seen better days. Recently, we executed a Letter of Intent for a new leased facility in the Adanson Marketplace at the corner of Lee Road and Adanson. The new location is about a mile away from the current branch location and has much better visibility from heavily traveled Lee Road. In addition to rent for the new location, \$100,000 has been included in next year's budget to cover improvements, including carpeting, data wiring, and painting, for which the Library will be responsible. Most of the tenant improvement costs have been built into the lease.

Accomplishments

The Library has been awarded the following recognitions over the last twelve months:

2018 Winner National Medal for Museum & Library Service

In May 2018, the Institute of Museum and Library Services announced Orange County Library System as one of the five library recipients of the 2018 National Medal for Museum and Library Service, the nation's highest honor given to museums and libraries that make significant and exceptional contributions to their communities. Over the past 24 years, the award has celebrated 182 institutions that are making a difference for individuals, families, and their communities.

Walt Disney World Foundation Grant Award

In April 2018, the Walt Disney World Foundation awarded the Library a grant of \$100,000 for the Library's Summer Reading Program, which last year served over 87,000 children in Orange County. It was a competitive process, with over 100 organizations applying. The Library was one of five organizations that were awarded \$100,000.

Orlando Sentinel Top 100 Company

Last summer, the Library was selected as one of the *Orlando Sentinel Top 100 Companies*. This highly competitive award was designed to identify, recognize, and honor the best places of employment in Central Florida, benefiting the region's economy, its work force and businesses. This recognition was especially gratifying as, in addition to an in-depth questionnaire, the selection process included a satisfaction survey sent to a random selection of 250 Library employees.

RECOMMENDATIONS

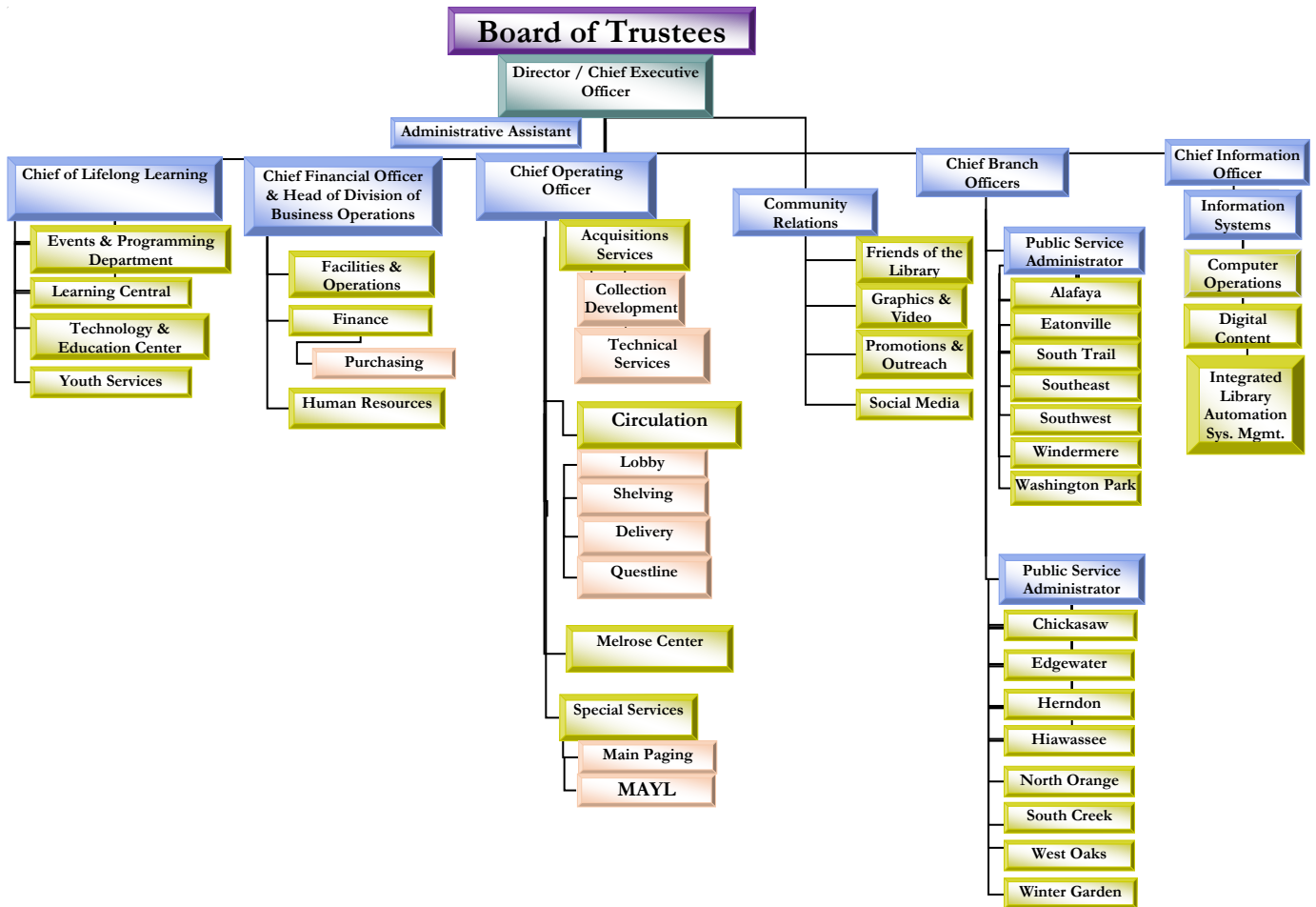
Staff recommends the Library Board of Trustees take the following actions:

