



**Consolidated Library District No. 4**

# **Final Budget Fiscal Year 2019**

**July 1, 2018 - June 30, 2019**

**APPROVED by the Board of Trustees on  
August 23, 2018.**

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# Trails Regional Library Board of Trustees

## Board of Trustees - FY 2019

### Officers

President – Scotty Walker  
Treasurer – Judy Wolter

Vice Pres. – Ron McMullin  
Secretary – Judy Tyler

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2 <sup>nd</sup> term expires June 30, 2019	1 <sup>st</sup> term expires June 30, 2020

## Introduction

Trails Regional Library is a consolidated public library district, comprised of the former Johnson County Library District and Lafayette County Library District. The current district encompasses Johnson County and Lafayette County (excluding the Higginsville Municipal Library District). The consolidated district was established May 27, 1980, as provided under the Revised Statutes of Missouri 182.610-182.620. The governing body is the Trails Regional Library Board of Trustees with 10 members, 5 from each county, appointed by the respective County Commissions.

Library district residents receive free library service. In addition, non-residents may also receive a library card at no charge. The 2010 Census population for the library district was 81,482, an increase of 4,904 over the 2000 Census.

Trails Regional Library provides service from 8 branch libraries located in Concordia, Corder, Holden, Knob Noster, Lexington, Odessa, Warrensburg and Waverly. An Express Branch was established in cooperation with the Leeton School District in the fall of 2007. The Administrative Office for the district is adjacent to the Warrensburg branch at 432 North Holden Street.

The principal income of the Library is the property tax levied by the district. A levy of 10 cents per \$100 assessed valuation was approved by voters in April 1957, which was raised by the voters in August 1968, to 20 cents and again in August 1984, to 30 cents. The levy is subject to a rollback to comply with the Missouri Constitution (Hancock Amendment).

The library's tax revenue is based upon the current year assessed valuation of real and personal property and is due by December 31st. Revenue for a tax year is received from November through October with 85% received in December and January.

Because the Library's fiscal year begins in July, the budget includes revenue from the current and the upcoming tax years. To insure that the necessary tax funds are available for the upcoming fiscal year, 40% of the current tax year revenue is directed to an operating reserve for the following fiscal year's budget.

A preliminary budget is prepared for the Board to review and approve prior to the beginning of the new fiscal year. However, assessed valuations and the maximum allowable tax levy on which the budget is based, is not known until after the start of the new fiscal year. A final budget, using the tax levy certified by the State Auditor, is presented to the Board at the August meeting. At that time, the levy is set by the Board and the final budget is approved.

## **Amendments to Preliminary Budget**

The following is a summary of significant changes (changes of at least \$1,000 or 10%) to the Preliminary Budget approved in June 2018 and the reasons for those amendments.

### **Carryover**

Unexpended budget from FY 2018 increased by \$98,971.

### **Revenue**

4000 – Tax Receipts (FY 19 Levy - .2579) increased by \$2,108 due to increase in assessed valuations.

4220- Grants increased by \$5,200 for anticipated pursuits to obtain a grant through Mid America Arts Alliance Grant.

### **Transfers to General Revenue**

No amendments to be made.

### **Expenses**

#### **SALARIES & BENEFITS**

6000 – Salaries. Increased \$54,500 due to (new) future employment positions, 3.5% increase to the base wage on FY19 Salary Scale, and transition of positions for organizational structure.

6100 – Social Security. Increased \$4,000 due to 3.5% increase to the base wage on the FY19 Salary Scale.

6110 – Group Insurance. Increased \$3,500 for the anticipated increase in the number of employees available for coverage.

6120 – Lagers. Decreased \$3,000 due to decrease of .70% in the annual rate. FY 19 employer contribution rate is 10% of current payroll.

#### **OPERATIONS**

6515 Branch Fund Expense. Increased \$3,000 due to additional branch requests.

7010 Furniture & Equipment. Increased \$4,000 to purchase additional/replace furniture and vacuums.

7035 Office Supplies. Increased \$1,000 to purchase additional office supplies.

7060 – Professional Services. Decreased \$3,000 anticipated increases in cost affiliated being lower than originally anticipated.

7100 – Training, Travel, & Meals. Increased \$11,000 due to anticipated changes for increased participation in professional conferences, staff training, district wide training and in-person visits to branches via administration staff.

#### COLLECTIONS & SERVICES

6510 – Books & Binding. Decreased \$47,400 due to reclassification of Overdrive Advantage Books to Electronic Materials.

6520 – Electronic Materials. Increased \$49,250 due to the addition of Overdrive Advantage Books and decrease in Hoopla expenses.

6526 – Grants, Collection & Services. Increased \$5,300 due to anticipated grant through Mid America Arts Alliance and Summer Reading Grant.

#### FACILITIES & TECHNOLOGY

7000 –Building Maintenance. Increased \$1,200 due to anticipated increase for expenses on lawn maintenance, tools, recycling, plumbing, HVAC maintenance etc

7090 - Technology. Increased \$4,200 due to cost affiliated with equipment/back up processes and new receipt printers.

7120 – Vehicle Operations. Increased \$1,700 to purchase shelving for new van.

#### CAPITAL EXPENSES

7720 – Emergency Fund. Increased \$50,000 to offset any additional monies for emergencies.

#### TRANSFERS TO RESERVES

Transfer to Development Reserves, Unspecified. Decreased \$38,532. These monies were added to the Emergency Fund.

Transfer to Development Reserves, Debt Service. Increased \$1,225 due to anticipated debt service expenses.

