

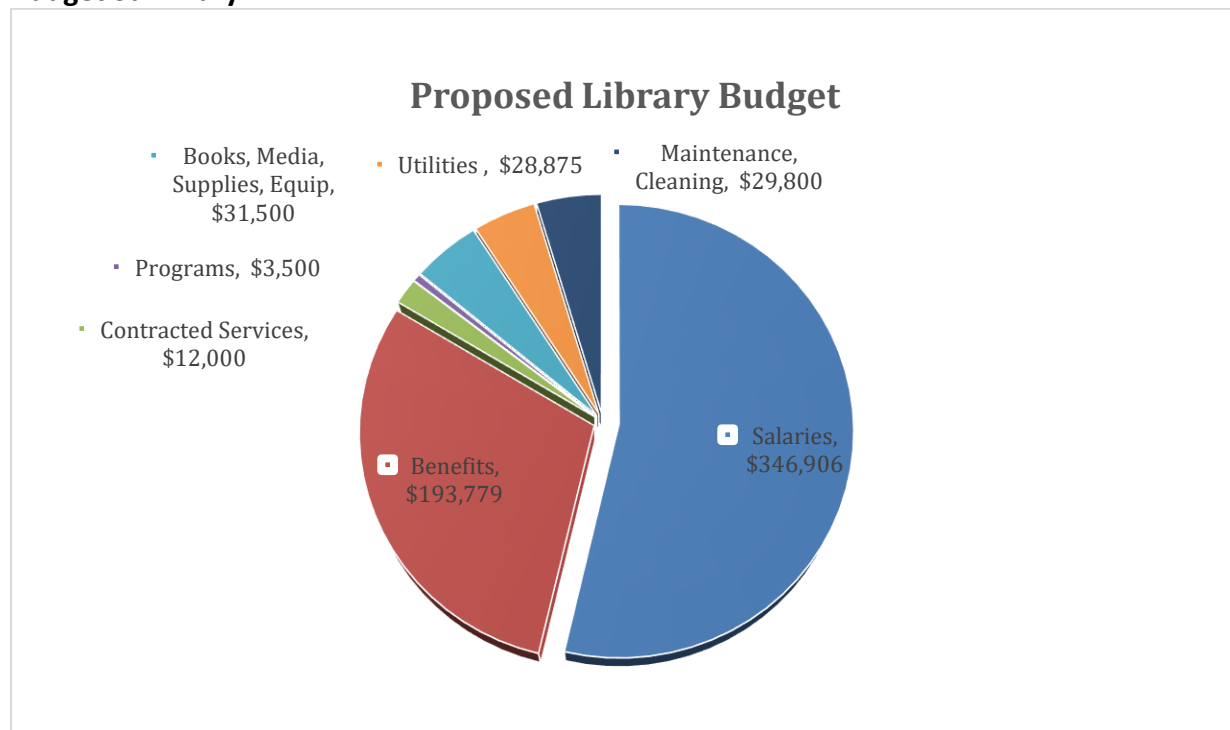
*Moultonborough*  
*2023-2024 Library Budget*  
*Recommendations and Comments*  
Advisory Budget Committee  
March, 2023



Moultonborough’s Advisory Budget Committee (ABC), established in July 2008, is an appointed volunteer body whose mission is to provide the community and governing bodies with independent review and objective analysis of annual budgets. The Committee has completed its comprehensive review of the Moultonborough Library 2023-2024 Budget. Please be aware that the views in this report are not always unanimous.

The library, run somewhat independently from the Town, is funded primarily with taxpayer dollars. Some additional funding is received via grants, trust funds, donations, and miscellaneous internal revenues such as copier fees, conscience jar, etc. Powers and duties of the Library Trustees are outlined in New Hampshire state statutes Title XVI; 202-A:11.

**Budget Summary:**



At the time of this report, the proposed total Library Budget for Fiscal Year 2023-2024 is \$646,360, which represents an increase of \$16,744, or 2.7%. As was noted last year, the proposed budget does not include any revenues from outside (non-taxpayer) sources as those revenue streams have become increasingly unreliable. The annual book sale is now managed and operated by the “Friends of the Library”. Although the library is no longer the direct recipient of these funds, we understand that those funds are primarily used for library programs.

