



# Illinois Heartland Library System

## Fiscal Year 2024 Budget Narrative

July 1, 2023 - June 30, 2024



### FY2024 Budget Narrative

Illinois Heartland Library System has changed and matured in the last 12 fiscal years. As we enter our 13th year as a library support organization, we continue to focus on the core services of resource sharing, delivery, and library automation. We rely on appreciative inquiry to improve our services and use innovation as an enhancement. Additional areas of focus for FY2024 will again support our 500+ multitype libraries in the areas of advocacy and continuing education.

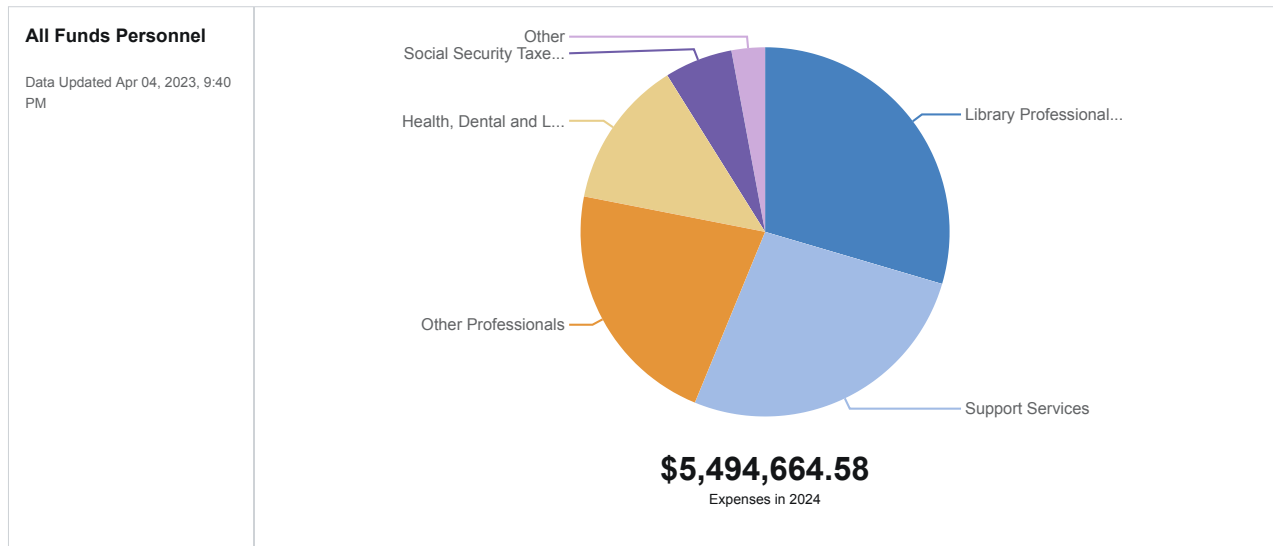


The proposed FY2024 budgets were developed to align with the planned activities in our operational plan. These activities support the Illinois statutory priorities of library administration, resource sharing, bibliographic access, consulting and continuing education, and delivery. The major planned activities include:

- Increasing outreach to school libraries and public library trustees, including the development, launch, and promotion of a trustee training program using funds from the iLEAD Library Trustee Training grant through the Illinois State Library.

- Enhancing services offered to member libraries through E-Resources, [Aspen Discovery Layer](#), [McNaughton Books Subscription](#), and the [Solus](#) app.
- In-person travel to ensure staff will receive necessary support for site visits, networking opportunities, and continuing education. Staff are better equipped to build expertise in different areas of librarianship, enhancing their training skills, building and sustaining professional relationships, and keeping current with library marketplace trends.
- Increased resources focused on advocacy, professional development, and networking support for our multi-type membership.
- Grants Consultant to explore funding options for additional member services.
- Investigating the benefits and cost of an Automatic Material Handler (AMH) system.

