

## **2020 Budget Summary**

### **Public Hearing – August 8, 2019, 5:30 pm, Marvin Auditorium 101C**

#### **Overview**

The Board of Trustees and Library management have developed a budget review and preparation process that is based on a comprehensive assessment of operational and strategic needs. This is a logical and responsible progression for funding, and more importantly accomplishing, the initiatives within strategic, community and facilities plans, as well as fulfilling Topeka and Shawnee County Public Library's (TSCPL's) mission and goals. This methodology will be particularly important as the Library implements a strategic plan for the next decade based on five Community Impact Goals and makes decisions regarding prioritization of projects in the multi-year Facilities Master Plan. Further, the Library's past success has been accomplished by wisely using its resources and maintaining a stable mill levy rate.

As a result, the Library has progressed in the implementation of its strategic plan for the benefit and betterment of the community, including being chosen as the 2016 *Library of the Year* in the United States and Canada.

TSCPL Trustees and management have practiced very good stewardship in use of tax resources with a fluctuation of only .768 mills in the past eleven years (high to low) and a fluctuation of only .114 mills for the past five years' actual rates. Further, the decline in the local economy, coupled with an increase in the portion of resources needed for the rising costs of employment benefits, was recognized and managed with a decrease in the mill levy rate (2008) and with an approved nearly flat mill levy in 2012-2019. The use of additional strategic and financial tools to anticipate and plan for needs will enhance this pattern of excellent stewardship.

Please refer to Schedule A which provides a graphical depiction of mill levy rates for the three funds with taxing authority for the past 10 years, as well as the 2020 proposed budget. Schedule B provides a graphical depiction of expenditures for the three funds with taxing authority for the past 10 years, as well as the 2020 proposed budget. *Budgeted expenditure authority increases, primarily due to increases in property valuations and other taxes.*

TSCPL has crafted a 2020 budget that maintains the total mill levy and actually expands services including a reconfiguration and expansion of library spaces to better accommodate the needs of 21<sup>st</sup> century customers and their usage of the building. The TSCPL 2020 "Budget Summary", published in the July 24, 2019 edition of the *Topeka Capital Journal*, is proposed with these goals:

- Fund the 2020 budget year operations, including several of the design projects on the Facilities Master Plan in accordance with the strategic plan, within the resources provided at a flat total mill levy from 2019 of 9.786.

Due to the retirement of the debt service in 2019, a resolution to increase the 2020 mill levy rate was passed by the Board of Trustees prior to the publication of the budget. The Board resolved to increase the budget levy for 2020 and following years to not exceed 9.786 mills, which equals the 2019 budget and bond levies. This requirement applies to local taxing authorities in which a majority of governing body members vote to set a budget which increases ad valorem property taxes beyond the prior year, adjusted by certain types of valuation increases and the *Consumer Price Index for All Urban Consumers*. There was no opposition to the mill levy increase. The proposed budget is at exactly the amount of ad valorem property tax allowed by a total budget levy of 9.786 mills.

- Modify the split of the total mill levy between the General and Employee Benefit funds.
  - *Debt Service Fund* - The elimination of the debt service in 2019 will result in the bond levy rate to be allocated to the General Fund.
  - *Employee Benefit Fund* – In recent years, a greater proportion of the total mill levy had to be allocated from the General Fund to the Employee Benefit Fund due to increasing employee benefit costs, including KPERS rate increases required by Kansas law. However, favorable claims experience have resulted in the Employee Benefit Fund having some cash available to fund the current year's expenditures and the mill levy to partially return to the General Fund.
- Maintain prudent and sufficient cash balances to: (1) fund next year operations before tax revenues are received; (2) allow for unforeseen situations; and (3) maintain the Library's exceptional financial rating of Aa2. The ending cash balance has been increased by \$50,000 in the General Fund.
- Continue the design concept projects on the Facilities Master Plan in phases in accordance with the specific funding matrix and timeline. Infrastructure projects are expected to be funded by the Capital Improvement Fund (not a budgeted fund) and any available operating funds. The available fund balance as of June 30, 2019 is \$1,284,840.
- Use existing resources with a focus on supporting strategies and tactics for implementation of the Community Impact Goals:
  1. Every child will be ready for kindergarten.
  2. Everyone will discover their passion for learning.
  3. Everyone will continue learning new ways to live their best life.
  4. Topeka & Shawnee County will be an engaged community of readers.
  5. The Library will be a learning organization committed to excellence in: leadership, planning, customer focus, process management and partner focus.
- Lead and fund technological advancements, including electronic materials, to support the expectations and requirements of customers and the community, and to demonstrate how technology can enhance learning and living.

The total ad valorem tax to be levied is proposed to be \$16,700,518 to fund expenditures in the General (operating) and Employee Benefit funds. Assessed valuations as of July 1, 2019 will produce \$48,672 more per mill above the 2019 final valuations. At a combined levy of 9.786, revenue increases by \$478,656 for the two taxed funds and is entirely due to increased property valuations at a flat total mill levy from the prior year.

Motor/commercial/watercraft vehicle tax and fees, in lieu of taxes and revitalization rebate estimates provided by Shawnee County are \$28,416 less than 2019.

The published budget also includes the State Aid Fund whose source is from the State of Kansas.

When comparing 2020 and 2019 total budgeted expenditures, the increase appears to be about \$4.2 million. However, municipal governments are allowed to include a fund balance carry forward, categorized as a "miscellaneous expenditure" or "cash basis reserve" (for debt service) in the proposed budget. This balance is necessary to fund payroll, debt service and other operating expenditures in the new year, before tax revenues are distributed in mid to late January or any delay in receipt of revenues, as well as any significant post-budget increased costs like the medical plan premiums. The fund balance carry forward for the two taxed funds represents \$2,000,000 of the expenditure increase.

