



**RAMAPO CATSKILL LIBRARY SYSTEM
2019 BUDGET HIGHLIGHTS
REFERENCE GUIDE
08/20/18**

The 8 most interesting things about the 2019 RCLS Budget

1. The last block of columns (col. 14, 15, 16 & 17) on the right side of the “2019 BUDGET – OPERATING” spreadsheet shows the percent and dollar change from the 2018 Budget. This information helps the readers identify what’s different from the previous budget.
2. The 2019 RCLS Service Fee is budgeted to increase by \$25,189 to \$122,282. It is a result of the 2018 \$1,000,000 State-Aid increase which translates into only \$18,800 for RCLS, not enough to cover annual increases in salaries and benefits. The 2019 increase is actually (\$174) less than the 2018 increase.
3. The remaining \$24,455 in State Aid shortfall will be covered by the RCLS Unallocated Fund Balance - the same amount as 2018.
4. The 2019 Automated Network SERvices (ANSER) Fees are budgeted to increase by \$47,700 while the Telecommunications Fee will decrease by (\$10,130) for a net change of \$37,570 or 3.5% in ANSER Fees.
5. Salaries are calculated based on a new 4 ½ year Union Contract approved by the RCLS Board of Trustees in 2018. There are no anticipated changes in the number of RCLS positions and so the \$41,900 increase, or 2.5%, represents negotiated step increases and annual Cost of Living Adjustment (COLA) increases, offset by a couple of long-term employees that retired in 2018.
6. Contracts with Libraries – G is the single largest increase in appropriations at \$46,000. This increase consists of \$40,000 in a Database pool approved by the Director’s Association in 2018, and additional pass-through purchases with Central and Member Libraries of \$6,000. This represents RCLS fulfilling its mission to provide consolidated and cooperative services to support member libraries.
7. Software/Hardware Maint. & Subs. – ANSER has increased by \$27,600. The increase is a result of a 2017 Director’s Association resolution that 50% or \$8,870 for BLUEcloud Visibility be phased into ANSER Fees this year. Additionally, SirsiDynix now provides Oracle platform support on the new virtual servers at a cost of \$7,300, and Candoris will provide six months of VMware support for \$7,500. The remaining \$9,930 increase is a 3% increase in the SirsiDynix contract and other smaller subscriptions to support the new server environment.
8. The largest decrease in any appropriations line is (\$15,000) in Repairs To Building. In 2018, RCLS underwent some renovations and therefore, no repairs to the building are planned for 2019.

REFERENCE GUIDE: 2019 BUDGET HIGHLIGHTS

The attached “2019 BUDGET – OPERATING” spreadsheet is organized as follows:

- Columns 1 through 5 = 2017 Original Full Budget, Adjusted Budget and Actual activity
- Columns 6 through 10 = 2018 Original Full Budget, Adjusted Budget and Actual activity through 6/30/18
- Columns 11 through 13 = 2019 Budget also detailed by General or Automation
- Columns 14 through 17 = the percent and dollar change from the 2018 budget.

PREAMBLE:

The 2019 Budget is based on actual 2018 State Aid, which represents a 0.99% increase. There still exists a 5.46% reduction from the amounts prescribed in Education Law. Using this information, the 2019 Budget as presented shows a General Fund deficit of \$146,737, that's \$25,189 more than last year. The Automation Budget is balanced.

If Ramapo Catskill Library System was fully funded as outlined in Education Law, RCLS would have received an additional \$107,786 in 2018.

GENERAL DISCUSSION:

The General Operating budget has increased by \$100,028 or 3.3% over last year. Salaries and Benefits equal 61% of the 2019 General Operating Budget; Salaries increased \$37,200 or 3.2% over last year while Employee Benefits increased by \$32,100 or 4.4%. As always, all items included in the budget have been scrutinized for need and value.

The 2019 Budget deficit of \$146,737 is offset by charging \$122,282 to Member Libraries as a Service Fee and \$24,455, the same amount as last year. These funds will come from the RCLS Unallocated General Fund.

All appropriations included in the Automation column are covered by revenue from Member Libraries and E-Rate rebates from 2017. Automation is as close to full cost-recovery as is possible in our physical environment. RCLS advises libraries to budget annually for a maximum increase of 5% in combined maintenance, overhead, and telecommunication fees over the previous year's cost. The 2019 ANSER Fees will increase \$37,570 or 3.5%.

REFERENCE GUIDE: 2019 BUDGET HIGHLIGHTS

REVENUE:

STATE AID: See Preamble, on page 2.

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 \$298,500 in estimated revenue, \$151,000 is for the E-Content Pooling initiative, \$90,000 is pass-through Central Library purchases, \$25,000 in database purchases, \$16,500 in movie licenses, \$9,500 in NYLA annual membership fees and another miscellaneous \$6,500 in consolidated and coordinated services administered by RCLS to enhance local library resources by “pooling” resources.

AUTOMATED SERVICES FEES

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

E-RATE FUNDING – Amount unknown

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 2017 of \$192,330 has been applied to the telecommunications costs for 2019. The amount collected in 2018 will be applied to 2020 telecommunications costs and so on. Member libraries are enjoying a 63% rebate on the fiber network costs and backup internet provided to member libraries.

