



St. Tammany Parish Library 2022 Budget

Introduction

The library was established in March of 1951 when voters approved a millage to provide the Parish with a library system. The St. Tammany Parish Library provides St. Tammany residents with resources and programs that meet their cultural, informational, economic, educational, and recreational needs. We strive to promote lifelong learning and offer programs and services for all ages.

The library remains an integral part of the fabric of life in St. Tammany Parish, with 312,866 visits to the library and 762,024 items checked out in 2020.

I am pleased to submit the 2022 proposed Annual Operating Budget for the St. Tammany Parish Library for your consideration. The following budget explanation and discussion should be read alongside the 2022 budget spreadsheet.

2022 Budgetary Basis and Assumptions

Expected revenue numbers were provided to the library by the Assessor's Office and the St. Tammany Parish Department of Finance. The figures provided by those offices are estimates, and because of that, we budgeted our revenue conservatively. Expected expenditures were based on the three previous years and budget discussions about the upcoming year were held with each library department. The difference between the 2021 summer amendment and the 2022 proposed budget is noted for each line.

2022 Revenue

In 2022, the St. Tammany Parish Library will operate on a revenue of \$11,690,400. The primary source (i.e., 97 percent) of the library's 2022 income will be a 5.78 mil property tax millage – 4.91 mils for operations and .87 mils for capital improvements to library buildings. The remaining three percent of the library's income comes from state revenue sharing, fines and fees, interest, state aid, and donations.

State Revenue Sharing reflects the amount we received in 2021. The Fines and Fees line has been adjusted upward as we will charge fines in 2022. We are not expecting any grants for 2022. Donations have been adjusted downward to reflect the trend from the past three years, as the bump in 2021 donations will be from projects specific to that year. Summer reading tee-shirt sales have been adjusted upward to reflect the income from 2021. Overall, there is an increase of \$243,616 in revenue due to average growth in ad valorem taxes.

2022 Expenditures

2022 will hopefully see the gradual end of the pandemic, which caused us to reduce hours and provide online programming. Many of the increases and decreases you will see in the individual budget lines will be due to the implications of the pandemic and the possibility of restoring pre-pandemic levels of service. Each section in the budget is highlighted below with an explanation.

- **Library Salaries and Employee Benefits** will increase for 2021. There is enough funding in the salary line to cover merit raises. There is also some flexibility to allow the director to create a new position or add hours if needed. The FICA/Medicare line is increased as we anticipate more of our part-time positions being filled. The Health Trust line has been adjusted upward to account for the possibility of more usage of health insurance benefits if pandemic conditions improve. There is an increase to the Worker's Compensation line to match the quoted amount.
- **Operating Services** – The membership dues line is being increased – charges for organizational memberships such as ALA, LLA, and memberships for the Chamber of Commerce and Northshore Community Foundation are being moved to our Conventions and Seminars line.
- **Printing, Duplicating, and Binding** – Patron Cards has been increased to match previous years' budget.
- **Utilities** – There is no difference between the 2021 summer amendment and the 2022 proposed budget. We expect utilities usage to be similar from this year to next year.

