



Fiscal Year 2018 Budget

*Prepared by Jennifer Read
Administrative and Facilities Coordinator
March 13, 2017*

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INTRODUCTION

March 13, 2017

To the Citizens of Pennington County, the Board of Trustees and the Rapid City Mayor,

Presented for your consideration and review is the 2018 Annual Budget for the Rapid City Public Library. This document was prepared by Jennifer Read, the Library's Administrative and Facilities Coordinator, with input and direction from administrative and leadership staff. The general guidelines used to formulate this document include the Library's current mission statement, current strategic plan, information collected from the planning process, the Financial Projection spreadsheet, which projects revenues and expenses for the next 3 years, and the Replacement Schedule for Library facilities, technology, furniture, and equipment.

A continuous task of the Library's Board of Trustees, the administrative team, the leadership team, and each of the employees is to ensure that the resources within the budget are applied in the most efficient and fiscally responsible manner. This budget document is intended to provide meaningful information regarding the financial structure of the library and the sources and uses of library funds.

Although the Rapid City Public Library does not plan on many changes in revenues and expenditures in 2018, the year brings exciting changes to the library, including an addition to the current Makerspace, and a Small Business and Home School center. These developments consistently align services with the library's current and projected strategic plans.

This budget will continue to be carefully evaluated to ensure that we're expending our funds in the best interest of our stakeholders, patrons and taxpayers.

Respectfully submitted,

Jim McShane
Library Director

BUDGET OVERVIEW

The library's operating budget consists of three revenue sources:

- City General Fund
- County Appropriation
- Board Funds (Fines and Fees Revenue)

The majority of this document will focus on the General Fund, the source of that money, and how it is used.

Budget Strategy

The administrative team's planning efforts have provided a disciplined and collaborative approach to the budgeting process. Justifications are used to drive priorities and objectives. The 2018 budget allows for continued commitment to the library's mission and strategic planning while monitoring increasing service demands and changing service expectations.

The following strategies were used to guide the 2018 budget plan development. These strategies are long-range in nature and have been developed in anticipation of known future obligations.

1. **Workforce Planning.** The library will continue to use improved technology and evaluate work processes to efficiently utilize the library's workforce. Proposed changes have been made through careful planning and timing. The Rapid City Public Library, as well as the City has been committed to providing competitive salaries and benefits to all employees.
2. **Employee Development.** The library is committed to providing appropriate training to all Rapid City Public Library employees to ensure consistent communication of the library's mission, values, and strategic ideas as well as our customer service and safety standards.
3. **Flexibility.** Budget development and approval will be coordinated in a way that allows for flexibility throughout the year to address unexpected events and anticipated refinement of our mission and strategic plan. Continued weekly budget reviews by staff will help to monitor and forecast potential needs and/or funds that may be redirected for new programs and services.

Challenges and Opportunities for 2018 and Beyond

Below are some of the unique challenges and opportunities the Rapid City Public Libraries face in 2018.

- Operating the Makerspace and working with existing and new community partners.
- Continuing to train and update staff on new technologies and new service models.
- Changing library technologies that create new and more varied user expectations.
- Balancing of future staffing levels with expected service levels and available resources.
- Continuing efforts on the part of administration to ensure a clear, consistent message and implementation of the Rapid City Public Library's organizational goals and strategies.
- Increasing the value to the community for each tax dollar spent.

The Rapid City community deserves to have a place where their children and families will find enjoyable opportunities to learn about the world around them in a safe, comfortable environment. Our libraries are community assets that belong to them. The Rapid City Public Library strives to be a destination for

entertainment and education. We are a place where dreams are realized and explored, where imagination is sparked, and creative space is engaging and educational.

