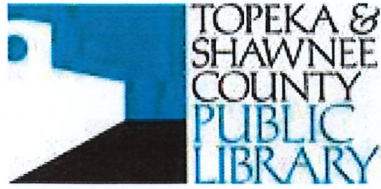


July 13, 2022

Board of Trustees 2023 Budget Work Session #2

Legend of Documents:

1. Budget Work Session Agenda for July 13th Session
2. Select Pages from Funding Matrices for the Facilities Master Plan Initiatives
3. Graph of Budgeted Expenditures – 10-year Retrospective with 2023 Proposed Budget
4. Graph of Mill Rate Values - 10-Year Retrospective with 2023 Proposed Budget
5. Assessed Value and Tax Revenue Information and Mill Levy Impact on Residential and Commercial Properties
6. Summary of Proposed 2023 Budget
7. High-Level 2023 Budget Summary
8. Narrative
9. Draft “Notice of Budget Hearing” & Comparison Key
10. TSCPL Special District Budget Required Format
11. Minutes – Board Budget Work Session #1, June 7, 2022



Topeka and Shawnee County Public Library Agenda
Board of Trustees
2023 Budget Work Session #2

July 13, 2022: Budget Work Session #2 (Menninger Room 206, 1:00 pm to 3:00 pm)

<https://tscpl.zoom.us/j/85024727121?pwd=bWR4SGc3MnNvc3ZoRzJXdnBoTDF5Zz09>

Meeting ID: 850 2472 7121

Meeting Purpose: Review proposed FY 2023 budget, including county property valuations

Expected Product: Reach consensus on the FY 2023 budget proposal to allow action at the July 21st Board meeting for publication requirements

Agenda

- Review listing of future infrastructure projects and other facilities projects with estimated costs – Thad Hartman, Chief of Staff
- Review updated information for property valuations and other key expenditures for the budgeted funds: General, Employee Benefit and State Aid – Kim Strube, Chief Financial Officer
- Review proposed documents to be published: Revenue Neutral Rate, Notice of Hearing and Budget Summary, Notice of Budget Hearing – Kim Strube, Chief Financial Officer

Facilities Master Plan

PROJECT TASKS	EST COST	FUNDING SOURCES				TOTAL FUNDING
		GENERAL	FRIENDS	FOUNDATION	STATE AID	
2023 Wing Redo	\$750,000.00	\$750,000.00				
Wayfinding / signage update (part 2) C&M	\$100,000.00	\$100,000.00				
Staff Spaces Design	\$100,000.00	\$100,000.00				
Comprehensive review of ILS market?						
Begin surveying marketplace for self-check replacement in 2024						
Studio space in The Edge????	\$400,000.00	\$400,000.00				
Staff parking lot resurfacing? (2022?)						
Repair / replace select window, doors and atrium framing (A4) CI	\$22,500.00	\$22,500.00				
Arc Fees Dock	\$10,000.00	\$10,000.00				
Resurface dock drive Maint	\$220,000.00	\$220,000.00				
Arc Fees Wings	\$100,000.00	\$100,000.00				
Subtotal	\$1,702,500.00	\$1,702,500.00	\$0.00	\$0.00	\$0.00	\$1,702,500.00
Budget						\$0.00
Remaining		-\$1,702,500.00	\$0.00	\$0.00	\$0.00	-\$1,702,500.00

Kids Library Design	\$800,000.00	\$800,000.00				
Floor in YS (A15) + new YS carpet (need cost for carpet) Maint	\$85,000.00	\$85,000.00				
Replace AMH System Maint	\$600,000.00	\$600,000.00				
Wayfinding / signage update (part 3) C&M	\$100,000.00	\$100,000.00				

Facilities Master Plan

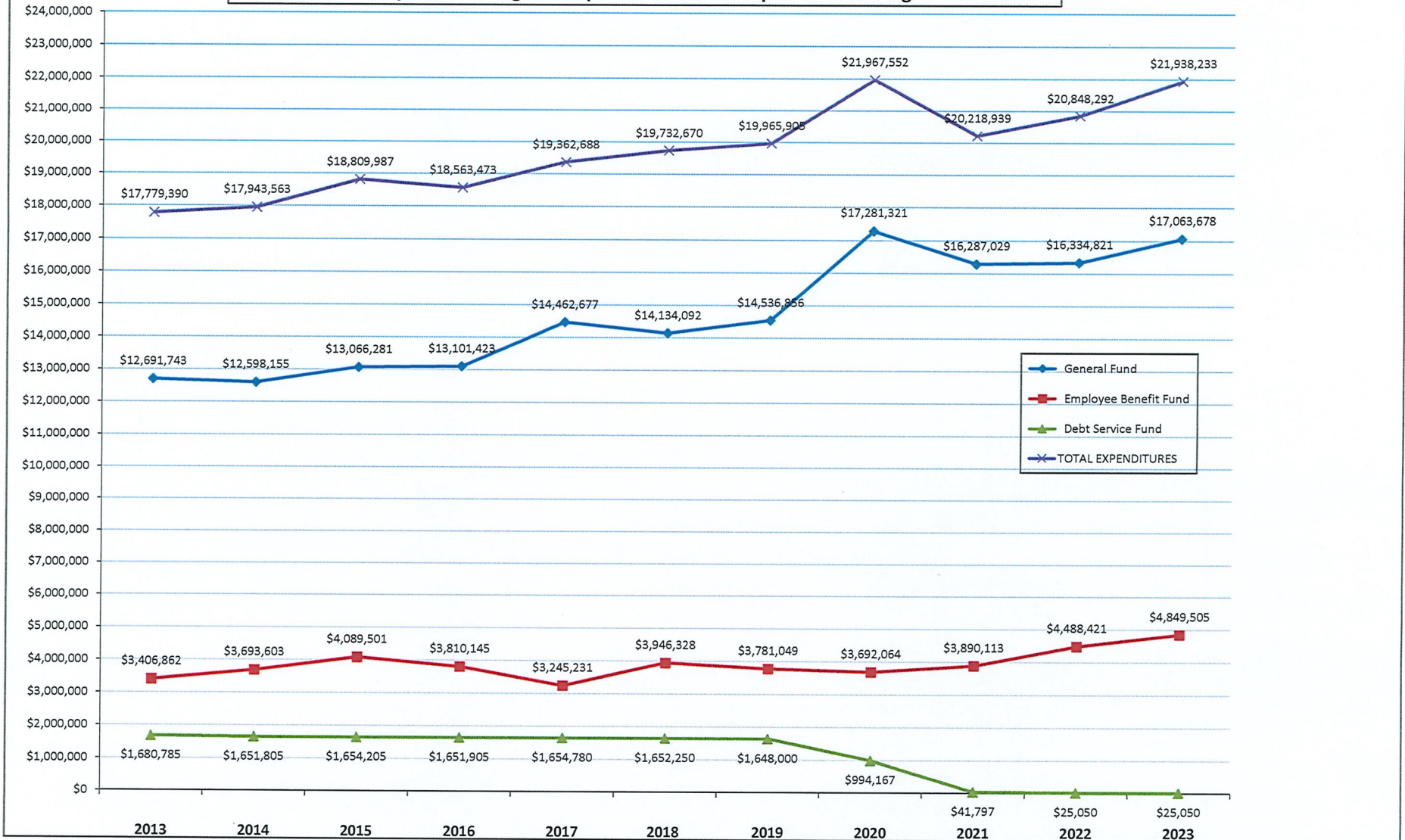
PROJECT TASKS	EST COST	FUNDING SOURCES				TOTAL FUNDING	
		GENERAL	FRIENDS	FOUNDATION	STATE AID		
2024							
	Subtotal	\$1,585,000.00	\$1,585,000.00	\$0.00	\$0.00	\$0.00	\$1,585,000.00
	Budget						\$0.00
	Remaining		-\$1,585,000.00	\$0.00	\$0.00	\$0.00	-\$1,585,000.00

2025 & Beyond	Kids Library (part 2?)		\$250,000.00	\$250,000.00			\$250,000.00
	Upgrade generator (E2)	Maint	\$288,000.00	\$288,000.00			\$288,000.00
	Outdoor sculpture for north side for building	Misc	\$25,000.00		\$25,000.00		\$25,000.00
	Create Pedestrian Plaza	Design	\$100,000.00	\$100,000.00			\$100,000.00
	Self check kiosk replacement?						

