

## SHPL Monthly Budget Update – October 2015

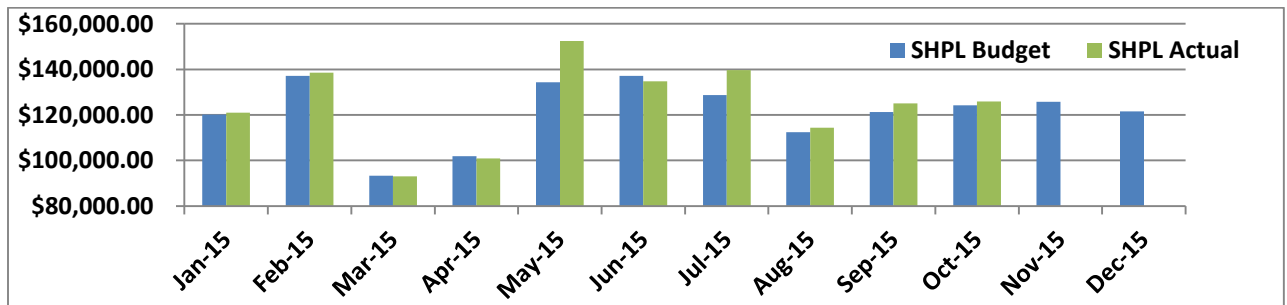
	2014 Act.	2015 MTD	2015 YTD	2015 Est.	Surplus/(Deficit)	2016 Budget
<b>General Fund</b>	\$4,685,473	\$178,528	\$3,403,692	\$4,406,385	\$322,302	\$4,567,442
<b>All Funds</b>	\$4,786,564	\$179,028	\$3,464,997	\$4,480,466	\$275,312	
<b>FTEs</b>			65	65		66

### Updates

- Based on current projections, 2015 revenue will exceed expenditures \$320,000. The draft update to the Strategic Plan proposes a goal of a 3% surplus in revenue that can be transferred to the Building and Technology Funds each year; the current estimate anticipates that 6.8% of the Library's \$4.7 million revenue will be available to transfer at the end of the year.
- The Library continues to work on filling vacancies, including circulation, librarian, and maintenance positions, as well as the Maintenance Manager, the Fiscal Officer, and the Security Supervisor, the latter of which will be vacated December 2015.
- With assistance from the Prosecutor's Office (see attachment), the Library has publicly requested bids for the HVAC project. These are to be opened and reviewed at the Board Meeting. It is recommended that this project be paid with General Fund reserves, which currently exceed the recommended 20-25% of expenditures.

### Revenue Summary

- Through October, The Library has collected \$1,245,781 from the Public Library Fund. October's estimates were only 3% higher than the same time last year; previous months have been trending 10% higher than 2014. According to the State Budget Director, income tax collections are 6% below estimate.



- Overall, revenue is estimated to be nearly \$200,000, or 4.2%, over what was anticipated in the budget. The estimate is up approximately \$20,000, or 0.5%, from last month.
- The Library is still waiting for Sprint to submit a draft amendment to its lease agreement to increase the number of antennas by three, doubling the monthly rent from \$1,725 to \$3,450.

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## Expenditure Summary

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- General Fund expenses are estimated to total \$4.4 million by year's end, which is \$52,500 less than 2014 and \$56,000, or 1.3%, greater than what was estimated last month. The Materials projection is up \$21,000 from September and Purchased Services has increased by approximately \$10,000, which reflects anticipated expenses for legal advice relative to the HVAC project, as well as slight increases in both Professional Development/Travel and Utilities.
- The portion of the total budget devoted to Materials has increased from 11.6% in September to 12% in the current estimates. This has changed as a result of decreases in other areas of the budget, notably personnel. In comparison, East Cleveland spends 4.6% of its budget on materials, Cuyahoga County spends 14.43%, and Lakewood spends 17.25%.

## Special Revenue Funds Summary

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- The FY14/15 MyCOM grant expired at the end of September 2015. The Library spent \$13,217.98, or 88%, of its \$15,000 award.
- The Library was granted another MyCOM grant for FY16 in the amount of \$12,500. This program period begins October 2015 and runs through September 2016. This grant will support a summer tutoring program and an after-school program in partnership with WeCanCodeIT and Funutation Tekacademy. The FY16 award is **not** reflected in the Special Revenue Fund estimates as programming is not scheduled to begin until 2016.
- The Friends have secured a credit card for purchases made on the Library's behalf, which should reduce – if not ultimately eliminate – the need to request reimbursement for any expenses other than Summer Reading. The ending cash balance in the Friends' fund is estimated to be nearly \$11,000 – these funds can be drawn down by the Library as needed for program-related expenses.
- There is a substantial cash balance in the Luton Art Fund – estimated to total more than \$25,000 at year's end. In 2015, the Fund operated at a deficit of \$500. It is recommended the Library research the possibility of transferring that balance into the General Fund.

## Cleveland Foundation Endowment Fund

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- The cash balance in the Endowment Fund at the close of the 2<sup>nd</sup> quarter (through June 2015) was \$161,350. This does not include the proceeds from the Brittany Gibbons (\$10) or Anthony Doerr events. The Library has received approximately \$11,000 from the Anthony Doerr event so far, but the "profit" from the event has not yet been calculated so no funds have been

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transferred to the Endowment Fund. The 3<sup>rd</sup> quarter report statement will be released at the end of October.

### **2016 Budget**

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A draft base budget of \$4.6 million has been distributed to the Director for review and adjustments based on the Library's plans for 2016.

The proposed timeline for the 2016 budget adoption was as follows:

- November 9 – Presentation of Recommended Budget at regular Board Meeting
- November 30 – Recommended Budget, w/ Board changes, distributed to BoD for final review
- December 14 – Approval of 2016 Budget at Regular Board Meeting