

Village of Mukwonago
Notice of Meeting and Finance Committee Agenda

LIBRARY BOARD OF TRUSTEES MEETING
Monday, September 12, 2022

Time: **5:30 pm**

Place: **Mukwonago Community Library OR via Zoom**

Join via Zoom:

<https://us02web.zoom.us/j/81707413616?pwd=ZHM5ak0rbFRua1B5emRqbm5WY1k4dz09>

Meeting ID: 817 0741 3616

Passcode: 798569

1. Call to Order

2. Roll Call and Introduction of Guests

3. Approval of Minutes

3.a Minutes from July 25, 2022

[Finance Committee Minutes 20220725_unapproved.pdf](#)

4. Discussion/Action Items

4.a Budgeting for 2023

Discussion and possible action regarding budget planning for 2023.

[DRAFT Budget FY 2023 presented to Finance Committee 20220912.pdf](#)

[Library Budget Narrative FY2023_DRAFT.pdf](#)

5. Referral Items

6. Confirm Next Meeting Date

7. Adjourn

It is possible that a quorum of, members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice. Please note, upon reasonable notice, efforts will be made to accommodate the needs of individuals with disabilities through appropriate aids and services. For additional information or to request this service, contact the Municipal Clerk's Office, (262) 363-6420.

**DRAFT MINUTES OF THE LIBRARY BOARD MEETING – FINANCE
COMMITTEE**

Monday, July 25, 2022

Time: **1:00 pm**

Place: **Mukwonago Community Library**

Call to Order

Committee Chair S. Kaufmann called the meeting to order at 1:03.

Roll Call and Introduction of Guests

Board Members Present

J. Gasser
S. Kaufman
H. Pringle
C. Stienstra

Also Present

A. Armour, Library Director

Approval of Minutes

3.a Minutes from February 10, 2022

H. Pringle moved to approve the minutes of February 10, 2022. S. Kaufman seconded. C. Stienstra abstained as she wasn't on the Committee at that time yet. Unanimously carried.

Discussion/Action Items

4.a Proposal to Update Expenditure Lines for FY 2023

Discussion and possible action on Director's proposal to change the expenditure lines for FY 2023.

C. Stienstra moved to approve the change to expenditure lines for FY 2023 as presented. J. Gasser seconded. Unanimously carried.

4.b Preliminary Budget Planning

Discussion and possible action regarding preliminary budget planning for FY 2023.

A. Armour presented information to the Committee regarding the many issues she believes will have a significant impact on next year's budget including

inflation, succession planning, and adjacent county funding changes. The Committee requested she present these concerns to the full Library Board on August 11.

Referral Items

Adjournment

H. Pringle motioned to adjourn. C. Stienstra seconded. Adjourned at 2:41pm.

Minutes submitted by Abby Armour

DRAFT

DRAFT BUDGET FY 2023 - SEPT 12, 2022 Finance Committee

REVENUES	FY 2022	Finance Committee 9/12	
411100 - General Property Taxes	\$ 474,105.00	\$ 518,073.00	
434300 - County Grant (Hoopla from Bridges)	\$ 3,398.00	\$ 2,732.00	593,311.00 <--(total non-village)
436500 - County Taxes (WK)	\$ 443,227.00	\$ 486,624.00	
436600 - County Taxes (LK)	\$ 121,147.00	\$ 77,976.00	
436800 - County Taxes (other)	\$ 1,712.00	\$ 2,479.00	
430700 - COPIES	\$ 5,000.00	\$ 5,000.00	
430800 - LIBRARY MATERIAL REPLACEMENT	\$ 1,000.00	\$ 1,000.00	
431700 - BOOK SALE REVENUE	\$ 3,500.00	\$ 3,500.00	
431100 - FAXES	\$ 500.00	\$ 500.00	
431200 - FINES	\$ 13,000.00	\$ 13,000.00	
487100 - INTEREST REVENUE	\$ 500.00	\$ 500.00	
TOTAL REVENUE	1,067,089.00	\$ 1,111,384.00	

Bank Accounts

4890 Donation Revenue	8,000.00	(used for Summer Library Program)
5806 Donation Expenditure		
WCCF Capital Endowment as of 9/9/2022		\$ 685,040
WCCF Library Endowment as of 9/9/2022		\$ 319,777
TOTAL Bank Accounts		