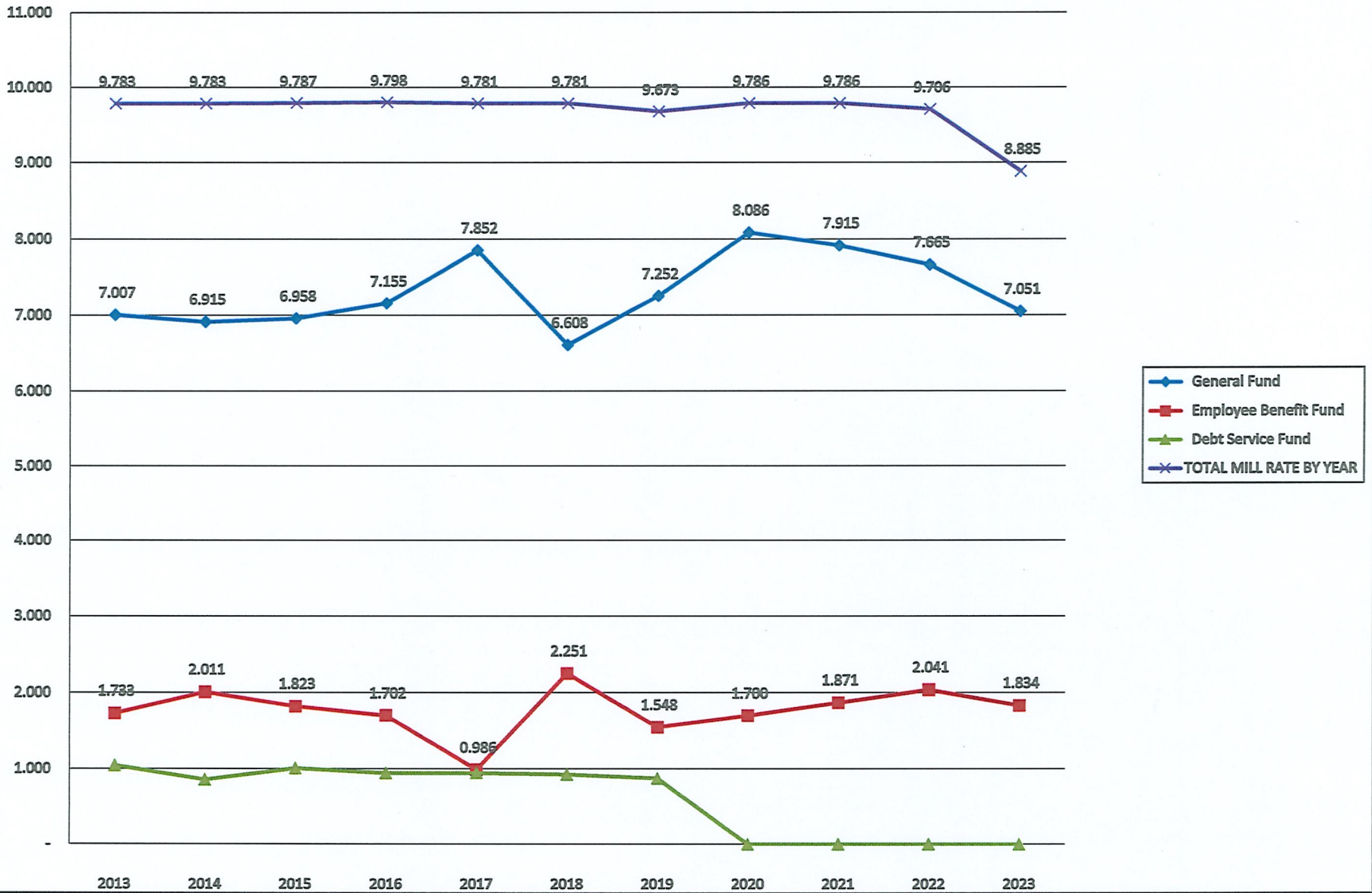
Facilities Master Plan

PROJECT TASKS	EST COST	FUNDING SOURCES				
		GENERAL	FRIENDS	FOUNDATION	STATE AID	TOTAL FUNDING
Subtotal	\$663,000.00	\$638,000.00	\$0.00	\$25,000.00	\$0.00	\$663,000.00
Budget						\$0.00
Remaining		-\$638,000.00	\$0.00	-\$25,000.00	\$0.00	-\$663,000.00

TSCPL 10-Yr Retrospective - Budgeted Expenditures with Proposed 2023 Budget - Document 3



TSCPL 10-Yr Retrospective - Actual Mill Rate Values with Proposed 2023 Budget - Document 4



**Topeka and Shawnee County Public Library
FY 2023 - All Budgeted Funds - Proposed Budget
Board Budget Work Session #2 - July 13, 2022**

Document 6

	2021 Actuals Cash Basis	% of Total	2022 Budget Adopted	% of Total	2022 Budget Adjusted	% of Total	2023 Budget Proposed	% of Total	(Over)/Under 2022 (-) 2023 Budgets
Beginning Cash Balance January 1	\$ 4,569,105		\$ 5,435,152		\$ 5,435,152		\$ 4,095,190		
Revenues:									
Ad Valorem Property Tax	\$ 16,562,719		\$ 17,421,034		\$ 17,421,034		\$ 17,565,783		\$ (144,749)
Delinquent Tax	\$ 268,961		\$ 25,000		\$ 7,000		\$ 25,000		\$ -
Motor Vehicle Tax	\$ 2,018,529		\$ 1,904,629		\$ 1,904,629		\$ 1,972,419		\$ (67,790)
Recreational Vehicle Tax	\$ 22,333		\$ 19,606		\$ 19,606		\$ 21,902		\$ (2,296)
16/20 M Vehicle Tax	\$ 7,828		\$ 7,349		\$ 7,349		\$ 7,547		\$ (198)
In Lieu of Tax	\$ 63,726		\$ 28,437		\$ 31,437		\$ 47,581		\$ (19,144)
Watercraft Special Tax			\$ 10,440		\$ 10,440		\$ 11,053		\$ (613)
Commercial Vehicle Fees	\$ 67,277		\$ 63,626		\$ 63,626		\$ 67,796		\$ (4,170)
Estimated Uncollectible Tax					\$ (385,441)				\$ -
Revitalization Rebates	\$ (201,265)		\$ (183,066)		\$ (183,066)		\$ (150,101)		\$ (32,965)
Sub-total Tax Revenues	\$ 18,810,108	98.3%	\$ 19,297,055	98.4%	\$ 18,896,614	98.1%	\$ 19,568,980	98.1%	\$ (271,925)
E-Rate Reimbursement	\$ 19,763		\$ 19,902		\$ 19,902		\$ 19,329		\$ 573
Reimbursements-Friends, Foundation, Retirees, County	\$ 212,777		\$ 198,705		\$ 241,507		\$ 232,044		\$ (33,339)
Refund - Blue Cross/Blue Shield	\$ -				\$ -				\$ -
Refund - Workers Compensation	\$ -				\$ -				\$ -
Fees and Fines	\$ 47,683		\$ 16,000		\$ 31,400		\$ 22,590		\$ (6,590)
Sub-total Reimbursements & Fees	\$ 280,223	1.5%	\$ 234,607	1.2%	\$ 292,809	1.5%	\$ 273,963	1.4%	\$ (39,356)
State Aid	\$ 49,170	0.3%	\$ 52,000	0.27%	\$ 49,293	0.26%	\$ 52,000	0.26%	\$ -
Investment Income	\$ 3,426	0.02%	\$ 3,050	0.02%	\$ 15,050	0.08%	\$ 25,050	0.13%	\$ (22,000)
Cash Transfer to Close Debt Service Fund	\$ 32,022		\$ 25,050		\$ 7,050		\$ 25,050		
Total Revenues	\$ 19,142,927 (0)	100.0%	\$ 19,611,762 -	99.9%	\$ 19,260,816 -	100.0%	\$ 19,945,043 0	99.9%	\$ (333,281)

**Topeka and Shawnee County Public Library
 FY 2023 - All Budgeted Funds - Proposed Budget
 Board Budget Work Session #2 - July 13, 2022**

