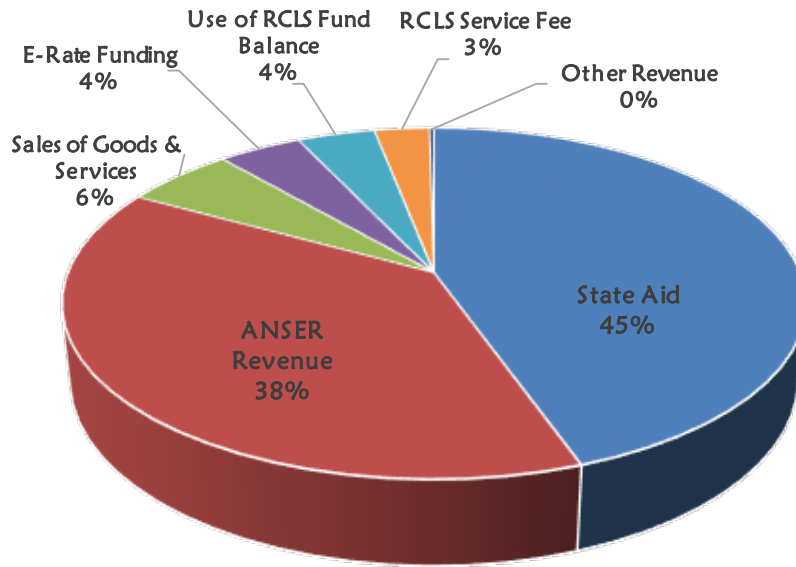




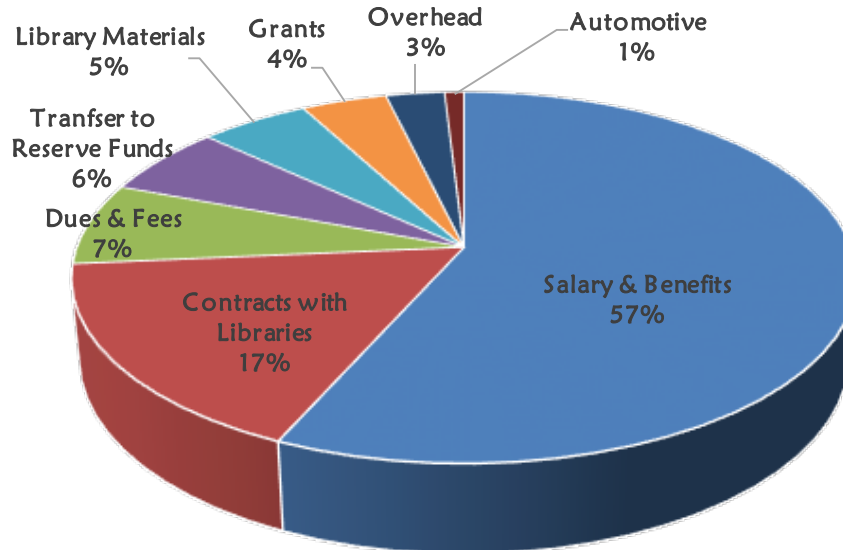
**RAMAPO CATSKILL LIBRARY SYSTEM
2021 BUDGET HIGHLIGHTS
REFERENCE GUIDE
08/31/20**