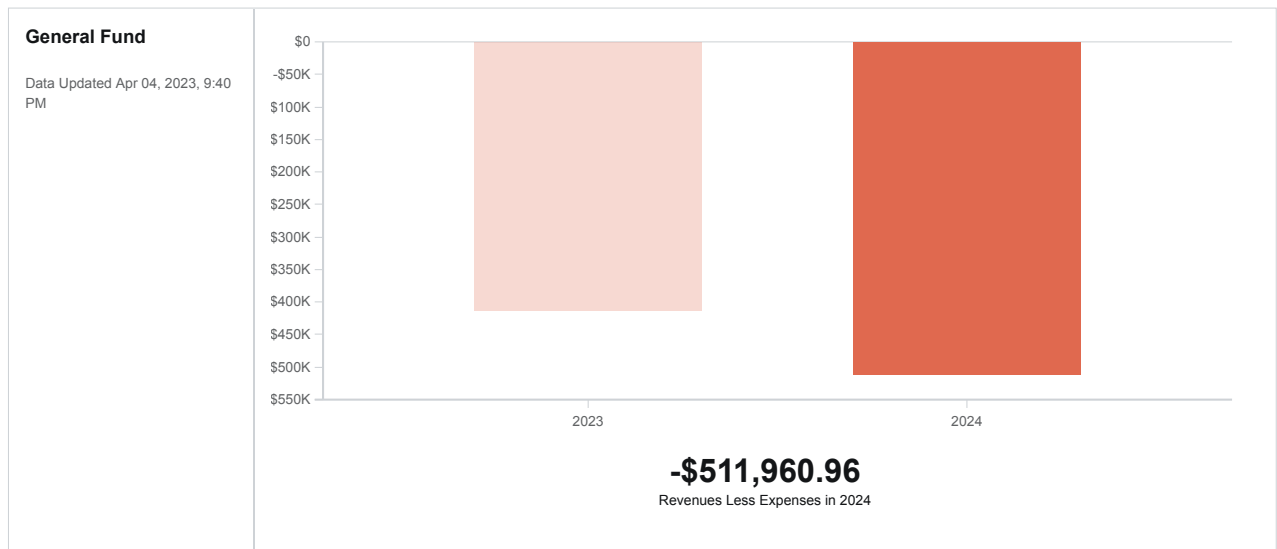
## Personnel



The largest component of our budget is Personnel. This accounts for 60% of our total budget. Our staff are the backbone in the development and implementation of our organizational goals.

- All positions, including Library Professionals, Other Professionals, and Support Services, are projected with an increase of 5% of wages. The Support Services include adjustments in the General Fund budget due to compliance with the Illinois minimum wage law for sorters to \$14 per hour.
- Social Security Taxes are projected at 7.65%.
- Unemployment Insurance is projected at 0.73% of the first \$13,271 wages earned per worker.
- Worker's Compensation Insurance is projected with an increase of 10%.
- Retirement Benefits are projected for staff members who are estimated to work more than 1,000 hours in FY2024. For CY2023, it will remain at the current rate of 0.96% and is budgeted by the estimated IMRF rate of 3% for CY2024.
- Health, Dental, Vision, Accidental Death, and Life insurance renewals are in January. They will remain at the current rate for CY2023 and are projected at a 9% increase for CY2024.
- Other Fringe Benefits include an employee referral program. Retention & Wellness include labor law posters, staff member memorials, retirement bricks, and holiday gatherings.
- Training & Professional Development includes the annual IHLS staff day and professional development trainings.
- Temporary Help includes coverage for staff while out on unplanned leave. Recruiting includes job postings, fit for duty exams, background, and drug screens.

# General Fund Budget Narrative



The General fund is mainly supported by the System Area and Per Capita Grant through the Illinois State Library and the Secretary of State. The grant supports the Library System’s statutory priorities of library administration, resource sharing, bibliographic access, consulting and continuing education, and delivery to our member libraries. The budget has a projected deficit of \$511,961, which will be covered by the operating fund cash balance. The operating fund cash balance of \$5,834,243.47 as of March 31, 2023, is derived from the accumulation of previous years' revenue over expenditures balances.

To help reduce the impact of increasing expenditures, management reduced expenses in the following categories: Building and Grounds, Vehicle Expense, Travel, Meetings, Continuing Education for Staff and Board Members, and Telephone and Telecommunications.

The largest factors for the deficit this fiscal year include Personnel, Conferences & Continuing Education for Members, Professional Services, Professional Membership Dues, and Inter-Company Transfers.

## Revenues

The General fund projected revenues of \$4,366,199 are mainly comprised of the System Area and Per Capita Grant (SAPG) of \$3,919,852 and the state-wide Illinois Library Delivery Services (ILDS) of \$262,823. Other items included are office leasing, IHLS Member Day vendor support, investment income, member training revenue, E-Rate funding, grant administration fees for the Cataloging Maintenance Center (CMC) grant, iLEAD library trustee training grant, and the OCLC grant.