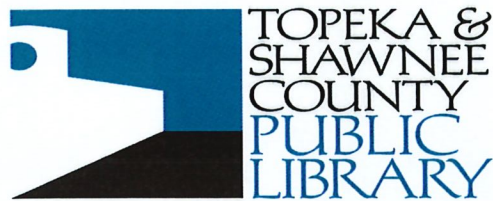
Document 6

	2021		2022		2022		2023		(Over)/Under 2022 (-) 2023 Budgets
	Actuals Cash Basis	% of Total	Budget Adopted	% of Total	Budget Adjusted	% of Total	Budget Proposed	% of Total	
Expenditures:									
Gross Salaries	\$ 8,409,089	50.7%	\$ 8,891,386	43.7%	\$ 8,889,786	44.3%	\$ 8,806,703	42.0%	\$ 84,683
Employer-Paid Fringe Benefits	\$ 1,585,471	9.6%	\$ 1,617,790	8.0%	\$ 1,697,790	8.5%	\$ 1,635,979	7.8%	\$ (18,189)
Health/Dental Insurance @ Bdgt Yr Increase: 40%/0%	\$ 1,709,575	10.3%	\$ 2,870,631	14.1%	\$ 2,615,631	13.0%	\$ 3,213,526	15.3%	\$ (342,895)
Sub-total Salaries and Benefits	\$ 11,704,135	70.6%	\$ 13,379,807	65.8%	\$ 13,203,207	65.8%	\$ 13,656,208	65.1%	\$ (276,401)
Library Materials & Collections	\$ 1,713,087	10.3%	\$ 1,919,500	9.4%	\$ 1,919,500	9.6%	\$ 1,978,080	9.4%	\$ (58,580)
Facilities & Utilities	\$ 804,890	4.9%	\$ 902,270	4.4%	\$ 902,270	4.5%	\$ 901,281	4.3%	\$ 989
Furniture & Equipment	\$ 10,615	0.1%	\$ 99,465	0.5%	\$ 99,465	0.5%	\$ 53,000	0.3%	\$ 46,465
Payments to Other Libraries	\$ 116,629	0.7%	\$ 118,962	0.6%	\$ 122,344	0.6%	\$ 127,238	0.6%	\$ (8,276)
Postage/Printing/Marketing	\$ 108,944	0.7%	\$ 244,564	1.2%	\$ 219,564	1.1%	\$ 232,018	1.1%	\$ 12,546
Programming	\$ 26,650	0.2%	\$ 57,000	0.3%	\$ 57,000	0.3%	\$ 103,480	0.5%	\$ (46,480)
Technology & Telecommunications	\$ 675,765	4.1%	\$ 934,478	4.6%	\$ 924,478	4.6%	\$ 1,167,468	5.6%	\$ (232,990)
Vehicle Operations	\$ 42,822	0.3%	\$ 81,500	0.4%	\$ 96,500	0.5%	\$ 103,870	0.5%	\$ (22,370)
Special Projects	\$ 821,920	5.0%	\$ 1,702,000	8.4%	\$ 1,699,293	8.5%	\$ 1,754,500	8.4%	\$ (52,500)
Other Operating Expenditures	\$ 555,911	3.4%	\$ 885,696	4.4%	\$ 833,696	4.2%	\$ 888,041	4.2%	\$ (2,345)
Sub-total Other Operating Expenditures	\$ 4,877,233	29.4%	\$ 6,945,435	34.2%	\$ 6,874,110	34.2%	\$ 7,308,975	34.9%	\$ (363,540)
Debt Service	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Total Expenditures	\$ 16,581,368	100.0%	\$ 20,325,242	100.0%	\$ 20,077,317	100.0%	\$ 20,965,183	100.0%	\$ (639,942)
Cash Carry Forward Balance & Cash Basis Reserve							\$ 2,050,000		
Cash Transfer to General Fund and Cap Impr Fund	\$ 1,782,022		\$ 575,050		\$ 557,050		\$ 1,025,050		
Plus Prior Year Cancelled Purchase Orders	54,488		-		33,589		(0)		
Ending Cash Balance December 31	\$ 5,435,152		\$ 4,146,622		\$ 4,095,190		\$ (0)		
Total Mill Levy	9.706		9.706		-		8.885		
	0		-		-		(0)		

**Topeka and Shawnee County Public Library
 FY 2023 - All Budgeted Funds - Budget High-Level Summary
 Board Budget Work Session #2 - July 13, 2022**

Document 7

	2021 Actuals Cash Basis	2022 Budget Adopted	2022 Budget Adjusted	2023 Budget Proposed
Beginning Cash Balance January 1	\$ 4,569,105	\$ 5,435,152	\$ 5,435,152	\$ 4,095,190
Revenues:				
Sub-total Tax Revenues	\$ 18,810,108	\$ 19,297,055	\$ 18,896,614	\$ 19,568,980
Sub-total Reimbursements & Fees	\$ 280,223	\$ 234,607	\$ 292,809	\$ 273,963
State Aid	\$ 49,170	\$ 52,000	\$ 49,293	\$ 52,000
Investment Income	\$ 3,426	\$ 3,050	\$ 15,050	\$ 25,050
Cash Transfer to Close Debt Service Fund	\$ 32,022	\$ 25,050	\$ 7,050	\$ 25,050
Total Revenues	\$ 19,174,949 0	\$ 19,611,762 -	\$ 19,260,816 -	\$ 19,945,043 -
Expenditures:				
Sub-total Salaries and Benefits	\$ 11,704,135	\$ 13,379,807	\$ 13,203,207	\$ 13,656,208
Sub-total Other Operating Expenditures	\$ 4,877,233	\$ 6,945,435	\$ 6,874,110	\$ 7,308,975
Debt Service	\$ -	\$ -	\$ -	
Cash Carry Forward Balance & Cash Basis Reserve				\$ 2,050,000
Cash Transfers to General Fund and Cap Impr Fund	\$ 1,782,022	\$ 575,050	\$ 557,050	\$ 1,025,050
Total Expenditures	\$ 16,581,368 -	\$ 20,325,242 -	\$ 20,077,317 -	\$ 24,040,234 (0)
Expenditures Net of Cash Carry forward and Transfers				\$ 20,965,184
Plus Prior Year Cancelled Purchase Orders	54,488		33,589	
Ending Cash Balance December 31	\$ 5,435,152	\$ 4,146,622	\$ 4,095,190	\$ (0)
Total Mill Levy	9.706 0	9.706 -	- -	8.885 0



Budget Narrative/Staff Recommendation
Board of Trustees 2023 Budget Work Session #2 - July 13, 2022

Staff Budget Recommendation

- Fund the 2023 budget year operations and projects within the resources provided at a total mill levy of 8.885 which is below the 2022 mill levy rate of 9.706.

In March 2019, the Board of Trustees resolved to increase the budget levy for 2020 and following years not to exceed 9.786 mills. Adoption of a mill levy less of 9.706 still allows an increase in ad valorem tax revenues of \$144,749 due to increased property valuations.

The 2021 Kansas Legislature enacted Senate Bill 13 (SB 13) and House Bill (HB 2104) which repeals the tax lid and establishes a base levy limit. This legislation establishes new notice and public hearing requirements if the proposed budget will exceed the property tax levy's revenue neutral rate (RNR). The RNR is defined as the tax rate in mills that would generate the same property tax revenue in dollars as levied the previous tax year using the current tax year's total assessed valuation. The RNR as calculated the Shawnee County Clerk is 8.811 for the 2023 budget.

The budgeted 2023 mill levy of 8.885 is slightly higher than the RNR of 8.811 and will require the Library to notify the County Clerk in writing of the Board's intent to exceed the RNR by .074 mills. A public tax rate hearing will be scheduled on the same day as the public budget hearing which is planned for August 25, 2022.

- Modify the split of the total mill levy between the General and Employee Benefit funds.
 - *Employee Benefit Fund* – In recent years, a greater proportion of the total mill levy had to be allocated from the General Fund to the Employee Benefit Fund due to increasing employee benefit costs, including KPERs rate increases required by Kansas law. Favorable claims experience in 2018 and 2020 resulted in the Employee Benefit Fund having some cash available to fund the current year's expenditures and the mill levy to partially return to the General Fund.

Unfortunately, the latest review of health plan usage with Blue Cross Blue Shield resulted in instructions to expect a premium increase of approximately 20% for the 2023 plan year. Because there are two more months remaining in this review period, and more significant claims could be processed which would increase the loss ratio beyond the current rate of 111%, a 40% increase is budgeted. The dental plan has a rate increase cap of 0% for the 2023 plan year.

Thus, the mill levy change between the General Fund and Employee Benefit Fund will be slightly broader than originally expected.

- Maintain prudent and sufficient cash balances to: (1) fund next year operations before tax revenues are received; (2) allow for unforeseen situations, such as the medical plan increases; and (3) maintain the Library's exceptional financial rating of Aa2.
- Continue the design concept projects on the Facilities Master Plan in phases in accordance with the specific funding matrix and timeline. Infrastructure projects are expected to be funded by the Capital Improvement Fund (not a budgeted fund) and any available operating funds. The available fund balance as of May 31, 2022 is \$4,681,378.
- Use existing resources with a focus on supporting strategies and tactics for implementation of the Community Impact Goals:
 1. Every child will be ready for kindergarten.
 2. Everyone will discover their passion for learning.
 3. Everyone will continue learning new ways to live their best life.
 4. Topeka & Shawnee County will be an engaged community of readers.
 5. The library will be a learning organization committed to excellence in: leadership, planning, customer focus, process management and partner focus.
- Lead and fund technological advancements, including electronic materials, to support the expectations and requirements of customers and the community, and to demonstrate how technology can enhance learning and living.

Challenges/Issues for the 2023 Budget

Employee Benefits

- As a result of actions from the TSCPL executive management team, the health plan is stabilized, while still providing employees with exceptional, accessible benefits at a reasonable cost. However, as previously described, the 2023 plan year has, or is expected to have, a significant increase. This is solely based on usage, as well as the way in which the current providers project costs and necessary reserves. A 40% price increase is projected for health insurance and a 0% increase is expected with dental insurance.

At this point, the budget has been conservatively projected to account for the potential worst case. Funding to offset these costs is sourced from: (1) additional funding dollars from the increased valuations; (2) salary savings through not funding seven full-time vacant positions; and (3) maintaining the shrinkage rate for expected employee turnover and the length of time positions are held open.

Revenues

- Property valuations have increased and provide an additional \$144,749 in revenues at a *reduced* mill levy rate from the prior year.
- Motor/commercial/watercraft vehicle tax and fee and revitalization rebate estimates provided by Shawnee County are \$74,454 more than 2022.

- Reimbursements and fees increased \$39,356 which is net of some offsets: (1) the renewal of the 2 year contract with Shawnee County Parks and Recreation in January 2022 which reimburses 50% of a computer technician's salary/fringe costs for support of the computers in the community centers; revenues are budgeted in 2023; and (2) an additional increase in general fee revenue due to an increase in meeting room reservations and an increase in copying and printing revenue.
- E-rate revenues for reimbursement decreased slightly for select internet and telecommunication costs by \$573. In 2019, E-rate discounts were discontinued for local and long distance telephone service by the Federal Communications Commission, which administers the program.
- State Aid remains flat in 2023 per the recent trend and has been adjusted to preserve spending authority.