FY 2019 Final Budget			
			Approved: _____
Revenue			
<b>Carryover</b>			<b>\$343,660</b>
	Branch Funds		\$44,689
	Unexpended budget		\$298,971
<b>Receipts</b>			<b>\$2,899,308</b>
	4000 Tax Receipts (FY19 Levy - .2579)		\$2,812,078
	4100 State Aid		\$30,960
	4110 Athletes & Entertainers Fund		\$14,370
	4120 Interest		\$1,000
	4200 Miscellaneous		\$20,000
	4210 Branch Fund Income		\$10,000
	4220 Grants		\$5,900
	4230 Gifts & Reimbursements		\$5,000
	4235 Transfers from Designated Gifts		\$0
<b>Transfers to General Revenue</b>			<b>\$0</b>
	Transfer from Development Reserves		\$0
<b>Total Carryover, Rev &amp; Transfers</b>			<b>\$3,242,968</b>
Expenses			
<b>Salaries &amp; Benefits</b>			<b>\$2,025,000</b>
	6000 Salaries		\$1,594,000
	6100 Social Security		\$122,000
	6110 Group Insurance		\$171,000
	6120 LAGERS		\$138,000
<b>Operations</b>			<b>\$258,000</b>
	6515 Branch Fund Expense		\$58,000
	7005 Cleaning Supplies		\$3,000
	7010 Furniture & Equipment		\$19,000
	6525 Gifts & Reimbursements		\$5,000
	6527 Grants, Operations		\$0
	7020 Insurance		\$31,000
	7030 Library Supplies		\$40,000
	7035 Office Supplies		\$6,000
	7040 Machine Rental & Repair		\$17,000
	7045 Membership Dues		\$2,000
	7050 Postage		\$3,000
	7060 Professional Services		\$32,000
	7075 Publications & Advertising		\$4,000
	7080 Rent		\$4,000
	7100 Training, Travel & Meals		\$34,000

<b>Collection &amp; Services</b>			<b>\$420,000</b>
6500	A-V Materials		\$79,000
6510	Books & Binding		\$205,000
6520	Electronic Materials		\$78,000
6526	Grants, Collection & Svcs		\$6,000
6530	Periodicals & Microfilm		\$17,000
7070	Programming		\$27,000
7072	Programming Supplies		\$8,000
<b>Facilities &amp; Technology</b>			<b>\$193,000</b>
7000	Building Maintenance		\$38,000
7015	Grants, Facilities & Technology		\$0
7090	Technology		\$53,000
7095	Telecommunications		\$8,000
7110	Utilities		\$77,000
7120	Vehicle Operations		\$17,000
<b>Capital Expenses</b>			<b>\$253,000</b>
7700	Building Renovation & Repairs		\$8,000
7710	Capital Expense		\$20,000
7720	Emergency Fund		\$100,000
7730	Debt Service		\$125,000
<b>Transfers to Reserves</b>			<b>\$93,968</b>
	Transfer to Dev Reserves - Unspecified		\$61,468
	Transfer to Dev Reserves - Debt Service		\$7,500
	Transfer to Operating Reserves		\$25,000
<b>Total Expenses</b>			<b>\$3,242,968</b>
<b>Total Carryover, Rev &amp; Transfers</b>			<b>\$3,242,968</b>



FY 2019 Final Budget - Reserved Funds		
<b>Designated Gifts Account</b>		
Revenue		FY 2019 Budget
Unexpended balance, July 1		\$370,109
FY19 Distribution from Funck Trust		\$8,000
FY19 Miscellaneous income		\$0
FY19 Interest		\$150
		\$378,259
Expenses		
FY19 Designated Gifts expenses		\$0
June 30, 2019 Projected balance		\$378,259
<b>General Fund Account - Branch Funds</b>		
Revenue		FY 2019 Budget
Unexpended balance, June 30		\$44,689
FY19 Branch fund receipts		\$10,000
		\$54,689
Expenses		
FY19 Branch fund expenses		\$10,000
June 30, 2019 Projected balance		\$44,689
<b>General Fund Account - Development Reserves</b>		
<i>(15% of total receipts)</i>		FY 2019 Budget
<b>Debt Service</b>		
Revenue		
Unexpended balance, June 30		\$15,950
FY19 Transfer from General Operating Fund		\$7,500
<i>(KN final payment of \$39,000 due 2/1/2020)(Note will rec</i>		\$23,450
<b>Unspecified</b>		
Revenue		
Unexpended balance, June 30		\$72,476
FY19 Transfer from General Operating Fund		\$61,468
		\$133,944
FY19 Transfer to General Operating Fund		\$0
FY19 Transfer to General Operating Fund		\$0
June 30, 2019 Balance		\$133,944
<b>General Fund Account - Operating Reserves</b>		
<i>(40 % of tax revenue)</i>		
		FY 2019 Budget
Available reserves, June 30		\$1,100,000
FY19 Transfer from General Operating Fund		\$25,000
		\$1,125,000

## FY 2019 Revenue Details

### **CARRYOVER**

#### **Branch Funds - \$44,689**

The portion of the General Operating account which includes the deposits from sales of books, small donations, etc. and expenditures tracked separately for each branch. The money accumulated may be spent by the Branch Manager, upon approval by Administration.

#### **Unexpended Budget - \$298,971**

The estimated, un-audited fund balance from the previous fiscal year representing unspent budget and income received over the amounts budgeted.