- Approve FY 19 Operating, Capital Projects, Sinking, and Permanent Fund budgets.
- Recommend to the Governing Board that the Library District's millage rate be maintained at **.3748** for FY 19.

cc: Teresa Jacobs, Library District Governing Board Mayor
Betsy VanderLey
Rod Love
Pete Clarke
Jennifer Thompson
Emily Bonilla
Victoria Siplin
Ana Palenzuela

Kurt Petersen (Manager, Office of Management & Budget)
Phil Diamond (Orange County Comptroller)

Organizational Chart



Accomplishments



Tax Calculation Example

Assessed Value	\$250,000
Homestead Exemption	(\$50,000)
Taxable Value	<hr/> \$200,000
Millage Rate (per \$1,000 of Taxable Value)	.3748
Library Tax	\$75

Operating Fund Revenues



Taxes
79%

Reserves
16%

Intergovernmental
2%

Fines
1%

Charges for
Services / Misc
2%

Operating Fund Expenditures



Operating Fund Budget

Revenues

REVENUES	FY 2018 BUDGET	INCREASE (DECREASE)	% CHANGE	FY 2019 BUDGET
AD VALOREM TAXES	40,153,123	3,751,877	9.3%	43,905,000
INTERGOVERNMENTAL				
State Aid	970,000	12,000	1.2%	982,000
CHARGES FOR SERVICES				
Fee Cards	22,000	(4,000)		18,000
PC Pass	6,000	(1,000)		5,000
PC Express	13,000	(3,000)		10,000
Classes	6,000	-		6,000
Meeting Rooms	55,000	7,000		62,000
Faxes	60,000	12,000		72,000
Scans	25,000	10,000		35,000
Ear Buds & Jump Drive Sales	6,000	-		6,000
Reference Charges	1,000	-		1,000
Bag Sales	5,000	-		5,000
Replace Library Cards	45,000	(3,000)		42,000
Copy and Vending	218,000	12,000		230,000
Special Events	2,000	(1,000)		1,000
	464,000	29,000	6.3%	493,000
FINES				
Fines and Lost Materials	600,000	-	0.0%	600,000
MISCELLANEOUS				
Investment Earnings	100,000	100,000		200,000
Contributions - FOL	61,000	-		61,000
Contributions - Other	25,000	(5,000)		20,000
Internet Rebate	135,000	(56,000)		79,000
Grants and Awards	-	20,000		20,000
Miscellaneous	30,000	20,000		50,000
	351,000	79,000	22.5%	430,000
TRANSFER FROM PROPERTY APPRAISER	20,000	(10,000)	-50.0%	10,000
TRANSFER FROM TAX COLLECTOR	350,000	50,000	14.3%	400,000
RESERVES	1,000,877	8,243,123	823.6%	9,244,000
TOTAL REVENUES	43,909,000	12,155,000	27.7%	56,064,000