Expenditure authority increase – Budget Summary	\$4,208,000
Less cash transfer from General Fund to Capital Improvement Fund	( 1,710,000)
Less <i>one-time</i> cash transfer from Debt Service Fund to General Fund to close the fund	( 994,000)
Less portion in 2020 expenditures for cash carry forward	<u>( 2,000,000)</u>
Adjusted decrease from 2019 to 2020	<u><u>\$ ( 496,000)</u></u>

Expected 2019 expenditure savings or increases from budgeted:	
Medical insurance cost decrease	195,000
Workers compensation insurance cost decrease	22,000
State Aid reduction to actual	3,000
Other expenditure increases	<u>( 14,000)</u>
Total 2019 Adjustments	\$ 206,000

2020 changes in expenditure authority from 2019:	
Increase Facilities Master Plan projects using <i>one-time</i> funding	770,000
Net decrease employee benefits	( 89,000)
Net increase operating expenditures from 2019	<u>21,000</u>
Total Change from 2019 Estimate to 2020 per Budget Summary	<u><u>\$ ( 702,000)</u></u>
Total Change from Approved 2019 Budget to 2020 Proposed	<u><u>(\$ 496,000)</u></u>

Please refer to the enclosed Schedule C "Key to 2019 and 2020 Comparison-Notice of Budget Hearing" to assist with understanding TSCPL's budget year-to-year.

Additionally, the reported 2019 revenues represent the latest estimates (since the approved budget), including: (1) other fee and reimbursement revenue adjustments and interest income increases based on 2018 actual and to-date in 2019 (\$24,408-); (2) a 2% uncollectible tax revenue allowance (\$363,032-); and (3) reduction in State Aid revenues to actual (\$3,371-).

These revisions are important to the 2020 budget to recognize cash transfers to other funds and carry forward cash available to apply to budget year expenditures, instead of finding new-year revenue, but gives the appearance of a larger change between 2019 and 2020 budgets.

Schedule D provides revenue source definitions to help with understanding that portion of the budget. Neighborhood revitalization rebates are a reduction of expected tax revenues and are projected to increase (decrease total revenue) by about \$32,000 in 2020.

TSCPL is a library district and was established under Kansas law (K.S.A. 12-1261) as a municipal corporation. Unlike most libraries in Kansas and other states, it is a stand-alone municipality. It is not under the umbrella of another government. TSCPL must have its own staff for services that in many other libraries are provided free-of-charge and whose costs are not allocated for accounting or operational purposes. Examples of these services include, but are not limited to, accounting, procurement, payroll, human resources, events management, security, motor pool, information technology, clerical support, marketing and communications, janitorial, building and grounds maintenance and support, capital improvements, mailroom, utilities, telephone and internet services. Thus, this difference in governmental structure and accounting for all costs must be taken into consideration when comparing the TSCPL budget to other Kansas and out-of-state libraries. Support costs not paid or allocated to a library can be very significant.

### **How Was the 2020 Budget Accomplished and Will this Continue Every Year?**

- The continued use of data-driven, process improvement techniques and the objective review of each vacant position have stabilized the amount of the budget spent on salaries, without a sacrifice in the quality or quantity of customer services. This is now a standard and proven practice at TSCPL with tangible benefits and should provide budget flexibility in the future as retirements and opportunities occur.
- Process improvement will be even more important as technology drives the use of the Library and the needs of its customers.
- The entire budget is proposed to carefully use one-time funding sources for one-time expenditures so the mill levy remains stable. When a budget includes one-time expenditures, it can be difficult to compare the current and prior years' base budgets.
- Overall, expenditures for the three budgeted funds decrease from the 2019 *approved* budget by \$702,325, yet provides funding for: (1) \$1,705,000 in projects on the Facilities Master Plan, if needed; and (2) an increase of \$65,900 for the purchase of library materials. This net decrease is mostly attributable to: (1) the elimination of the debt service payment of \$1.65m in 2020; and (2) an increase in ad valorem property tax of \$478,656 solely from increased valuations and not at the Library's request.
- As a result of actions from the TSCPL executive management team, the health plan is stabilized, while still providing employees with exceptional, accessible benefits at a reasonable cost. A 5% price increase is projected for health insurance and a 6% increase is expected with dental insurance. The deductible for the traditional plan was increased for both individual and dependent plans for plan year 2019 due to a lower than projected health plan increase. At this point, the budget has been conservatively projected to account for the potential worst case. Funding to offset these costs is sourced from: (1) additional funding dollars from the increased

valuations; (2) salary savings through not funding several vacant positions; and (3) increasing the shrinkage rate for expected employee turnover and the length of time positions are held open.

- The shrinkage concept, to anticipate expected salary savings in advance for budget reallocation, was piloted in 2014 with no adverse effects (actual turnover seems to be in alignment with expected turnover). A shrinkage factor of 1.85% was applied to 2020 gross salaries, allowing about \$144,063 to be directed elsewhere in the budget. This is possible due to several retirements of executive and professional level staff who will likely be replaced with lower paid staff.
- The 2020 budget includes some atypical issues, but much of these can be controlled and anticipated through careful and prudent financial management planning, use of the Facilities Master Plan and other initiatives funding matrices, and the benefit of stable property valuations. As the Board of Trustees and staff work to be more strategic, the development of budget forecasts continues to improve and issues are better anticipated.

### **What does the Community Receive for its Funding Dollars?**

- The Library's beautiful and spacious facility is open 78 hours per week to provide a multitude of services to customers of all ages with varying expectations and needs.
- The front entryway renovation was completed providing additional, attractive public space and important enhancements to public safety including zero-entry curbs, improved lighting, an under-sidewalk, ice melt system for winter weather conditions and beautiful planters that also serve as building and pedestrian safety barriers from all forms of wheeled traffic.
- The first phase of the interior renovation/remodel projects was completed providing eight collaborative work rooms with technology equipment in each and a new entryway between the Millennium Café and New Books/Media area.
- The Board of Trustees approved the 10-year, multi-phase Facilities Master Plan as a responsible approach to prioritization and funding of building and infrastructure projects. These projects are expected to optimize people space, customer experience and service, enhance wayfinding and the amenities within the building, meet the expectations and requirements of 21<sup>st</sup> century library users, and optimally maintain the facilities.
- Phase II of the Facilities Master Plan for interior renovation/remodel projects is nearly complete. These projects include the renovation of the Circulation Plaza and Learning Center and the installation of new flooring in the rotunda, the main library corridor and in the east and west hallways. Claire's Courtyard will also be completed soon which will include an exterior patio space, a three season pavilion space for small group meetings and an amphitheater for outdoor education.
- The Board of Trustees approved five Community Impact Goals designed to have a real, lasting impact on making the community a better place to live, work, learn and play. These goals articulate the Library's priorities for the Next Decade: literacy, learning, reading and organizational excellence.
- An extraordinary Kids' Library has transformed into an engaging space just for kids, with more exciting changes forthcoming. Bin shelving allows kids to browse picture books by their front