### **INCOME**

#### **4000: Taxes - \$2,812,078**

Johnson County (estimated)	\$1,689,961
Lafayette County (estimated)	\$1,122,117
<b>Total Tax Revenue</b>	<b>\$2,812,078</b>

The library's primary source of funding is a tax on real and personal property within the library district. The approved levy rate is 30 cents per \$100 valuation, but the Missouri Constitution requires a rollback of the rate when growth in property values exceeds the rate of inflation. For FY 2019, the library's maximum levy, when approved by the Board, will be .2579. The maximum allowable rate has been certified by the State Auditor.

Of the taxes received in FY 2018, \$1,100,000 was designated as Operating Reserves to be used for the July-November portion of the FY 2019 Budget. It is expected that the library will receive an additional \$68,000 in back taxes between July and November 2018. Of the taxes to be received after December 1, 2018, 40% (\$1,100,000) will be reserved for use from July through November 2019.

Johnson County residents provide 60.10% of the estimated tax revenue, including the annual Payment In Lieu of Taxes (PILOT) from Associated Electric Cooperative and the remaining 39.9% comes from Lafayette County residents.

#### **4100: State Aid - \$30,960**

An appropriation from the Missouri General Assembly that is paid semi-annually to qualifying public libraries by the Missouri State Library. Basis of distribution is population of the library district (per capita) which in FY19 will be 20 cents per district resident.

#### **4110: Athletes & Entertainers Fund - \$14,370**

Missouri taxes the income of out-of-state athletes and entertainers. Potentially, one half of the amount received is to be split among 5 cultural partners, including public libraries. The General Assembly appropriates the amount of funds to be allocated but the full amount has never been distributed.

**4120: Interest - \$1,000**

Interest earned on money held in the library's General Operating account.

**4200: Miscellaneous - \$20,000**

Miscellaneous	\$5,000
Photocopies, Fax, Prints	\$15,000

Cash receipts for photocopying, printing, lost cards, fees or refunds.

**4210: Branch Fund Income - \$10,000**

The combined money each branch receives for donations or the sale of discarded or donated materials.

**4220: Grants - \$5,900**

Grants: SRP & MAAA	\$5,900.00
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Reimbursement for the Summer Reading Program grant for the summer of 2019 and Mid America Arts Alliance grant for Summer Reading Program Performers.

**4230: Gifts and Reimbursements- \$5,000**

Cash gifts to purchase materials as memorials, etc. and receipts for lost or damaged materials.

**4235: Transfers from Designated Gifts - \$0**

No funds from Designated Gifts are budgeted.

## FY 2019 Expenses Details

### **SALARIES & BENEFITS - \$2,025,000**

Salaries and benefits are 62.44% of the total expense budget. The budget includes salaries of 56 staff members representing 43.43 FTEs (Full Time Employees).

#### **6000: Salaries - \$1,594,000**

Salaries	\$1,593,000
Unemployment	\$2,000

The budget includes an increase of 3.5% to the base wage on the salary scale. Staff who have exceeded the top of the salary scale will receive a 2.0%-3.5% increase.

Non-exempt employees are paid based on the number of hours worked per pay period; exempt employees are paid a salary. Staff recommends the increases become effective September 3, 2018.

No individuals are currently receiving unemployment benefits from the library.

#### **6100: Social Security - \$122,000**

The Social Security rate for all employees is 7.65%.

#### **6110: Group Insurance - \$171,000**

Health Insurance	\$154,000.00
Emp Asstce Pgm & Life Insur	\$4,000.00
Short & Long Term Disability	\$13,000.00

Trails has selected Insurance and Benefits Group as its benefits agent. The library provides health insurance and pays a portion of the monthly premium. The portion is set annually by the Board and currently averages \$525 per eligible employee each month. The average amount paid by the library is prorated for employees who are regularly scheduled to work 20 or 30 hours per week.

An Employee Assistance Program offering short-term counseling and mental health benefits is provided to all employees. The annual cost per employee is \$27.96.

The Library provides short-term and long-term disability insurance for all employees who work 20 hours or more per week. Cost per employee varies, depending on salary. The Library also pays the premium for a \$20,000 of life insurance coverage for eligible employees who work 20 hours or more per week. The annual cost is \$53.52 per person.

#### **6120: LAGERS - \$138,000**

Retirement benefits are provided through the Local Government Employees Retirement System. The Library pays 100% of the contributions to LAGERS. The employer rate for the current L-7 benefit level (1.50%) in LAGERS is 10.0% and is paid on earnings of every employee who works 1,000 or more hours in a calendar year.

## **OPERATIONS - \$258,000**

Operations are 7.96% of the total expense budget. Operations includes expenses incurred by the district that are not assigned to an administrative department or whose funds are monitored by the Director.

### **6515: Branch Fund Expense - \$58,000**

Each branch has an individual Branch Fund to purchase items not included in the library's budget. It is unlikely that the total amount budgeted will be spent.

### **7005: Cleaning Supplies - \$3,000**

Consumable cleaning supplies. Branch managers use a petty cash fund for various supplies and may use their discretion to determine which products to purchase.

### **7010: Furniture & Equipment - \$19,500**

Branches	\$5,730
District	\$13,000

Branch requests include Concordia, Corder, Holden Knob Noster, Lexington, and Warrensburg.

District funds will be used to replace of vacuum cleaners, shredders, circulation printers or circulation scanners.

### **6525: Gifts - \$5,000**

Purchases of materials or equipment using donations.

### **6527: Grants, Operations - \$0**

No Operations Grants are budgeted at this time.