Special Projects/Facilities Master Plan

- The Facilities Master Plan encompasses the priority needs and upcoming special projects. A document is included in the budget work session packet that lists the initiatives of the Facilities Master Plan.
- All items for 2023 on the Facilities Master Plan are funded in the proposed operating budget. Funding from The Library Foundation, the Friends of the Library and the Capital Improvement Fund may also be necessary for the proposed projects.
- The Special Projects line item is primarily for select design concept phases on the Facilities Master Plan, including architectural design fees. Please refer to the Facilities Master Plan funding matrix for 2023 for a complete summary. The Special Project line item includes \$1,702,500 for these projects. This funding is available from savings from the operating budget and a revenue increase from assessed valuations.

The projects currently underway are: (1) creation of the Level 2 Tech Zone space; (2) replacement of the air conditioning chillers; (3) replacement of the boilers; (4) redesign of the Living Room area; (5) phase1 of the wayfinding project (library signage); and (6) upgrading the fire alarm panel.

These design projects are planned for 2023:

- Re-work and improve the Wings, \$850,000
- Resurface staff parking lots and dock, \$230,000
- Create a studio space in The Edge, \$400,000
- Staff space redesign, \$100,000
- Upgrade signage/wayfinding (phase 2), \$100,000
- Repair/replace select windows and doors, \$22,500

These projects total \$1,702,500. These projected costs are estimates only and will change.

Some of the project costs will be funded with State Aid funds. If the full funding in the operating budget is not needed, the cash can be carried forward to 2024 to be reappropriated for that year's budget.

Staff Resources

- When salary savings occur, the Board has several choices: (1) allow the savings to increase the balance carried forward to the next year to fund cost increases or new projects at a stable mill

levy; (2) allow the savings to increase the balance carried forward to reduce new year revenues, if in excess of costs; or (3) decide late in the budget year to redirect the savings elsewhere.

- In 2015, a gross salary reduction of 1.5% was enacted (on regular staff salaries only – not maintenance, shelvers or security). This allows for a modest reduction in budgeted maximum salaries and anticipates salary savings from retirements and normal turnover so that the funds can be directed by the Board for other purposes during budget preparation. This is referred to in other governmental organizations as shrinkage or vacancy credits. Reallocating expected savings during budget preparation avoids either last-minute decisions/projects to use savings or waiting until the next budget when the savings are available in cash carried forward.
- For the 2023 budget, a 1.85% reduction from gross maximum salaries for regular staff allows savings of \$145,233 in gross salary and \$26,273 in related percentage-based fringe benefits to be budgeted elsewhere (total \$171,506).
- Care must be used when implementing this type of strategy. Performance pay is budgeted at an average rate of 2.8% on a maximum 3%. Savings from turnover provides for funding any pay increases in excess of 2.8%. Some salary savings is needed to fund leave payouts upon termination or retirement which aren't budgeted.
- At the end of 2021, at least 36 employees were eligible to accept KPERs full or reduced retirement. During 2021, one employee retired and five have retired or submitted notice thus far in 2022. If that trend continues, salary savings can be expected as higher paid employees leave and positions are reviewed, possibly reallocated, and filled with lower paid employees.

Revisions of the Current Year Estimates (2022)

It is recommended that the current year be reviewed and revised as necessary when preparing the budget. This ensures sufficient funds are available, assists with budget year projections and calculates more accurate cash carry forward balances for use in the budget year. Changes in the 2022 estimates (for budget preparation purposes only) include:

- A 2% uncollectible tax revenue reduction of \$385,441 for the three tax funds has been projected. Recent years' tax revenue collections have been high, but this is not within the Library's control. In 2012, tax revenues were about \$291,500 less than projections. A tax revenue shortfall of about \$364,000 occurred in 2010. Including a possible uncollectible amount helps prevent overspending in the budget year.
- General Fund reimbursements and fee revenues, including overdue fines and salary reimbursements from Shawnee County, have been increased based on 2021 actuals and 2022 year-to-date revenues. The General Fund overdue fees budget has been increased \$5,000 and meeting room charges have been increased by \$500. Interest earnings have also been adjusted since rates continue to rise. Although the Library suspended all overdue fines in March 2020 due to COVID, all revenues from the kiosks are recorded as overdue fees due to limited reporting capabilities. Total fee and interest income are increased by \$47,260.
- General Fund expenditures have been adjusted for: (1) a decrease in conferences/external training by \$50,000; (2) mileage due (\$2,000-); (3) staff development/training costs (\$10,000-); (4) postage/shipping (\$25,000-); (5) salaries-auto allowance has been adjusted to actual (\$1,600-); (6) contracted professional services, insurance and payments to other libraries were increased by a net of \$13,382; (7) telecommunications was reduced (\$10,000-); and (8) vehicle gas and repair has been increased by \$15,000. Total expenditures are decreased \$70,218.

- Employee Benefit Fund revenues have been increased for the actual In Lieu of Taxes received to date by \$3,000. Fringe benefit refunds from Shawnee County have also been increased by \$11,300. At the time the 2022 budget was submitted, it was unknown whether the contract would be renewed with Shawnee County so revenue was conservatively not budgeted. The contract was renewed for the period January 2022 to December 2023. Interest earning have been increased by \$2,000 since interest rates continue to rise. Total revenues are increased \$25,676.
- Employee Benefit Fund expenditures have been adjusted for: (1) decreases in projected costs for health and dental insurance premiums and employer contributions to the health savings accounts (\$255,000-); and (2) an increase in Kansas unemployment tax of \$80,000. The unemployment rate increased to 1.01% in 2022 from .10%. Total expenditures are decreased \$175,000.
- The Debt Service Fund delinquent tax has been decreased \$18,000.
- State Aid revenues and expenditures are decreased by \$2,707 to the actual amount received of \$49,293; 2021 revenues were \$49,170.
- All of these adjustments impact the amount of cash available to help fund the 2023 budget.

2023 Schedule of Transfers Projection

The debt incurred with the bond issue was paid in full in September 2019. A one-time cash transfer was budgeted in 2021 from the Debt Service Fund to the General Fund in the amount of \$41,797 to close the fund. However, residual back taxes continue to be deposited to the Debt Service Fund. A transfer of \$25,050 is budgeted in 2023 and includes the estimated delinquent taxes which may be received. This amount also includes estimated interest earnings. This transfer will be from the Debt Service Fund to the General Fund.

A cash transfer is planned from the General Fund to the Capital Improvement Fund (non-budgeted) in 2023 for \$1,000,000. K.S.A. 12-1268 allows the Board of Trustees to direct a transfer annually from the General Fund not to exceed 20% of the money credited to the fund. These funds will be utilized for infrastructure needs and building improvements.

2023 Revenue Projections

Assessed valuations as of July 1, 2022 will produce \$176,167 more per mill. At a flat, combined levy of 9.706, revenue would increase by \$1,565,244 for the three taxed funds. The change from the budgeted to actual valuations for the 2022 budget would produce \$1,420,495 more in annual ad valorem tax revenue. Thus, the total increase in ad valorem tax revenue from the 2022 budget could be \$144,749 at a reduced levy of 8.885. The debt service mill levy was eliminated in 2019 with the retirement of the bond.

Please refer to the Document 5 for a summary comparison of assessed valuations, the value of one mill and the annual impact of the Library's levy on residential and commercial property at various values.

Motor (all categories)/commercial/water vehicle tax/fee revenues and revitalization rebates increases by a net \$74,454 per estimates provided by Shawnee County.

Reimbursements and fees increased based on 2021 actuals and 2022 year-to-date figures. Investment income is increased due to favorable interest rates for a net increase of \$61,356.

For the four budgeted funds, net revenues are expected to increase from the 2022 budget by \$333,281.

2023 Expenditure Projections

Overall, expenditures for the four budgeted funds increase from the approved 2022 budget by \$639,942. The net increase detail is: (1) a net increase in health insurance of \$342,895; (2) an increase in the special projects budget line for facilities master plan projects of \$52,500; (3) an increase in library materials of \$58,580; (4) an increase in technology and telecommunication of \$232,990; and (5) a net decrease in salary and other operating expenditures of \$47,023.

Salaries and Fringe Benefits:

- The Library has 226 full-time and part-time positions *but is not funding seven full-time positions*. There were 207 positions funded in 2022. At any given time, approximately 190 positions are usually filled due to turnover and seasonal staffing.
- Human resources are the most important expenditure in providing exceptional library services to the community. Salaries and fringe benefits comprise 56.8% of the total budgeted expenditures and 67.6% of the General Fund and Employee Benefit Fund expenditures.
- Overall, gross salaries decrease by \$84,683 from the 2022 budget. These numbers are before any shrinkage factor is applied.
- The shrinkage concept, in which 98.15% of the gross salaries and related percentage-based fringe benefits are funded for regular staff, is being continued in 2023. This provides a better plan to fund library operations and the funding matrix initiatives to fulfill the strategic plan. It will also assist with avoiding last minute, end-of-year spending decisions and projects or the one-year delay or budget amendment required to use the savings in a future year.
- An up to 3% merit pay increase is included for employees. This is granted strictly based on performance and no increase is guaranteed. This is budgeted at 2.8% overall since turnover has historically offset any costs above this rate. The annualized cost of the gross pay increase is estimated just above \$247,000, to begin in 2023 and finish in 2024. The portion estimated to be paid in 2024 is about \$115,800.
- The careful consideration and review of every vacant position, as well as three retirements in 2021 and at least five in 2022, have kept gross salaries starting only about \$84,700 below those budgeted for 2022 (with the annualization of 2022 merit pay, but before any 2023 merit raise). These savings help fund a modest merit increase for staff in 2023. Staffing levels remain constant with no increase.
- Budgeted employee benefit costs increase by about \$361,000, primarily due to the previously explained significant increases in the cost of the medical insurance plans. A 40% increase in health insurance and a 0% increase in dental insurance are budgeted. To retain employees in the health savings accounts, the employer contributions will remain the same for at least 2023. The retiree health premium subsidy by TSCPL will also remain at \$300 monthly, regardless of coverage.

