

Moultonborough
2022-2023 Library Budget
Recommendations and Comments



Advisory Budget Committee

March 17, 2022

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To the Library Board of Trustees
Moultonborough Public Library
Moultonborough, New Hampshire 03254

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 2022-2023 Budget. Please note that the views in this report are not always unanimous.

The library, run somewhat independently from the Town Administration, is funded primarily with taxpayer dollars supplemented with independent non-tax levy funds including grants, donations and miscellaneous internal revenues such as copier fees, conscience jar, etc. New Hampshire Public Library Trustees operate under the relevant RSA provisions defining Trustee responsibility for governing public libraries within the State of New Hampshire. The powers and duties of Library Trustees are defined in the state statutes Title XVI; 202-A:11.

Budget Summary:

At the time of this report, the proposed total Library Budget for Fiscal Year 2022-2023 is \$629,616. This figure is somewhat difficult to compare to the prior year because the prior year budget was for an 18-month period to accommodate the switch from a calendar to a fiscal year. However, using a pro-rated figure of \$603,900 for the prior 12-month period, would represent an increase of \$25,716, or 4.26%. In a change from prior years, the proposed budget does not include any revenues from outside (non-taxpayer) sources as those revenue streams have become increasingly unreliable. In past years the library has generated annually between \$7,000 and \$10,000 from its annual book sale. Effective this past summer, the book sale is now managed and operated by the "Friends of the Library". The library is no longer the direct recipient of these funds.

Per the Library Trustees, salary and benefit amounts are up 9.2% primarily due to health plan increases as well as the need to lessen reliance on Trustee outside funding sources. Overall salary expense will increase by 1.1%. Salary increases were partially offset by a reduction of one full time position. Going forward, the Trustees plan to have five full time staff, including a new position of Assistant Director, and three part time staff, including a new position for a Youth Services Assistant.

A separate warrant article is also proposed to add \$25,000 to the Library Building Repairs and Maintenance Capital Reserve Fund.

Observations & Comments:

- The ABC is pleased to see that the Library Trustees are embracing our prior recommendation for a building capital reserve fund, and are proposing adding to the current fund this year. 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 commends the Library Trustees for working with local volunteers to accomplish some of the grounds maintenance, including gardens, irrigation, and mowing/pruning. The Trustees correctly note that the Library is a Town building, and also note that the Trustees are responsible for inside and outside repairs. We would recommend that the Library and Town take a look at the Library's maintenance and repair needs and determine if any of that work can be absorbed by the Town, keeping in mind the ability of the current Town staff to absorb additional duties.
- 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, thereby having two different accounting systems. This makes it difficult to present a single unified set of books for budgeting and auditing purposes. We strongly recommend that the Library use town's accounting system for payment of operating expenses going forward. Having all expenses in one place should prove very beneficial to the Trustees on a daily basis.
- Consideration should be given to establishing a nominal usage fee for non-taxpayers. Information provided by the Library, appears to show 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 based on current use by non-taxpayers. Library staff might also want to consider exempting some users, such as Town, School, or Library employees.
- We also support continuing collaboration of the Town Recreation Department, School, and Library to work together in sharing resources and programs. Working together will 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. Not everyone in the community has access to Zoom. It is also important for the older adult population to have the opportunity for in person socialization.

Reserves:

- The Library District maintains an Expendable Trust Fund for building maintenance and repairs. The ABC recognizes the importance of this reserve for managing significant repairs necessary to maintain the library. The balance in this reserve is currently \$25,000.

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 5.3%, and even Social Security has recognized these increases by boosting 2022 payments by 5.9%. Given these drivers, we believe the Library trustees have proposed a reasonable budget to operate Moultonborough’s Library for the 2022-2023 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)