### **7020: Insurance - \$31,000**

Accident (Volunteers)	\$3,000
Directors & Officers Ins.	\$200
Property & Casualty: Auto	\$2,200
Property & Casualty: Electronic Data Eqpmt	\$1,400
Property & Casualty: General Liability	\$2,200
Property & Casualty: Property	\$12,100
Property & Casualty: Umbrella	\$1,500
Surety Bond	\$100
Worker's Comp.	\$9,200

**7030: Library Supplies - \$40,000**

B&T Title Source Silver	\$2,150
Barcodes	\$1,000
Book jackets & labels	\$2,000
CatExpress	\$6,000
ILL Courier (MALA)	\$3,800
ILL Miscellaneous	\$500
Labels & tape	\$2,500
Library cards	\$2,000
ILS (MO Evergreen)	\$6,200
Miscellaneous	\$1,000
OCLC Group Access	\$2,500
MO Evergreen Hosting Fee	\$1,000
Thermal paper	\$800
Unique Services	\$5,000

Costs associated with ordering and preparing materials for circulation, the maintenance of the Integrated Library System and interlibrary loan.

**7035: Office Supplies- \$6,000**

District	\$3,450
Branches	\$2,000

Consumable office supplies and payroll software. Branch managers use a petty cash fund for various supplies and may use their discretion to determine which products to purchase. Paper for printing and copies at the branches and in the administrative office comprises the bulk of the purchases by the District.

**7040: Machine Rental & Repair - \$17,000**

Microfilm R/P Maintenance	\$1,100
Miscellaneous Repairs	\$500
GFI Photocopies/Prints	\$8,500
Photocopier rent (Admin \$132/mo)	\$1,700
Photocopier rent (6 Branches, \$412/mo)	\$5,200

**7045: Membership Dues - \$2,000**

Am Lib Assn/Public Lib Assn	\$140
Base Comm Council	\$0
Chambers of Commerce	\$445
Main Street	\$250
Missouri Library Association	\$500
MPLD - TRL	\$30
GRLC	\$20

Dues for the library or staff in professional organizations.

**7050: Postage - \$3,000**

Postage costs include rent for post office boxes, and mailing materials to other libraries and patrons. The courier service which reaches most of Missouri's libraries plus many in other states is used to convey most borrowed materials. Patrons are encouraged to receive notifications by text or email.

**7060: Professional Services - \$32,000**

Attorney Fees	\$4,000
Auditor	\$7,500
Bookkeeping	\$12,000
Employee background checks	\$500
Leeton School District	\$8,000

The annual audit and monthly bookkeeping expenses are the major expenses. Also included are any legal expenses the library might incur and the reimbursement to the Leeton School District for staffing the Express Library.

**7075: Publications & Advertising - \$4,000**

Advertising-Legal, Employment, etc.	\$1,500
Advertising-Local media	\$2,000
Printing - SRP & other	\$500

Published bids, employment ads and legal notices; advertising with media whose coverage extends to multiple branches.

**7080: Rent - \$4,000**

Rent for Corder (City of Corder, owner). 2,299 sq. ft. @ \$3,600/yr. (\$300/month). The current lease expires April 1, 2019.

**7100: Training, Travel and Meals - \$34,000**

Conf: GRLC	\$500
Conf: MLA, Admin	\$2,800
Conf: MLA, Branches	\$1,400
Conf: MO Evergreen	\$1,000
Conf: MO Library Day	\$300
Conf: MOREnet	\$1,500
Conf: MPLD	\$2,000
Conf: ALA, Admin	\$2,600
Conf: PLA, Admin	\$0
Meals & refreshments	\$1,500
Mileage reimbursement	\$18,000
Renovation: Corder	\$700
Staff training, district	\$1,500

Board, Foundation and staff members are reimbursed for the use of their personal car while on library business using the current IRS allowed mileage. Meals and lodging for staff attending workshops.

**COLLECTION & SERVICES - \$420,000**

Collection and Services are 12.95% of the total expense budget.

**6500: Audiovisual Materials - \$79,000**

AV, Adult & YA	
AV, Adult & YA	\$67,300
AV, Adult & YA - A&E funds	\$1,700
AV, Juvenile	
AV, Juvenile	\$10,000
AV, Juvenile - A&E funds	\$0

DVD's and Books on CD. A&E funds are subject to appropriation by the Missouri legislature and are shown separately because funding is inconsistent from year to year.

**6510: Books and Binding - \$205,000**

Books, Adult & YA (65%)	
Books	\$117,400
Books - A&E funds	\$8,000
Books - Binding & Processing	\$9,000
Books - NF Standing Orders	\$5,000
Books, Easy, Juvenile & Y (35%)	
Books	\$56,230
Books - A&E funds	\$4,620
Books - Binding & Processing	\$4,150

A&E funds are subject to appropriation by the Missouri legislature and are shown separately because funding is inconsistent from year to year.

**6520: Electronic Materials - \$78,000**

Ancestry (Proquest)	\$3,000
Heritage Quest	\$2,000
Niche Academy	\$2,750
Overdrive MoLib2Go Fee	\$12,000
Hoopla	\$10,000
Overdrive Advantage Books	\$48,000

Online databases and books purchased by the library. These are in addition to those provided through the REAL (Remote Electronic Access for Libraries) program. Due to the high cost of providing home access to Ancestry it is available from library computers only.

**6526: Grants, Collection & Services - \$6,000**

MAAA-SRP Performers	\$5,200
LSTA: Summer Reading Program	\$700

LSTA grant is given to all Missouri libraries to assist with the Summer Reading Program. MAAA grant is anticipated, but approval has not yet been granted.



**6530: Periodicals and Microfilm - \$17,000**

Book Pages	\$1,500
Subscriptions - Magazines	\$8,000
Subscriptions - Newspprs	\$5,000
Subscriptions - Serials	\$2,000

Magazines and newspapers for all branches and microfilm of local newspapers. The demand for magazines and the number of titles available continues to drop.

