

LIBRARIAN REPORT

June 11, 2024

Budget Calendar-reference only

I have attached the Department of Local Government and Finance budget calendar to the agenda. The dates that mostly pertain to us are:

June 30-Maximum Levy Growth Quotient (MLGQ) is provided-we already know it will be 4%

July 15-Receive maximum allowable budget

July 15-Receive our estimate of the miscellaneous revenue

July 15-Beginning of Department Budget Workshops

July 28-Circuit Breaker estimates

August 1-Receive Net Assessed values

August 13-Board meeting:

-Approve Salary Resolution and Proposed 2025 Budget

August 16-Deadline for release of 2025 LIT estimates

September 10-Board meeting:

Public Hearing on Proposed Budget

October 1-Deadline for second 2025 LIT estimates

October 8- Board Meeting:

Adopt 2025 budget

Cash flow – Review Only item

I have attached the current cash flow spreadsheet to the agenda, instead of the agenda items, to draw attention to one change. Since 2020 we have been receiving Supplemental LIT disbursements. These are local income tax funds that exceeded the DLGF's estimate of Local Income Tax. They are not guaranteed and it is an unknown number. Supplemental LIT goes into our Operating/General Fund and is included in our June 30th Operating Balance for budgeting purposes. I have now separated the Supplemental LIT from our regular receipts and the actual total of our Operating Balance is now at the bottom below December's balance. This is mainly so I can track if our disbursements outpace our receipts assumed during the budget process. I would like to look at the Supplemental LIT, as it is called, supplemental and for large one-time end of year purchases or LIRF and Rainy Day savings.

Policy and By-laws – Review Only item

The policies/information for review this month are Employment Policy and chapter 14 of the *IN the Public Trust* trustee manual.

Executive Session Information

I have attached examples of what a cost of living increase would reflect in the salary portion of our budget. We have been noticing a trend that we are typically a dollar less per hour in pay for comparable positions that are being advertised this year. Because of this, I am throwing a lot of possibilities your way for the 2025 salary schedule. There is a restructured version of each proposal. This is a restructuring of the amounts of steps for Admin, Department Heads and Assistants. The gap between a starting wage and a top wage in these 3 areas makes me uncomfortable. I understand the years of experience gap with Clerk I and Clerk II mainly because those positions gain experience and responsibilities as they grow in the position. Admin, Department Heads and Assistants have already had these years of experience and a new Department Head is expected to do the same job as someone that has been here for 15+ years. This is why I am proposing reducing the amount of steps in these 3 areas. No matter which option you choose, I would prefer the restructured version, but of course, that is your choice as the board.

Also, Teresa is retiring March of 2025. This leads to a succession planning discussion. A few years ago, Jackie (Media Services) became the only staff member in her department due to the slow fade of physical audio visual material (DVDs, CDs, Audiobooks on CD/Playaway etc) She came to me concerned about the future of her department and that she does not have staff to cover her department when she is on vacation. It is my plan to merge the Media Services and Circulation departments in 2025 when Teresa retires. Jackie started in circulation and worked in circulation along with her Media Services position until just after the remodel. This would allow her to have staff to manage/supervise. Also, a lot of what she needs done when her materials are returned is already being done by Circulation Staff. This would essentially eliminate a full-time position. So, my next request would be to make the Circulation Assistant full-time and supervisor of our shelvers. Stephanie (current circulation assistant) was hired as both assistant and shelver with the goal that she would be the head shelver and eventually supervising shelver. Both of these position/department changes have been accounted for in the proposed budgets attached to the agenda. Both Jackie and Stephanie are in agreement to this change if the board approves.

Also, just FYI, I believe the next retirement on the horizon would be Susan Dailey. I have heard nothing official but suggestions of 3 years have been mentioned. At this time, Janelle, our head of teen services, is interested in the branch manager position. She has the required certification/education from the State and also worked at Ossian when she was a clerk.