The 6 most interesting things about the 2021 RCLS Budget

1. It takes into consideration a 25% cut in State Aid of (\$465,800) which supports the 2021 General Budget and a direct loss of (\$172,000) to member libraries. The direct loss reduces Local Library Services Aid (LLSA) by (\$54,900), forces cuts to Coordinated Outreach Services and slashes Central Library Development Aid and Central Book Aid.
2. Despite RCLS anticipating a 25% loss in State Aid, the 2021 RCLS Service Fee is budgeted to remain the same at \$122,200 for the third year in a row. This will cover 41% of the revenue shortfall, while the RCLS' Use of Fund Balance will cover another \$172,400.
3. The RCLS Service Fee and Use of Fund Balance at \$294,600 does not fully cover the total loss of State Aid at (\$637,800). This (\$343,200) difference has been made up by reducing RCLS Staff by 2 FTE with benefits, nearly every expense line has been reduced, as well as services previously paid for by State Aid. The total 2021 Budget is 13% less than the 2020 Budget.
4. The Directors Association voted to approve the ANSER Budget on 08/12/20, which included \$69,000 to cover the cost of one third of the cataloging services one year. With the reduction in State Aid, the General Side of the budget can no longer support the ANSER Budget at the same level. Without this action, cataloging services would have been dramatically reduced.
5. Contracts with Libraries – General - is the single largest decrease in appropriations at (\$160,400). This decrease is due to a Memorandum of Understanding (MOU) with the Central Library, Newburgh Free Library (NFL), in where RCLS will hold the Central Library Development Aid (CLDA) funds. Previously the funds were transferred to NFL, then RCLS would pay the invoices and bill NFL for reimbursement. This reduction in expense is offset by a reduction in revenue, Sale of Goods & Services, for a net \$0 effect on the total budget.
6. The 2021 Automated Network Services (ANSER) Annual Fee is budgeted to increase by \$97,050 and includes the \$69,000 for cataloging services. The return of the Finkelstein Memorial Library (FML) to full ANSER participation, while adding an additional 12 workstations, provided an increase in ANSER revenue. This additional revenue was offset by several libraries reducing workstations, same as what occurred last year.



State Aid	\$ 1,922,200
ANSER Revenue	1,658,300
Sales of Goods & Services	244,100
E-Rate Funding	185,200
Use of RCLS Fund Balance	172,400
RCLS Service Fee	122,200
Other Revenue	10,000
TOTAL REVENUE	\$ 4,314,400



Salary & Benefits	\$ 2,445,800
Contracts with Libraries	727,800
Dues & Fees	309,000
Transfer to Reserve Funds	264,000
Library Materials	227,900
Grants	177,700
Overhead	122,000
Automotive	40,200
TOTAL APPROPRIATIONS	\$ 4,314,400

REFERENCE GUIDE: 2021 BUDGET HIGHLIGHTS

GENERAL DISCUSSION:

The chart below summarizes the loss of \$1.2 million in State Aid for 2020 and 2021. While RCLS is proud to have developed the 2021 Budget with no increase to member libraries via the Service Fee, with the loss of two full time RCLS employees and \$118,360 in direct program funding, libraries will begin seeing a reduction in services as of September 2020.

2020 Budget			Actual		Actual		Budgeted	
			Financial Hit - 04/01/2020		Financial Hit - 07/31/2020		Financial Hit - 04/01/2021	
NYS STATE AID	RCLS	Other	2.7% reduction for 2020		20% reduction in 2020		25% reduction for 2021	
			RCLS	Other	RCLS	Other	RCLS	Other
BASIC AID	\$ 1,737,561	\$ -	\$ (44,953)	\$ -	\$ (338,522)	\$ -	\$ (423,151)	\$ -
LOCAL SERVICES SUPPORT AID - Syste	175,595	-	(4,974)	-	(34,124)	-	(42,655)	-
LOCAL LIBRARY SERVICE AID - Librarie	-	225,511	-	(5,834)	-	(43,935)	-	(54,919)
CENTRAL LIBRARY DEV. AID (CLDA)	-	243,170	-	(6,311)	-	(47,372)	-	(59,215)
CENTRAL BOOK AID (CBA)	-	67,633	-	(1,730)	-	(13,181)	-	(16,476)
COORDINATED OUTREACH	124,680	14,782	(3,608)	-	(27,171)	-	-	(33,964)
STATE CORRECTIONAL FACILITIES	38,800	-	(1,058)	-	(6,360)	-	-	(7,400)
TOTALS	\$ 2,076,636	\$ 551,096	\$ (54,592)	\$ (13,875)	\$ (406,177)	\$ (104,488)	\$ (465,806)	\$ (171,974)

Total loss for 2020 **\$ (579,132)** Loss for 2021 **\$ (637,780)**

The 25% reduction in 2021 State Aid was based on the NYS Division of Budget estimated range of 20% to 30%. The Full Budget has decreased by (\$647,264) or (13.1%) overall. Salaries and Benefits which equals 57% of the Budget, decreased (\$123,300) or (7.3%) and (\$93,250) or (9.7%) respectively.