**7070: Programming - \$ 27,000**

District Programming Supplies	\$4,000
Movie licenses	\$1,000
1,000 Books Before K	\$500
SRP books	\$8,000
SRP Performers fees	\$9,500
SRP supplies	\$1,000
iPad programming apps	\$100
Adobe Creative Cloud software	\$240
Beanstack	\$2,500

Summer Reading Programming (SRP) funds are used proportionally among the 8 branches and Leeton Express Branch.

**7072: Programming Supplies - \$8,000**

Branch managers use a petty cash fund for programming supplies and may use their discretion to determine which products to purchase. Amounts distributed are based on the number programs given and attendees from the previous year.

**FACILITIES & TECHNOLOGY - \$193,000**

Facilities & Technology expenditures are 5.95% of total expense budget.

**7000: Building Maintenance - \$38,000**

Electrical	\$3,000
Floors (carpet, tile)	\$4,500
HVAC maintenance	\$1,400
Inspection - Elevator	\$175
Inspection - Fire extinguisher	\$1,000
Inspection - Sprinkler system	\$1,000
Landscaping/Flowers	\$800
Misc	\$3,225
Paper Supplies	\$4,100
Pest Control	\$500
Plumbing	\$2,660
Recycling	\$1,100
Snow Removal	\$5,500
Tools & Equipment	\$3,900
Trash service	\$2,000
Window Cleaning	\$2,000
Lawn maintenance	\$600

The library is responsible for interior maintenance and mechanical work in the leased building at Holden and all maintenance for the branches it owns (Concordia, Knob Noster, Lexington, Odessa, Warrensburg, Waverly and the Maintenance Building).

**7015: Grants, Facilities & Technology - \$0**

No grants for facilities or technology are being developed at this time.

**7090: Technology - \$53,000**

Equipment: Back Up Items	\$5,000
Equipment: Computers (10)	\$11,500
Equipment: Misc (receipt printers)	\$4,500
MOREnet - Connection & Network fees	\$9,700
MOREnet - Domain registration	\$300
MOREnet - Internet filters	\$520
MOREnet - Membership Fee	\$10,100
MOREnet - SSL certificate	\$300
MOREnet - Web hosting	\$530
Software license renewal (biennial)	\$500
Supplies (toner, air)	\$4,500
WB-Wireless	\$800

**7095: Telecommunications - \$8,000**

Administration (cellular)	\$300
Administration (long distance)	\$700
Branches	\$7,000

Local and long-distance telephone charges and 1 cell phone.

**7110: Utilities - \$77,000**

Branches	\$72,000
Maintenance Bldg	\$5,000

Gas, water, electricity, and sewer for all locations are included in this category.

**7120: Vehicle Operations - \$17,000**

Fuel	\$6,600
Maintenance	\$3,700
Miscellaneous	\$2,000
Shelving - new van	\$1,700
Trailer for mower	\$3,000

Included are gasoline, service and repairs for the operation of 2 vans and a 2 trailers.

**CAPITAL EXPENDITURES - \$253,000**

Capital Expenditures total 7.8% of the total expenses.

**7700: Building Renovation and Repairs - \$8,000**

WV - carpeting	\$8,000
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FY 2019 will allow for carpet to be replaced at the Waverly Branch.

**7710: Capital Expense - \$20,000**

Internal renovation of the Annex will allow the offices to be located for the Technology and Facility Departments.

**7720: Emergency Fund - \$100,000**

For unexpected capital expenditures, as determined by the Board.

**7730: Debt Service - \$125,000**

Knob Noster	\$43,100
Knob Noster interest reimbursement	-\$2,550
Odessa	\$84,450

For payments to retire the lease/purchase agreements. The reimbursement is a determined percentage of the interest paid on bonds used for the Knob Noster building. The reimbursement amount for the federal FY 19 has been reduced due to sequestration. The auditor has requested that this interest be shown as a reimbursement against the debt service rather than Interest revenue as was shown in previous budgets.

**TRANSFERS TO RESERVES - \$93,968**

Transfers to Reserves are 2.9% of the budget

Transfers to Dev Reserves - Unspecified	\$61,468
Transfers to Dev Reserves - Debt Service	\$7,500
Transfer to Operating Reserves	\$25,000

**Development Reserves**

Development reserves are set aside for capital improvements, unbudgeted emergency needs, and other financial exigencies. On June 15, 2006, the Board agreed by consensus to accumulate in a timely manner a balance in this fund equal to approximately 15% of the total operating budget.

Development Reserves – Debt Service was added to the budget in FY 2017 to accrue funds for future payments on debt service, in particular to prepare for the last payment for the Knob Noster building.

**Operating Reserve**

The Operating Reserve is the amount allocated in the budget to set aside for the library's expenses during the first five months of the fiscal year (June – November). It is typically 40% of the anticipated tax revenue of that fiscal year.

