

**LIBRARIAN REPORT**  
**January 11, 2022**

**Budget**

**Building**

Not much to report, the charges for Felger this month are for Ossian's routine maintenance and they found nothing to fix. While doing Bluffton's heating inspection they did find a few things and these parts have been ordered and include:



5049 N State Rd 1  
Ossian, IN 46777  
[www.felgerhart.com](http://www.felgerhart.com)

**FELGER HART, INC.**

To: Wells County Library  
Attn: Nate  
Re: Repairs from 2021 Heating Inspection

**Proposal**

12/28/21

8403

Thank you for the opportunity to quote this project.

**This price includes:**

**RTU 6** Replace Blower Belt- AX-35.  
**West Boilers** Replace 2 cracked burners and replace ignitors in both boilers.  
**East Boilers** Replace both spark and flame rod assemblies on both boilers.

**All materials and labor to complete the job.**

|                       |                   |
|-----------------------|-------------------|
| Bid Amount:           | <b>\$1,785.00</b> |
| Not To Exceed Amount: |                   |
| Estimate Only:        |                   |

FELGER HART INC.

### **Cash flow**

Now with our tax amounts given in our 1782, I have attached the current cash flow document and the projected 2022 cash flow document. I increased the disbursements for 2022 by a generously rounded 5% and account for only the minimum for revenue. We are seeing a 19.5% decrease of LIT and only a 5.79% increase of property tax. We are viewing this dip in LIT as temporary and due to COVID. Our LIT distribution is based on a 3-year average of Local income tax for the county. We cut spending in 2020 and stagnated pay with a 0% increase in 2021 because of the assumption that we would see a decrease in LIT, so we are fine to continue with the budget as planned. However, I am still keeping a cash flow balance for January 1 that is 61% of our 2022 budget in case our LIT numbers do not recover in 2023.

### **Policy and By-laws – Review Only Item**

The policy for review this month is the Library Patron Policy. Investment and credit card policies will be reviewed during the Board of Finance Meeting.

### **County Council Update**

As you may have read in the newspaper, the library had the January County Council Update last Tuesday. We felt that the update went well and the article in the banner was favorable. They were very interested in our decision to go fine free and asked some questions about budget and process. They have not asked for any additional information or follow-up, but Dustin and I wanted to include additional information for all of you, just in case anyone asks you questions due to the news article. Every year, we include an assumption for fines and fees in our budget for the DLGF. The table below shows how we have budgeted for fines and fees and what was the actual income we received for that year.

| Past income from Fines and Movies |  |                                |                             |          |
|-----------------------------------|--|--------------------------------|-----------------------------|----------|
| Budget Year                       | Assumed Income (includes meeting room) | Actual Income Fines and Movies | Actual Income meeting rooms | Total    |
| 2015                              | \$40,000                               | \$40,117                       | \$5,065                     | \$45,182 |
| 2016                              | \$40,000                               | \$37,278                       | \$6,465                     | \$43,743 |
| 2017                              | \$40,000                               | \$33,105                       | \$6,650                     | \$39,755 |
| 2018                              | \$40,000                               | \$33,158                       | \$9,825                     | \$42,983 |
| 2019                              | \$35,000                               | \$29,713                       | \$9,465                     | \$39,178 |
| 2020                              | \$35,000                               | \$17,665                       | \$5,431                     | \$23,096 |
| 2021                              | \$10,000                               |                                |                             | \$0      |
| 2022                              | \$4,000                                |                                |                             | \$0      |

With providing fine free service during COVID, we were actually over our assessment for 2020. Knowing that we might go fine free for 2021/2022, I budgeted less in fines for budget year 2021 and then even less for 2022. As you can see, actual income from fines has been steadily decreasing since 2015, even without being fine free. With the decreased amount for fines and fees for 2022, our budget was still passed by the DLGF as fully funded with sufficient operating balance. There are also quite a few services that are shifting and changing and could be cut from the budget if we needed to. For example, music on CD, movies and audiobooks are

starting to become obsolete with no real replacement except for Hoopla and Overdrive and we already have a budget with these two items funded. We have a few databases that are not being used as they once were. Our goal this year is to inform the school what we have available and monitor how they do and potentially cut them and direct patrons to Inspire only.

We have a very healthy budget. A big part of this is that we have a cycle in which we try to purchase the coming years' one-time budget items with end of year money, which frees up next year's funds for unforeseen items. This year, I was able to purchase \$76,400 worth of budget requests for 2022 with 2021 money and still have enough excess to transfer \$50,000 to LIRF and \$100,000 to Rainy Day. After these purchases and transfers we still have \$37,000 past 60% of our 2022 budget in cash. Now granted the excess money for LIRF and Rainy Day mostly came from the excess LIT funds, but even still we have sufficient funds to carry a loss from fines and fees and observe how this budget year goes.