Per the Library Trustees, the proposed budget includes a 4.5% across the board salary increase. As proposed last year, the Trustees reorganized staff by eliminating one full-time position and adding a part-time youth assistant position. Benefit increases were offset due to staff opting for different levels of coverage. With one less full-time employee and staff taking different plans than in 2022, there is a significant decrease in benefits.

A separate warrant article is also proposed to add \$35,000 to the Library Building Repairs and Maintenance Capital Reserve Fund.

### **Observations & Comments:**

- The ABC is pleased to see that the Library Trustees embraced a prior recommendation to establish a capital reserve fund for the building, and continue to add to it. A capital reserve fund helps avoid tax spikes for building maintenance projects such as replacing the Library roof, which will need to be done in the not-too-distant future.
- To expand on the above observation, the ABC recommends that the Library develop a formal plan for its capital improvement needs going forward. Integrating these needs with the Town’s six-year Capital Improvement Plan will avoid tax spikes and help smooth tax rates going forward.
- The ABC notes that the proposed Town budget includes a second maintenance position. As the Library is a Town building, the Town should be responsible for maintenance of the Library building and grounds. The proposed Town budget does include an additional maintenance position that should be able to fill this need rather than having the Trustees contract for that function independently. We would recommend that the Library and Town work together to determine what maintenance and repair needs can be done by the Town.
- Currently, the Town performs all of the accounting for Library salaries and benefits, while payments for books, media, materials, supplies, utilities, and maintenance contracts are made via the Trustee’s account, resulting in two different accounting systems. This makes it difficult to present a single unified set of books for budgeting, reporting, and auditing purposes. We strongly recommend that the Library use the town’s accounting system for payment of operating expenses going forward.
- Consideration should be given to establishing a nominal usage fee for non-taxpayers. It seems that the majority of libraries in the state do indeed make use of such fees, ranging from \$10 - \$100 per year. While we certainly do not want to discourage Library use, we do

feel this might be a small revenue source for the library. Library staff might also want to consider exempting some users, such as Town, School, or Library employees.

- We support continuing collaboration of the Recreation Department, School, and Library to share resources and programs to avoid duplicated efforts and costs.
- We also encourage the Trustees, Director and the “Friends of the Library” to revive programs for the Towns adult population. The past two years, due to the pandemic, most of the adult programming has been curtailed or moved to Zoom, and not everyone has access to or is comfortable with that platform. It is also important for the older adult population to have the opportunity for in person socialization.
- The Library uses ‘non-lapsing’ funds from leftover appropriations, copier fees, fines for lost or damaged books, etc. as an additional source for repairs, books, and supplies. As such, it’s difficult to get a true picture of total revenues and expenditures. We would encourage the Trustees to look at perhaps discontinuing these funds and establishing a petty cash account in its stead.

**Reserves:**

- The Library established an Expendable Trust Fund for building maintenance and repairs two years ago. The ABC recognizes the importance of this reserve for managing significant repairs necessary to maintain the library.
- Library Trustees have used Trust funds (most originating from donations and bequests) for a lighting upgrade, computer technology, outside landscaping, children’s programs and supplies, and for professional development and training. Some of these trust funds may only be used for specific purposes.

**Conclusion:**

This past year has seen cost increases and supply chain issues affect our own household budgets; the same holds true for the library. The regional Consumer Price Index (CPI) is up by about 8.2%, and even Social Security has recognized these increases by boosting 2022 payments by 8.7%. Given these drivers, we believe the Library trustees have proposed a reasonable budget to operate Moultonborough’s Library for the 2023-2024 fiscal year.

Respectfully submitted,

Moultonborough Advisory Budget committee

Kay Peranelli	(Chair)
Joe Adams	(Member at Large)
Mary Phillips	(Member at Large)
Linda Murray	(Alternate at Large)
Jean Beadle	(Select Board Representative)
Kathy Garry	(School Board Representative)