## FY 2019 Building and Renovation Projects

Projects scheduled for FY 2019 which have been included in the budget are:

1. Annex. Renovation of the inside of the building

## FY 2019 Salary Scale

	3.50%	% increase to base wage				MO minimum wage	
	\$ 9.52	FY18 A1 base wage				1/1/2018	\$7.85
	\$ 0.33	\$ increase to base wage					
	\$ 9.85	FY19 A1 base wage					
*Annual salaries are estimated based on hourly rate x 2080							
** Increases will be effective in pay period beginning September 3rd, 2018							

### Salary Tracks A-L

Track <b>A</b>	Step	1	2	3	4	5	6
	Hourly	\$9.85	\$10.25	\$10.66	\$11.09	\$11.53	\$11.99
	Annual	\$20,494.66	\$21,320.00	\$22,172.80	\$23,067.20	\$23,982.40	\$24,939.20
Track <b>B</b>	Step	1	2	3	4	5	6
	Hourly	\$11.09	\$11.53	\$11.99	\$12.47	\$12.97	\$13.49
	Annual	\$23,067.20	\$23,982.40	\$24,939.20	\$25,937.60	\$26,977.60	\$28,059.20
Track <b>C</b>	Step	1	2	3	4	5	6
	Hourly	\$12.47	\$12.97	\$13.49	\$14.03	\$14.59	\$15.17
	Annual	\$25,937.60	\$26,977.60	\$28,059.20	\$29,182.40	\$30,347.20	\$31,553.60
Track <b>D</b>	Step	1	2	3	4	5	6
	Hourly	\$14.03	\$14.59	\$15.17	\$15.78	\$16.41	\$17.07
	Annual	\$29,182.40	\$30,347.20	\$31,553.60	\$32,822.40	\$34,132.80	\$35,505.60
Track <b>E</b>	Step	1	2	3	4	5	6
	Hourly	\$15.78	\$16.41	\$17.07	\$17.75	\$18.46	\$19.20
	Annual	\$32,822.40	\$34,132.80	\$35,505.60	\$36,920.00	\$38,396.80	\$39,936.00
Track <b>F</b>	Step	1	2	3	4	5	6
	Hourly	\$17.75	\$18.46	\$19.20	\$19.97	\$20.77	\$21.60
	Annual	\$36,920.00	\$38,396.80	\$39,936.00	\$41,537.60	\$43,201.60	\$44,928.00
Track <b>G</b>	Step	1	2	3	4	5	6
	Hourly	\$19.97	\$20.77	\$21.60	\$22.46	\$23.36	\$24.29
	Annual	\$41,537.60	\$43,201.60	\$44,928.00	\$46,716.80	\$48,588.80	\$50,523.20
Track <b>H</b>	Step	1	2	3	4	5	6
	Hourly	\$22.46	\$23.36	\$24.29	\$25.26	\$26.27	\$27.32
	Annual	\$46,716.80	\$48,588.80	\$50,523.20	\$52,540.80	\$54,641.60	\$56,825.60

<b>Track I</b>	<b>Hourly</b>	\$25.26	\$26.27	\$27.32	\$28.41	\$29.55	\$30.73
	<b>Annual</b>	\$52,540.80	\$54,641.60	\$56,825.60	\$59,092.80	\$61,464.00	\$63,918.40
<b>Track J</b>	<b>Step</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
	<b>Hourly</b>	\$28.41	\$29.55	\$30.73	\$31.96	\$33.24	\$34.57
	<b>Annual</b>	\$59,092.80	\$61,464.00	\$63,918.40	\$66,476.80	\$69,139.20	\$71,905.60
<b>Track K</b>	<b>Step</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
	<b>Hourly</b>	\$31.96	\$33.24	\$34.57	\$35.95	\$37.39	\$38.89
	<b>Annual</b>	\$66,476.80	\$69,139.20	\$71,905.60	\$74,776.00	\$77,771.20	\$80,891.20
<b>Track L</b>	<b>Step</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
	<b>Hourly</b>	\$35.95	\$37.39	\$38.89	\$40.45	\$42.07	\$43.75
	<b>Annual</b>	\$74,776.00	\$77,771.20	\$80,891.20	\$84,136.00	\$87,505.60	\$91,000.00
* Exempt employees after 9/1/16 are all Track H - L, unless otherwise designated by position.							
**CPI cited by MO State Auditor is 2.1%.							
***Percentage increase applied only to base wage (3.5%).							
****COLA receive a 2-3.5% based on overall scale adjustment to step 6 of designated track.							

## Designated Gifts Account

Funds in the Designated Gift account are bequests and donations of a significant amount, some of which are used to fund specific purchases. Each donation is tracked separately by sub-account and the interest received is prorated among the 7 named sub-accounts.

Account Balance, July 1, 2018 – \$370,109

1. Devenny, Nina L. Fund: \$40,246.45 – In her will, Miss Devenny's provided this money for the library to purchase "books, films or educational materials".
2. Funck, Theodore & Clara Fund: \$22,584.71 - \$The fund was established with the Johnson County Library Association. In 1957, with the formation of the Johnson County Library District, the association turned over all of its assets to the new district. In October 1974, Trails Regional Library began to receive quarterly payments from the Theodore Funck Trust. Under the terms of the Trust, 1/2 of the net income is payable to the trustees of Trails Regional Library. The Library currently receives yearly distributions from the Trust. There were no stipulations in the will as to how the funds from the trust are to be spent.
3. Kenneth & Marian Glazebrook Fund: \$172,766.62 – A bequest to Trails Regional Library was received in the spring of 2017. There are no restrictions on the use of these funds.
4. Gueguen, Edwin Fund: \$28,606.35 - A gift from the Edwin Gueguen Trust for the Lexington Library was received August 2001. There are no restrictions on these funds, although it is expected it will be used on a building project in Lexington.
5. Hartmetz, Jerry & Virginia Fund: \$7,707.29- This endowment fund was established to purchase English mysteries on cassette and materials on antiques and travel. At the request of Mr. Hartmetz, materials on nature and natural history will also be purchased from this endowment. There is no correspondence or legal document pertaining to this fund.
6. Martin, John E. Fund: \$74,944.51 – Mr. Martin, a former Holden resident, bequeathed money to the Holden Public Library to be used for its improvement. The will stipulates that improvements may not include salaries or expenses of staff or board members, or the ordinary and usual maintenance of the building or equipment and fixtures, or the payment of phone and utility bills.
7. Shouse, Helen: \$3,102.24 – Ms. Shouse, a former Lexington resident. A bequest to Trails Regional Library was received in the spring of 2018. There are no restrictions on these funds, although it is expected it will be used on the branch located in Lexington.
8. Titus, Catherine F. Fund: \$20,150.86 - Dr. Titus was a volunteer and a member of the Friends of the Library. In her Revocable Living Trust, Dr. Titus stipulated that a portion of her estate be given to the Library. Of the total given (\$11,527.07), 50% was to be used for children's programs and 50% added to the Warrensburg Building Fund. In 2005, \$30,763 was transferred to the Building Fund. The remaining funds should be spent on children's programs.