Despite RCLS projecting a 25% loss in State Aid, the 2021 Service Fee is budgeted to remain the same at \$122,200 for the third year in a row. This will cover 41% of the shortfall, while the RCLS' Use of Fund Balance will cover another \$172,400 to balance the budget.

Reduction in RCLS services will come in many forms and figures. The loss of Central Library Development Aid and Central Book Aid of \$65,500 has necessitated the need to eliminate databases and eContent purchasing. Outreach grants have been eliminated and \$54,900 in Local Library Services Aid (LLSA), funds that pass-thru to libraries directly, have been lost for 2021.

RCLS publications will be modified by eliminating the RCLS Annual Highlights and reducing the Trustee FYI from four print publications mailed to Trustees, to three LibraryAware email newsletters. We have decreased our delivery by eliminating the E-run and original cataloging will be done via a consultant, not a full-time librarian.

REFERENCE GUIDE: 2021 BUDGET HIGHLIGHTS

REVENUE:

SALE OF GOODS & SERVICES

This line consists of estimated revenue from services and pass-through purchases. The offsetting expense code is Contracts with Libraries. Of the \$244,100 in estimated revenue, \$151,000 is for the eContent Pooling initiative, \$42,100 in database purchases, \$17,000 in movie licenses, \$11,000 in NYLA annual membership fees, and another miscellaneous \$23,000 in consolidated and coordinated services administered by RCLS. This line is (\$162,900) less due to the MOU with the Newburgh Free Library as discussed in item 5 of page 1.

AUTOMATED SERVICES FEES

Includes estimated revenue from ANSER Fees; Telecommunication charges (net of E-Rate); pass-through purchases of computer equipment and supplies; funds collected for PC/Laptop Replacements and Capital Upgrade Reserves that are transferred to Capital Fund at the end of each year. The corresponding pass-through code for purchasing is Contracts with Libraries – Automation and Capital Fund transfer codes are at the end of the Budget.

STATE AID

See General Discussion on page 3.

E-RATE FUNDING

The amount collected annually for E-Rate is applied against future ANSER Fees for telecommunications billed to member libraries. For example, the E-Rate from 2019 of \$185,200 has been applied to the telecommunications costs for 2021. Member libraries are enjoying a 63% rebate on the fiber network costs and backup internet provided to member libraries.

REFERENCE GUIDE: 2021 BUDGET HIGHLIGHTS

APPROPRIATIONS:

SALARIES

The amounts are calculated based on a 4½ year Union Contract approved by the RCLS Board of Trustees in 2018. The RCLS staff has been reduced by 2 FTE and the cost of one cataloger has been transferred from the General Budget to the ANSER budget. These changes represent a decrease of \$214,300 on the General side and a \$91,000 increase in ANSER salaries.

EQUIPMENT, FURNITURE & FIXTURES (over \$2,500)

There are no planned purchases this year.

LIBRARY MATERIALS

This code includes Central Library Development Aid (CLDA) and Central Book Aid (CBA), both of which saw a 27% decrease.

OFFICE & LIBRARY SUPPLIES – GENERAL

Down by (\$5,300) because RCLS is not purchasing delivery boxes this year.

TELECOMMUNICATIONS

This code is mostly the cost of the fiber cable for the Automated Network. The anticipated cost, less 2019 E-Rate funds, is paid for by member libraries. In 2019 the Crown Castle contract was competitively bid via the E-Rate program. This line has decreased by (\$2,700).

PR/ADVOCACY/COMMUNICATION COSTS

This code includes SiteImprove, software that finds errors on the website making communication more effective and accurate at \$2,000, plus one-half of the maintenance on the email system. The (\$2,400) reduction is from eliminating the print version of the Trustee FYI and eliminating the RCLS Annual Highlights publication all together.

TRAVEL – STAFF/CONFERENCES – STAFF/TRAVEL & BOARD MEETING COSTS/CONFERENCES & TRAVEL – BOARD & CONFERENCES & TRAVEL – A

RCLS is anticipating very little travel and in-person meetings next year, instead opting for online meetings and conferences. These lines have a combined reduction of (\$31,000).