- Unemployment increased to 1.01% of gross wages in 2022. No increase is anticipated in future workers compensation ratings and cost

Information Technology (Digital Branch) Plan and Expenditures

- In accordance with the previously approved strategic and information technology plans, the 2023 budget can fund the prioritized initiatives. Information technology is vital to keep pace with the ever-changing world, the use of the Digital Branch, the community impact goals and the relevancy of the Library to its constituency.
- Contracted Digital Services' budget increases but will fund: (1) the annual SmartLocker lease (\$16,000+), (2) LMS 365 (Learning Management System) (\$12,000+), and (3) Hootsuite business marketing software (\$9,000+). This line item consists mostly of support/subscription/access agreements for existing software and systems, so the budget is only impacted by the cost differential of support costs for old and new equipment, as well as the completion of one-time projects replaced by new projects. The total increase for 2023 is \$10,174.
- Digital Services Support budget increases by \$166,852 and will fund: (1) 80 replacement personal computers on the regular 4-year cycle; (2) two high lumen projectors; (3) additional equipment for the new Level 2 Tech Center; (4) network closet upgrade; (5) plotter printer for Communications & Marketing; and (6) photo lighting kit for Communications & Marketing. This budget line item fluctuates from year to year as equipment is purchased and new purchases are planned.
- The telecommunications budget has increased due to the addition of 50 mifi devices, available to customers for checkout.

Strategic, Community and Facilities Plans

The 2023 budget continues the incorporation of an emphasis on strategic planning based on the Community Impact Goals. This is a logical and responsible progression for funding the approved initiatives in the strategic, information technology and facilities plans, as well as fulfilling the Library's mission and goals.

- In July 2016, the Board approved the Facilities Master Plan. This approval was contingent upon it being a multi-year plan, to be done in phases likely over 10 years, and subject to available public and private funding, with each project specifically approved by the Board.

The Plan encompasses both infrastructure needs and building remodeling and renovation to ensure relevancy and to support the way in which customers need to use the Library now, as well as support the Community Impact goals.

- As previously mentioned in the Challenges/Issues section of this document, the Special Projects line item includes funding for design and construction including:
 - Re-work and improve the Wings, \$850,000
 - Resurface staff parking lots and dock, \$230,000
 - Create a studio space in The Edge, \$400,000
 - Staff space redesign, \$100,000
 - Upgrade signage/wayfinding (phase 2), \$100,000
 - Repair/replace select windows and doors, \$22,500

This funding is from expenditure savings in the operating budget and a revenue increase from assessed valuations.

Other portions of these projects may be funded from the Library Foundation and the Friends of the Library. Infrastructure projects can be funded by the non-budgeted Capital Improvement Fund.

- The Furniture and Equipment budget decreases by \$46,465 and is comprised of: (1) public chair replacement (\$20,000); (2) walk behind forklift (\$12,000); (3) Chariot vacuum (\$8,000); and (4) base for overall Library needs (\$5,000). Most furnishings will be part of the Facilities Master Plan.
- A line item for the purchase of art for the Gallery was restored in 2015 and continues in the base 2023 budget (\$8,000).
- The Contracted Facilities budget decreases by \$24,700 (based on projections starting with 2021 actual expenditures). The Facilities Master Plan encompasses most of the infrastructure costs and can be paid by the Capital Improvement Fund. This line item includes all the support contracts for the major building systems and allows for cost increases for renewals, as well as any type of professional repair and service, such as snow removal, pest control, trash disposal, fire alarm testing, etc.
- The Contracted Office Equipment budget increases by \$16,100 (based on projections starting with 2021 actual expenditures). This line item is primarily for public and staff copiers and related maintenance and fees, and postage and mailing equipment leases. A new lease for 3 printers was added in 2022. Service professionals will be called when needed for one-time needs.
- The Contracted Professional Services budget decreases by \$9,700 (based on projections starting with 2021 actual expenditures). The Library is using more professional consulting services for specialized issues in order to become fully educated before spending resources on major projects. This ultimately saves money. However, some changes have occurred that have resulted in savings.
 - Bidding of the annual audit services.
 - Re-categorizing future architectural services fees from Contracted Professional Services to be included in the total project cost and budgeted in the Special Projects line item.
 - Elimination of the contract to administer COBRA.
- Possible professional service needs in 2023 include: (1) strategic plan consultant/survey; (2) continuation of digitation and preservation of special collections; (3) additional expenses anticipated for job postings and drug testing; and (4) a \$25,000 placeholder for unexpected consulting needs.

Other expenditures paid in this line item are credit card processing and bank fees, new hire and employee testing, courier service between libraries, and notary fees

Library Materials

- The 2023 budget allows for \$58,580 additional funding for library materials. The materials' budget represents 12.3% of the total General Fund budget (and 13.8% without Special Projects) but drops to 9.4% of the four budgeted funds.

- The library materials budget for 2023 reflects the library's response in providing digital collections during the extended closure due to the COVID-19 pandemic. The library materials budget plans for robust digital content in 2023.
- If the State Library's funding to public libraries continues to decline, TSCPL needs to plan for continuation of databases that are currently paid and made accessible by the State Library. They can provide access statewide at a substantial discount. State Library staff have confirmed that database funding is intact for this year. It appears that the State Library can continue to provide this service for another year. However, for forthcoming budget years sufficient budget should be maintained to continue to fund databases without the State Library subsidy.

Other Expenditures

Expenditures are increased for basic operating costs and for conferences, including attendance by Trustees.

- Cataloging and interlibrary loan service database costs decrease by \$3,105 based on communications from the vendor (OCLC) and 2022 year-to-date actuals.
- Conferences – Training needs exist for many staff, both those in the librarian profession and in other professions needed to support the Library. Managers submitted specific proposals for conferences for 2023 and the CEO requested funds for Trustees to attend national conferences. Several staff serve on national councils and boards and must attend the conferences. The Public Library Association conference is held every other year; 2023 is not a conference year. Thus, the budget for this line item is decreased by \$19,330. The estimated cost for the Public Library Association conference is \$47,500 but the conference budget increases by \$28,170 from the prior year.
- Insurance is increased by \$8,000 based on 2022 actual expenditures to-date. The pricing is locked for all but vehicles through 2022, but the Library receives the benefit of any rate decreases. No addition in the vehicle fleet is anticipated in 2023.
- Marketing budget line item is increased by \$13,756 in 2023 for costs related to an increase in the number of billboard advertising signs.
- Membership/Dues budget line item remains flat in 2023.
- By Kansas statute, TSCPL is required to support 50% of the budget requests for the libraries in Rossville and Silver Lake. These costs continue to increase. An additional 2.8% increase from 2022 *actual* now known (\$3,382) is budgeted at a total of \$127,238 for both libraries.
- Market adjustments are budgeted for postage/shipping and printing. The publication and mailing of *Library News* was discontinued in 2020 and may be replaced with a new targeted direct publication in 2023. Total decrease from 2022 for these line items is \$3,324.
- Programming budget line increases \$46,480 in 2023 for additional events including film festivals.
- Staff training budgets remain flat in 2023.
- Supplies increase by \$9,304 based on 2021 actual expenditures. A base for the replacement of staff office chairs and gallery/office supplies continues.

- Electric costs have been increased by 4% or \$14,982, per the state budget indices. However, the utility market can become volatile and is subject to weather.
- Vehicle repair budget line item is based on 2022 actual expenditures to-date and is increased \$9,500 in 2023. The base budget for vehicle fuel is based on 2022 actual expenditures to-date and has been increased 7% or \$12,870, per the state budget indices. No fleet additions are projected.

How Was the 2023 Budget Accomplished and Will this Continue Every Year?