Actual Revenue FY 2018- FY 2016			
	FY 2018	FY 2017	FY 2016
<b>CARRYOVER</b>	<b>\$343,660</b>	<b>\$371,000</b>	<b>\$403,693</b>
Branch Funds	\$44,689	\$42,258	\$67,978
Unexpended Budget	\$298,971	\$328,742	\$335,715
<b>INCOME</b>	<b>\$2,927,046</b>	<b>\$2,837,018</b>	<b>\$3,101,515</b>
Taxes	\$2,832,756	\$2,766,385	\$2,709,261
State Aid	\$30,960	\$9,816	\$10,770
Athletes & Entertainers	\$14,370	\$12,973	\$11,786
Interest	\$4,204	\$1,879	\$6,119
Miscellaneous	\$16,233	\$21,475	\$21,227
Branch Fund Income	\$18,512	\$12,416	\$9,555
Grants	\$724	\$5	\$18,860
Gifts & Reimbursements	\$9,287	\$12,069	\$307,747
Universal Service Fund (E-rate)	\$0	\$0	\$6,191
<b>TRANSFERS</b>	<b>\$387,716</b>	<b>\$162,500</b>	<b>\$932,420</b>
Transfer from Designated Gifts	\$123,600	\$2,500	\$16,222
Transfer from Development Rsvs	\$264,116	\$160,000	\$0
Transfer from UMB Loan	\$0	\$0	\$916,198
<b>TOTAL REVENUE</b>	<b>\$3,658,422</b>	<b>\$3,370,518</b>	<b>\$4,437,629</b>

Actual Expenses FY 2018 -2016				
		FY 2018 Actual	FY 2017 Actual	FY 2016 Actual
<b>Salaries &amp; Benefits</b>		<b>\$1,894,166</b>	<b>\$1,970,401</b>	<b>\$2,109,551</b>
6000	Salaries	\$1,525,407	\$1,583,284	\$1,754,125
6100	Social Security	\$110,900	\$116,256	\$101,820
6110	Group Insurance	\$117,724	\$145,443	\$118,683
6120	Retirement	\$140,135	\$125,418	\$134,922
<b>Operations</b>		<b>\$177,793</b>	<b>\$187,288</b>	<b>\$167,308</b>
6515	Branch Fund Expense	\$13,864	\$6,707	\$4,744
7005	Cleaning Supplies	\$1,923	\$2,223	\$2,133
7010	Furniture & Equipment	\$9,865	\$9,176	\$17,727
6525	Gifts & Donations	\$2,585	\$15,315	\$3,049
6527	Grants, Operations	\$31	\$0	\$708
7020	Insurance	\$36,063	\$35,191	\$34,187
7030	Library Supplies	\$35,072	\$31,177	\$30,136
7035	Office Supplies	\$5,504	\$6,159	\$5,106
7040	Machine Rental & Repair	\$13,484	\$13,925	\$11,455
7045	Membership Dues	\$1,517	\$2,086	\$1,673
7050	Postage	\$2,660	\$4,563	\$3,898
7060	Professional Services	\$27,616	\$33,341	\$18,756
7075	Publications & Advertising	\$2,926	\$3,525	\$7,180
7080	Rent	\$3,600	\$3,600	\$3,550
7100	Training, Travel & Meals	\$21,083	\$20,301	\$23,007
<b>Collection &amp; Services</b>		<b>\$356,362</b>	<b>\$387,478</b>	<b>\$358,376</b>
6500	Audiovisual (CDs & DVDs)	\$39,576	\$75,246	\$64,976
6510	Books	\$249,818	\$243,485	\$219,861
6520	Electronic Materials	\$24,410	\$24,941	\$39,130
6526	Grants, Collection & Services	\$0	\$0	\$901
6530	Periodicals	\$11,955	\$14,009	\$12,744
7070	Programming	\$22,235	\$22,259	\$14,566
7072	Programming Supplies	\$8,368	\$7,538	\$6,198
<b>Facilities &amp; Technology</b>		<b>\$171,403</b>	<b>\$172,068</b>	<b>\$174,412</b>
7000	Building Maintenance	\$30,664	\$32,098	\$38,912
7015	Grants, Facilities & Technology	\$0	\$0	\$0
7090	Technology	\$43,045	\$43,076	\$45,426
7095	Telecommunications	\$9,952	\$10,593	\$9,854
7110	Utilities	\$75,523	\$75,976	\$72,113
7120	Vehicle Operations	\$12,219	\$10,326	\$8,108
<b>Capital Expenses</b>		<b>\$573,641</b>	<b>\$313,801</b>	<b>\$1,845,689</b>
7700	Renovation & Repairs	\$18,062	\$3,170	\$16,558
7710	Capital Expense	\$377,979	\$192,749	\$1,689,719
7720	Emergency Fund	\$57,177	\$1,000	\$9,450
7730	Debt Service	\$120,423	\$116,882	\$129,962
<b>Transfers to Reserves</b>		<b>\$301,616</b>	<b>\$76,625</b>	<b>\$168,910</b>
Transfer to Development Rsvs - Debt Service		\$7,500	\$36,625	\$100,000
Transfer to Development Rsvs - Unspecified		\$264,116	\$10,000	\$52,445
Transfer to Operating Reserves-		\$30,000	\$30,000	\$16,465
<b>Total Expenses</b>		<b>\$3,474,981</b>	<b>\$3,107,662</b>	<b>\$4,824,246</b>