Operating Fund Budget Expenditures

EXPENDITURES	FY 2018 BUDGET	INCREASE (DECREASE)	% CHANGE	FY 2019 BUDGET
SALARIES & BENEFITS				
Salaries	17,040,000	722,000		17,762,000
Medicare Taxes	248,000	10,000		258,000
Defined Contribution Pension Plan	1,278,000	55,000		1,333,000
Defined Benefit Pension Plan	789,000	(89,000)		700,000
Money Purchase Pension Plan	821,000	18,000		839,000
Life and Health Insurance (Employees)	3,010,000	117,000		3,127,000
Retiree Health Care (OPEB)	540,000	-		540,000
Worker's Compensation	113,000	2,000		115,000
Unemployment Compensation	24,000	(4,000)		20,000
Parking and Bus Passes	232,000	(7,000)		225,000
	24,095,000	824,000	3.4%	24,919,000
OPERATING				
Professional Services	240,000	-		240,000
Other Contractual Services	1,665,000	110,000		1,775,000
Other Contract. Serv.- Janitorial	340,000	-		340,000
Training and Travel	75,000	-		75,000
Telecommunication	300,000	-		300,000
Delivery and Postage	1,038,000	48,000		1,086,000
Utilities	1,030,000	(80,000)		950,000
Rentals and Leases	1,120,000	203,000		1,323,000
Insurance	300,000	30,000		330,000
Repairs and Maintenance	1,150,000	-		1,150,000
Repairs & Maint - Hardware/Software	800,000	80,000		880,000
Copying/Printing	229,000	26,000		255,000
Property Appraiser's Fee	300,000	25,000		325,000
Tax Collector's Fee	802,000	88,000		890,000
Supplies	500,000	50,000		550,000
Supplies-Hardware/Software	350,000	-		350,000
Memberships	20,000	-		20,000
	10,259,000	580,000	5.7%	10,839,000
CAPITAL OUTLAY				
Building and Improvements	2,725,000	150,000		2,875,000
Equipment and Furniture	350,000	(200,000)		150,000
Hardware/Software	525,000	25,000		550,000
	3,600,000	(25,000)	-0.7%	3,575,000
LIBRARY MATERIALS				
Materials - Restricted Contributions	5,000	5,000		10,000
Materials - Other	4,450,000	50,000		4,500,000
	4,455,000	55,000	1.2%	4,510,000
TRANSFER TO CAPITAL PROJECTS FUND	1,500,000	1,800,000	120.0%	3,300,000
RESERVES	-	8,921,000		8,921,000
TOTAL EXPENDITURES	43,909,000	12,155,000	27.7%	56,064,000

Operating Fund Revenue Highlights

Ad Valorem Taxes (\$43,905,000)

Based on the information provided by the Property Appraiser's Office, property values are up **9.3%**. With this increase and no change in the millage rate of .3748, tax revenues are up **\$3,752,000**.

State Aid (\$982,000)

As has been our practice, the amount included in next year's budget reflects the funding level received for the current fiscal year.

Fines & Lost Materials (\$600,000)

There is no change in the budget for this account.

Investment Earnings (\$200,000)

Rates have been rising and that is reflected in higher investment earnings. The budget for this account was increased by \$100,000.

Internet Rebate (\$79,000)

The Universal Service Schools and Libraries Program, which is a Federal program commonly known as "E-Rate," provides rebates up to 80% of qualified telecommunication and Internet access charges to assist schools and libraries in the United States to obtain affordable telecommunications and Internet access. The Library has received rebates on Internet and Metro-Ethernet network services. The budget for next year reflects a reduction of \$56,000 as there has been a significant decrease in what we pay for services eligible for E-Rate and we don't have any planned equipment purchases that are eligible for E-Rate.