## Expenses

### Personnel

General fund personnel includes increases from the Illinois minimum wage for sorters. The proposal for two additional staff members is for a Data Analyst and an IT Programmer Assistant (budgeted to start January 2024). Changes to current personnel include re-aligned job descriptions for three staff members, a full year with a Membership Coordinator Continuing Education Liaison (budgeted for the second half of FY2023), and a re-allocation for the Membership Coordinator Public Library Liaison (25% General fund and 75% iLEAD Library Trustee Training grant allocation). Also included are benefits for vacant courier positions to move from part-time to full-time. IHLS receives \$659,722 in federal Library Services & Technology Act (LSTA) funding. This portion of the funding will be utilized to help support the delivery personnel budget.

## **Building & Grounds**

General fund projected expenses represent the rent expense at the Carbondale location, utilities at three locations (Carbondale, Champaign, and Edwardsville), building and ground maintenance at two locations (Champaign and Edwardsville), custodial services at two locations (Champaign and Edwardsville), and property insurance at three locations (Carbondale, Champaign, and Edwardsville).

## **Vehicle Expenses**

General fund projected expense for fuel decreased over FY2023 based on a combination of FY2023 actuals and industry forecasting. Vehicle insurance is projected based on coverage for 30 vehicles. The vehicle leasing amounts reflect the two leased vehicles with Enterprise Fleet Management that will continue into FY2025.

## **Travel, Meetings, and Continuing Education for Staff & Board Members**

General fund expense components are travel and registration for staff and board members to attend conferences, advocacy events, board member training, and staff meetings.

The travel and registration include staff attendance at the following conferences: The Association for Rural and Small Libraries (ARSL) Conference, Association of Illinois School Library Educators (AISLE) Conference, American Association of School Librarians Conference (AASL), Illinois Library Association (ILA) Conference, Library Marketing & Communications Conference (LMCC), Illinois Digital Educators Alliance Conference (IDEAcon), Illinois Reading Council, Midwest Digital Marketing Conference (MDMC), Public Library Association (PLA) Conference, Innovative Users Group (IUG) Conference, Reaching Forward South (RFS) Conference, Elevate, ILA Trustee Workshops, International Coalition of Library Consortia (ICOLC), Society for Human Resource Management (SHRM) National Virtual Conference, Directors University, and inter-company travel.

## **Conferences & Continuing Education Meetings for IHLS Member Libraries**

General fund projection includes opportunities for HR Source membership group purchase grants, member job fairs, networking, and learning opportunities offered to IHLS member libraries. This also includes a virtual IHLS member day in the winter.

## **Public Relations**

General fund projection includes promotional and printed materials and conference sponsorships. These activities are planned to continue the networking and advocacy efforts of IHLS.

## **Liability Insurance**

General fund expenses include projections for General Liability, Commercial Umbrella, Directors and Officers, Crime Coverage Bond, Cyber Liability, Employment Practices, and Treasurer's Bond.

## **Supplies, Postage, & Printing**

This budget category includes expenses for computers and software (less than \$5,000), accessories and supplies for equipment, office supplies, postage, delivery supplies, and other supplies. The computer supplies line includes additional off-site video room systems for board meetings to be compatible with Zoom and Teams meetings. The largest component in the office supplies line includes the replacement of furniture in the Carbondale location and the replacement of office chairs at the Champaign and Carbondale locations. The projection for delivery supplies includes the replacement of tubs, hand trucks, and the replacement of delivery staff IHLS-branded apparel.

## **Telephone and Telecommunications**

Included in this budget category are projections associated with a monthly cost for telephone, fax, internet, delivery GPS, text alert system, and cell phone services.

## **Equipment Repair & Maintenance Agreements**

The projection includes cost for copiers and maintenance at three locations (Carbondale, Champaign, and Edwardsville).

## **Professional Services**

Expenses include projections for legal, accounting, consulting, and contractual staff. This includes consulting for a Request for Proposal (RFP) for the Automated Material Handling (AMH) system, IHLS strategic planning consultant, and contracted staff for grant opportunities for IHLS and member libraries.

## **Contractual Services**

General fund expenses include projections for information service costs, outside printing services, and other contractual services. This includes Information Technology, Marketing & Communications, Accounting, and Human Resources database software subscriptions and includes a proposal for the implementation of a payroll processing and Human Resources Information System (HRIS).