covers, enticing more interest and check-out of this collection. Families also were given the opportunity to check out passports to the Kansas Children's Discovery Center to enhance learning with an emphasis on science, technology, engineering, art and math.

- The Learn and Play bus is in service, currently providing two-hour stops at six locations throughout the County, with more stops planned. This is thanks to a joint funding effort between the Library and The Library Foundation. The bus serves pre-school aged children and their families by allowing a remote physical location in which programming and learning can occur within customers' neighborhoods.
- The new AdventureMobile was placed in service in March 2019. This vehicle is a library on wheels delivering some of the library's most popular books, audio-books, movies, magazines, and other materials to children and their caregivers in the community. The AdventureMobile visits all places where children can be found, including schools, day care centers, community centers, parades, festivals, and other community events.
- About 81,900 members of the community are also library members by owning a library card. This is a slight increase of 1.2% from the end of 2017.
- All households in the library district received the bi-monthly publication *Library News*, informing everyone about library services and programs, local people and learning opportunities.
- With the help of The Library Foundation and the United Way, Dolly Parton's Imagination Library is available in our community to distribute one book per month to the homes of all children ages 0-5. There are already over 4,900 children enrolled. This program provides the opportunity for an economical way to scale services community-wide in support of the goal that every child is ready for kindergarten.
- During 2018, nearly 762,000 visitors came to the building, including nearly 133,000 using the meeting rooms, almost 79,000 attending programs and over 25,000 attending The Sabatini Art Gallery.
- Countless visitors use the 182 public computers to search and apply for jobs, research, learn and correspond.
- Almost 2.4 million print and digital books, periodicals, music CDs, movies and games were borrowed by Library customers in 2018. This is down slightly (5.2%) from 2017.
- Last year, about 205,000 reference questions were answered by Library staff through various formats including in person or by telephone, text, email and online chat.
- The Digital Branch welcomed almost 623,000 visitors, of which about 349,000 were unique visits in 2018, with over 496,000 visits to the catalog of which nearly 220,000 were unique visits. A new catalog was implemented which has many new features including one-click hold requests, the ability to create lists, a summary of items checked out and on hold, and the ability to view borrowing history.
- Over 436,000 digital downloads of movies, ebooks and audiobooks occurred in 2018; an increase of 19.3% over 2017. Digital downloads accounted for 18.6% of all checkouts.

- Social media continues to expand with over 16,000 people who like us on Facebook and over 7,000 people who follow us on Twitter. The new catalog also provides a social media feature that allows users to connect with others regarding all types of materials in all types of formats.
- Bookmobiles stop about 25 times per week during the day and evening in 17 locations throughout the city and county, with the Adventuremobile visiting many schools, day cares and community centers throughout the year to provide services and programs to children. Over 247,000 items checked-out on Bookmobiles. Red Carpet serves 43 facilities, as well as 130 individuals, to provide library services to elderly and homebound customers.
- Summer Learning continues to be an essential time for students and even parents to do some recreational reading. As of July 25<sup>th</sup> students and parents have read 1,597,211 minutes. A new summer reading app called Beanstack was recently introduced and the numbers are projected to exceed the 2018 reading numbers. Although all ages may participate, this program is designated to help prevent “summer slide” which means that for every week a student isn’t reading during the summer they are that number of weeks behind compared to peers when coming back to school. A summer lunch program in conjunction with Harvesters also was implemented and served 2,517 lunches to kids. Hungry kids have a more difficult time learning so these programs work well in tandem.
- The Library at Work service, in which materials are brought to and picked up from the workplace, continues to expand and there are now 26 participating work sites.
- Existing services continued their success: (1) library programs, including computer services, at the city community centers; and (2) checkout of materials via the Smartlockers located inside the Oakland Community Center and the HyVee grocery store. Another partnership was formed with the Topeka Housing Authority to open a training center and improve access to digital learning at the Deer Creek Community Center.
- The Library’s campus expanded by the generous gift from St. Francis Health of the property at 1001 SW Garfield Avenue to The Library Foundation. Immediate plans are to convert this property into a much needed customer parking lot.
- The community can share in, and be proud of, the honor of its Library being chosen the 2016 *Library of the Year* in the United States and Canada. Although the designation is only for one year, the community will always have the distinction of having a Library that received this prestigious award.
- In 2018, the Library provided an estimated \$28 million value to the community representing about a \$1.80 return for every operational tax dollar spent (excluding debt service).

## Understanding the Budget Document

There are four funds that are required by Kansas law to be budgeted; General, Employee Benefit, Debt Service and State Aid funds. All except the State Aid Fund have ad valorem property tax as their main source of revenue.

The General Fund is the source for the majority of operational expenditures (gross salaries, information technology equipment and maintenance, utilities, internet and telecommunications, vehicle costs,

supplies, insurance, professional service contracts, special projects, marketing, printing, postage, library materials purchased for customer checkout, etc).

The Employee Benefit Fund is used to pay the employer-paid portion of benefits for employees, most of which are mandatory (social security, Medicare, state retirement (KPERS), medical and dental insurance, workers compensation insurance, unemployment insurance, the administration of the cafeteria benefit plan and the employee assistance program.)