REFERENCE GUIDE: 2019 BUDGET HIGHLIGHTS

APPROPRIATIONS:

SALARIES

The amounts are calculated based on a new 4 ½ year Union Contract approved by the RCLS Board of Trustees in 2018. Payroll is paid on a biweekly basis. There are no anticipated changes in the number of RCLS positions and so the \$41,900 increase, or 2.5%, represents negotiated step increases and annual COLA increases, offset by a couple of long term employees retiring in 2018.

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

There are no planned purchases this year.

BOOKS/PROFESSIONAL

This code includes standing orders such as New York Consolidated Law and professional reference materials for in-house and member library use.

OFFICE & LIBRARY SUPPLIES – GENERAL

Down by (\$600), this line includes \$5,800 for the purchase of delivery boxes; small equipment purchases of \$4,100 which includes one computer, a laptop, filing cabinet and other furniture; in addition to general software and office supplies.

OFFICE & LIBRARY SUPPLIES – AUTOMATION

This line has been reduced by (\$4,800) and includes expendable supplies such as cables and adapters of \$5,100; software at \$1,000; small equipment purchases of \$3,700.

TELECOMMUNICATIONS

This code is mostly the cost of the fiber cable for the Automated Network. The anticipated cost, less 2017 E-Rate funds, is paid for by member libraries. In 2019 the Lighttower Fiber Networks contract expires and will be competitively bid via the E-Rate program. This line has been reduced by (\$5,700), as a buffer for the new contract was removed.

PR/ADVOCACY/COMMUNICATION COSTS

This code includes Sitelmpove, software that finds errors on the website making communication more effective and accurate at \$2,000, one-half of the maintenance on the e-mail system and in-house printing costs for the Trustee FYI and the annual Highlights. This line is reduced by (\$200).

TRAVEL & CONFERENCES (5 Appropriation budget lines)

All Travel & Conference codes add up to a (\$3,900) reduction over the 2018 budget, which was a (\$4,500) reduction from the 2017 budget.

REFERENCE GUIDE: 2019 BUDGET HIGHLIGHTS

CONTRACT WITH LIBRARIES

This code consists of estimated expenses for pass-through purchases. The offsetting revenue code is Sale of Goods and Services. The increase consists of \$40,000 in a Database pool approved by the Director's Association in 2018 and additional pass-through purchases with Central and Member Libraries of \$6,000.

PROFESSIONAL FEES

Included in this code are payroll processing fees, general purpose attorney, auditors and accounting package software support. The \$2,900 increase is primarily to support RCLS accounting software migration from AccuFund to QuickBooks.

ADVOCACY COSTS

Includes Legislative Breakfast; Orange County Chamber Expo; National Legislative Day, and dues to County organizations and travel costs to their associated events. NYLA Advocacy Day is budgeted at \$5,000 on this line.

SOFTWARE/HARDWARE MAINT. & SUBS - A

This code includes hardware and software support (annual contracts and multi-year contracts under \$2,500) applicable to the automated network. This includes the SirsiDynix annual software licensing agreement/maintenance at \$168,400 and annual maintenance contracts of \$47,100 for total increase of \$27,600.

The increase is a result of, a 2017 Director's Association resolution that 50% or \$8,870 for BLUEcloud Visibility be phased into ANSER Fees; additionally, SirsiDynix now provides Oracle platform support on the new virtual servers at a cost of \$7,300, with Candoris providing six months of VMware support at \$7,500, and the remaining \$9,930 in annual subscriptions which also support the new server environment.

FUELS AND UTILITIES

ANSER pays 50% of the estimated utility cost, which have decreased by (\$1,150) for General and (\$1,150) for Automation due to re-lamping RCLS with LED lighting and reducing our electric rate via a third party supplier.

REPAIRS TO BUILDING

This code has the largest decrease in any appropriations line at (\$15,000). In 2018 RCLS underwent renovations and so is not planning any building repairs in 2019.

OTHER OPERATION & MAINTENANCE

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

REFERENCE GUIDE: 2019 BUDGET HIGHLIGHTS

OPERATION OF VEHICLES

After years of a downward trend on this line, we see a slight increase of \$500 to allow for gas price increases in 2019.

OUTREACH FUNDS - NOT ASSIGNED

The amount of Coordinated Outreach Grant funds available after wages, benefits, travel, grants, career counselors and books are deducted from State Aid designated for Outreach.

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. These programs are a vital resource for certified librarians to earn the required Continuing Education hours.

RETIREMENT

An estimate based on 2018 employer contribution rates, the actual 2019 rates will be published in September 2019. So the \$4,600 increase is based solely on increases in salaries.

HOSPITALIZATION

Active

The New York State Health Insurance Plan (NYSHIP) will increase by \$22,400 for active employees. NYSHIP projects a 7% increase; but due to changes in staffing, RCLS will enjoy a modest 5% increase.

Retirees

The NYSHIP retiree plan projects a 7.1% increase, but due to the passing of a retiree in 2018 the increase to RCLS is reduced to 4.1% or \$3,700.

FLEX SPENDING EMPLR. CONTRIBUTION - NEW

As part of the new Union Contract a Flexible Spending Account (FSA) will be implemented January 1, 2019. RCLS will make a \$350 contribution to each full-time employees FSA account and cover administrative costs. The \$100 vision reimbursement benefit was eliminated for a net increase of \$8,200.

TRANSFER TO DELIVERY CAPITAL ACCOUNT

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.