## **Professional Membership Dues**

Includes staff, board, and institutional professional membership dues along with a BoardSource membership for support to IHLS board members.

## **Miscellaneous**

General fund bank fees and accounts payable checks.

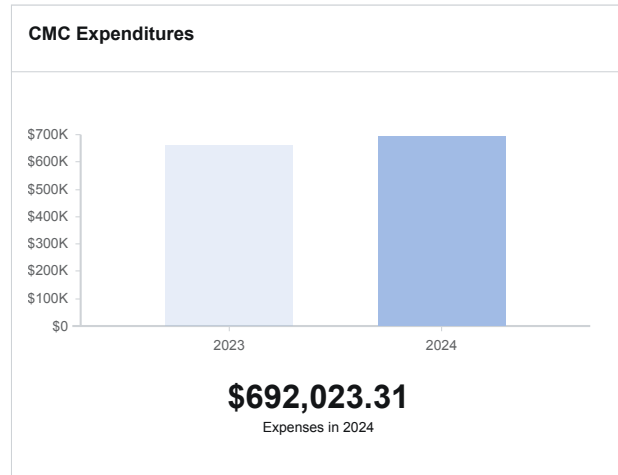
## **Net Pass Through**

General fund expenditures on behalf of member libraries that will be reimbursed.

## **Inter-Company Transfers**

General fund transfer includes the annual contribution to SHARE fund of \$350,000, which is an increase of \$50,000 from previous years. IHLS contributes approximately 9% of the SAPG funding to the SHARE consortia. This increase reflects the most recently awarded amount in SAPG funds.

## Special Revenue Fund Cataloging Maintenance Center Budget Narrative



Supported by the Illinois State Library (ISL), the Cataloging Maintenance Center (CMC) is operated by the Illinois Heartland Library System (IHLS). Started in 2001 to upgrade bibliographic records and set OCLC holdings for Local Library System Automation Programs (LLSAPs) throughout the state, the CMC has evolved and provides more services that help improve access to these resources for all libraries in Illinois. The CMC is also a source for other cataloging assistance, including database cleanup, original or copy cataloging of eligible collections, cataloging training, assistance with general cataloging questions, including questions on Resource Description and Access (RDA), and metadata consultation.

### Revenues

CMC Fund revenues reflect the Cataloging Maintenance Center grant from the Illinois State Library.

### Expenses

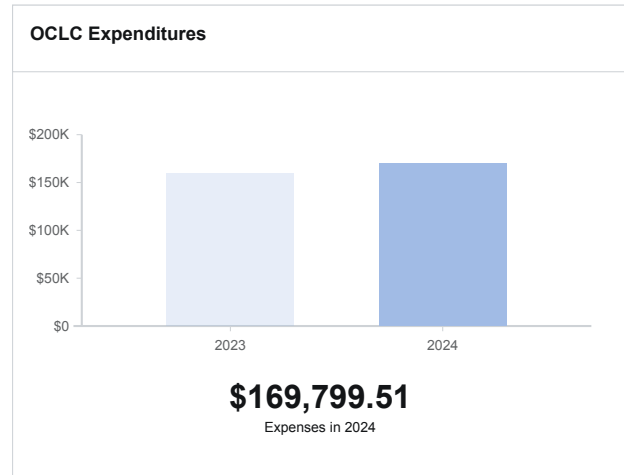
#### Personnel

Includes 8.25 full-time equivalent staff allocated to the CMC grant. Three full-time temporary staff members are assigned to the CARLI cleanup project.

#### Travel, Meetings, and Continuing Education

The travel and registration include staff attendance at the following conferences: PrairieCat Users Group (PUG) Day, Association of Illinois School Library Educators (AISLE) Conference, Illinois Library Association (ILA) Conference, Reaching Forward South

## Special Revenue Fund Online Computer Library Center Budget Narrative



Supported by the Illinois State Library (ISL), the OCLC Billing Grant is operated by the Illinois Heartland Library System (IHLS). IHLS is the fiscal agent for the statewide billing of OCLC services for ISL, which includes libraries throughout all of Illinois. This grant manages approximately 5 million in revenues and expenditures each year. Currently, more than 1,000 ILLINET libraries choose to be Group Services members and pay a discounted subscription price for OCLC products covered under the Group Services contract that ISL negotiates on the group's behalf.

### Revenues

OCLC Fund revenues reflect the OCLC grant from the Illinois State Library.

### Expenses

#### Personnel

Includes 1.75 full-time equivalent staff allocated to the OCLC grant.

