

## **LIBRARIAN REPORT**

### **January 9, 2024**

#### **Budget**

##### **Cash flow**

Now with our tax amounts given in our 1782 notice and we have reached the end of 2023. I have attached the most current cash flow document and the projected 2024 cash flow document. I increased the disbursements by 5% and account for only the minimum for tax revenue. We are seeing a 5.11% increase of LIT and a 3.99% increase of property tax. Our LIT distribution is based on a 3-year average of Local income tax for the county and while it is encouraging to see it go up after the 19.55% decrease from 2021 to 2022, we are still projecting -10.66% in LIT than we had in 2021. I am still keeping a cash flow balance for January 1 that is between 50-60% of our 2024 budget in case our LIT numbers do not continue to recover in 2024 or the price of goods/services continues to climb in price. Also, due to property tax levy increases being capped at 4% until 2026, with talks of further capping beyond 2026, combined with LIT numbers not increasing to 2021 numbers anytime soon, I will be slowly decreasing our Operating Budget 2025-2027 and then reassess where we stand. This year, I will be giving staff a decreased appropriation report, as a trial run, for where I would like our 2025 appropriations to be. Increases more than normal for 2023 included: pay for two department heads for 3 months (while Annette was trained by Judy), health insurance increases, and inflation on general office/cleaning supplies. Our utilities held steady in costs, which is most likely due to updating HVAC units, switching to LED lights and performing actions to better weatherize the building.

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

The policies for review this month are Donor Recognition and Small Purchase policies.

#### **Year-end Housekeeping Resolutions 24-1 and 24-2-Voting Item**

The December 2023 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 2023 budget as possible and reduce the number of encumbrances we will need to make. The board needs to approve the encumbering of 2023 funds to cover all outstanding orders. We will be carrying over funds into the 2024 operating budget and increasing the designated appropriation lines. This is covered with resolution 24-1. Resolution 24-2 is the reconciliation of operating accounts. As usual, we have overspent in 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 2023 year-end financial 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. This year, we are starting to see the effects of the economic downturn on our tax income and inflation on our disbursements, another reason I will be systematically scaling our budget back over the next 2-3 years. When I took this position, in 2017, our carryover cash balance was usually 40% of our next year's budget because of recovering from the last economic downturn. I would like to continue at a 50% cash balance and want to take a proactive approach to accomplish this.

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.

**Library Closed:**

December 23-26

January 1<sup>st</sup>

**Director Updates**

Community Meetings/Activities attended outside the library:

Bluffton NOW! Board Meeting

Bluffton NOW! Executive Meeting

Chamber Board meeting

Chamber Executive Meeting

Rotary Meetings

**Meeting Updates inside the library:**

**Department Head meeting** – Spring In-service, Goal 3 for the Long Range Plan, staff review restructure, Policies.

**Current Projects/Big Programs/News:**

**-Friends of the Library Book sales**

Next Book Sales will be:

2024

February 7-10, 2024 with Friends Only Sale on February 6th

June 26-29, 2024 with Friends Only Sale on June 25th

October 23-26, 2024 with Friends Only Sale on October 22nd