2018 Budget Outline

City General Fund

- Estimated revenues for 2018 total \$3,293,488, a four percent increase over budgeted revenues for 2017.
- Expenditures for operations (including some capital improvements) for 2018 are proposed at \$1,133,533, a decrease of \$90,666.
- Personnel expenses for 2018 are proposed at \$2,159,955, an increase of \$228,746. This increase is due to the moving of all FTEs from the County to the City budget, plus increases in salaries per the guidelines provided by City Finance.
- Interdepartmental Charges

County Appropriation

- Estimated revenues for 2018 total \$412,000, a 5 percent decrease over budgeted revenues for 2017 (after the 2017 Budget Supplemental Appropriation of \$22,799).
- Expenditures for operations (including some capital improvements) for 2018 are planned at \$412,000, a decrease of \$22,799 over 2017.

Board Funds (Fines and Fees)

- Estimated revenues for 2018 total \$87,009.
- Expenditures for operations for 2018 are planned at \$87,009, including \$35,096 for temporary wages supporting three part-time Pages.

Capital Expenses

In 2018, there will be several projects using capital funds.

- \$40,000 for a Small Business and Home School Resource Center.
- \$28,000 for downtown library maintenance and updates including replacement flooring, adding a second boiler exhaust for both efficiency and redundancy and replacement of the original 1972 breaker panels.
- \$18,500 for internal and public equipment including a wide format printer and a microfilm machine.

APPENDIX

General Fund Budget

0609		2016 Approved Budget	2016 Actual	2017 Approved Budget (City)	2018 Requested Budget (City)	Increase (Decrease) Over 16	%
410000	Salary and Wages						
411000	Salary and Wages	\$1,443,001	\$1,445,034	\$1,500,000	\$1,655,180	\$155,180	10%
411100	Overtime Wages	-	2,087	-	-	-	0%
410000	Salary and Wages	1,443,001	1,447,122	1,500,000	1,655,180	155,180	10%
	# of Regular Benefited Employees	33.75	33.75	38.875	38.875	-	0%
411000	Benefits						0%
412000	Social Security	86,662	86,469	92,375	102,621	10,246	11%
412100	Medicare	20,865	19,858	23,943	24,000	58	0%
413000	Retirement	102,060	95,455	99,073	99,311	238	0%
413100	Section 125 Administration	1,088	419	1,183	956	-228	-19%
414000	Workers' Compensation	3,822	2,669	3,703	4,073	370	10%
415000	Group Health Insurance	216,699	210,664	207,308	270,182	62,874	30%
415500	Group Life Insurance	1,615	1,493	1,921	1,758	-163	-8%
417000	Unemployment Insurance	1,647	-	1,704	1,874	170	10%
411000	Benefits	434,458	417,026	431,209	504,775	73,566	17%
421000	Insurance						0%
421100	General & Auto Liability	6,172	4,552	7,379	8,117	738	10%
421200	Boiler Coverage	1,506	-	1,506	1,657	151	10%
421400	Other Insurance	22,660	18,132	23,793	26,172	2,379	10%
421000	Insurance	30,338	22,685	32,678	35,946	3,268	10%
422000	Professional Services						0%
422300	Consultant Services	10,260	17,390	17,500	7,500	-10,000	-57%
422400	Bond Agent Services	971	-	-	-	-	0%
422500	Other Professional Services	101,752	118,895	61,214	62,000	786	1%
422900	Marketing	1,135	-	2,500	3,054	554	22%
422000	Professional Services	114,118	136,285	81,214	72,554	-8,660	-11%
423000	Publications						0%
423000	Publishing	1,026	152	513	525	12	2%
423000	Publications	1,026	152	513	525	12	2%
424000	Rentals						0%
424300	Machinery Rentals	4,189	-	500	500	-	0%
424400	Lease/Purchase	1,600	5,149	-	-	-	0%
424600	Other Rentals	3,581	4,516	3,688	-	-3,688	-100%
424000	Rentals	9,370	9,665	4,188	500	-3,688	-88%
425000	Repairs & Maintenance						0%
425100	Repair-Roll Stock	1,571	505	3,286	3,000	-286	-9%
425200	Repair-Structures	38,797	16,935	75,468	25,888	-49,580	-66%
425300	Repair-Equipment	28,852	16,192	21,000	17,000	-4,000	-19%
425500	Repair Water & Sewer	641	-	-	-	-	0%
	Software/System Maintenance						
425900	(Library Miscellaneous)	69,124	69,258	47,256	70,600	23,344	49%
425000	Repairs & Maintenance	138,985	102,890	147,010	116,488	-30,522	-21%
426000	Supplies & Materials						0%

