



## Illinois Heartland Library System

MEMO TO: Board of Directors

FROM: Leslie Bednar

DATE: April 25, 2018

RE: IHLS FY2019 Draft Budgets – Document #2: Proposed FY2019 General Fund Budget

Attached please find the second budget document for your review and consideration—the Proposed FY2019 General Fund budget. The General Fund is our operating fund and the projected revenue amount of \$3,400,700.32 is based on communication from the Illinois State Library. The budget is one of the primary components of our FY2019 System Area & Per Capita Grant (SAPG) application.

The General Fund budget includes our Illinois Library Delivery Service (ILDS) subcontract amount with Reaching Across Illinois Library System (RAILS). We display it in a different column to separate IHLS-only delivery from ILDS delivery expenses. For FY2019 we have not yet heard from RAILS regarding any possible change to the contract amount and we budgeted at the FY2018 level until further information is received. We also provide a total column combining IHLS-specific and ILDS expenses and revenues.

The proposed budget is presented compared to the FY2018 board-approved General Fund budget and includes FY2019 increase/decrease vs. FY2018.

We plan to cover the significant changes from FY2018 to FY2019 at tomorrow's meeting and hope the information below will suffice until then. As with the SHARE/CMC/OCLC draft FY2019 budgets, there are two universal changes in the General Fund budget: it includes a 3% staff increase; and staff benefits are budgeted at an 8% increase until we receive firm numbers that indicate otherwise. Our goal regarding the staff increase is to distribute part as a cost of living increase, and the rest will be a merit-based increase. This is in line with our upcoming staff evaluation process.

Please keep in mind the April 26 board meeting is a first read of all budgets and a great opportunity for discussion about future system objectives. Final approval of the FY2019 IHLS budget is scheduled for the May 22 board meeting.

**General Fund – Budget changes for FY2019*****Transfers from Other Funds (Revenue | 4999):***

Increase by \$21,730.24. Transfer from General Fund to ILDS for actual projected costs of service in FY2019. The costs of our hub-to-hub delivery are also included in this projection. (SEE Transfers to Other Funds/General, below)

***Library Professional (Expense | 5000):***

Increase by \$22,480.91. In addition to 3% cost of living increase, includes position reclassifications.

***Other Professional (Expense | 5010):***

Increase by \$40,967.51. In addition to 3% cost of living increase, includes:  
--planned position reclassifications  
--inclusion of HR Generalist (not originally budgeted for in FY2018)  
--addition of part-time Marketing Coordinator position  
--removal of part-time Human Resources Assistant

***Support Professional (Expense | 5020):***

Increase by \$33,055.35. In addition to 3% cost of living increase, includes part-time Accounting Assistant not originally budgeted for in FY2018. In FY2019, we will increase the Accounting Assistant hours to 32/week (4 days/week) with prorated benefits.

***Dental, Health, Life & Vision Ins. (Expense | 5050):***

Increase by \$37,068.54. In addition to projected 8% in benefit insurances, includes benefits for additional staff.

***Training & Professional Development (Expense | 5058):***

Increase by \$9,500.00. Includes staff training and organizational development opportunities focused on interpersonal communications/customer service and design thinking.

***Rent (Expense | 5150):***

Decrease by \$29,430.09. Proposed reduction reflects end of lease for Du Quoin property.

***Fuel (Expense | 5200):***

Increase by \$42,857.46. Proposed increase reflects anticipated hike in fuel oil for FY2019.

***Registration & Meetings (Expense | 5290):***

Increase by \$8,335.00. Increase reflects budgeting based on FY2018 actuals, and as in FY2018 includes board retreat training opportunity.

***Public Relations (Expense | 5330):***

Increase by \$8,275.00. Includes building signs and fleet and staff vehicle signs with new logo debuted in summer 2017.

***Delivery Supplies (Expense | 5385):***

Increase by \$18,120.00. Includes new sorting tables for two locations, bulk purchase of delivery tubs and branded jackets for all delivery staff.

***Capital Outlays/Vehicles (Expense | 5775):***

Increase of \$50,000. Budget proposal includes purchase of 5 delivery vans.

***Transfers to Other Funds/SHARE (Expense | Below the line):***

Increase of \$50,000. As stated in a previous memo, the SHARE consortium plays a significant role in resource sharing in IHLS. Our operating funds from the SAPG should increase support in a purposeful way each year. We reduced the support in FY2016 and FY2017 to reflect our SAPG reduction of 42% both fiscal years.