The Debt Service Fund is used to pay the principal and interest on the bond issue for the building expansion project (opened in January 2002). The 2020 budget includes a cash transfer from the Debt Service Fund to the General Fund to close out the fund; the debt payment concludes in 2019.

State Aid is provided from the Kansas State Library, but is a declining revenue source.

### **General Fund Budget (pages 6, 6a)**

Page 11 shows the estimated tax rate for the 2020 General Fund budget is 8.086 mills; an increase of .749 mills from the 2019 General Fund tax rate of 7.337 mills. The net total mill levy remains flat between 2019 and 2020 for the three taxing funds.

#### **Revenues**

- Ad valorem property tax (net of revitalization rebates) is 87.9% of the total projected revenue for 2020; 86.9% in 2019.
- Vehicle taxes are 9.5% of the total projected revenue for 2020 compared to 9.7% in 2019. (Estimates are provided by Shawnee County.)
- In lieu of taxes are .02% of total revenues in 2020.
- Tax revenues represent the amount if 100% is collected, but historically there is an uncollectible amount of less than 5%. However, this can range from a few thousand dollars to a few hundred thousand dollars so careful review occurs during the year.
- Other revenue sources from fines, fees, reimbursements and interest are 2.5% of the total projected revenue for 2020. The decision to no longer charge overdue fines on children and young adult materials reduces projected fee/fine revenue, but will benefit customers.
- Revenues from e-rate reimbursement decrease by \$48,057 due to more certainty about the cost of qualifying services. Qualifying expenditures are budgeted at 100% of the cost since e-rate reimburses from 50% to 90% of the cost. Revenues are not netted against expenditures.

#### **Expenditures**

The total General Fund budgeted expenditures for 2020 are \$17,221,516 (including an allowable fund balance carry forward of \$1.655 million classified as "miscellaneous expense"). This is a 2.8% increase (\$1,084,660 including \$50,000 more in carry forward cash for a net operating expenditure increase of \$1,034,660) from the 2019 adopted budget of \$16,136,856 (including fund balance carry forward). The 2019 budget had one-time expenditures of about \$935,000 included in the total expenditures, but the additional allowable revenues from increased property valuations and the one-time cash transfer from the close out of the Debt Service Fund allow some one-time expenditures in 2020 as well.

The "miscellaneous expense" of \$1.65 million for fund balance carry forward represents the amount needed to carry over into the beginning of 2021, to pay expenses prior to tax revenues being received the third week of January or for unexpected cost increases or emergencies. The 2020 budgeted General Fund ending cash carry forward is increased by \$50,000 from \$1.6 million in accordance with allowable ending cash. The fund balance carry forward and miscellaneous lines in the budget cannot be more than 15% of the total General Fund expenditure budget. TSCPL's combined percentage is 8.7%.



**Gross Salaries** (Employer-paid benefits are budgeted in the Employee Benefit Fund.)

The budget includes a maximum of 233 full-time and part-time employees (this does not represent an actual FTE position count, but rather a count of positions in which each represents one, regardless of the percentage of time assigned). The 2019 budget included 234 full-time and part-time positions. At any given time, approximately 205 positions are usually filled due to turnover and seasonal staffing.

- Salary expenditures comprise 46.8% of the expenditure budget in 2020; 52.4% of the expenditure budget in 2019; (or 51.2% and 58.1% respectively, when fund balance carry forward is subtracted from total expenditures.)
- The careful consideration and review of every vacant position, as well as four retirements in 2018 and at least four in 2019, have kept gross salaries starting only about \$88,410 above those budgeted for 2019 (with the annualization of 2019 merit pay, but before any 2020 merit raise).
- Merit pay increases are included in a range of 0-3% based on performance. The budget is created using a 2.51% increase on each employee's job anniversary date. Increases are granted strictly based on performance and no increase is guaranteed. The cost of the pay increases to be paid in 2020 is estimated at about \$124,400.
- The shrinkage concept, which in previous years funded 98.5% of the gross salaries and related percentage-based fringe benefits for regular staff, has been continued for 2020 as a way to anticipate savings and better plan/fund library operations and the funding matrix initiatives to fulfill the strategic plan. It will also assist with avoiding last minute, end-of-year spending decisions and projects or the one-year delay or budget amendment required to obtain authority to spend the savings.
- For the 2020 budget, a 1.85% shrinkage reduction from gross salaries allows savings of \$144,063 in gross salary to be budgeted elsewhere.
- At the end of 2018, at least 40 employees were eligible to accept KPERS full or reduced retirement so salary savings should be expected.

**Information Technology (Digital Branch) Plan and Expenditures**

Information technology is vital to keep pace with the ever-changing world and the expectations of a 21<sup>st</sup> century library, the use of the Digital Branch, content and materials, and the relevancy of the Library to its constituency.

- The Contracted – Digital Services and Digital Services Support line items contain funding for projects, annual support and maintenance costs and hardware and software that change from year-to-year, but for which the base budget generally funds. The Contracted line item increases by \$181,000 for the cost of upgrading Aruba Wireless and for the purchase of Beanstack, Communico, OrangeBoy and board document management software. The Support line item decreases by \$163,400 and will fund: (1) 80 replacement personal computers on the regular 4-year cycle; (2) four laptop computers for public services; (3) iPads for meeting rooms and DPIL sign up; and (4) gaming equipment maintenance and replacement. This budget line item fluctuates from year to year as equipment is purchased and new purchases are planned.

- The 80 computer replacements allow staff and public computers to offer current technology, including larger screens.
- The telecommunications budget has decreased by \$2,200 due to the bid process for services eligible for e-rate reimbursement and the addition of public Wi-Fi for bookmobiles. As previously mentioned, this also will decrease e-rate revenues accordingly, but not one-for-one since reimbursement is at 50% to 90%.

### **Strategic, Community and Facilities Plans**

The 2020 budget continues the incorporation of an emphasis on strategic planning based on the Community Impact Goals. This is a logical and responsible progression for funding the approved initiatives in the strategic, information technology and facilities plans, as well as fulfilling the Library's mission and goals.