CONTRACTS WITH LIBRARIES – GENERAL

Shows the single largest decrease in appropriations at (\$160,400). This decrease is due to a Memorandum of Understanding with the Central Library, Newburgh Free Library (NFL), in where RCLS will hold the Central Library Development Aid (CLDA) funds. Previously the funds were transferred to NFL, then RCLS would pay the invoices and bill NFL for reimbursement. This reduction in expense is offset by a reduction in revenue, Sale of Goods & Services, for a net \$0 effect on the total budget.

REFERENCE GUIDE: 2021 BUDGET HIGHLIGHTS

PROFESSIONAL FEES

Included in this code are payroll processing fees, general purpose attorney, auditors and accounting package software support. The (\$17,700) decrease represents no Plan of Service (POS) expenses for 2021.

CONTINUING EDUCATION

With the lack of State funding, Continuing Education has taken a (\$7,100) hit.

ADVOCACY COSTS

Advocacy costs have decreased by (\$3,000) from not renewing countywide business memberships in Orange, Rockland and Sullivan. Support for NYLTO (New York Library Trustee Organization) has also been eliminated. NYLA Library Advocacy Day is budgeted at \$5,000 on this line.

SOFTWARE/HARDWARE MAINT. & SUBS - A

This code includes hardware and software support, both annual contracts and multi-year contracts under \$2,500, applicable to the automated network. This includes the SirsiDynix annual software licensing agreement/maintenance at \$120,000, a (\$48,000) reduction, and annual maintenance contracts of \$74,000. The annual contracts have increased as ANSER is covering \$6,300 more for Novelist Select and the renewal of Splashtop remote access software at \$22,500. The overall reduction in this line is (\$12,400).

FUELS AND UTILITIES

Fuels and Utilities shows a (\$2,600) savings resulting from re-lamping the RCLS building with LEDs and signing a contract with MEG, a third party energy supplier for municipalities, for a 30% reduction in costs.

REPAIRS TO BUILDING

This code has a (52%) or (\$9,700) decrease. All building improvements have been put on hold.

OTHER OPERATION & MAINTENANCE

This code includes trash removal, cleaning the building, grounds keeping, snowplowing and sanding, fire extinguisher maintenance, septic cleaning, fire and burglar alarm protection and other miscellaneous items.

OPERATION OF VEHICLES

A decrease of (\$600) is budgeted as we expect less travel for 2021.

REFERENCE GUIDE: 2021 BUDGET HIGHLIGHTS

OUTREACH FUNDS - NOT ASSIGNED

The amount of Coordinated Outreach Grant funds available after wages, benefits, travel, and books are deducted from State Aid designated for Outreach. This line has decreased by (\$9,100) due to cuts in State Aid resulting in the elimination of grants and career counselors for 2021.

CONTINUING ED/RCLS PROGRAMS

Included in this code are costs for web conferencing, workshops for youth services, adult workshops, two Professional Development Scholarships and other programs for Member Library staff and Trustees. A (50%) cut has been made to this line.

RETIREMENT

An estimate based on 2020 employer contribution rates, the actual 2021 rates will be published in September 2021. The (\$9,500) reduction is due to two long time employees retiring.

SOCIAL SECURITY/MEDICARE

The (\$8,100) decrease is due to the reduction in RCLS staff.

WORKERS COMPENSATION

The (\$8,100) decrease is due to favorable experience ratings over the past few years, which has allowed RCLS to return to the NYSIF Safety Group 497 for even bigger savings.

HOSPITALIZATION

Active

The New York State Health Insurance Plan (NYSHIP) will decrease by (\$76,300) for active employees due to changes in staffing. NYSHIP has not provide projections and so a 5.0% increase in premiums are budgeted. RCLS employees will also contribute an additional 1% of health insurance premiums for 2021.

Retirees

The NYSHIP retiree plan projects a decrease of (\$8,700) due to the loss of a retiree.

TRANSFER TO DELIVERY CAPITAL ACCOUNT

This account was created and authorized to be funded by the RCLS Board on March 16, 2009. On August 18, 2015 the Board authorized an increase of \$3,800, followed by another increase of \$3,000 in 2017 to the current level of \$15,000.