So, instead of having \$70,000 dollars to purchase the following years items, we might only have \$30,000-\$40,000, which is still sufficient, I still think the good will, staff moral and more staff time to devote to services is worth the potential of making up the lost fines in our budget.

Other items that were talked about included, our increased use of study rooms 60% increase from 2019 and 133% increase from 2020. They were interested in our Book-a-Librarian program. We discussed that we had 1500 people participate in Children's book festival and that some new services coming included Hoopla and overnight hold pick-up. Steven Huggins had very nice things to say "I'm personally really pleased with the way that the library turned out with the new updates, and what you guys are doing is great (with) all these programs. And you're doing great things for the community and we appreciate it."

### **Year-end Housekeeping Resolutions 22-1, 22-2 and 22-3**

The December 2021 register of claims will have many more items than normal on it. Danielle included all the invoices that we had to pay through December 31st. This allows us to spend as much of our 2021 budget as possible and reduce the number of encumbrances we will need to make. The board needs to approve the encumbering of 2021 funds to cover all outstanding orders. We will be carrying over funds into the 2022 operating budget and increasing the designated appropriation lines. This is covered with resolution 22-1. Resolution 22-2 is the reconciliation of operating accounts. As usual, we have overspent in a certain accounts and have extra money in others, but our carryover is adequate. This resolution will allow Danielle to move money from one line to another within the same major category to cover all expenditures, eliminating all negative line item balances in our final 2021 year-end financial report. We had enough carry-over money to transfer the full \$25,000 budgeted for LIRF plus an additional \$25,000. Minus the \$100,000 transfer to Rainy Day (Resolution 22-3), we have \$118,937.92 more in our beginning operating balance than we did last year. After the transfer to Rainy Day, we are beginning 2022 with 61% of our budget in the bank, which gives

us a healthy cash flow. The state suggests that we carry-over 50-60% of our new budget at the beginning of the year. We had an extra \$75,000 in 2020 and \$41,460 in 2021 from LIT excess distributions and then spending less on staff pay, materials and utilities while we were closed in 2020 has allowed our budget to have a healthy cash balance, which is why I am proposing resolution 22-3 to transfer \$100,000 in excess funds into our Rainy Day fund. I left 61% of our budget in our Operating fund as we typically do not see the effects of an economic downturn for 2-3 years in government budgets and I want us to have a more than strong cash balance.

Even though these resolutions are routine financial board actions, I pulled these resolutions out of the consent agenda. Following the passage of these resolutions, Danielle will make the transfers and adjustments and provide you with a final year-end report at the February meeting. I will also begin working on the library's annual report for the state.

### **Overdrive Changes with NIDL and IDL**

The State Library will be offering a new consortium for Overdrive and any Indiana library is allowed to join. The 2 largest consortiums in the state will be joining this consortium as well as a few others. The State will cover platform fee of \$30,000 with LSTA monies and we would be required to give \$1,000 to a content management team and spend at least \$2,000 on our own content. We would choose to add the money budgeted for Overdrive in 2022 to still be used for our content credit purchased by staff. The content management team will be made up of librarians from participating libraries and they will use the funds for bestsellers, magazines and items that have excessive holds. They will also monitor items that need weeded and repurchased under a different publication company. All material bought by the libraries in the consortium must be shared immediately, but your patrons will always have hold priority for material you have purchased. The consortium would be allowed to purchase concurrent titles, which is not available to us now. This is a copy that when purchased with a OC/OU title will wipe out all holds on the item. This will be monitored by the content management team and used on items with 15 or more holds. It was a majority consensus of NIDL libraries for NIDL to be dissolved. We cannot afford to offer Overdrive on our own so I am proposing that we also join the Indiana Digital Library (IDL).

Updates Closed for the Holidays:  
All day February 21st

Director Updates

Community Meetings/Activities attended outside the library:

Bluffton NOW! Board Meeting

Chamber Board meeting

Chamber Executive Board Meeting

Rotary Meetings

Wells County Foundation Board

Meeting Updates inside the library:

Department Head meeting – COVID changes, programming stats changes, new High School intern, Overdrive changes

Current Projects/Big Programs/News:

**-After-Hour Pick-up** – the lockers have been ordered and we are now working on prepping the sights for install.

-Long Range Plan – 2022 is the last year for our current Long Range Plan. Starting in 2022, we will start to create our Long Range Plan for 2023-2027