EXPENDITURES

Cash Accounts	2022 Budget	ASK 9.12.22	increase over 2022
5110 Salaries & Wages	559,332.00	630,620	12.75%
5112 Social Security	44,355.00	56,702	27.84%
5152 Retirement	41,145.00	45,836	11.40%
5154 Health	64,788.00	62,000	-4.30%
5158 OPEB Payout	5,000.00	5,000	-50.00%
5159 Other Fringe Benefits	3,880.00	4,060	4.64%
5219 Professional Services	4,000.00	4,000	0.00%
5220 Contracted Services	16,000.00	30,000	87.50%
5221 Water-Sewer	3,500.00	3,000	-14.29%
5222 Electric	30,000.00	30,000	0.00%
5224 Gas	15,000.00	15,000	0.00%
5225 telephone	9,000.00	5,700	-36.67%
5226 Insurance Premiums	8,000.00	9,500	18.75%
5310 Outside Services	20,000.00	15,270	-23.65%
5311 Operational Supplies	20,000.00	11,500	-42.50%
Collection Maintenance & Repair		6,000	
5312 Printing	500.00	1,500	200.00%
5314 MetaSpace Equipment & Fixtures	5,000.00	1,000	-80.00%
MetaSpace Maintenance		8,300	
5315 Postage	500.00	500	0.00%
5326 Periodicals	2,700.00	1,200	-55.56%
5327 Newspapers	1,800.00	1,800	0.00%
5328 Books	70,000.00	70,000	0.00%
5329 AV Material	12,000.00	12,000	0.00%
5330 Thingery Collection	5,000.00	1,000	-80.00%
Thingery Maintenance		4,000	

5331 Programming	10,000.00	10,000	0.00%
5332 Mileage	2,000.00	500	-75.00%
5333 Outreach	2,000.00	3,000	50.00%
5335 Training & Travel	5,000.00	5,000	0.00%
5340 Electronic Tools & Services	10,000.00	6,000	-40.00%
Digital Collections			
5341 Café	23,713.00	24,742	4.34%
5343 Data Lines	1,200.00	1,200	0.00%
5344 Shared County Databases	22,772.00	3,954	-82.64%
5395 Repairs	20,000.00	15,000	-25.00%
5399 Other	5,000.00	500	-90.00%
Furniture & Fixtures			
581100 Equipment (under \$5000)	18,904.00	5,000	-73.55%
581105 Equipment (over \$5000)	-	-	

TOTAL EXPENDITURES	1,062,089.00	1,111,384.00
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What we need from village:	518,073
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if only 2% increase from Village	483,587
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DRAFT Library Budget Narrative FY 2023

Prepared by Abby Armour

Presented at Finance Committee meeting September 12, 2022

5110 Salaries & Wages

This line contains all the full-time, part-time, and seasonal worker wages. This cost reflects a 7.5% CPI increase for all employees. It also includes paying some wages for the Clerk's office and Department of Public Works for work they do for the Library. Bonuses and overtime are not budgeted. This year there are some adjustments:

- Add 15 manhours to circulation (another Circulation Clerk) to handle increased post-pandemic circulation; non-circulation staff have been spending 15+ hours per week to help keep up with shelving and essential circulation tasks, so correctly staffing the circulation department will get all the other staff back to their real jobs, many of whom who have tasks that only they are qualified to do, such as Youth Services book selection, caring for The Thingery, and paying invoices.
- Circulation Supervisor up to 40 hours per week (from 35 hours in 2022) to provide enough time for training, supervising, and acting as back-up for emergency Circulation Clerk absences. This would also allow time to start pulling circulation-related duties (such as Inter-Library Loan) from other departments, allowing for smoother succession planning.

5112 Social Security

The expected increase to Social Security this year is ____%. This will increase/decrease this line by \$____. (These rates have not been released yet, but forecasts suggest it will be 8%-10%. For this preliminary budget, I guessed 9%).

5152 Retirement

This is the monthly payroll allocation for retirement benefits to the Wisconsin Retirement System (WRS). Employees must work for at least one year and work for at least 1,200 hours (calculated on a rolling 12-month basis) to qualify for employer contribution.