0609		2016 Approved Budget	2016 Actual	2017 Approved Budget (City)	2018 Requested Budget (City)	Increase (Decrease) Over 16	%
426100	Office Supplies	37,248	28,016	23,738	24,199	461	2%
426200	Gasoline, Oil, Fuel	2,584	1,492	2,684	2,000	-684	-25%
426300	Clothing, Food	1,514	650	1,401	800	-601	-43%
426400	Janitor & Chemical	13,574	5,876	13,339	13,500	161	1%
426500	Minor Tools	4,200	483	0	-	-	0%
426600	Agricultural Supply	-	-	-	-	-	0%
426700	Tires	800	504	-	-	-	0%
426900	Misc. Supplies & Materials	-	20	-	-	-	0%
426000	Supplies & Materials	59,920	37,041	41,162	40,499	-663	-2%
427000	Travel & Training						0%
427000	Travel/Training	16,660	19,497	11,000	12,000	1,000	9%
427000	Travel & Training	16,660	19,497	11,000	12,000	1,000	9%
428000	Utilities						0%
428100	Telephone-Local	21,320	7,889	32,886	28,977	-3,909	-12%
428200	Natural Gas	18,053	13,188	19,858	19,858	-	0%
428300	Electricity	99,764	84,845	104,800	114,684	9,884	9%
428000	Utilities	139,137	105,922	157,544	163,518	5,974	4%
429000	Miscellaneous						0%
429200	Dues	2,501	2,017	2,500	2,500	-	0%
429300	Subscriptions	88,773	87,943	59,150	59,065	-85	0%
429400	Other Miscellaneous Expenses	20,216	22,094	14,967	16,427	1,460	10%
429500	Computers & Software	103,887	63,888	-	36,535	36,535	0%
429600	Office Equipment	16,929	15,242	48,000	50,152	2,152	4%
429000	Miscellaneous	232,306	191,184	124,617	164,679	40,062	32%
430000	Capital Outlay						0%
432000	Building and Structures	71,000	-	144,840	41,776	-103,064	-71%
434100	General Materials	123,201	104,119	142,000	150,761	8,761	6%
434200	Books/AV Processing	16,759	16,545	20,752	22,088	1,336	6%
434500	Electronic Resources	92,471	100,787	109,868	110,000	132	0%
434600	DVDs	34,879	31,649	39,564	40,449	885	2%
434800	Interactive Materials	-	3,938	16,000	10,000	-6,000	-38%
435000	Furniture & Minor Equipment	19,700	-	18,500	19,000	500	3%
439000	Vehicles (Library Other Capital Outlay)	29,000	-	-	-	-	0%
430000	Capital Outlay	387,009	257,038	491,524	394,074	-97,450	-20%
450000	Other Expenses						0%
453000	Refund or Reimbursement	-	94	-	-	-	0%
454500	General Materials	-	-	-	-	-	0%
450000	Other Expenses	-	94	-	-	-	0%
	SUB TOTAL	3,006,328	2,746,602	3,022,659	3,160,739	138,080	5%
	Service Other Departments (Interdepartmental Charges)	79,976	79,980	132,749	132,749	-	0%
422600	Interdepartmental Charges	79,976	79,980	132,749	132,749	-	0%
	SUB TOTAL	3,086,304	2,826,582	3,155,408	3,293,488	138,080	4%
	GRAND TOTAL	\$3,086,304	\$2,826,582	\$3,155,408	\$3,293,488	\$138,080	4%
	OPERATIONAL COSTS	\$1,208,845	\$962,435	\$1,224,199	\$1,133,533	\$(90,666)	-7%