#### Supplies, Postage, & Printing

Includes expenses for computers and software (less than \$5,000), accessories and supplies for equipment, and office supplies.

#### Telephone and Telecommunications

Includes monthly cost for telephone, fax, and internet.

#### Equipment Repair & Maintenance Agreements

(RFS) Conference, Reaching Forward Conference, and inter-state travel.

### **Public Relations**

Includes booth fees and educational handouts.

### **Supplies, Postage, & Printing**

Includes expenses for computers and software (less than \$5,000), accessories and supplies for equipment, and office supplies.

### **Telephone and Telecommunications**

Includes monthly cost for telephone and internet.

### **Equipment Repair & Maintenance Agreements**

Includes cost for copiers and maintenance at two locations (Champaign and Edwardsville).

### **Professional Services**

Expenses include projections for legal due to changes in temporary employment.

### **Contractual Services**

Includes computer and software online services such as Zoom, Express Scribe, Classification Web, WebDewey, RDA Toolkit, Cataloger's Desktop, Otter, Ancestry.com, Teamflect, Adobe, domain name renewal, and grant administrative fees.

### **Professional Membership Dues**

Includes staff and institutional professional membership dues.

Includes cost for copiers and maintenance at the Edwardsville location.

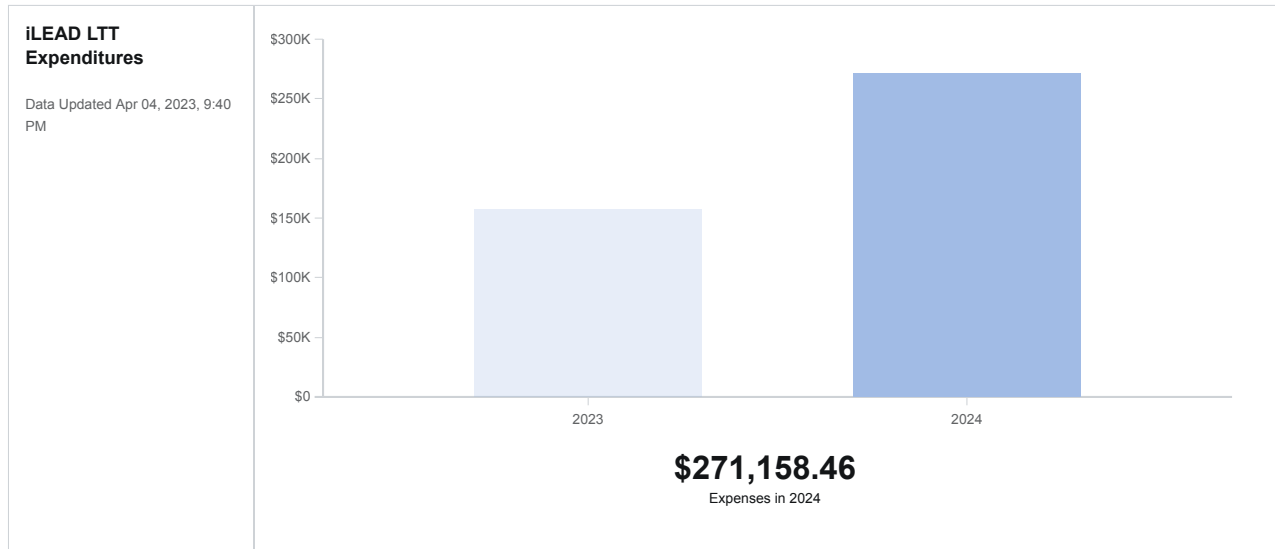
### **Professional Services**

Includes the FY2023 audit costs.

### **Contractual Services**

Includes Traverse financial software support agreement, Teamflect, Adobe subscriptions, domain name renewal, and grant administrative fees.

# Special Revenue Fund iLEAD Library Trustee Training (LTT) Budget Narrative



The iLEAD - leadership, empowerment, accessibility, and development for public library trustees is a new online learning portal developed for Illinois Public Library Trustees. This project is a grant supported by the Illinois State Library (ISL) and developed by the Illinois Heartland Library System (IHLS), with subject matter experts located throughout the state contributing and advising. This online learning portal provides Illinois Public Library trustees with the knowledge, requirements, and resources they need to be influential library leaders.

## Revenues

The revenues reflect the iLEAD Library Trustee Training grant from the Illinois State Library.