5154

This is the employer contribution to employee's health insurance. All full-time employees (30 hours or higher) qualify for single or family health insurance (and if under 40 hours a week, this amount is pro-rated). Despite inflation, this number is less because a staff member isn't taking health insurance next year. (This amount is an estimate as health insurance rates have not been published yet. I guessed about 5% increase.)

5158 OPEB Payout

This is for Other Post-Employment Benefits (OPEB). Typically the Library Board has set aside a certain amount every year to be transferred to the separate OPEB account which contains funds designated to pay the benefits, other than pension distributions, that employees may

begin to receive once they retire. The OPEB of a retiring employee must be pre-funded before the retirement. Under the current Village and Library policies, there are few employees left that will receive OPEB. We have funded about 2/3 of the retirements and can slow down on the annual contributions to this fund, which is why this number is half of last year's amount.

5159 Other Fringe Benefits

The Library, at its discretion and according to the Personnel Policy, may provide additional benefits to its employees. Typically, these are TASC cards and life insurance.

5219 Professional Services

This line is mainly used by the Village to charge the Library for services such as attorney's fees, costs for the general ledger software, and Village IT services.

5220 Contracted Services

This line specifically delineates services that are under a contract. Many costs were relocated to this line for FY 2023 to more accurately represent services that are under contract. This budget line includes:

- copier leases (Impact/Great America) - \$5,225
- HVAC seasonal equipment maintenance (Illingworth-Kilgust) - \$4,526
- HVAC seasonal controls maintenance (Emcor) - \$3,688
- Security and cameras (Johnson Controls) - \$7,223
- Digital tools for staff including PC Reservation, RFID Link, and STS Terminal for cash drawers (Envisionware) - \$4,700
- Faronics (Deep Freeze) - \$650
- Schindler (elevator maintenance) - \$1,260
- Wisconsin Elevator (inspection contract) - \$95
- Walworth Security (autodialer for fire emergency) - \$540
- USA Alliance (fire system maintenance) - \$1,525
- Taylor Computer Services (SonicWall firewall maintenance) - \$300

5221 Water-Sewer

This amount budgeted for 2022 seems to accurately reflect usage. There is no change in this budget line.

5222 Electric

This amount budgeted for 2022 seems to accurately reflect usage. There is no change in this budget line.

5224 Gas

This amount budgeted for 2022 seems to accurately reflect usage. There is no change in this budget line.

5225 Telephone

Mid-year 2022, the Village switched phone service to Vonage. This was a cost savings of approximately \$3,300 for FY 2023. This did not change the charges for Centurylink service.

- Vonage - approximately \$3,500 for extensions and cordless phones
- Centurylink- approximately \$2,200 annually for patron fax line and security hardlines

5226 Insurance Premiums

Beginning in 2022, insurance premiums now include a Fine Arts rider on the Village's general policy to cover the entire Grutzmacher Collection.

5310 Outside Services

These are non-contracted services that are performed by outside companies. Some costs previously from this line have been relocated to more appropriate lines. Recurring costs include:

- Fish tank maintenance (America Aquaria) - \$1,020
- Weekend cleaning (Klassy Kleaners) - \$12,480
- Credit cards processing fees - \$1,050
- Collection agency for fines and replacement items (Unique) - \$120
- Cleaning dusters, rags, and rugs (AlSCO) - \$600

→ Operational Supplies

This line was formerly just "Supplies" which had an unhelpful variety of staff-oriented and collection-oriented costs jumbled together. In this new line, "Operational Supplies" would strictly be supplies needed to run the Library. It would be internally subdivided into four categories:

- Cleaning (consumables, cleaners, etc.) - \$3,000
- General Office (copy paper, pens, toner, etc.) \$7,000
- Landscape (gloves, weed trimmer line, etc.) - \$500
- Building (furnace filters, softener salt, water bottle filler filter, etc.) - \$1,000

***Collection Maintenance & Repair**

Formerly lumped in with "Supplies," this line helps clearly delineate the costs related to protecting, preparing for circulation, and upkeeping the physical circulating collections. It would be internally subdivided into three categories:

- Thingery Maintenance (replacement containers and parts, specialty stickers, etc.) - \$1,000
- Book Maintenance (mylar coverings, book tape, RFID tags, barcodes, etc.) - \$4,000
- AV maintenance (cases, labels, etc.) - \$1,000

5312 Printing

This line is primarily used by the Village to charge the Library for costs associated with their copier. The Village has a shared cost formula that charges the Library 13.72% of every "all Village departments" shared costs like this.