- The continued use of data-driven, process improvement techniques, and the objective review of each vacant position have stabilized the amount of the budget spent on salaries, without a sacrifice in the quality or quantity of customer services. This is now a standard and proven practice at TSCPL with tangible benefits and should provide budget flexibility in the future as retirements and opportunities occur.
- Process improvement will be even more important as technology drives the use of the Library and the needs of its customers.
- The entire budget is crafted to use one-time funding sources for one-time expenditures so the mill levy remains stable. The increase in property valuations and other expenditure savings allows the budget to fund nearly all requested purchases and projects, including projects in the Facilities Master Plan and the non-Facilities Master Plan funding matrix. The General Fund unencumbered cash balance carried forward to 2022 is estimated to be about \$2,934,000. The 2023 budgeted Employee Benefit Fund ending cash carry forward is \$400,000 to preserve cash and have it available in the event of unforeseen situations and for the 2024 budget since some revenue reductions may be permanent. However, the health plan costs have been conservatively estimated to avoid such situations and costs may eventually be reduced based on data at the time of renewal and/or plan changes.
- The General Fund 2023 budgeted ending cash carry forward is \$1,650,000 in the event of further unforeseen situations and cost increases.
- A standard budget process must be done every year. The formula of beginning cash balance plus budgeted revenues minus budgeted expenditures and budgeted cash carry forward balance must total zero. Thus, any amount of starting cash over the budgeted cash carry forward to the next year represents cash to be “spent” in the budget year. The budget process and required format make some assumptions that are not likely to happen, including that almost the whole expenditure authority in 2022 will be spent and that expenditures will be significantly more than revenues, and that revenue collections will be 2% short. Historically, that is not what has occurred, but the budget needs to be conservative in its presentation.
- There is no base budget for projects in the Facilities Master Plan. The funding available in 2023 is solely from 2022 savings carried forward to 2023 and from the State Aid Fund. Future movement along the Facilities Master Plan timeline for project completion may be possible with additional funding from a mill levy increase. The other option is to fund more of these projects from non-operating sources. The Library Foundation and Friends of the Library have already contributed to many projects in the Plan. Further, resolutions requesting fund raising by the Library Foundation for additional projects have been approved and efforts are underway. It should also be noted that The Library Foundation in particular has done much of the heavy

lifting financially during the first years of the Facilities Plan implementation. Given the downturn in the economy and investments, it would be prudent to allow the Foundation time to grow assets under management in the near future.

- The 2023 budget includes some atypical issues, but much of these can be controlled and anticipated through careful and prudent financial management planning, use of the Facilities Master Plan, and the benefit of stable property valuations. As the Board of Trustees and staff work to be more strategic, the development of budget forecasts continues to improve and issues are better anticipated.

NOTICE OF HEARING TO EXCEED REVENUE NEUTRAL RATE AND BUDGET HEARING

The governing body of
Topeka and Shawnee County Public Library
Shawnee County

will meet on August 25, 2022 at 5:00 PM at 1515 SW 10th Avenue, Topeka, KS for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds, the amount of tax to be levied and the revenue neutral rate. Detailed budget information is available at <http://www.tscpl.org> or hardcopies from TSCPL and will be available at this hearing.

SUPPORTING COUNTIES
Shawnee County (home county)

BUDGET SUMMARY

Proposed Budget 2023 Expenditures and Amount of Current Year Estimate for 2022 Ad Valorem Tax establish the maximum limits of the 2023 budget. Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	Prior Year Actual for 2021		Current Year Estimate for 2022		Proposed Budget Year for 2023		
	Expenditures	Actual Tax Rate*	Expenditures	Actual Tax Rate*	Budget Authority for	Amount of 2022 Ad Valorem	Proposed Estimated Tax
General	14,987,152	7.915	16,264,603	7.665	18,713,678	13,939,037	7.051
Debt Service	32,022		7,050		25,050		
Employee Benefits	3,295,046	1.871	4,313,421	2.041	5,249,505	3,626,746	1.834
State Aid	49,170		49,293		52,000		
Non-Budgeted Funds	218,842						
Totals	18,582,232	9.786	20,634,367	9.706	24,040,233	17,565,783	8.885
<i>Revenue Neutral Rate **</i>				1		3	8.811
Less: Transfers	1,782,022		557,050		1,025,050		
Net Expenditures	16,800,210		20,077,317	5	23,015,183	6	
Total Tax Levied	16,961,565		17,421,034	4	xxxxxxxxxxxxx		
Assessed Valuation	1,731,805,649		1,800,830,703		1,976,997,882		
			8		7		

Outstanding Indebtedness,

Jan 1,	2020	2021	2022
G.O. Bonds	0	0	0
Revenue Bonds	0	0	0
Other	0	0	0
Lease Pur. Princ.	0	0	0
Total	0	0	0

*Tax rates are expressed in mills.

**Revenue Neutral Rate as defined by KSA 79-2988

Joan Hicks
Secretary

**Topeka and Shawnee County Public Library
Key to 2022 and 2023 Budget Comparison
Board Budget Work Session #2 - July 13, 2022**

Has the amount of tax requested increased or decreased? *Increased;*

1 - Actual Tax Rate 2022	9.706	
2 - Estimated Tax Rate 2023	<u>8.885</u>	<i>RNR is 8.811</i>
Net Change	-0.821	

Ad valorem tax dollars by year.

3 - Total Amount of 2022 (2023) Budget Ad Valorem Tax	\$ 17,565,783
4 - Total Tax Levied 2022	<u>\$ 17,421,034</u>
Total Increase in Annual Ad Valorem Tax Revenues	\$ 144,749

Did the Library ask for this additional revenue? *Yes*

7 - Assessed Valuation - 2023	\$ 1,976,997,882
8 - Assessed Valuation - 2022 (final)	<u>\$ 1,800,830,703</u>
Total Increase in Assessed Valuation	\$ 176,167,179
Increased Value of One Mill	\$ 176,167
Increased Revenues based on Budgeted Valuation	\$ 1,565,244
Reduction in Revenues due to Statutory Computation of Maximum Tax*	\$ -
Decrease due to Final Valuation & Setting of 2022 Mill Levy by Cty Clerk	\$ (1,420,495)
Increased Revenues When RNR is Increased	\$ 144,749

Why does the Library need an over \$20 million budget and why did it increase over 2022?

5 - Net Expenditures 2022	\$ 20,077,317
Add Back Revisions to 2022 Estimates for 2023 Budget:	
General Fund - Facilities Master Plan projects carryforward	\$ -
General Fund estimated cost decreases - net	\$ 70,218
Employee Benefit Fund - 2022 health plan cost decrease	\$ 250,000
Employee Benefit Fund - 2022 SUTA increase	\$ (75,000)
Debt Service Fund estimated cost decreases - net	\$ -
State Aid Reduction to Actual	<u>\$ 2,707</u>
Original 2022 Expenditure Authority - excluding cash carry forward and transfers	\$ 20,325,242
6 - Net Expenditures 2023	\$ 23,015,184
Less Cash Carry Forward/Reserves classified as "Expenditures":	
General Fund	\$ (1,650,000)
Employee Benefit Fund	<u>\$ (400,000)</u>
2023 Actual Authority for Expenditures	\$ 20,965,184
Actual Increased Expenditure Authority in 2023	\$ 639,942
% Increase in Expenditure Authority in 2023*	3.15%
Actual Increased Taxes due to Increased RNR	\$ 144,749
% Increase in Ad Valorem Tax Revenues in 2023*	0.83%

CERTIFICATE

To the Clerk of Shawnee County, State of Kansas

We, the undersigned, officers of

Topeka and Shawnee County Public Library

certify that: (1) the hearing mentioned in the attached publication was held;

(2) after the Budget Hearing this budget was duly approved and adopted as the maximum expenditures for the various funds for the year ; and

(3) the Amount(s) of 2022 Ad Valorem Tax are within statutory limitations for the Budget.

			Adopted Budget		
			Budget Authority for Expenditures	Amount of 2022 Ad Valorem Tax	Final Tax Rate (County Clerk's Use Only)
Table of Contents:			Page No.		
Allocation of MVT, RVT, 16/20M Veh			2		
Schedule of Transfers			3		
Statement of Indebt. & Lease/Purchase			4		
Computation to Determine State Library G			5		
Fund	K.S.A.				
General	75-2551	6	18,713,678	13,939,037	
Debt Service	10-113	7	25,050		
Employee Benefits	12-16,102	7	5,249,505	3,626,746	
State Aid		8	52,000		
		8			
Non-Budgeted Funds		9			
Totals		xxxx	24,040,233	17,565,783	
Budget Hearing Notice				County Clerk's Use Only	
Combined Rate and Budget Hearing Notice			10	Nov 1, 2022 Total Assessed Valuation	
RNR Hearing Notice					
Neighborhood Revitalization Rebate			11		

Revenue Neutral Rate **8.811**

County Clerk's Use Only - November 1, 2022 - Final Assessed Valuation			
County	Final Valuation	County	Final Valuation
Shawnee County	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
0	0		
		Total of all counties:	

Assisted by:

Address:

Email:

Attest: _____, 2022

County Clerk

Governing Body

Topeka and Shawnee County Public Library
Shawnee County

2023

Allocation of MV, RV, 16/20M, Commercial Vehicle, and Watercraft Tax Estimates

2022 Budgeted Funds	Tax Levy Amount in 2022 Budget	Allocation for Year 2023				
		MVT	RVT	16/20M Veh	Comm Veh	Watercraft
General	13,757,845	1,557,671	17,297	5,960	53,540	8,729
Debt Service	0	0	0	0	0	0
Employee Benefits	3,663,189	414,748	4,605	1,587	14,256	2,324
	0	0	0	0	0	0
	0	0	0	0	0	0
Total	17,421,034	1,972,419	21,902	7,547	67,796	11,053