## Expenses

### Personnel

Includes 1.50 full-time equivalent staff of a Project Coordinator and a Membership Coordinator to develop and manage the training program.

### Travel, Meetings, and Continuing Education

The travel and registration include staff attendance at the following conferences: The Association for Rural and Small Libraries (ARSL) Conference, Illinois Library Association (ILA) Conference, Public Library Association (PLA) Conference, Reaching Forward South (RFS) Conference, ILA Trustee Workshops, and inter-state travel.

### Public Relations

Includes promotional and printed materials and conference sponsorships. These activities are planned to promote the grant training program.

### Supplies, Postage, & Printing

Includes expenses for computers and software (less than \$5,000), office supplies, and postage.

### Telephone and Telecommunications

Includes monthly cost for telephone.

### Professional Services

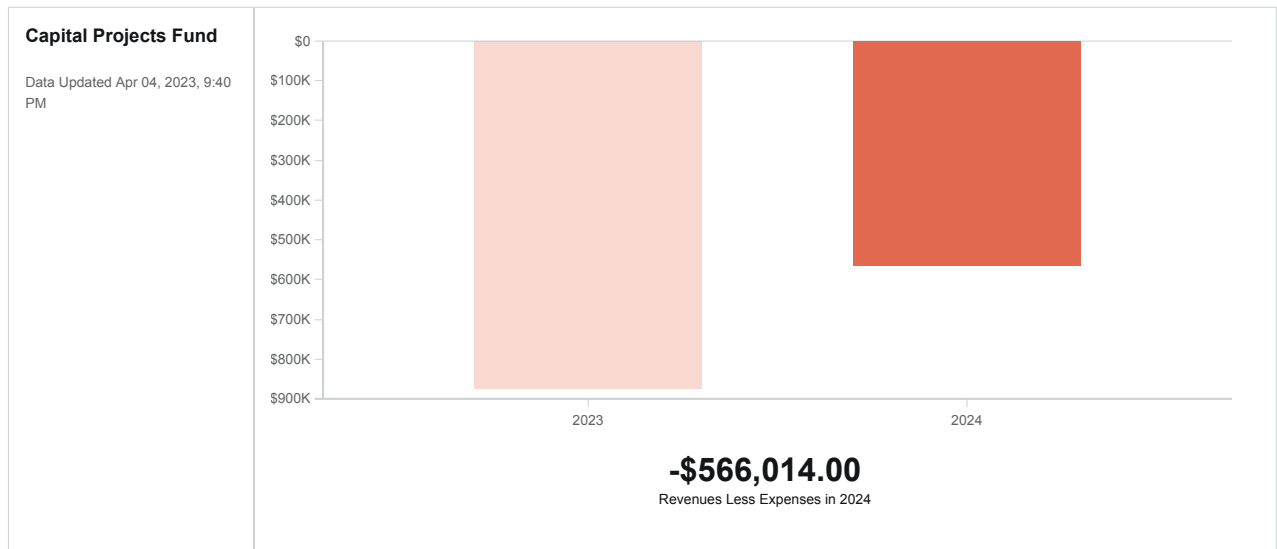


Includes projections for legal, consulting, and contractual staff for development of the trainings.

**Contractual Services**

Includes the software subscriptions to develop the training platform and grant administrative fees.

# Capital Projects Fund Budget Narrative



The Capital Projects fund was established to support the purchase of fixed assets that are greater than \$5,000. The Capital Projects fund budget has a projected deficit of \$566,014, and this will be covered by the fund cash balance. The Capital Projects fund cash balance of 1,165,831.23 as of March 31, 2023 is derived from the accumulation of the General fund's previous years' revenue over expenditures balances and revenue from interest income.