Reserves (\$9,244,000)

This is the amount of Reserves that are eligible for spending.

Operating Fund Expenditure Highlights

Salaries & Benefits

Salaries (\$17,762,000)

- ✓ The FY 19 budget includes 267 full time and 172 part time positions, which represents an increase of 16 fulltime and a decrease of 8 part time positions. The FY 19 staffing levels include 10 new positions for a proposed branch in the Horizon West area.
- ✓ The FY 19 Budget Guidelines from Mayor Jacobs include a 3.5% salary increase for County staff. Accordingly, Library staff will receive a 3.5% increase in October 2018. The Library provides a merit component to high performers through additional vacation or part time leave and staff have the option of cashing out this leave at the time of their annual performance evaluation.

Defined Contribution Pension Plan (\$1,333,000)

Library employees have not participated in Social Security since shortly after the District was formed in September 1980. Instead, a defined contribution pension plan was established for all staff. The Plan requires that the Library contribute 7.5% of each employee's bi-weekly salary. Vesting is immediate and benefits are payable in a lump sum at termination/retirement. The \$55,000 increase in this account is due to higher budgeted salaries.

Defined Benefit Pension Plan (\$700,000)

This Plan is a traditional retirement plan covering full time employees hired prior to January 1, 2007. The normal retirement benefit (2% of an employee's final average earnings multiplied by years of service minus one year) is calculated at age 65. Employees who are vested and have at least 10 years of service may retire as early as 55 at a reduced benefit: 5% reduction for each year prior to age 65. As of January 1, 2018, 80 active employees were participants in this Plan.

Contributions to the Plan are actuarially determined at the beginning of each calendar year. The \$89,000 decrease in projected contributions for next fiscal year is largely due to the favorable investment return in 2017. This Plan closed to new employees starting in January 2007.

Money Purchase Pension Plan (\$839,000)

Effective January 1, 2007, new full time hires no longer participate in the Defined Benefit Pension Plan, but instead are enrolled in this Plan. The Plan requires that the Library contribute 9% of each employee's bi-weekly salary. The vesting period is one year and benefits are payable in a variety of forms, including lump sum and installments. The \$18,000 increase is due to higher budgeted salaries and to the fact that every new full-time hire is enrolled in this Plan.

Life and Health Insurance (\$3,127,000)

The Library pays the medical and dental premiums for each full time employee and the employee is responsible for the cost of any dependent coverage: spouse, children, or family. In accordance with the Affordable Care Act (ACA), the Library also provides separate health care coverage to part time employees who are paid, on average, 30 hours or more per week. During the current fiscal year, the Library made a change required by the ACA and began providing coverage to part time employees who were scheduled to work 30 hours or more per week. Previously, we were only providing the coverage after the employee had worked a full fiscal year and actually had averaged working 30 hours or more. The result is an increase in the projected number of part time employees eligible for the coverage from 46 to 68 and thus, the reason for the \$117,000 increase.

Retiree Health Care (\$540,000)

Local governments are required to reflect the true cost of retiree healthcare during the employee's tenure rather than the "Pay as You Go" system that was common up until 2007. A trust fund was established in 2007 and the Library has since been funding this benefit in a fashion similar to a pension. Contributions to the Plan are actuarially determined.

The current retiree health care benefit only covers full time employees hired before January 1, 2007. At a future Board meeting, staff will propose a new, limited benefit for employees hired after that date. The \$540,000 budget for this account, while unchanged, is sufficient to cover the cost of both the existing and proposed benefits.

Parking and Bus Passes (\$225,000)

For Main Library employees, the Library leases approximately 160 parking spaces in the City of Orlando garage across from the Main Library. The Library also offers LYNX bus passes in lieu of parking at the employee's choice. Branches have free parking. The budget for this account reflects a nominal decrease of \$7,000.

