



# Mamaroneck Public Library Proposed 2024/25 Budget

November 1, 2023

# Introduction

- Since April 2023, the Library Board and Staff reviewed expenses to identify reductions and worked towards increasing revenue for the Library's operating budget
  - Staff reductions have contributed to the expense reduction through attrition and eliminating open positions
  - A decision was made to keep the Library closed on Sundays, saving approximately \$40,000 per year
  - The Library Board of Trustees hosted a Centennial/Fundraising event on October 12<sup>th</sup> raising over \$95,000
  - The "Save the Library" fund has over \$84,000
  - Donations received during the current fiscal year are significantly greater than prior years thanks to our community

# Budget Overview

- The proposed budget for fiscal year June 1, 2024 through May 31, 2025 is \$4.5 million.
- This budget reflects:
  - A decrease in operating expense of 6.6% when compared to the budget approved by the public in December 2022 and 6.1% when compared to the revised budget approved by the Library Board in May 2023
    - The two largest components are staff expense (\$1,775,176) and debt service (\$786,500 for the original bond and \$1,204,000 for the TAN repayment)
  - An increase in library tax of 5.5% (prior year tax increase was 6%)
    - The average tax increase for residents is approximately the cost of buying 2 books
    - \$408,778 is coming from the general fund/cash balance

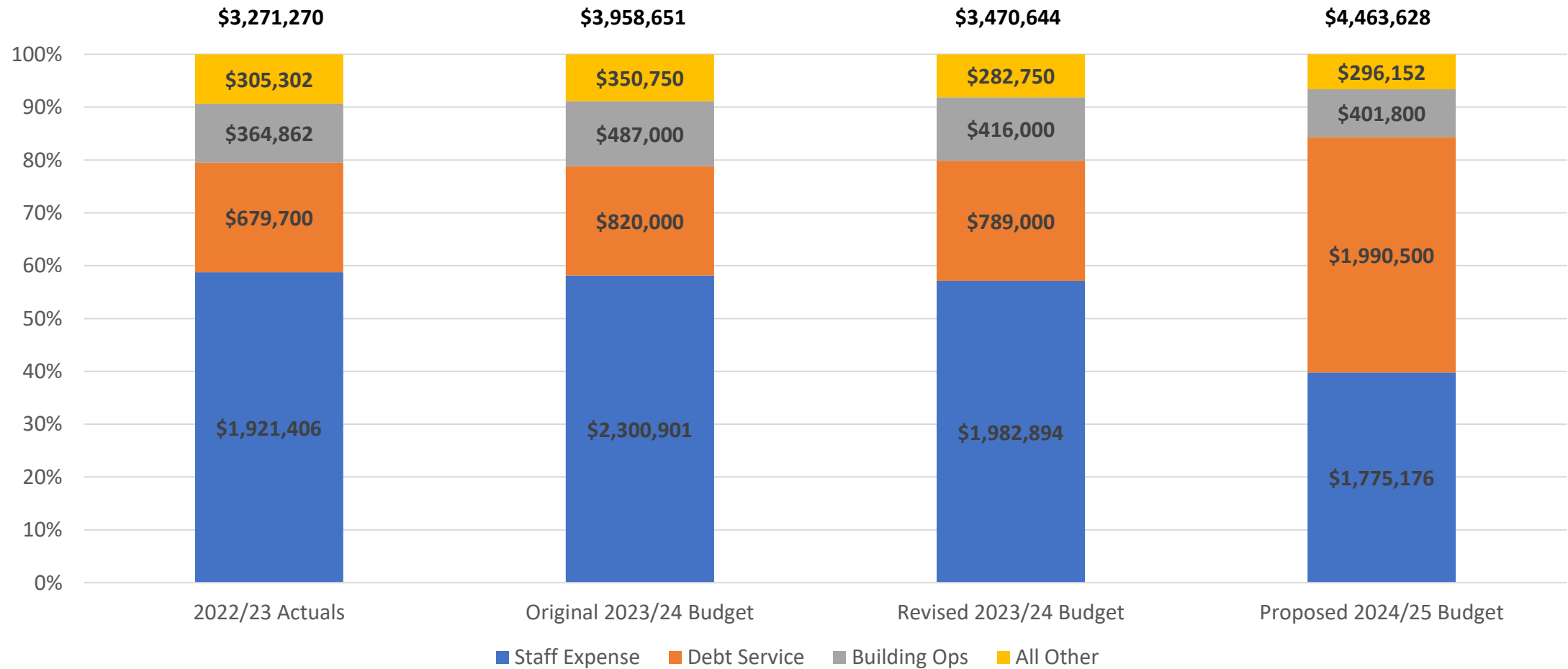
# Points to Consider

- Staff expense is the largest operating expense component of the Library
  - Non-salary staff expenses (Pension, Health Care, Disability Insurance, Workmen's Comp and Payroll Taxes) are approximately 47% of salaries
  - The Library doesn't control any of these expenses. In fact, for the current fiscal year, the pension contribution was \$108,000 last year and is \$142,000 this year.
- The Library needs to be prepared for unknown building maintenance issues.
- \$786,500 debt service expense is due to the building renovation and expansion which took place years ago; annual payments range from \$786,500 to \$801,850 (will be paid in full in 2034).

# Budget Summary

	GENERAL FUND	OPERATING PORTION	DEBT SERVICE PORTION
APPROPRIATIONS	\$ 4,463,628	\$ 2,473,128	\$ 1,990,500
LESS:			
NON-REAL ESTATE REVENUES	\$ 805,219	\$ 38,552	\$ 766,667
APPROPRIATED FUND BALANCE	<u>\$ 408,778</u>	<u>\$ 408,778</u>	<u>\$ 0</u>
	\$ 3,249,631	\$ 1,259,131	\$ 1,223,833
TO BE RAISED BY REAL ESTATE TAX LEVY	\$ 3,249,631		

# Year Over Year Expense Comparison



# Services Impacted

- Since April 2023, the Library stopped purchasing books, AV recording and periodicals (although \$3,200 from the “donation account” was recently spent to purchase periodicals)
- The Library is closed year-round on Sundays
- The program budget is flat with actual costs from fiscal year 2022/23

How will we address this?

- We will utilize some of the donations to slowly reinstate services
  - Some donations were designated – “please buy books”, etc
  - The Library Board will determine the best way to move forward for the community

# Benefit of 3 Year Tax Anticipation Note Payback

- The Library will have a total of 3 TANs as approved by the Village
    1. Issued in 2023; payment of \$1,204,000 due in June 2024 (the full \$1.4 million was not needed)
    2. To be issued in June 2024 - \$766,667\*
    3. To be issued in June 2025 - \$383,333
  - The repayment schedule is as follows (repayment includes interest and issuance fees):
    - June 2024: \$1,204,000 utilizing the June 2024 TAN of \$766,667 plus \$437,333 from the Library's General Fund
    - June 2025: \$811,500 utilizing the June 2025 Tan of \$383,333 plus \$428,153 from the Library's General Fund
    - June 2026: \$410,900 from the Library's General Fund
  - *This will enable the Library to stabilize its expenses, have funds for emergency repairs and slowly bring back eliminated or reduced services*
- \* The amount will be reviewed in February 2024; will hopefully be lower