Please refer to Schedule E for funding matrices for Facilities Master Plan projects for 2020. These documents report all funding sources, including funds from The Library Foundation and the Friends of the Library which are critically important to completion of these projects.

- In July 2016, the Board approved the Facilities Master Plan. This approval was contingent upon it being a multi-year plan, to be done in phases likely over 10 years, and subject to available public and private funding, with each project specifically approved by the Board. The Plan encompasses both infrastructure needs and building remodeling and renovation to ensure relevancy and to support the way in which customers need to use the Library now, as well as support the Community Impact Goals.
- The Special Projects line item is almost solely for the design concept phases on the Facilities Master Plan and includes \$1,704,750 for these projects. This funding is from expenditure savings in the operating budget, a revenue increase from assessed valuations and a one-time cash transfer from the closing of the Debt Service Fund.
  - Create public spaces on the second level \$800,000
  - Café flooring and equipment \$150,000
  - Living room redesign \$100,000
  - Staff spaces \$100,000
  - Bathroom renovation \$100,000
  - Miscellaneous interior repairs and maintenance \$94,750
  - Architectural design fees for the 2021 projects \$200,000

The Special Projects line item also includes funding for an audio/visual upgrade for the meeting rooms (\$75,000) and the replacement carpeting in the youth services area (\$85,000). Total Special Projects line item for all funds is \$1,704,750. Other portions of these projects may be funded from the Library Foundation and the Friends of the Library. Infrastructure projects can be funded by the non-budgeted Capital Improvement Fund.

- The Furniture and Equipment budget increases by \$1,200 and is comprised of: (1) public chair replacement cycle (\$50,000); (2) drone for marketing use (\$10,000); (3) one-half the cost of two Smartlockers for placement within the community (\$30,000 – remainder paid by the Library Foundation); (4) furnishing for new staff training and development space (\$5,000); (5) downtown plaza furniture (\$5,000); and (6) base for overall Library needs (\$5,000). Most furnishings will be part of the Facilities Master Plan.

- A line item for the purchase of art for the Gallery was restored in 2015 and continues in the base 2020 budget (\$8,000).
- The Contracted Facilities budget increases by \$59,300 (based on projections starting with 2018 actual expenditures). The increase is mainly comprised of the cost to re-key the building, an increase to the landscaping budget, and an upgrade to the controls on the storage system. The Facilities Master Plan encompasses most of the infrastructure costs and can be paid by the Capital Improvement Fund. This line item includes all the support contracts for the major building systems and allows for cost increases for renewals, as well as any type of professional repair and service, such as snow removal, pest control, trash disposal, fire alarm testing, etc.
- The Contracted Office Equipment budget increases by \$5,590 (based on projections starting with 2018 actual expenditures). This line item is primarily for public and staff copies and related maintenance and fees, and postage and mailing equipment leases. Service professionals will be called when needed for one-off needs.
- The Contracted Professional Services budget decreases by \$34,680 (based on projections starting with 2018 actual expenditures). The Library is using more professional consulting services for specialized issues in order to become fully educated before spending resources on major projects. This ultimately saves money. However, some changes have occurred that have resulted in savings.
  - The decision to move from ADP to Paycom for human resources/payroll/timekeeping/leave management software services. The 2017 budget anticipated staying with ADP, but an upgrade was needed and service pricing would have increased. Thus, the 2018 budget is a reduction from those projected increases and an even further reduction since Paycom's base services are less expensive.
  - Bidding of the annual audit services.
  - Re-categorizing future architectural services fees from Contracted Professional Services to instead be part of the project cost and budgeted in the Special Projects line item.
  - Elimination of the contract to administer COBRA.
- Possible professional service needs in 2020 include: (1) testing for those holding commercial driver's licenses; (2) continuation of digitation and preservation of special collections; (3) art appraisals for a few select pieces; (4) translation service for Spanish language publication; and (5) a \$10,000 placeholder for unexpected consulting needs.

Other expenditures paid in this line item are credit card processing and bank fees, new hire and employee testing, courier service between libraries, and notary fees.

### **Library Materials**

- The 2020 budget allows for a 4% increase in the funding for library materials. This is in a large part due to the increasing demand for digital materials and the associated costs. The materials' budget represents 10% of the total General Fund budget (and 11% without Special Projects), but drops to 8.3% of the three budgeted funds.
- The budget reflects changes in customer demand for digital materials. Digital downloads by customers, particularly for Overdrive ebooks/eaudio and Hoopla content, continues to increase. From January to December 2018, customer usage of Hoopla increased by 19% over the same time period in 2017. For that same comparative time period, Overdrive checkouts increased by 20%. Purchase requests submitted by customers continue to accelerate in Overdrive. In 2018,

TSCPL received 18,606 Overdrive purchase requests compared with 2,472 requests for physical and audiobooks. It is imperative to meet customer demands for ebook/eaudio materials by continuing to generously allocate resources for digital content from Overdrive and Hoopla.

- If the State Library's funding continues to deplete, TSCPL needs to plan for continuation of databases that are currently paid and access made available by the State Library. They can provide access statewide at a substantial discount. State Library staff have confirmed that database funding is intact for this year. It appears that the State Library can continue to provide this service for another year. However, for forthcoming budget years sufficient budget should be maintained to continue databases as an individual library if necessary.