***Transfers to Other Funds/ILDS (Expense | Below the line):***

Increase by \$21,730.24. Transfer from General Fund to ILDS for actual projected costs of service in FY2019. (SEE Transfers from Other Funds/Revenue, above)

I hope the overview is helpful and look forward to our meeting tomorrow. If you have any questions prior to the meeting, please email me at [lbednar@illinoisheartland.org](mailto:lbednar@illinoisheartland.org). I will gather all of your questions and share them at the board meeting.

Thank you for your consideration.

IHLS 2019 Proposed General Fund Budget

Budget Line Item	General Fund FY2019 Proposed Budget			General Fund FY2018 Approved Budget			FY2019 INC/(DEC) vs FY2018			
	General	ILDS	Total General Fund Budget	General	ILDS	Total General Fund Budget	General	ILDS	Total General Fund Budget	
<b>REVENUES</b>										
State Grants										
Area & Per Capita	4000	3,400,700.32	3,400,700.32	3,364,429.41		3,364,429.41	36,270.91	-	36,270.91	
CMC	4027	-	-	-		-	-	-	-	
OCLC	4032	-	-	-		-	-	-	-	
TMQ	4034	-	-	-		-	-	-	-	
Other State Grants	4099	-	-	-		-	-	-	-	
Federal Grants										
Other Grants	4200	-	-	-		-	-	-	-	
Fees for Services & Materials										
ILDS	4222	245,417.00	245,417.00	245,417.00		245,417.00	-	-	-	
Fess for Services & Materials	4305	-	-	-		-	-	-	-	
Member Day	4315	-	-	-		-	-	-	-	
Cloud Subscription	4380	-	-	-		-	-	-	-	
SHARE Basic Fee (Membership Fee)	4385	-	-	-		-	-	-	-	
Bibliographic Services	4386	-	-	-		-	-	-	-	
Add'l Module Fee	4387	-	-	-		-	-	-	-	
SHARE Transitions Fee	4388	-	-	-		-	-	-	-	
Investment Income	4500	23,028.87	23,028.87	13,212.19		13,212.19	9,816.68	-	9,816.68	
Other Revenue										
Room Rental	4600	-	-	-		-	-	-	-	
Miscellaneous Income	4650	-	-	-		-	-	-	-	
Miscellaneous Income Uncollectible	4651	-	-	-		-	-	-	-	
Asset Surplus Proceeds	4655	-	-	-		-	-	-	-	
Grant Administration	4660	15,471.06	15,471.06	12,318.78		12,318.78	3,152.28	-	3,152.28	
E-Rate Funding	4675	6,839.95	6,839.95	4,109.92		4,109.92	2,730.03	-	2,730.03	
SAM	4678	-	-	-		-	-	-	-	
ICN Filtering	4680	-	-	-		-	-	-	-	
Dream Host	4685	-	-	-		-	-	-	-	
Transfer From Other Funds	4999	48,941.02	48,941.02	27,210.78		27,210.78	-	21,730.24	21,730.24	
Estimated Total Revenue		3,446,040.20	294,358.02	3,740,398.22	3,394,070.30	272,627.78	3,666,698.08	51,969.90	21,730.24	73,700.14
<b>EXPENSES</b>										
Personnel										
Salaries & Wages										
Library Professional	5000	282,321.72	-	282,321.72	259,840.81		259,840.81	(22,480.91)	-	(22,480.91)
Other Professional	5010	629,263.59	-	629,263.59	588,296.08		588,296.08	(40,967.51)	-	(40,967.51)
Support Professional	5020	689,875.25	161,145.85	851,021.10	656,819.90	167,185.62	824,005.52	(33,055.35)	6,039.77	(27,015.58)
Payroll Taxes & Fringe Benefits										
Social Security Taxes	5030	122,511.73	12,327.66	134,839.39	115,129.19	12,789.70	127,918.89	(7,382.54)	462.04	(6,920.50)
Unemployment Insurance	5035	13,007.63	1,967.69	14,975.32	13,057.04	1,973.36	15,030.40	49.41	5.67	55.08
Worker's Compensation	5040	43,155.97	13,934.17	57,090.14	43,378.78	13,571.86	56,950.64	222.81	(362.31)	(139.50)
Retirement Benefits (IMRF)	5045	89,349.85	6,829.20	96,179.05	86,828.59	8,278.54	95,107.13	(2,521.26)	1,449.34	(1,071.92)