## Revenues

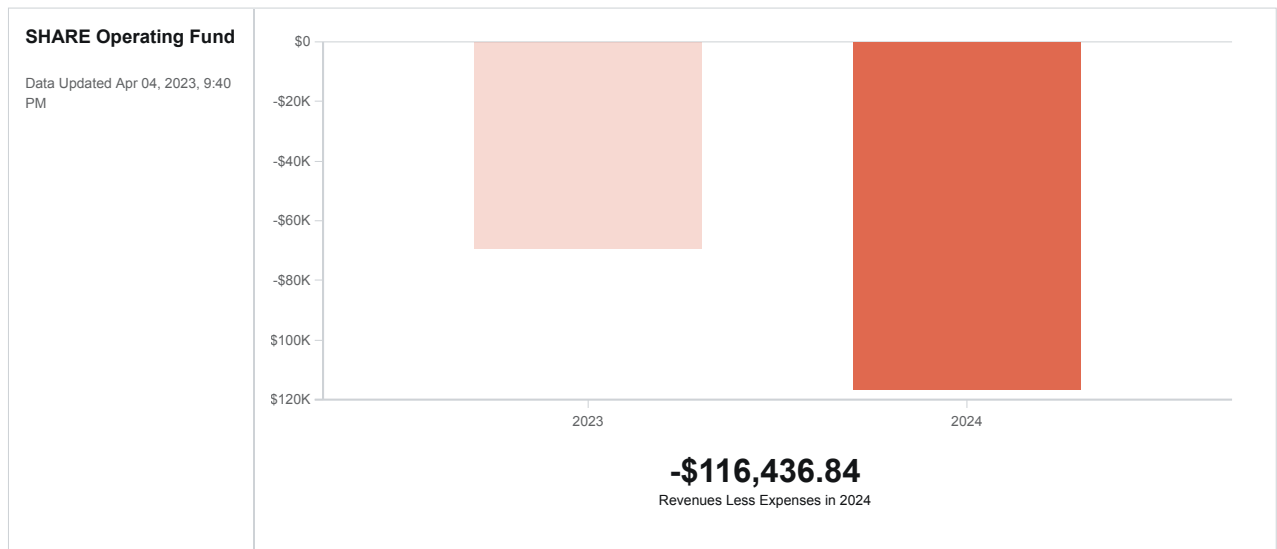
Capital Projects funds projected income source is investment income.

## Expenses

Capital Projects fund projections include the following:

- Tuckpointing repairs at the Edwardsville location.
- Resurfacing and restriping of the asphalt parking lot at the Edwardsville location.
- Replacement of (9) delivery vehicles.

# SHARE Operating Fund Budget Narrative



SHARE is a collection of libraries in central and southern Illinois that have joined together to form the largest automation consortium in the country, with 338 members at 467 locations. There are many benefits to SHARE membership, including the ability to share the cost of purchasing an integrated library system, staff, technical support, and training. The SHARE budget has a projected deficit of \$116,437, and this will be covered by the operating fund cash balance. The operating fund cash balance of \$1,131,737.09 as of March 31, 2023, is derived from the accumulation of previous years' revenue over expenditures balances. The SHARE fund operates under the umbrella of IHLS and is supported by SHARE members' fee revenue and the IHLS General fund, both monetarily and with in-kind contributions of professional staff, buildings, and vehicles.

## Revenues

SHARE Fund projected revenues of \$1,947,966 is mainly comprised of SHARE member fees for services and materials and the IHLS General fund support. The SHARE membership fee scales have remained flat to FY2021. Other revenue items included are investment income, Cataloging Maintenance Center (CMC) grant administration fee, group subscription reimbursements, and Smart Access Manager (SAM) billing. This includes the fees from the new Aspen discovery layer.

## Expenses

### Personnel

SHARE fund expense includes 16.25 full-time equivalent staff allocated to SHARE.

### Library Materials

SHARE fund eResources projection is a direct expense of cloud subscription fees and group purchases. This expense is offset by the fees for services and materials revenues. The printed materials projection is a group purchase for McNaughton books and is offset by the fees for services and materials revenues.

### Vehicle Expense, Travel, Meetings, and Continuing Education

SHARE fund expense components are travel and registration for staff members to attend conferences, advocacy events, and staff meetings.

The travel and registration include staff attendance at the following conferences: The Association for Rural and Small Libraries (ARSL) Conference, Association of Illinois School Library Educators (AISLE) Conference, On-line Audiovisual Catalogers Conference (OLAC), Illinois Library Association (ILA) Conference, Library Marketing & Communications Conference (LMCC), Illinois Digital Educators Alliance Conference (IDEAcon), Public Library Association (PLA) Conference, Innovative Users Group (IUG) Conference, Reaching Forward South (RFS) Conference, Elevate, International Coalition of Library Consortia (ICOLC), Reaching Forward Conference, and inter-company travel.

### **Public Relations**

Includes promotional, printed materials, and sponsorships at conferences. This is to continue the networking and advocacy efforts of SHARE.

### **Supplies, Postage, & Printing**

This budget category includes expenses for computers and software (less than \$5,000), accessories and supplies for equipment, office supplies, and postage.

