Combined Library Operations Budget

**REVENUE**

**Municipal**
- State & County donations will total $175.2K, a slight reduction from 2018.
- All other municipality donations, $481.1K, as a group will increase 2.3% from 2018 compensating for the slight reduction from the State & County.
- Municipal/governmental donations account for 67% of total library revenue.

**Library Operations**
- Revenue from fees, donations, grants and events will total $319.5K, slightly down from 2018 actual.

Total revenue of $975.8K is 0.4% lower than actual 2018.

**EXPENSES**

**Personnel Services**, representing 70% of total library expenses, will increase 3.7% from 2018 actual expenses. The expected increases are mostly from benefits for the full-time staff as the budget does not account for a greater headcount in 2019.

**Library materials** are mandated by the State to be 12% of total expenses. The forecast of $114.9K is 2% greater than 2018 actual.

**Facilities & maintenance**, 6% of expenses, will be approximately 1% higher in 2019. The library facility is approaching 59 years of age and continues to be fraught with aging infrastructure.

**Fundraising**, 4% of expenses, will be slightly lower in 2019. This expenditure is quite important in that it generates $208.4K of library donations, annual appeal, and events revenue. Every dollar spent on fundraising generates $4.85 of library revenue.

The above major categories represent 92% of total expenses. The remaining expense categories as a group, 8% of expenses, will total $48K in 2019.

Total expenses of $961.4K will be 3% higher than 2018 resulting in a “net” of $14.4K. The library budgeting philosophy tends to be conservative in both revenue and expenses. Our tendency is to underestimate revenue and overestimate expenses which was evidenced in 2018 as revenue exceeded budget by 6.6%. It would have been the same story for expenses however after the 2018 budget was submitted in late 2017, the board increased the hours of the Adult Literacy Program staff in addition to including the two administrative staff members as full-time employees.

The Kennett Library maintains two other funds not incorporated in the above operating budget. A **Capital Reserve** fund which captures the library portfolio and expenses for the library new building project. A **Property Account** to capture the revenue and expenses of the 120 S. Willow Street property purchased in 2018 and the 124 S. Willow Street property purchased in February 2019. Both properties will be used for surface parking and open space for the new library project.

W.C. McLachlan  
Treasurer