→ **MetaSpace Equipment & Fixtures**

This was formerly just “MetaSpace” but is now broken down to delineate the permanent costs of the MetaSpace from the consumables and programming. Examples of costs in this line are replacing equipment at End of Life (EOL), purchasing more accessible furniture as programming needs evolve, and getting new/different software to offer new programs or functionalities to users. This line would be considered the “growth” line as these items are all related to improving or expanding the MetaSpace.

***MetaSpace Maintenance**

Formerly lumped in with “MetaSpace,” this line is now broken apart to show the costs inherent in running this space. These would include professional maintenance services on the laser machine, programming costs, and consumables like wood for engraving and filament for the 3D printers. This line would be considered the “maintain services” line as all the costs are geared at keeping the equipment and programs maintained at the same level there were last year. Some significant costs for FY 2023 include:

- Replace failing laser tube on laser machine - \$1,720
- Adding in annual professional maintenance of laser machine, sewing machines, 3D printers, and other expensive equipment
- Purchasing software licenses for new computers to enable several users to work simultaneously
- Increasing consumables such as wood, 3D filament, and other supplies to match increased usage of MetaSpace

5315 Postage

This line is primarily used by the Village to charge the Library for costs incurred in mailing checks and letters on our behalf. This line was overspent in 2022.

5326 Periodicals

This line is for all of the magazines purchased for the publicly available collection. For 2023, the subscriptions for *Booklist*, *Library Journal*, and *Kirkus Reviews* are relocated to the “Training & Travel” line as they are not for the public and are used by the librarians for collection development. The periodical subscriptions were further reduced to reflect patron usage.

5327 Newspapers

We offer several local and national print newspapers to the public. These costs remain relatively flat.

5328 Books

This budget line is for purchasing all the books in the children’s, teen, and adult public available collection. Circulation continues to increase post-pandemic. We added 4,372 new books to the collection in 2022, and customers consistently ask to get items faster, which means purchasing duplicate copies of materials.

5329 AV Material

Users are looking for more Playaways (single-book MP3 players) and video games, so collection development is shifting dollars from the less expensive DVDs and CD audiobooks (which are in declining demand) to these more expensive items. By keeping this budget line flat, we are purchasing less items for the same amount of money.

→Thingery Collection

This was formerly just “Thingery” but has been renamed to emphasis that items in this line are additions to the publicly available collection. This line would be considered the “growth” line as everything in this line is new items to expand our offerings. Typically costs would be updating equipment to newer versions or adding items customers are requesting.

***Thingery Maintenance**

Formerly in the “Thingery” line, this is broken out to reflect the costs inherent to “maintain” the wide variety of items already available in the Thingery. These costs aren’t about repair or replacement (see “Collection Maintenance”) but rather reflect the costs associated with providing an item. Common costs include:

- Kindle books for the loanable e-readers
- Hostpot wifi subscription plan
- Netflix, Acorn, and other streaming services for the Rokus
- Sewing machine service

A cost this is NOT reflected in our budget is the Explore Passes for the zoo, botanical gardens, train museum, etc. These passes are almost always checked out and cost about \$4,300 each year. The Friends of the Library generously purchase them for us.

5331 Programming

This line consists of all the costs inherent in programming, including paying performers and purchasing supplies. Performers have gotten significantly more expensive post-pandemic and keeping this budget line flat purchases less programs for the same amount of money. The Friends of the Library help offset costs as well. It is internally subdivided into the relevant age ranges:

- Youth Services Programming
- Teen & Outreach Programming
- Adult Programming
- Collaborative Programming (such as the Holiday Tree Lighting where all departments work together)

5332 Mileage

These are mileage reimbursements to employees for using their own vehicles when conducting Library business. This may include trips to deliver books to the schools, conducting outreach like at the farmer’s market, or attending a meeting.