County Appropriation Budget

0610		2016 Approved Budget	2016 Actual	2017 Approved Budget (County)	2018 Requested Budget (County)	Increase (Decrease) Over 16	%
410000	Salary and Wages						
411000	Salary and Wages	\$137,164	\$128,600	\$ -	\$ -	\$ -	0%
411100	Overtime Wages	-	344	-	-	-	0%
411400	FTO/Uniform/Tool/Class IV Pay	-	132	-	-	-	0%
411800	Temporary Wages	-	34	-	-	-	0%
410000	Salary and Wages	137,164	129,110	-	-	-	0%
	# of Regular Benefited Employees	5.125	5.125	-	-	-	0%
411000	Benefits						
412000	Social Security	9,129	7,679	-	-	-	0%
412100	Medicare	2,720	1,775	-	-	-	0%
413000	Retirement	11,254	7,658	-	-	-	0%
413100	Section 125 Administration	121	37	-	-	-	0%
414000	Workers' Compensation	-	385	-	-	-	0%
415000	Group Health Insurance	19,970	16,169	-	-	-	0%
415500	Group Life Insurance	235	178	-	-	-	0%
417000	Unemployment Insurance	-	-	-	-	-	0%
411000	Benefits	43,429	33,880	-	-	-	0%
421000	Insurance						
421100	General & Auto Liability	-	-	-	-	-	0%
421200	Boiler Coverage	-	-	-	-	-	0%
421400	Other Insurance	-	-	-	-	-	0%
421000	Insurance	-	-	-	-	-	0%
422000	Professional Services						
422300	Consultant Services	1,000	-	7,500	15,000	7,500	100%
422400	Bond Agent Services	-	-	-	-	-	0%
422500	Other Professional Services	19,913	20,424	58,505	80,000	21,495	37%
422900	Marketing	-	-	2,500	-	-2,500	-100%
422000	Professional Services	20,913	20,424	68,505	95,000	26,495	39%
423000	Publications						
423000	Publishing	-	-	513	-	-513	-100%
423000	Publications	-	-	513	-	-513	-100%
424000	Rentals						
424300	Machinery Rentals	-	-	500	-	-500	-100%
424400	Lease/Purchase	-	353	-	5,000	5,000	0%
424600	Other Rentals	-	-	-	5,188	5,188	0%
424000	Rentals	-	353	500	10,188	9,688	1938%
425000	Repairs & Maintenance						
425100	Repair-Roll Stock	-	-	3,286	-	-3,286	-100%

0610		2016 Approved Budget	2016 Actual	2017 Approved Budget (County)	2018 Requested Budget (County)	Increase (Decrease) Over 16	%
425200	Repair-Structures	-	-	22,556	-	-22,556	-100%
425300	Repair-Equipment	-	462	5,000	-	-5,000	-100%
425500	Repair Water & Sewer	-	-	-	-	-	0%
	Software/System Maintenance						
425900	(Library Miscellaneous)	23,100	13,167	47,256	26,812	-20,444	-43%
425000	Repairs & Maintenance	23,100	13,630	78,098	26,812	-51,286	-66%
426000	Supplies & Materials						0%
426100	Office Supplies	4,962	1,835	23,738	23,363	-375	-2%
426200	Gasoline, Oil, Fuel	-	-	-	-	-	0%
426300	Clothing, Food	-	-	-	-	-	0%
426400	Janitor & Chemical	7,327	6,448	13,339	6,000	-7,339	-55%
426500	Minor Tools	-	-	700	7,000	6,300	900%
426600	Agricultural Supply	-	-	-	-	-	0%
426700	Tires	-	-	-	-	-	0%
426900	Misc. Supplies & Materials	-	-	-	-	-	0%
426000	Supplies & Materials	12,289	8,284	37,777	36,363	-1,414	-4%
427000	Travel & Training						0%
427000	Travel/Training	5,650	5,954	11,000	11,500	500	5%
427000	Travel & Training	5,650	5,954	11,000	11,500	500	5%
428000	Utilities						0%
428100	Telephone-Local	20,120	18,394	15,876	-	-15,876	-100%
428200	Natural Gas	-	-	-	-	-	0%
428300	Electricity	6,442	-	7,086	-	-7,086	-100%
428000	Utilities	26,562	18,394	22,962	-	-22,962	-100%
429000	Miscellaneous						0%
429200	Dues	-	-	-	-	-	0%
429300	Subscriptions	3,565	3,515	40,000	50,000	10,000	25%
429400	Other Miscellaneous Expenses	5,480	11,596	14,967	20,000	5,033	34%
429500	Computers & Software	25,973	2,758	49,261	59,137	9,876	20%
429600	Office Equipment	16,798	1,341	19,799	10,000	-9,799	-49%
429000	Miscellaneous	51,816	19,210	124,027	139,137	15,110	12%
430000	Capital Outlay						0%
432000	Building and Structures	30,000	-	13,160	-	-13,160	-100%
434100	General Materials	35,259	35,001	33,000	50,000	17,000	52%
434200	Books/AV Processing	2,365	2,360	284	-	-284	-100%
434500	Electronic Resources	32,476	32,272	42,973	43,000	27	0%
434600	DVDs	-	22	-	-	0	0%
434800	Interactive Materials	-	-	2,000	-	-2,000	-100%
435000	Furniture & Minor Equipment	-	-	-	-	0	0%
	Vehicles (Library Other Capital						
439000	Outlay)	-	-	-	-	0	0%
430000	Capital Outlay	100,101	69,656	91,417	93,000	1,583	2%
450000	Other Expenses						0%
453000	Refund or Reimbursement	-	-	-	-	0	0%
454500	General Materials	-	-	-	-	0	0%
450000	Other Expenses	-	-	-	-	-	0%
SUB TOTAL		421,024	318,893	434,799	412,000	-22,799	-5%