County Treas Motor Vehicle Estimate 1,972,419

County Treas Recreational Vehicle Estimate 21,902

County Treas 16/20M Vehicle Estimate 7,547

County Treas Commercial Vehicle Tax Estimate 67,796

County Treas Watercraft Tax Estimate 11,053

MVT Factor 0.11322

RVT Factor 0.00126

16/20M Factor 0.00043

Comm Veh Factor 0.00389

Watercraft Factor 0.00063

Topeka and Shawnee County Public Library
Shawnee County

2023

STATEMENT OF INDEBTEDNESS

Type of Debt	Date of Issue	Interest Rate %	Amount Issued	Amount Outstanding Jan 1, 2022	Date Due		Amount Due 2022		Amount Due 2023	
					Interest	Principal	Interest	Principal	Interest	Principal
General Obligation:										
Total G.O.				0			0	0	0	0
Revenue Bonds:										
Total Revenue				0			0	0	0	0
Other:										
Total Other				0			0	0	0	0
Total				0			0	0	0	0

STATEMENT OF CONDITIONAL LEASE-PURCHASE AND CERTIFICATE OF PARTICIPATION*

Items Purchased	Contract Date	Term of Contract (Months)	Interest Rate %	Total Amount Financed (Beginning Principal)	Principal Balance On Jan 1, 2022	Payments Due 2022	Payments Due 2023
Total				0	0	0	0

***If leasing/renting with no intent to purchase, do not list--such transactions are not lease-purchases.

**WORKSHEET FOR STATE GRANT-IN-AID TO PUBLIC LIBRARIES AND
REGIONAL LIBRARY SYSTEMS**

Budgeted Year: 2023

Library found in: Topeka and Shawnee County Public Library
Shawnee County

As provided in KSA 75-2553 *et seq.*, two tests are used to determine eligibility for State Library Grant. If the grant is approved, then the municipality's library will be paid the grant on February 15 of each year.

First test:

	Current Year 2022	Proposed Year 2023
Ad Valorem Tax	\$13,757,845	\$13,939,037
Delinquent Tax	\$0	\$0
Motor Vehicle Tax	\$1,540,929	\$1,557,671
16/20M Vehicle Tax	\$5,946	\$5,960
LAVTR	\$0	\$0
	\$0	\$0
TOTAL TAXES	\$15,304,720	\$15,502,668
Difference in Total Taxes:	\$197,948	
Qualify for grant:	Qualify	

Second test:

Assessed Valuation	\$1,800,830,703	\$1,976,997,882
Did Assessed Valuation Decrease?	No	
Levy Rate	7.665	7.051
Difference in Levy Rate:	(0.614)	
Qualify for grant:	Not Qualify	

Overall does the municipality qualify for a grant? **Qualify**

If the municipality would not have qualified for a grant, please see the below narrative for assistance from the State Library.

General Fund - Expenditures

	FY 2021 Actuals	FY 2022 Approved Budget	FY 2022 Adjusted Budget (for 2023 Estimates only)	FY 2023 Proposed Budget	Budgeted Expenditure Difference FY 2023 Proposed (-) FY 2022 Adopted
Cataloging & ILL Services	\$ 102,723	\$ 105,805	\$ 105,805	\$ 102,700	\$ (3,105)
Contracted-Digital Services	482,534	538,078	538,078	548,252	10,174
Contracted - Erate Services	1,869	1,791	1,791	1,740	(51)
Contracted-Facilities	311,072	326,400	326,400	301,700	(24,700)
Contracted-Office Equipment	66,136	51,100	51,100	67,200	16,100
Contracted-Professional	186,633	304,400	309,400	294,700	(9,700)
Digital Services Support	81,895	297,300	297,300	464,152	166,852
Furniture/Equipment	2,630	91,465	91,465	45,000	(46,465)
Gallery Art Purchases	7,985	8,000	8,000	8,000	-
Insurance	56,837	56,000	61,000	64,000	8,000
Marketing	30,216	47,500	47,500	61,256	13,756
Materials	1,713,087	1,919,500	1,919,500	1,978,080	58,580
Memberships/Dues	19,626	30,900	30,900	30,900	-
Mileage	1,714	9,100	7,100	7,600	(1,500)
Miscellaneous	1,794	5,000	5,000	5,000	-
Payments to other Libraries	116,629	118,962	122,344	127,238	8,276
Postage/Shipping	15,113	82,764	57,764	59,786	(22,978)
Printing	63,615	114,300	114,300	110,976	(3,324)
Programming	26,650	57,000	57,000	103,480	46,480
Salaries and Wages	8,409,089	8,891,386	8,889,786	8,806,703	(84,683)
Special Projects	821,920	1,650,000	1,650,000	1,702,500	52,500
Staff Conferences	15,868	157,000	107,000	144,217	(12,783)
Staff Training	7,482	30,000	20,000	30,000	-
Supplies	149,688	232,600	232,600	241,904	9,304
Telecommunications	62,166	99,100	89,100	155,064	55,964
Utilities	439,359	477,870	477,870	497,661	19,791
Vehicle Fuel and Maintenance	42,822	81,500	96,500	103,870	22,370
Fund Balance Carry Forward				1,650,000	1,650,000
TOTAL	\$ 13,237,152	\$ 15,784,821	\$ 15,714,603	\$ 17,713,679	\$ 1,928,858
Less Fund Balance Carryover Considered an "Expenditure" Only in the Budget Year					(1,650,000)
Net Budgeted Expenditure Difference					\$ 278,858

Topoka and Shawnee County Public Library

2023

FUND PAGE FOR FUNDS WITH A TAX LEVY

Adopted Budget	Prior Year	Current Year	Proposed Budget
Debt Service	Actual for 2021	Estimate for 2022	Year for 2023
Unencumbered Cash Balance Jan 1	13,284	0	0
Receipts:			
Ad Valorem Tax	2,859	0	XXXXXXXXXXXXXXXXXX
Delinquent Tax	8,926	7,000	25,000
Motor Vehicle Tax	5,942	0	0
Recreational Vehicle Tax	49	0	0
16/20M Vehicle Tax	707	0	0
Commercial Vehicle Tax	461	0	0
Watercraft Tax			0
In Lieu of Tax	0	0	
Interest on Idle Funds	2	50	50
Neighborhood Revitalization Rebate	(208)	0	0
Miscellaneous			
Does misc. exceed 10% of Total Receipts			
Total Receipts	18,738	7,050	25,050
Resources Available:	32,022	7,050	25,050
Expenditures:			
Bond Principal Payment	0	0	
Bond Interest Payments	0	0	
Transfer to General Fund	32,022	7,050	25,050
Cash Basis Reserve (2023 column)			
Miscellaneous			
Does misc. exceed 10% of Total Expenditure			
Total Expenditures	32,022	7,050	25,050
Unencumbered Cash Balance Dec 31	0	0	XXXXXXXXXXXXXXXXXX
2021/2022/2023 Budget Authority Amount:	41,797	25,050	25,050
		Non-Appropriated Balance	
		Total Expenditure/Non-Appr Balance	25,050
		Tax Required	0
Delinquent Comp Rate:		0.0%	0
Amount of 2022 Ad Valorem Tax			0

Adopted Budget	Prior Year	Current Year	Proposed Budget
Employee Benefits	Actual for 2021	Estimate for 2022	Year for 2023
Unencumbered Cash Balance Jan 1	1,066,108	1,403,457	1,121,486
Receipts:			
Ad Valorem Tax	3,166,141	3,663,189	XXXXXXXXXXXXXXXXXX
Delinquent Tax	47,177		
Motor Vehicle Tax	352,944	363,700	414,748
Recreational Vehicle Tax	3,908	3,744	4,605
16/20M Vehicle Tax	1,258	1,403	1,587
Commercial Vehicle Tax	11,719	12,150	14,256
Watercraft Tax		1,994	2,324
Estimated Uncollectible Tax Revenue		-80,320	
In Lieu of Tax	12,045	11,323	11,684
Reimbursements and Refunds	74,253	89,761	78,060
Prior Year Canceled Encumbrances			
Interest on Idle Funds	1,315	3,000	5,000
Neighborhood Revitalization Rebate	-38,365	-38,494	-30,991
Miscellaneous			
Does misc. exceed 10% of Total Receipts			
Total Receipts	3,632,395	4,031,450	501,273
Resources Available:	4,698,503	5,434,907	1,622,759
Expenditures:			
Social Security & Medicare	602,162	680,191	673,713
KPERS	771,524	864,426	809,090
Workers' Compensation	30,478	54,000	54,000
Unemployment Tax	9,683	88,891	88,948
Health/Dental Insurance	1,870,320	2,615,631	3,213,526
Employee Assistance Program	7,478	7,137	7,503
Cafeteria Plan Admin Fees	3,401	3,145	2,725
Cash Forward (2023 column)			
Miscellaneous			400,000
Does misc. exceed 10% of Total Expenditure			
Total Expenditures	3,295,046	4,313,421	5,249,505
Unencumbered Cash Balance Dec 31	1,403,457	1,121,486	XXXXXXXXXXXXXXXXXX
2021/2022/2023 Budget Authority Amount:	4,290,113	4,888,421	5,249,505
		Non-Appropriated Balance	
		Total Expenditure/Non-Appr Balance	5,249,505
		Tax Required	3,626,746
Delinquent Comp Rate:		0.0%	0
Amount of 2022 Ad Valorem Tax			3,626,746