5333 Outreach

This line is for anything related to marketing and promoting the Library. Outreach and communication is emphasized in our current strategic plan and, based on public comment, will likely feature heavily into the next strategic plan. Common costs include:

- Printing brochures, fliers, bookmarks, etc.
- Table skirts, banners, etc.
- Branded items for welcome bags and handout (i.e. branded pens, logo stickers, etc.)
- Membership fees to Rotary and other service organizations
- Promotions and “boosts” on digital platforms (Google) and social media (Facebook)

5335 Training & Travel

All costs associated with professional development, staff training, and travel for conferences. Common costs include:

- WLA, ALA, or other membership dues to professional organizations
- Professional resources such as *Library Journal*, books on strategic planning, etc.
- Conference fees
- Hotel, travel, and food costs associated with professional development
- Staff training for CPR, AED, etc.

→Electronic Tools & Services

Formerly under just “Digital Materials,” this line now just shows the costs to maintain the digital tools necessary in a 21st century library. Common costs include:

- Emergency Wifi or computer services (Taylor Computer Services) - \$1,000
- Online event and room registration (LibraryCalendar) - \$1,500
- Website development (Wowbrary, Elegant Themes, Sticky Elements) \$630
- Website domain (GoDaddy) - \$62
- Website platform (Presidium, through Bridges) - free
- Virtual Meetings (Zoom) – free
- Marketing Materials (Canva pro) - free
- Server licensing and backups - \$500
- Asset Management (Asset Tiger) - \$120
- Movie License (through Bridges bulk purchase) - \$602
- Email newsletters (MailChimp) - \$840
- Civic Plus (village’s website) - \$728

***Digital Collections**

Formerly lumped in with “Digital Materials” and “Shared County Databases,” this line now clearly delineates purchases that are circulating Library collections accessed by the public. Starting in 2023, the Waukesha County Library Services Plan will now use ebook circulation as well as physical item circulation in calculating the county funding reimbursement formula. Internally, we will have subdivisions:

- Reimbursable – These are costs for digital items that WILL count in the FY 2023 county funding formula.
 - OverDrive/Libby (Wisconsin’s Digital Library) - \$7,800
- Not Reimbursable – These are costs for digital items that will NOT count in the FY 2023 county funding formula. As of now, these vendors do not provide granular enough detail in their reporting to accurately allow the Bridges Library System to determine if a usage is by someone who is a True Non-Resident (TNR) or one who lives in a librariated municipality.
 - Hoopla - \$6,000
 - Flipster - \$865

5341 Café

These are the costs for using the Bridges Library System shared catalog. This is one lump sum charged by Bridges annually. This cost is shared amongst all libraires in the system and is divided out based on our service area and population.

5343 Data Lines

As a public library, we qualify for deeply discounted high-speed internet through the Wisconsin Department of Administration TEACH Program which provides subsidized Category One broadband circuits via the BadgerNet contract. It is only \$100 per month.

5344 Shared County Databases

These are the costs of the databases purchased by the Bridges Library System and are shared by the member libraries based on a formula using population and service area. These databases are not considered part of the regular circulating Library collection because their usage does not count as circulation. This budget line is drastically different from previous years because costs such as Overdrive/Libby, hoopla, and Flipster have been moved to the new “Digital Collections” line to accurately reflect this difference.

- Shared database: \$1,244
- Gale: \$2,710

→Repairs

Formerly “Repairs & Maintenance” this line has been renamed to accurately reflect that these are unexpected costs, as opposed to the expects costs in the “Contract Services” line which is clearly for maintenance contracts. We have worked hard in 2022 to permanently fix chronic HVAC issues, so this budget line has been reduced to reflect the potential for less emergency work.

- Electrical work (Roman Electric)
- Doors and ADA access (Rhindler)
- HVAC (Illingworth/Kilgust and Emcor)

5399 Other

These are the taxes we need to pay on any sellable items such as faxes, copies, and book sales.

***Furniture & Fixtures**

This new budget line would add a much-needed designation for the various non-consumable purchases for the good or maintenance of the Library that have been previously dumped into “Supplies.” Unlike supplies, though, the common expenditures in this account are items that we will retain for a long time, such as:

- Book carts
- Chairs, tables, desks
- Replacement lights, windows, etc.
- Shelving for basement organization, closet organization, etc.
- Replacing light fixtures, bathroom door locks, book cart wheels, etc.

581100 Equipment (under \$5000)

This line is for any individual items or equipment that are considered “capital” items (i.e. will last for 5+ years) but cost less than \$5,000 apiece. Usually for the Library this is technology such as new computers.

581105 Equipment (over \$5000)

The Village capitalizes any one item that costs \$5,000 or more.