0610	2016 Approved Budget	2016 Actual	2017 Approved Budget (County)	2018 Requested Budget (County)	Increase (Decrease) Over 16	%
Service Other Departments						
422600 (Interdepartmental Charges)	52,773	52,776	-	-	-	0%
422600 Interdepartmental Charges	52,773	52,776	-	-	-	0%
SUB TOTAL	473,797	371,669	434,799	412,000	(22,799)	-5%
GRAND TOTAL	\$473,797	\$371,669	\$434,799	\$412,000	(\$22,799)	-5%
OPERATIONAL COSTS	\$293,204	\$208,679	\$434,799	\$412,000	(\$22,799)	-5%

Board Funds Budget

971		2016 Approved Budget	2016 Actual	2017 Approved Budget (Board Funds)	2018 Requested Budget (Board Funds)	Increase (Decrease) Over 16	%
410000	Salary and Wages						
411800	Temporary Wages	31,481	21,317	32,425	32,425	-	0%
410000	Salary and Wages	31,481	21,317	32,425	32,425	-	0%
411000	Benefits						0%
412000	Social Security	1,952	1,317	2,165	2,165	-	0%
412100	Medicare	456	309	506	506	-	0%
411000	Benefits	2,408	1,626	2,671	2,671	-	0%
424000	Rentals						0%
424400	Lease/Purchases	12,650	11,212	14,678	14,678	-	0%
424000	Rentals	12,650	11,212	14,678	14,678	-	0%
425000	Repairs & Maintenance						0%
425300	Repair-Equipment	-	4,058	9,800	9,800	-	0%
425000	Repairs & Maintenance	-	4,058	9,800	9,800	-	0%
430000	Capital Outlay						0%
432000	Building and Structures	23,735	-	8,395	5,435	(2,960)	-35%
435000	Furniture & Minor Equipment	26,000	-	-	-	-	0%
430000	Capital Outlay	49,735	-	8,395	5,435	(2,960)	-35%
450000	Other Expenses						0%
453000	Refund or Reimbursement	17,046	21,843	17,500	22,000	4,500	26%
450000	Other Expenses	17,046	21,843	17,500	22,000	4,500	26%
	GRAND TOTAL	113,320	60,057	85,469	87,009	1540	2%
	OPERATIONAL COSTS	\$79,431	\$37,114	\$50,373	\$51,913	1540	3%