#### **Other Expenditures**

- Cataloging and interlibrary loan service database costs increase by \$15,874 based on communications from the vendor (OCLC) and 2019 year-to-date actuals.
- Conferences – Training needs exist for many staff, both those in the librarian profession and in other professions needed to support the Library. Managers submitted specific proposals for conferences for 2020 and the CEO requested funds for Trustees to attend national conferences. Several staff serve on national councils and boards and must attend the conferences. The Public Library Association conference is held every other year and 2020 is a conference year. Thus, the budget for this line item is increased by \$30,010. The estimated cost for the Public Library Association conference is \$47,500 so the conference budget actually decreases by \$17,490 from the prior year.
- Insurance is increased by \$1,752 based on 2019 actual expenditures to-date and the addition of the new AdventureMobile to the policy. The pricing is locked for all but vehicles through 2020, but the Library receives the benefit of any rate decreases. No addition in the vehicle fleet is anticipated in 2020.
- Membership/Dues have been increased by \$6,094 to potentially pay up to \$100 toward a professional membership for each member of the leadership team.
- By Kansas statute, TSCPL is required to support 50% of the budget requests for the libraries in Rossville and Silver Lake. These costs continue to increase. An additional 2% increase from 2019 actual now known (\$2,256) is budgeted at a total of \$115,060 for both libraries.
- Market increases are budgeted for postage/shipping and printing, however *Library News* will be reduced from 6 to 4 annual mailings to all district households. Total decrease from 2019 for these line items is \$22,797.
- Marketing, programming and staff training budgets remain flat from 2019.
- Supplies increase by \$22,400 based on 2018 actual expenditures and an increase of \$9,100 in the public services budget for gallery supplies. Replacement tables for Marvin Auditorium and (9) additional staff chairs for circulation staff have been added at a cost of \$12,140. A base for the replacement of staff office chairs continues.
- Electric costs have increased so an additional \$10,000 has been budgeted. Other utility budgets remain flat from 2019. However, the utility market can become volatile and is subject to weather.

- Vehicle repair costs increase \$8,000 based on 2019 expenditures to date, although vehicle fuel costs remains flat. The base budget for vehicle fuel should suffice in 2020. No fleet additions are projected.

There have been continued mechanical issues with the new Bookmobiles and staff are working with the manufacturer to resolve them if possible. Large vehicle repairs can be expensive and the Library has three Bookmobiles – the AdventureMobile, the Learn and Play bus, the Red Carpet vehicle and the box truck.

### **Debt Service Fund Budget (page 8)**

#### **Reserve Fund**

The reserve fund was \$1 million since 2010 and was around \$1.5 million before that. In December 2012, upon completion of the 10<sup>th</sup> year bond reporting, the consultant reported that the Bond and Interest Fund was overfunded. There was no finding or penalty as a result, but there was no need to retain this level of cash reserve.

Beginning with the 2014 budget, the reserve fund balance was lowered by \$250,000, from \$1 million to \$750,000.

The debt incurred with the bond issue will be paid in full in September 2019. A one-time cash transfer has been budgeted from the Debt Service Fund to the General Fund. The total budget for 2020 is \$994,167 and includes \$750,000 as a cash basis reserve for debt service payments (similar to a fund carry forward balance that is considered an “expenditure” in the budget year). This amount includes the 2020 projected cash forward, motor/commercial/watercraft vehicle tax and an estimate for delinquent taxes which may be received. The transfer also includes estimated interest earnings.

### **Employee Benefit Fund (page 8)**

Page 11 shows the estimated tax rate for the 2020 Employee Benefit Fund budget is 1.700 mills; an increase of .152 mills from the 2019 rate of 1.548. The net total mill levy remains flat between 2019 and 2020 for the three taxing funds.

As a result of actions from the TSCPL executive management team, the health plan is stabilized, while still providing employees with exceptional, accessible benefits at a reasonable cost. A 5% price increase is projected for health insurance and a 6% increase is expected with dental insurance.

At this point, the budget has been conservatively projected to account for the potential worst case. Funding to offset these costs is sourced from: (1) additional funding dollars from the increased valuations; (2) salary savings through not funding five vacant positions; and (3) increasing the shrinkage rate for expected employee turnover and the length of time positions are held open.

#### **Revenue**

- Ad valorem property tax (net of revitalization rebates) is 87.9% of the total projected revenue in 2020; in 2019 it was 82.4%.

- Motor/commercial/watercraft vehicle taxes and fees are 9.7% of the total projected revenue in 2020; in 2019 they were 14.7% of the total projected revenue. (Estimates are from Shawnee County.)
- Reimbursements from the Friends of the Library, the Library Foundation, Shawnee County and retiree premium payments in 2020 are 2.0% of the total projected revenue; in 2019 they were 2.6%.
- The changes in the *Group Health Care Benefits for Qualified Retirees* policy approved by the Board in April 2015 allow for a medical premium subsidy by the Library that will continue at \$300 per month. However, the policy also requires all Medicare-eligible retirees leave the plan effective 1/1/2017 and enroll in Medicare supplemental insurance. Thus, the number of participants has significantly declined.

### Expenditures

The total budget for 2020 is \$4,042,064 (including fund balance carry forward "Miscellaneous Expense" of \$350,000). This is a decrease of \$88,985 or 2.2% from the 2019 adopted budget of \$4,131,049 (including fund balance carry forward).

The "miscellaneous expense" of \$350,000 for fund balance carry forward represents the amount needed to carry over into the beginning of 2021, to pay expenses prior to tax revenues being received the third week of January or for unexpected cost increases or emergencies. The fund balance carry forward and miscellaneous lines in the budget cannot be more than 15% of the total Employee Benefit Fund expenditure budget. TSCPL's combined percentage is 8.7%.

- FICA and Medicare - Rates (6.2% and 1.45%, respectively) will remain the same in 2020 as in 2019.
- Kansas Public Employees Retirement System (KPERS) – The 2020 employer rate will be 8.61% compared to 8.89% in 2019. The rate for death and disability insurance benefits will continue at 1.0%. The net decrease in KPERS rates for 2020 is .28%.
- KPERS Working After Retirement - The 2018 Kansas Legislature passed a bill that impacts those employees working after retirement (WAR). The Library currently has four WAR employees. The intent of the legislative changes is to simplify the rate and earnings limit structures for KPERS retirees who return to work for the same or a different KPERS employer, but retain some punitive costs for employers. Employees will no longer be subject to the \$25,000 earnings limit cap and will continue to not pay into the plan. Instead, employers will now pay rates of 8.61% on all wages up to \$25,000 and 30% on all wages over \$25,000. The impact of the WAR rule and rate changes has been projected for 2020 at a cost of \$43,520. About \$12,400 will be offset by revenues from reimbursement of salaries and fringe benefits by the Library Foundation.
- Workers Compensation Insurance – Ratings continue to be low, but recent experience anticipates an increase in future ratings and cost. However, costs did not increase as much or as quickly as expected. A 16.8% decrease over 2020 actual to-date is projected or \$12,800 less than the 2019 budget.
- Unemployment Compensation Insurance – The rate is set by the State of Kansas and will remain at .1% of gross wages in 2020.
- Health/Dental Insurance – Rates are projected to remain flat due to the most recent claims experience review by the current insurance provider. The actual rates will not be known until September or October. Both plans were offered for competitive bid for the 2016 plan year. This resulted in staying with the current medical provider at nearly flat rates and a 25% decrease in dental rates. This line item also includes another year of employer contributions to Health Savings Accounts, based on about 50% of eligible employees enrolling in the qualified high-

deductible health plan. The goal remains to contain the cost of health care benefits, yet retain a quality, accessible health plan for employees.