CPA Summary

FUND PAGE FOR FUNDS WITH NO TAX LEVY

Adopted Budget State Aid	Prior Year Actual for 2021	Current Year Estimate for 2022	Proposed Budget Year for 2023
Unencumbered Cash Balance Jan 1	0	0	0
Receipts:			
State Aid	49,170	49,293	52,000
Interest on Idle Funds			
Miscellaneous			
Does misc. exceed 10% of Total Receipts			
Total Receipts	49,170	49,293	52,000
Resources Available:	49,170	49,293	52,000
Expenditures:			
Special Projects	49,170	49,293	52,000
Cash Forward (2023 column)			
Miscellaneous			
Does misc. exceed 10% Total Expenditures			
Total Expenditures	49,170	49,293	52,000
Unencumbered Cash Balance Dec 31	0	0	0
2021/2022/2023 Budget Authority Amount	53,000	52,000	52,000

Adopted Budget 0	Prior Year Actual for 2021	Current Year Estimate for 2022	Proposed Budget Year for 2023
Unencumbered Cash Balance Jan 1		0	0
Receipts:			
Interest on Idle Funds			
Miscellaneous			
Does misc. exceed 10% of Total Receipts			
Total Receipts	0	0	0
Resources Available:	0	0	0
Expenditures:			
Cash Forward (2023 column)			
Miscellaneous			
Does misc. exceed 10% Total Expenditures			
Total Expenditures	0	0	0
Unencumbered Cash Balance Dec 31	0	0	0
2021/2022/2023 Budget Authority Amount	0	0	0

CPA Summary

Topeka and Shawnee County Public Library

NON-BUDGETED FUNDS

2023

(Only the actual budget year for 2021 is reported)

Non-Budgeted Funds

(1) Fund Name: (2) Fund Name: (3) Fund Name: (4) Fund Name: (5) Fund Name:

Capital Improvement		Special Revenue		Permanent Funds		0		0		
Unencumbered		Unencumbered		Unencumbered		Unencumbered		Unencumbered		Total
Cash Balance Jan 1	2,921,349	Cash Balance Jan 1	469,673	Cash Balance Jan 1	247,477	Cash Balance Jan 1		Cash Balance Jan 1		3,638,499
Receipts:		Receipts:		Receipts:		Receipts:		Receipts:		
Interest	6,157	Intergovt Revenue	27,759	Investment Growth	26,360					
Transfer In	1,750,000	Investment Income	14,110							
		Contributions	75,000							
		Component (Fdn)	107,827							
		Miscellaneous	2,340							
		Prior Yr Cancel Enc	4,881							
Total Receipts	1,756,157	Total Receipts	231,917	Total Receipts	26,360	Total Receipts	0	Total Receipts	0	2,014,434
Resources Available:	4,677,506	Resources Available:	701,590	Resources Available:	273,837	Resources Available:	0	Resources Available:	0	5,652,933
Expenditures:		Expenditures:		Expenditures:		Expenditures:		Expenditures:		
Capital Outlay	0	Library Materials	15,451							
		Library Services	111,186							
		Miscellaneous	0							
		Capital Outlay	92,205							
Total Expenditures	0	Total Expenditures	218,842	Total Expenditures	0	Total Expenditures	0	Total Expenditures	0	218,842
Cash Balance Dec 31	4,677,506	Cash Balance Dec 31	482,748	Cash Balance Dec 31	273,837	Cash Balance Dec 31	0	Cash Balance Dec 31	0	5,434,091
										5,434,091

** Note: These two block figures should agree.

CPA Summary

NOTICE OF HEARING TO EXCEED REVENUE NEUTRAL RATE AND BUDGET HEARING

The governing body of

Topela and Shawnee County Public Library

Shawnee County

State of Kansas
Special District

will meet on August 25, 2022 at 5:00 PM at 1515 SW 10th Avenue, Topeka, KS for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds, the amount of tax to be levied and the revenue neutral rate. Detailed budget information is available at <http://www.tscpl.org> or hardcopies from TSCPL and will be available at this hearing.

SUPPORTING COUNTIES
Shawnee County (home county)

BUDGET SUMMARY

Proposed Budget 2023 Expenditures and Amount of Current Year Estimate for 2022 Ad Valorem Tax establish the maximum limits of the 2023 budget. Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	Prior Year Actual for 2021		Current Year Estimate for 2022		Proposed Budget Year for 2023		
	Expenditures	Actual Tax Rate*	Expenditures	Actual Tax Rate*	Budget Authority for Expenditures	Amount of 2022 Ad Valorem Tax	Proposed Estimated Tax Rate*
General	14,987,152	7.915	16,264,603	7.665	18,713,678	13,939,037	7.051
Debt Service	32,022		7,050		25,050		
Employee Benefits	3,295,046	1.871	4,313,421	2.041	5,249,505	3,626,746	1.834
State Aid	49,170		49,293		52,000		
Non-Budgeted Funds	218,842						
Totals	18,582,232	9.786	20,634,367	9.706	24,040,233	17,565,783	8.885
					<i>Revenue Neutral Rate **</i>		
Less: Transfers	1,782,022		557,050		1,025,050		8.811
Net Expenditures	16,800,210		20,077,317		23,015,183		
Total Tax Levied	16,961,565		17,421,034		xxxxxxxxxxxxxx		
Assessed Valuation	1,731,805,649		1,800,830,703		1,976,997,882		

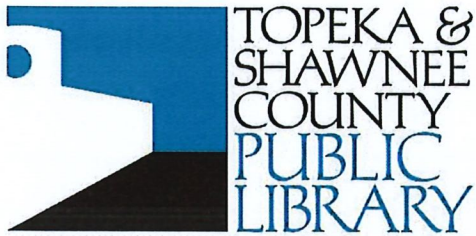
Outstanding Indebtedness,

Jan 1,	2020	2021	2022
G.O. Bonds	0	0	0
Revenue Bonds	0	0	0
Other	0	0	0
Lease Pur. Princ.	0	0	0
Total	0	0	0

*Tax rates are expressed in mills.

**Revenue Neutral Rate as defined by KSA 79-2988

Joan Hicks



Minutes
Board of Trustees Budget Work Session #1
June 7, 2022, 9:00 am – 11:00 am
Hughes Room 205 and via Zoom

BOARD MEMBERS PRESENT

Jim Edwards – Chair, Shawn Leisinger – Vice Chair, Joan Hicks – Secretary, Peg Dunlap – Treasurer, Liz Post, Jim Ramos, Hannah Uhlrig, Beth Dobler

BOARD MEMBERS ABSENT

Jennifer Miller

OTHERS PRESENT

Chief Executive Officer Marie Pyko, Chief of Staff Thad Hartman, Chief Financial Officer Kim Strube, Chief Human Resources Officer Jesse Maddox, Library Counsel Chuck Engel, and Executive Assistant Aubrey Conner.

CALL TO ORDER

The meeting was called to order at 9:03 am for the first of two planned Board Budget Work Sessions. Chief Executive Officer Marie Pyko welcomed the Board to the Budget Work Session 1.

All attending Trustees introduced themselves and welcomed new Trustee Hannah Uhlrig to the Board.

Pyko introduced the purpose of today's meeting and setting the budget. Pyko explained that budget planning begins around April and starts with departmental conversations around the budget. The departmental plans are then submitted to Chief Financial Officer Kim Strube, and she puts the budget all together.

Pyko then went over the agenda briefly.

Fiscal Year 2022 and 2023 Budget Overview

Chief Financial Officer Kim Strube reviewed the documents in the meeting packet.

Strube facilitated a discussion about Mill Levies. Strube presented Shawnee County total percentage assessed valuations for Residential Properties and Commercial Properties. Strube will present a draft 2023 budget at the second Board Budget Work Session on July 13th, 2022, from 1:00 pm – 3:00 pm. Strube went through the narrative and pointed out important details.

Strube facilitated a discussion about the Capital Improvement Fund. A transfer of \$550,000 from the general fund to the capital improvement fund is budgeted in FY 2022. Strube stated that we can anticipate transferring less money to the fund in FY 2023 as prices inflate.

Discussion followed.

Revenue Neutral Rate (RNR) Discussion

Strube facilitated a discussion about the challenges created by the passage of Senate Bill (SB) 13. Property valuation information and the revenue neutral rate will not be available from the County Clerk until June 15th. Strube indicated a slight change in the law from 2021 will require a roll call vote by the Board and to be submitted with the budget. Strube recommends exceeding the RNR for the FY 2023 budget. The Board agreed a hearing will be held to exceed the RNR this year.

Discussion followed with no further questions.

Facilities Master Plan update and funding

Chief of Staff Thad Hartman provided a detailed overview of projects slated for 2023.

Questions included the prioritization of certain projects. Discussion followed with no further questions.

Review anticipated employee benefit expenses

Chief Human Resources Officer Jesse Maddox reviewed recent history of employee health insurance plans and changes at the library. Maddox noted that there has been an increase of expensive claims, specifically medical costs, not medications. Maddox reviewed the health insurance loss ratio to date. Maddox stated that the library could maintain where it is for next year or look at potential plan changes. Maddox suggested that we budget to allow for more monies for health insurance premiums in 2023 and review benefit plans.

Discussion followed with no further questions.

Adjournment

The meeting was adjourned at 10:52 am.

Next meeting:

July 13, 2022

1:00-3:00 pm

Menninger Room 206 and via Zoom

<https://tscpl.zoom.us/j/85024727121?pwd=bWR4SGc3MnNvc3ZoRzJXdnBoTDF5Zz09>

Meeting ID: 850 2472 7121

Passcode: 888985