The Maximum Levy Growth Quotient (MLGQ) is assumed to be 4% in increase. This number is an average across the past 3 years of property tax revenue and the smallest number in this mix is falling off this year. That being said, the MLGQ is typically capped at 6%, so it will never be higher than 6%. Based on the 3 year average it should be closer to 6%, but our legislature decided to cap all levy increases at 4% in 2023 and 2024. So, most likely, it will be at 4% for 2024.

I have also included a comparison of rates of pay for all libraries in Indiana (see documents: 2024-Salaries-Directors and 2024-Salaries-All-Other-Positions) It is sorted by population served and we are highlighted in yellow. Huntington is our closest competitor for staff in this area with our population served, number of buildings, and type of programming/community involvement (obviously we cannot compete with Allen County). I have highlighted Huntington as green. Not all libraries have the same type of positions, but I tried to fill in gaps as best as I could. For manageability, I deleted all libraries with a population less than 11,000 and greater than 50,000. You can access the full report here: <https://www.in.gov/library/services-for-libraries/plstats/2023-statistics/>

You can also see all 2023 pay of any public position state-wide here: https://gateway.ifionline.org/report_builder/Default3a.aspx?rptType=employComp&rpt=EmployComp&rptName=Employee%20Compensation#Pb53ea02bac6c4712a35d336ba36c35d5_3236iT0

Below, I have listed the different increases for inflation, MLGQ and pay from 2020-2024. The reason there is such a large increase from 2022 salaries to 2023 salaries is because of budgeting for the overlap of training a new Material Services Department Head and trying to make-up for the pay freeze in 2021.

Library staff, with the exception of Brian and me, are on a pay matrix, so “total increase w/step” includes COL and step/education raises.

Average inflation rates:	MLGQ Rates:	COL Increase	Total increase w/step
2020: 1.2%	2020: 3.5%	2020: 2%	4.3%
2021: 4.7%	2021: 4.2%	2021: 0%	0%
2022: 8.0%	2022: 4.3%	2022: 4%	6.12%
2023: 4.1%	2023: 5.0%	2023: 3%	9.48%*
Total 2020-23: 18%	2024: capped at 4%	2024: 3%	1.68%
CPI April 23-April 24: 3.4%	2025: most likely 4% capped		

*budgeted for both Judy and new department head for training. Ended up not needing all time budgeted.

The different salary scenarios for comparisons I am providing include:

Budget 3% - This is keeping everything the same and increasing by a 3% cost of living. (1.82% total increase in wages)

Budget 3% restructure – This is a 3% cost of living and restructuring Admin, Department Heads and Assistants. (3.78% total increase in wages)

The next two are the highest I think are doable. I do understand they are quite a bit more than usual but I wanted to give you a high comparison of what it would take to stay even with Huntington.

Budget-dollar+2% - This is increasing the starting pay of each section by \$1 and then a 2% cost of living for the 2025 pay year. (6.75% total increase in wages)

Budget-dollar+2%-restructure - This is increasing the starting pay of each section by \$1, a 2% cost of living and restructuring Admin, Department Heads and Assistants. (7.05% total increase in wages)

In all scenarios, I have increased Brian's pay by 5-6%. Most IT managers in libraries (with the exception of the larger systems that have multiple IT staff members) their sole job is to manage companies that perform the IT work for them. Brian takes it upon himself to save the library money by doing most IT work himself from running cables to install cameras to building servers. He has recently found a way to do what Archive Social was doing for us, so we can drop the service and still remain compliant. Archive Social was going to increase our costs to over \$7,000 next year! These are just some of the reasons that I believe Brian deserves this pay increase.

I will have each of these scenarios physically printed out for you at the meeting, since I feel it is easier to compare them side-by-side.

Library Closed:

5 pm July 3-July 4

Director Updates

Community Meetings/Activities attended outside the library:

Bluffton NOW! Board Meeting

Chamber Board meeting

Rotary Meetings

Wells County Foundation Board

Purdue Extension Health Advisory Board

Meeting Updates inside the library:

Department Head meeting – not meeting until the 14th.

Current Projects/Big Programs/News:

-Friends of the Library Book sales

Next Book Sales will be:

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

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