- Shrinkage - A 1.85% reduction from gross salaries allows savings of \$25,009 in related percentage-based fringe benefits to be budgeted to fund other cost increases.

### **State Aid Fund (Page 9)**

Grants-in-aid to libraries, K.S.A. 75-2556, is revenue received from the Kansas State Library. The State Librarian determines the amount of the grant-in-aid for which each eligible local public library is to receive based on the latest population census figures. This amount continues to decrease. However, the budget is estimated at a maximum amount to set sufficient budget authority (\$53,000) without the need for a later budget amendment. Actual 2020 revenues are expected to be lower than those received in 2019 based on recent trends of about a 5% decrease per year. Due to the uncertainty of these funds, they are not used for continuing operating expenditures and instead are only used for one-time projects. In 2020, this will be a Special Projects line item.

### **Non-Budgeted Funds (Page 10)**

Only the actual revenues and expenditures for 2018 are required to be reported.

- (1) Capital Improvement Fund:** A special accruing fund established under K.S.A. 12-1268 which provides for an amount, not to exceed 20% of any annual General Fund budget prepared, published and approved by the Board of Trustees, to be set aside in a special fund for major capital improvements or major equipment purchases. A cash transfer is budgeted in 2020 from the General Fund to the Capital Improvement Fund. The infrastructure projects on the Facilities Master Plan are expected to be paid from this fund. They are projected over 10 years at which time additional monies may be placed into the fund. Thus, cash flow is projected to be sufficient and sustainable.
- (2) Other Special Revenue:** Funds received that are restricted for a specific purpose. These funds originate primarily from the Friends of the Library and The Library Foundation and a couple of small federal and state grants.
- (3) Permanent Funds:** Endowment funds under which TSCPL can spend the interest received on the funds, but cannot spend the principal. Enacting documents establishing the endowments specify the restrictions on the use of these funds and that they be retained by the Library instead of the Library Foundation. One permanent fund that had been previously reported on the Library's financials for many years was legally determined to actually belong to The Library Foundation and has been removed from the Library's reporting.

### **Budget Summary (Page 11) and Certificate (Page 1)**

These documents establish the maximum expenditure authority for the budgeted funds for 2020. Only estimated mill levy rates are presented. The TSCPL Board of Trustees sets the budgeted expenditures but does not establish the actual mill levy rates. The actual tax rates will be determined by the County Clerk based on the total assessed valuation as of November 1 for the TSCPL District.

**Allocation of MV, RV, 16/20M, Commercial Vehicle and Watercraft Tax Estimates (page 3) and  
2020 Neighborhood Revitalization Rebate (page 12)**

These pages simply provide an allocation between the three taxing funds of revenue estimates and revenue reduction estimates (rebates) provided by Shawnee County.

**What does the TSCPL 2020 budget proposal mean to a residential taxpayer in Shawnee County?**

The following table displays the annual cost of the TSCPL total mill levy of 9.786 for property at various values. The formula is provided so that property taxes in support of TSCPL can be calculated based on specific property values.

**Total Assessed Valuation for 2020 Budget Purposes per the Shawnee County Clerk:  
\$1,706,572,536 (value of one mill = \$1,706,573)**

**Impact of Mill Levy on Residential Properties\*\***

		<b>\$50,000</b>	<b>\$100,000</b>	<b>\$200,000</b>	<b>\$300,000</b>
9.786	Total Proposed Mill	\$56.27	\$112.54	\$225.08	\$337.62
<b>Formulas:</b>					
Amount of Property Tax / Value of one mill = Mill Rate					
Value of Home X .115 = Assessed Value; Assessed Value X Mill Rate / 1,000 = Total Tax					