- **Communications** – More money was added to cover the cost of postage, which brings it more in line with 2019's expenditures. In addition, Courier/Shipping is increased to reflect the shipping cost in 2019 as it is unpredictable what type of shipping is required for interlibrary loan materials.
- **Lease Expense** – We believe the cost of our leases will be stable in 2022. No changes are being made to these lines.
- **Maintenance of Property and Equipment** – Many of the lines in Maintenance of Property and equipment are estimated to be the same cost as this year. The Network Utility Software line is being increased to cover the cost of cloud storage and security software features. We expect the annual maintenance cost of Polaris (our circulation system) to increase as we have more PCs with Polaris installed to allow for remote work if needed. The line has been adjusted upward to reflect this.
- **Maintenance Services** – We are adding extra funding to Plumbing Heating and AC to cover the cost of Covington's HVAC, which will have its own maintenance contract now that the one-year warranty period is expired.
- **Professional Services** – The Consultants line was adjusted downwards compared to the 2021 summer amendment but still includes funding for consultants to assist with furniture, RFID, and Strategic Planning. The security line is adjusted upwards slightly based on current monthly costs for security monitoring.
- **Insurance and Claims** – The Property and Flood Insurance lines were increased to reflect the billed costs in 2021. We haven't had any claims, but the cost of insurance is going up based on the increased value of our contents.
- **Operating Supplies** – Office supplies are increased as we expect more usage based on previous years. Bank service charges will increase as we use a new security feature called "positive pay," a service that matches check amounts and payees to an uploaded spreadsheet.
- **Travel and Continuing education** We are keeping most of these lines at funding levels that are the same for 2021, and we can re-evaluate next year as the pandemic hopefully winds down. The exception is Conventions and Seminars, as 2022 is a PLA year, and we hope we will be able to send staff to that conference in the Spring.
- **Public Relations/Programming** – These lines were reduced in the 2021 budget due to the switch to virtual programming because of the pandemic. We will provide funding to these lines with the anticipation of more in-person programming, and we can re-evaluate at amendment time based on pandemic conditions. The LEH Grant line is reduced to zero as we do not anticipate receiving an LEH grant in 2022 at this time.
- **Non-Book Acquisitions** – Improvement to Physical Plant is increasing to cover the cost of repairs to Slidell's roof, repainting the outside of Madisonville, stucco repair at Madisonville, repainting and waterproofing outside of South Slidell, and various concrete repairs. Office equipment Furniture and Shelving will be marginally less than in 2021. We will continue to work on furniture upgrades for small branches. PC Network will decrease as we will have purchased laptops as part of our ARPA funding in 2021 that will not be purchased in 2022. The Audiovisual equipment line is being reduced to what is typically spent in a regular year for replacement.
- **Library Resource Acquisitions** – Adult books is increasing to cover the requests by patrons. Lease purchase books is increased to reflect our quote for next year. Music Recordings has been adjusted upward due to increased demand. Adult Reference does not have a special update project scheduled for 2022, and this line is reduced to reflect this. The Audio Recordings line is increased to reflect the increased demand for audiobook CDs. Video Recordings line is marginally increased to purchase more DVDs for Covington. The Digital Microfilm line has been reduced to match the amount due for the single year (2022) of the Times-Picayune Digital Archive. Electronic/Downloadable media increased to fund the higher usage of downloadable items. The Internet Database Subscriptions line is decreased as the single-year purchase of the Times-Picayune Digital Archive moved out of this line.
- **Long Term Capital expenditures** – We currently have no long-term expenditures that we will spend out of savings scheduled for 2022. We can re-evaluate this at amendment time to coincide with capital projects we coordinate with the Parish.

Prior Years' Operating Revenue – Savings/Fund Balance

Any unused money at the end of the year becomes Prior Years' Operating Revenue. The cash on hand after all bills were paid for December and the auditors made their adjustments in March 2021 was \$5,176,614. We will have spent \$506,793 dedicated to the Times-Picayune Digital Archive, so the estimated fund balance on December 31st 2021, is \$4,670,573. This figure is less than half of one year's worth of operating revenue. These savings are dedicated to very specific purposes.

- Operational reserves are needed to run the library until we receive our first significant portion of our millage from the Parish. \$2,500,000
- Disaster and emergency funds cover our insurance deductibles and any repairs and clean-up that may be needed in the event of a disaster. \$1,475,000
- Slidell Furniture \$500,000
- Mandeville furniture \$168,000
- Causeway Furniture – \$24,000

This leaves us with a current Unassigned Savings of \$3,573.

Budget Analysis

We are forecasting an increase in revenue of \$243,616 due to an increase in Ad Valorem Taxes as there are more taxable properties in the Parish. We predict a decrease in expenditures of \$260,401 from 2021. This is due to our not having to pay for a large section of the Times-Picayune Digital Archive. Almost all of the revenues were budgeted for expenditure leaving only \$2,224 as a free balance. We are presenting a balanced operational budget for the 2022 year. Each library department was allocated the funds to enable their plans. I am confident that we have adequate funds to meet our goals for the year.

Conclusion

In 2022, the St. Tammany Parish Library will continue to serve the needs of St. Tammany Parish while striving to improve our collections, programs, services, and facilities. We look forward to a successful year created with the help of our partners, patrons, and friends.

Respectfully Submitted:



Kelly I. LaRocca, Director