Overall, salaries and benefits for next fiscal year are up \$824,000 or 3.4%.

Operating

Professional Services (\$240,000)

Examples of services charged to this account include the following:

- ✓ Actuaries (pension, health insurance, retiree health care)
- ✓ Auditors
- ✓ Attorneys (general counsel, labor, construction, pension)
- ✓ Insurance broker
- ✓ Compensation consultant

There is no change in the budget for this account.

Other Contractual Services (\$1,775,000)

Services charged to this account include the following:

- ✓ Off duty police officer coverage (Main Library, South Trail, Hiawassee, Washington Park, and Herndon Branches)
- ✓ Collection agency (collection services and renewal notices)
- ✓ Marketing
- ✓ Programming
- ✓ Branch deliveries
- ✓ Social worker services
- ✓ Debit/credit card charges
- ✓ Advertising for legal notices
- ✓ OCLC (provider of bibliographic information for cataloging)
- ✓ Armored car pickup service for all locations
- ✓ Moving services
- ✓ Pre-employment background checks
- ✓ Exterminating services
- ✓ Digitization services
- ✓ General consulting services

The \$110,000 increase in the budget is primarily due to increased costs for police officer coverage and the inclusion of the costs of the social worker, which previously had not been included in the budget.

Other Contractual Services – Janitorial (\$340,000)

At the Main Library, the custodians are Library employees but in the branches, we contract with a private vendor, Florida Cleaning System, for janitorial cleaning services. The Library also has contracts with vendors to pressure clean exteriors of the branches, clean the carpets in the branches, and clean the windows in all of our facilities. There is no change in the budget for this account.

Training and Travel (\$75,000)

Charges to this account include:

- ✓ Mileage, parking, and tolls reimbursements to staff
- ✓ Group training
- ✓ Seminars and conferences for individual staff

There is no change in the budget for this account.

Telecommunication (\$300,000)

Telecommunication services including Internet connections, Metro-Ethernet branch connections, and Voice-Over Internet Protocol are charged to this account. There is no change in the budget for this account.

Delivery and Postage (\$1,086,000)

The following are charged to this account:

- ✓ Payments to the vendor, Priority Express Parcel (PEP), for deliveries to patrons for our MAYL program
- ✓ Payments to the Post Office for deliveries to patrons for our MAYL program in areas of the District which are not served by PEP
- ✓ Payments to the Post Office for general mail service
- ✓ Federal Express charges

The budget for this account was increased \$48,000 to reflect the actual amount being paid to Priority Express Parcel.

Utilities (\$950,000)

Included in this account are charges for water, sewer, trash, and electricity for all of our facilities. Due to a number of energy saving changes, including converting to LED light fixtures, our power bills have been declining the last few years and thus, the reason for the \$80,000 reduction in this account.

Rentals and Leases (\$1,323,000)

This account reflects the leasing costs of the South Trail, Edgewater, Hiawassee, Southeast, Southwest, Herndon, and Eatonville Branches. We also lease Washington Park and Windermere, but there are no lease charges for those facilities. Next year's budget reflects a \$203,000 increase as we have included funds for a new leased facility in Horizon West, the rent for the new Lee Road location will be more expensive, and we likely will have some additional months in our current Edgewater location once the location on Lee Road opens.

Insurance (\$330,000)

Insurance coverage charged to this account includes the following:

- ✓ General liability
- ✓ Property
- ✓ Public officials
- ✓ Flood
- ✓ Employment practices
- ✓ Fiduciary (pensions)

Periodically, we have our facilities appraised to make sure the insured values approximate market value. Recently, the appraisals came back 13% higher than the values we had been using and thus, the reason for the \$30,000 increase in this account.