Actual Reserve Funds Budgets				
<b>Designated Gifts Account</b>		Actual FY 2018	Actual FY 2017	Actual FY 2016
Revenue				
	Unexpended balance, July 1	\$361,533	\$242,726	\$251,578
	Distribution from Funck Trust	\$8,050	\$7,950	\$7,250
	Miscellaneous income	\$131,996	\$113,651	\$0
	Interest	\$180	\$126	\$120
		\$501,759	\$364,453	\$258,948
Expenses				
	Transfer to General Operating Fund	\$123,600	\$2,920	\$16,222
	Unexpended balance, June 30	\$378,159	\$361,533	\$242,726
<b>General Revenue Account - Operating Reserves</b>		Actual FY 2018	Actual FY 2017	Actual FY 2016
	Available reserves, July 1	\$1,070,000	\$1,054,899	\$1,038,434
	Budgeted increase	\$30,000	\$15,101	\$16,465
		\$1,100,000	\$1,070,000	\$1,054,899
<b>General Revenue Account - Development Reserves</b>		Actual FY 2018	Actual FY 2017	Actual FY 2016
	<b>Debt Service</b>			
Revenue				
	Unexpended balance, June 30	\$7,500	\$0	
	Budgeted increase, July 1	\$7,500	\$7,500	
	KN donation fr W Central Learning Tree	\$950	\$0	
		\$15,950	\$7,500	
	<b>Unspecified Capital Projects</b>			
Revenue				
	Unexpended balance, June 30	\$252,076	\$367,222	\$42,510
	Budgeted increase, July 1	\$75,000	\$44,854	\$52,445
	Unspent from FY	\$0	\$0	\$272,267
		\$327,076	\$412,076	\$367,222
Expenses				
	Transfer to General Operating Fund	\$202,200	\$160,000	\$0
	Transfer to General Operating Fund - Annex	\$61,916		
	Unexpended balance, June 30	\$62,960	\$252,076	\$367,222
<b>General Revenue Account - Branch Funds</b>				
Revenue				
	Unexpended balance, July 1	\$42,258	\$39,386	\$67,978
*	Branch fund receipts	\$10,000	\$12,416	\$9,555
	Adjustment to balance	\$0	-\$2,838	\$2,598
		\$52,258	\$48,964	\$80,131
Expenses				
	Branch fund expenses	\$7,569	\$6,707	\$40,744
	Unexpended balance, June 30	\$44,689	\$42,258	\$39,386

## Assessed Valuations

		<b>Tax Year</b>	<b>Tax Year</b>	<b>Tax Year</b>
		<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Assessed Valuations</b>				
<b>Johnson County Library District</b>				
	Real Property	\$508,707,651	\$499,647,080	\$493,847,501
	Personal Property	\$146,570,114	\$139,902,565	\$139,407,469
	<b>Total</b>	<b>\$655,277,765</b>	<b>\$639,549,645</b>	<b>\$633,254,970</b>
	Johnson County percent of change	2.46%	0.99%	1.59%
<b>Lafayette Co. Library District</b>				
	Real Property	\$328,735,423	\$325,324,920	\$294,888,834
	Personal Property	\$106,362,311	\$103,316,236	\$100,697,100
	<b>Total</b>	<b>\$435,097,734</b>	<b>\$428,641,156</b>	<b>\$395,585,934</b>
	Lafayette County percent of change	1.51%	8.36%	1.30%
<b>Combined Assessed Valuations</b>				
	Real Estate	\$837,443,074	\$824,972,000	\$788,596,163
	Personal Property	\$252,932,425	\$243,218,801	\$240,104,569
	<b>Total Combined *</b>	<b>\$1,090,375,499</b>	<b>\$1,068,190,801</b>	<b>\$1,028,700,732</b>
	Percent of change	2.08%	3.84%	1.47%
		<b>Fiscal Year</b>	<b>Fiscal Year</b>	<b>Fiscal Year</b>
		<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Tax Revenue</b>				
	Tax Rate per \$100 valuation	0.2579	0.2579	0.2596
	Johnson County Tax Revenue (Est.)	\$1,689,961	\$1,649,399	\$1,643,930
	Lafayette County Tax Revenue (Est.)	\$1,122,117	\$1,105,466	\$1,026,941
	<b>Total Tax Revenue</b>	<b>\$2,812,078</b>	<b>\$2,754,864</b>	<b>\$2,670,871</b>
	Increase/Decrease over Prior Year	2.08%	3.14%	1.52%
FY Tax Revenue Received (Actual)				
	Johnson County		\$1,699,598	\$1,711,043
	Lafayette County		\$1,133,158	\$1,037,175
	<b>Total Tax Revenue Received</b>	<b>\$0</b>	<b>\$2,832,756</b>	<b>\$2,748,218</b>
	Increase/Decrease over Prior Year			