### **Telephone and Telecommunications**

Included in this budget category are projections associated with monthly cost for telephone, fax, internet, and cell phone services.

### **Equipment Repair & Maintenance Agreements**

SHARE fund expense includes cost for copiers and maintenance at three locations (Carbondale, Champaign, and Edwardsville).

### **Professional Services**

Expenses include projections for legal, accounting, and consulting. This includes a consultant to assist participating libraries in the implementation of the Aspen discovery layer.

### **Contractual Services**

Include projections for information service costs, outside printing services, and other contractual services. This includes database software subscriptions to support SHARE member libraries, including the annual Polaris and Solus mobile app customization fees. This also includes the new Aspen discovery layer fees that will be offset by the additional Fees for Services and Materials revenues.

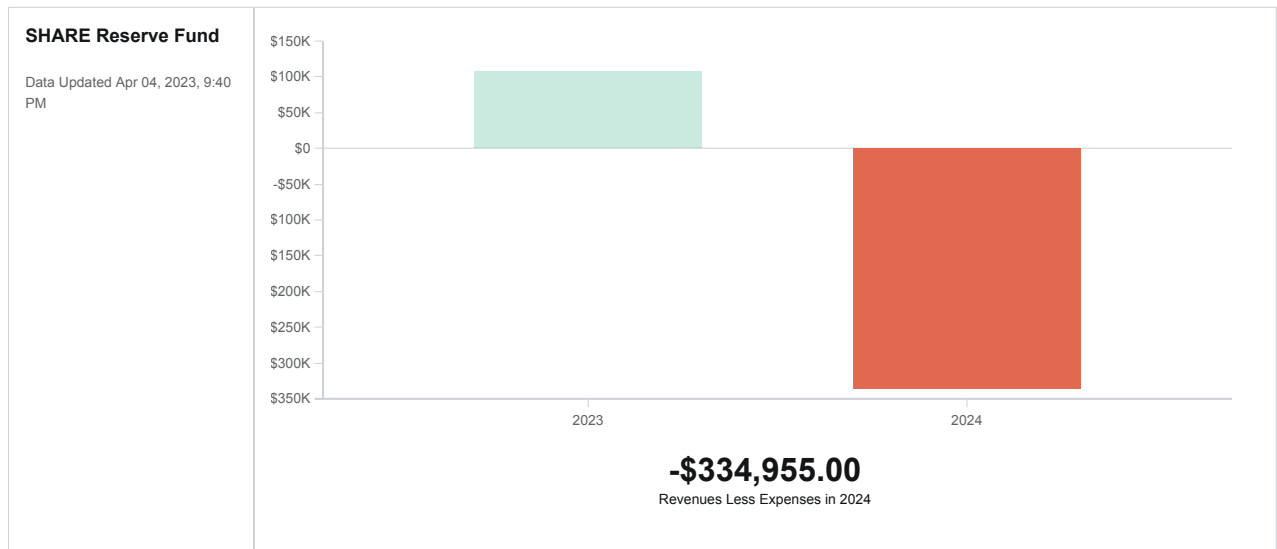
### **Professional Membership Dues**

Includes staff and institutional professional membership dues.

### **Inter-Company Transfers**

Includes the SHARE fund transfer to SHARE Reserves of \$142,500.

# SHARE Reserve Fund Budget Narrative



The SHARE Reserve fund was established for the replacement of hardware and software for the SHARE consortium. The SHARE Reserve fund budget has a projected deficit of \$334,955. Each fiscal year, an approved amount by the SHARE committees is transferred from the SHARE Operating fund to the SHARE Reserve fund to accumulate this fund cash balance for ILS software replacement (if ever needed) and for continued infrastructure maintenance or upgrades. The operating fund cash balance as of March 31, 2023 is \$1,294,170.82.

## Revenues

SHARE Reserve Fund projected revenues of \$179,012 includes the transfer of funds from the operating budget and interest income.

## Expenses

SHARE Reserve Fund projected expenses of \$513,967 includes a server replacement project, the final year of annual fees for the Solus App to be paid by the Reserve fund, and the implementation fees for the Aspen discovery layer along with the additional costs that could occur if self-hosting the software isn't in the best interest of IHLS.

## IHLS Operational Plan

Click to view the [FY2024 Draft Operational Plan](#).

## Please provide your feedback for the FY2024 IHLS Operational Plan and Budget(s)

[Link to provide input.](#)