Repairs and Maintenance (\$1,150,000)

The Library System consists of the Main Library and 15 branches for a total of 466,000 square feet. Repairs and routine maintenance include the following services:

- ✓ Plumbers
- ✓ Electricians
- ✓ Locksmiths
- ✓ Heating, ventilating, and air conditioning
- ✓ Elevators
- ✓ Painters
- ✓ Handyman
- ✓ Landscaping
- ✓ Roofers
- ✓ Fire alarms, sprinkler systems
- ✓ Building security and camera systems
- ✓ 3M self check systems

The cost to maintain our facilities and equipment is partly a function of our size. Additionally, our facilities and equipment are well maintained and our goal is to keep them in that condition. There is no change in the budget for this account.

Repairs and Maintenance – Hardware/Software (\$880,000)

Examples of items charged to this account include maintenance contracts, application service contracts wherein the vendor supplies the hardware and software, and technology repairs for the following:

- ✓ Library automation system
- ✓ Antivirus software
- ✓ Internet filtering software
- ✓ Employee evaluation software
- ✓ Technology backbone (routers, switches, and firewall)
- ✓ Accounting, payroll, and time and attendance software
- ✓ Vocera (hands free communication system)
- ✓ Citrix software (allows for centralized upgrading of commonly used applications like Microsoft Word)
- ✓ PC reservation, printing, scanning, copying, and faxing
- ✓ Applicant tracking
- ✓ Adobe Cloud Connect

The Library pays maintenance and service contracts for over 50 software applications. The budget for this account was increased by \$80,000 to reflect our increasing use of technology, all of which needs to be supported and maintained.

Copying/Printing (\$255,000)

The Library contracts with a vendor, EGP, to provide printers and “all in one” machines (fax, scan, print, copy) throughout the system. We pay EGP for each copy made and they are responsible for providing the machines, service, and supplies excluding the paper. The cost to the Library is 1 cent for each black and white print and 7.5 cents for each color print.

Large print jobs sent to external printers are charged to this account. The primary reasons for the \$26,000 increase in this account are the increased number of pages and distribution of our monthly newsletter, Books & Beyond, and more materials are being printed for the popular Summer Reading Program.

Property Appraiser’s Fee (\$325,000)

The Orange County Property Appraiser determines the value of property for each taxing agency in the County for ad valorem tax purposes. In exchange for providing this service, each taxing agency is charged for a portion of the Appraiser’s budget. The Property Appraiser’s office could not give us the amount of the charge for next fiscal year, so we have estimated it at \$325,000, an increase of \$25,000.

Tax Collector’s Fee (\$890,000)

The Orange County Tax Collector collects taxes from property owners in the County and distributes the tax revenues to the appropriate taxing agencies. The Collector’s fee is 2% of the taxes collected. Due to an increase in property tax revenues, the budget for this account is increasing \$88,000.

Supplies (\$550,000)

Examples of supplies used throughout the system and charged to this account including the following:

- ✓ Office supplies
- ✓ Janitorial supplies
- ✓ Paper
- ✓ RFID tags for self check locations
- ✓ Furniture and equipment items with unit costs less than \$1,000

The Library utilizes a direct purchase system through Office Depot for office supplies. Rather than maintain a central inventory, each location orders most supplies online from a standardized list and Office Depot delivers them directly to the Main Library and the branches. The online ordering system is an efficient way to purchase and deliver office supplies throughout the System without the cost of keeping large inventories of supplies on hand. Making new card registrations and renewals a celebration is one of the goals in the Library's Strategic Plan. The goal further suggests consideration of a token of appreciation for those new customers. Toward that end, this account was increased by \$50,000 to cover the cost of small gifts, including mini backpacks for children who register for a Library card.

Supplies – Hardware/Software (\$350,000)

This account includes technology items with a unit cost of less than \$1,000, which are considered supplies. The proposed budget consists of the following:

✓ Replace PC's out of warranty	\$150,000
✓ Replace PC's for Right Service, TBS, and catalog	100,000
✓ Replace printers, barcode scanners, & monitors	50,000
✓ Purchase tablets, software, and other supplies	30,000
✓ Other	20,000

There is no change in the budget for this account.

Overall, operating expenditures for next fiscal year are up \$580,000 or 5.7%.