Dental, Health, Life & Vision Ins.	5050	176,532.72	18,780.08	195,312.80	139,464.18	18,573.30	158,037.48	(37,068.54)	(206.78)	(37,275.32)
Other Fringe Benefits	5055	3,684.32	-	3,684.32	3,639.32	-	3,639.32	(45.00)	-	(45.00)
Retention & Wellness	5057	3,050.00	-	3,050.00	1,225.00	-	1,225.00	(1,825.00)	-	(1,825.00)
Training & Professional Development	5058	16,000.00	-	16,000.00	6,500.00	-	6,500.00	(9,500.00)	-	(9,500.00)
Recruiting	5070	2,600.00	-	2,600.00	3,225.00	-	3,225.00	625.00	-	625.00
Subtotal-Personnel Total		2,071,352.78	214,984.65	2,286,337.43	1,917,403.89	222,372.38	2,139,776.27	(153,948.89)	7,387.73	(146,561.16)
Library Materials										
Printed Materials	5100	-	-	-	-	-	-	-	-	-
Nonprinted Materials	5110	-	-	-	-	-	-	-	-	-
E-Resources	5120	-	-	-	-	-	-	-	-	-
Subtotal-Total Library Materials		-	-	-	-	-	-	-	-	-
Building & Grounds										
Rent	5150	51,250.00	-	51,250.00	80,680.08	-	80,680.08	29,430.08	-	29,430.08
Utilities	5160	42,561.60	-	42,561.60	50,952.00	-	50,952.00	8,390.40	-	8,390.40
Property Insurance	5170	18,822.22	-	18,822.22	19,404.81	-	19,404.81	582.59	-	582.59
Repairs and Maintenance	5180	39,275.53	-	39,275.53	40,150.77	-	40,150.77	875.24	-	875.24
Custodial/Janitoria Svcs & Supplies	5190	13,397.00	-	13,397.00	13,217.00	-	13,217.00	(180.00)	-	(180.00)
Other Building & Grounds	5195	15,415.13	-	15,415.13	24,626.60	-	24,626.60	9,211.47	-	9,211.47
Subtotal-Building & Grounds		180,721.48	-	180,721.48	229,031.26	-	229,031.26	48,309.78	-	48,309.78
Vehicle Expenses										
Fuel	5200	153,157.46	62,345.42	215,502.88	110,300.00	36,000.00	146,300.00	(42,857.46)	(26,345.42)	(69,202.88)
Repairs and Maintenance	5210	44,300.00	10,400.00	54,700.00	47,300.00	10,900.00	58,200.00	3,000.00	500.00	3,500.00
Vehicle Insurance	5220	21,780.00	2,420.00	24,200.00	25,354.00	2,535.40	27,889.40	3,574.00	115.40	3,689.40
Other Vehicle Expense	5245	1,180.00	120.00	1,300.00	1,600.00	200.00	1,800.00	420.00	80.00	500.00
Subtotal-Vehicle Expenses		220,417.46	75,285.42	295,702.88	184,554.00	49,635.40	234,189.40	(35,863.46)	(25,650.02)	(61,513.48)
Travel & Continuing Education for Staff & Board										
Mileage,Gas, Tolls-In State	5250	5,699.60	455.95	6,155.55	2,820.00	-	2,820.00	(2,879.60)	(455.95)	(3,335.55)
In State Travel(Airfare,Train,Taxi)	5255	-	-	-	-	-	-	-	-	-
Meals In State	5260	3,800.00	612.00	4,412.00	2,736.00	-	2,736.00	(1,064.00)	(612.00)	(1,676.00)
Lodging In State	5265	7,700.00	1,320.00	9,020.00	6,495.00	-	6,495.00	(1,205.00)	(1,320.00)	(2,525.00)
Mileage,Gas, Tolls-Out State	5270	-	-	-	-	-	-	-	-	-
Out State Travel(Airfare,Train,Taxi)	5275	1,620.00	-	1,620.00	2,308.00	-	2,308.00	688.00	-	688.00
Meals Out State	5280	1,271.00	-	1,271.00	1,895.00	-	1,895.00	624.00	-	624.00
Lodging Out State	5285	4,187.00	-	4,187.00	5,276.00	-	5,276.00	1,089.00	-	1,089.00
Registration and Meetings	5290	20,138.00	200.00	20,338.00	11,803.00	120.00	11,923.00	(8,335.00)	(80.00)	(8,415.00)
Conferences & Cont Ed Mtgs	5300	1,700.00	-	1,700.00	400.00	-	400.00	(1,300.00)	-	(1,300.00)
Member Day	5315	6,000.00	-	6,000.00	5,500.00	-	5,500.00	(500.00)	-	(500.00)
Subtotal-Travel & Continuing Education		52,115.60	2,587.95	54,703.55	39,233.00	120.00	39,353.00	(12,882.60)	(2,467.95)	(15,350.55)