Capital Outlay

Building and Improvements (\$2,875,000)

The proposed budget includes the following:

✓ Expand South Creek Branch	\$1,500,000
✓ Remodel South Trail, Southwest, Southeast Branches	410,000
✓ Replace Main Library generator & fuel tank	350,000
✓ Update Main Library and Branch HVAC controls	150,000
✓ Finishes for new Edgewater Branch (carpet, wiring, painting)	100,000
✓ Replace Alafaya HVAC system	90,000
✓ Finishes for new Herndon Branch (carpet, wiring, painting)	75,000
✓ Replace Eatonville Branch roof	60,000
✓ Replace/add signage (Chickasaw, Windermere, North Orange)	32,000
✓ Replace Main Library canopy and lobby lighting	30,000
✓ Other	78,000

Equipment and Furniture (\$150,000)

The following are included in the budget for this account:

✓ New audio visual system in Albertson Room	\$60,000
✓ New camera system in Melrose Center	20,000
✓ New South Trail circulation desk	15,000
✓ Other projects	55,000

Hardware/Software (\$550,000)

This account includes technology items with a unit cost of more than \$1,000. The proposed budget includes the following:

✓ Melrose Center iMac and Windows computers	\$160,000
✓ Servers/cloud storage	100,000
✓ Laptops	50,000
✓ Digital content enhancement	50,000
✓ E- Book lending	50,000
✓ Integrated library system enhancements	25,000
✓ Facial recognition	25,000
✓ Computer deployment solution	20,000
✓ Video equipment	15,000
✓ Other projects	55,000

Overall, capital outlay expenditures for next fiscal year are down \$25,000 or 0.7%.

Library Materials – Other (\$4,500,000)

The budget for this account covers the purchase of all materials, whether electronic or physical. There is a \$50,000 increase to reflect the higher cost of some electronic material.

Transfer to Capital Projects Fund (\$3,300,000)

To support future branch development, \$3,300,000 is being transferred to the Capital Projects Fund. The budget for this account has been increased by \$1,800,000.

The FY 19 budget reflects a \$12,155,000 increase, or 27.7%, compared to the current year budget.

Capital Projects Fund

REVENUES	FY 2018 BUDGET	INCREASE (DECREASE)	FY 2019 BUDGET
Investment Earnings	15,000	17,000	32,000
Transfer from Operating Fund	1,500,000	1,800,000	3,300,000
Reserves	-	5,333,000	5,333,000
TOTAL REVENUES	1,515,000	7,150,000	8,665,000

EXPENDITURES	FY 2018 BUDGET	INCREASE (DECREASE)	FY 2019 BUDGET
New Branch	100,000	150,000	250,000
Reserves	1,415,000	7,000,000	8,415,000
TOTAL EXPENDITURES	1,515,000	7,150,000	8,665,000

Sinking Fund

REVENUES	FY 2018 BUDGET	INCREASE (DECREASE)	FY 2019 BUDGET
Investment Earnings	3,000	2,000	5,000
Reserves	-	502,000	502,000
TOTAL REVENUES	3,000	504,000	507,000

EXPENDITURES	FY 2018 BUDGET	INCREASE (DECREASE)	FY 2019 BUDGET
Reserves - Building and Improvements	1,650	277,350	279,000
Reserves - Technology	1,350	226,650	228,000
TOTAL EXPENDITURES	3,000	504,000	507,000

Permanent Fund

<u>REVENUES</u>	<u>FY 2018 BUDGET</u>	<u>INCREASE (DECREASE)</u>	<u>FY 2019 BUDGET</u>
Investment Earnings	10,000	15,000	25,000
Reserves	-	133,000	133,000
TOTAL REVENUES	<u>10,000</u>	<u>148,000</u>	<u>158,000</u>

<u>EXPENDITURES</u>	<u>FY 2018 BUDGET</u>	<u>INCREASE (DECREASE)</u>	<u>FY 2019 BUDGET</u>
Equipment	10,000	40,000	50,000
Reserves	-	108,000	108,000
TOTAL EXPENDITURES	<u>10,000</u>	<u>148,000</u>	<u>158,000</u>