Budget Line Item	General Fund FY2019 Proposed Budget			General Fund FY2018 Approved Budget			FY2019 INC/(DEC) vs FY2018		
	General	ILDS	Total General Fund Budget	General	ILDS	Total General Fund Budget	General	ILDS	Total General Fund Budget
Public Relations	5330	30,000.00	30,000.00	8,275.00		8,275.00			-
Liability Insurance	5350	19,080.37	19,080.37	16,261.21		16,261.21	(2,819.16)	-	(2,819.16)
Supplies, Postage & Printing									
Computers, Software & Supplies	5360	29,735.00	29,735.00	24,199.00		24,199.00	(5,536.00)	-	(5,536.00)
Gen'l Office Supplies & Equipment	5365	3,000.00	3,000.00	3,050.00		3,050.00	50.00	-	50.00
Postage	5370	1,200.00	1,200.00	2,000.00		2,000.00	800.00	-	800.00
Delivery Supplies	5385	25,120.00	1,500.00	26,620.00	7,000.00	500.00	7,500.00	(1,000.00)	(19,120.00)
Subtotal-Supplies, Postage & Printing		59,055.00	1,500.00	60,555.00	36,249.00	500.00	36,749.00	(22,806.00)	(1,000.00)
Telephone and Telecommunications	5400	15,172.40		15,172.40	16,828.50		16,828.50	1,656.10	-
Equipment Rental, Repair & Maintenance									
Equipment Rental	5450		-	-			-	-	-
Equipment Repair & Maintenance Agreements	5455	11,260.00		11,260.00	7,640.00		7,640.00	(3,620.00)	-
Subtotal-Equipment Rental, Repair & Maintenance		11,260.00	-	11,260.00	7,640.00	-	7,640.00	(3,620.00)	-
Professional Services									
Legal	5500	15,000.00		15,000.00	15,000.00		15,000.00	-	-
Accounting	5510	18,900.00		18,900.00	18,500.00		18,500.00	(400.00)	-
Consulting	5520	7,000.00		7,000.00	6,000.00		6,000.00	(1,000.00)	-
Contractual Staff	5530		-	-	4,320.00		4,320.00	4,320.00	-
Subtotal-Professional Services		40,900.00	-	40,900.00	43,820.00	-	43,820.00	2,920.00	-
Contractual Services									
Information Service Costs	5550	18,285.59		18,285.59	16,206.00		16,206.00	(2,079.59)	-
Contract Agreements w/Systems, Member Lib	5560		-	-			-	-	-
Outside Printing Services	5570		-	-			-	-	-
Other Contractual Services	5580	26,259.00		26,259.00	25,562.39		25,562.39	(696.61)	-
Subtotal-Contractual Services		44,544.59	-	44,544.59	41,768.39	-	41,768.39	(2,776.20)	-
Professional Association Membership Dues	5700	3,988.00		3,988.00	3,138.00		3,138.00	(850.00)	-
Miscellaneous	5725	2,635.00		2,635.00	1,740.00		1,740.00	(895.00)	-
Capital Outlays									
Capital Outlays- Equipment	5750		-	-			-	-	-
Capital Outlays- Computers	5755		-	-	29,000.00		29,000.00	29,000.00	-
Capital Outlays- Furniture & Fixtures	5760		-	-			-	-	-
Capital Outlays- Building & Improvements	5765	27,263.00		27,263.00	35,080.00		35,080.00	7,817.00	-
Capital Outlays- Land	5770		-	-	93,235.00		93,235.00	93,235.00	-
Capital Outlays- Vehicles	5775	150,000.00		150,000.00	100,000.00		100,000.00	(50,000.00)	-
Subtotal-Capital Outlays		177,263.00	-	177,263.00	257,315.00	-	257,315.00	80,052.00	-
Transfer To Other Funds									
SHARE		300,000.00		300,000.00	250,000.00		250,000.00	(50,000.00)	-
ILDS		48,941.02		48,941.02	27,210.78		27,210.78	(21,730.24)	-
Subtotal-Transfer To Other Funds		348,941.02	-	348,941.02	277,210.78	-	277,210.78	(71,730.24)	-
Estimated Total Expenses		3,277,446.70	294,358.02	3,571,804.73	3,080,468.03	272,627.78	3,353,095.81	(175,253.67)	(21,730.24)
Estimated Excess (Deficiency) of Revenue over Expenses		168,593.50	(0.00)	168,593.49	313,602.27	-	313,602.27	227,223.57	43,460.48