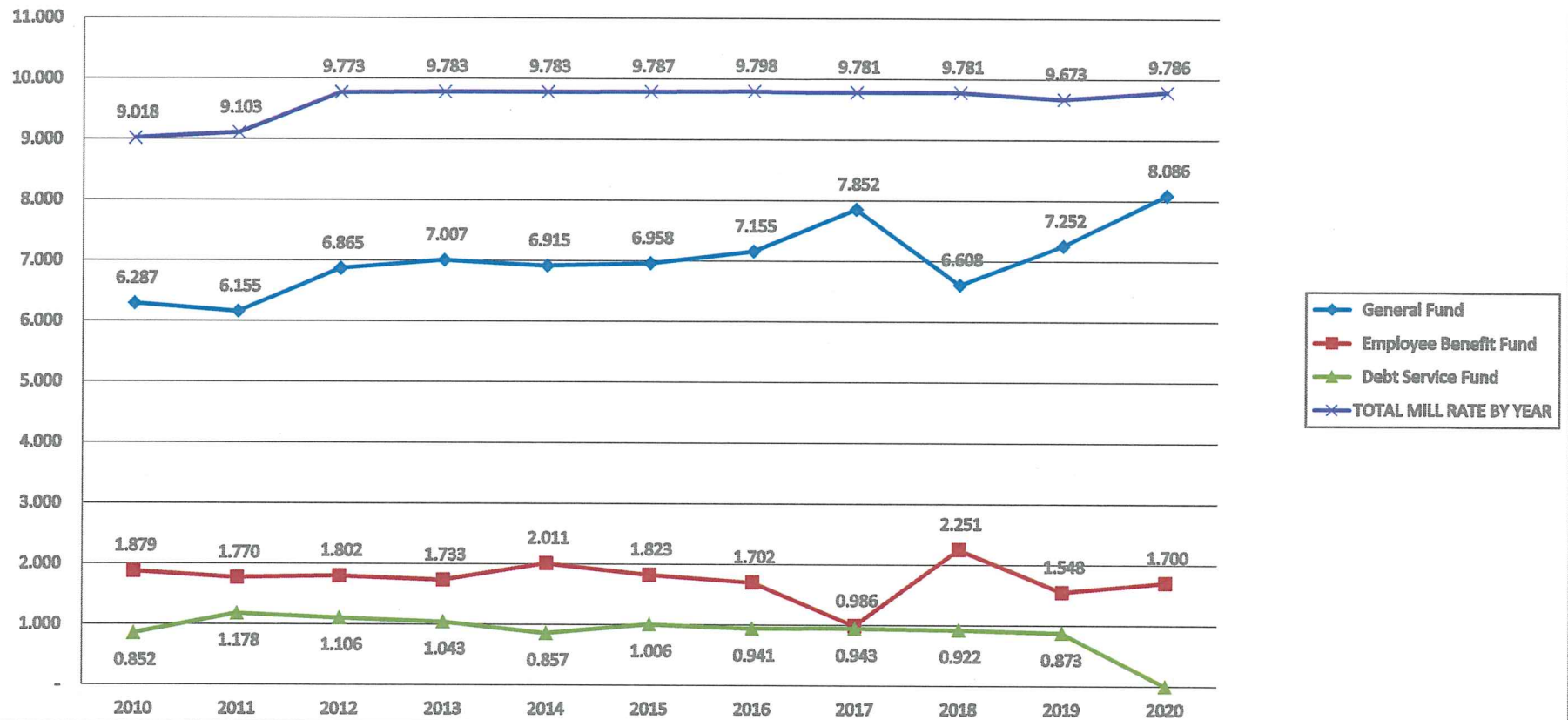
\*\* Residential properties are assessed at 11.5% of value pursuant to K.S.A. 79-1439(b)(1)(A).  
Commercial, industrial, railroad and improved ag land properties are assessed at 25% of value pursuant to K.S.A. 79-1439(b)(1)(F).

Enclosures:

Schedule A - Graph of TSCPL Levy Rates – 10-year Retrospective and 2020 Proposed Budget  
Schedule B – Graph of TSCPL Expenditures – 10-year Retrospective and 2020 Proposed Budget  
Schedule C - Key to Understanding the "Notice of Budget Hearing"/"Budget Summary"  
Schedule D - Revenue Source Definitions  
Schedule E – Funding Matrices for 2020 for Facilities Master Plan projects



**TSCPL 10-Yr Retrospective - Actual Mill Rate Values with Proposed 2020 Budget - Schedule A**



TSCPL 10-Yr Retrospective - Budgeted Expenditures with Proposed 2020 Budget - Schedule B



**Topeka and Shawnee County Public Library  
Key to 2019 and 2020 Budget Comparison  
2020 Budget - Public Hearing - August 8, 2019**

**Has the amount of tax requested increased or decreased? *Remained flat***

1 - Actual Tax Rate 2019	9.786
2 - Estimated Tax Rate 2020	9.786
<b>Net Change</b>	<b>0</b>

The mix of the levy between General Fund, Employee Benefit Fund and Debt Service Fund has changed, but the total remains the same.

**Even though the levy is less is the Library receiving more ad valorem tax dollars? *Yes***

3 - Total Amount of 2019 (2020) Budget Ad Valorem Tax	\$ 16,700,518
4 - Total Tax Levied 2019	\$ 16,221,862
<b>Total Increase in Annual Ad Valorem Tax Revenues</b>	<b>\$ 478,656</b>

**Did the Library ask for this additional revenue? *No***

7 - Assessed Valuation - 2020	\$ 1,706,572,536
8 - Assessed Valuation - 2019 (final)	\$ 1,657,901,299
<b>Total Increase in Assessed Valuation</b>	<b>\$ 48,671,237</b>
<b>Increased Value of One Mill</b>	<b>\$ 48,672</b>
<b>Increased Revenues based on Budgeted Valuation</b>	<b>\$ 476,304</b>
<b>Reduction in Revenues due to Statutory Computation of Maximum Tax*</b>	<b>\$ -</b>
<b>Decrease due to Final Valuation &amp; Setting of 2019 Mill Levy by Cty Clerk</b>	<b>\$ 2,352</b>
<b>Increased Revenues At Flat Mill Levy</b>	<b>\$ 478,656</b>

**Why does the Library need an over \$20 million budget and why did it increase over 2019?**

5 - Net Expenditures 2019	\$ 19,812,570
Add Back Revisions to 2019 Estimates for 2020 Budget:	
General Fund - Facilities Master Plan projects carryforward	\$ -
General Fund known cost increases - net	\$ (14,376)
Employee Benefit Fund - 2018 health plan cost increase	\$ -
Employee Benefit Fund known savings - net	\$ 217,340
State Aid Reduction to Actual	\$ 3,371
<b>Original 2019 Expenditure Authority - excluding cash carry forward</b>	<b>\$ 20,018,905</b>
6 - Net Expenditures 2020	\$ 21,316,580
Less Cash Carry Forward/Reserves classified as "Expenditures":	
General Fund	\$ (1,650,000)
Employee Benefit Fund	\$ (350,000)
<b>2020 Actual Authority for Expenditures</b>	<b>\$ 19,316,580</b>
<b>Actual Decreased Expenditure Authority in 2020</b>	<b>\$ (702,325)</b>
<b>% Decrease in Expenditure Authority in 2020*</b>	<b>-3.51%</b>
<b>Actual Increased Taxes due to Increased Property Valuations</b>	<b>\$ 478,656</b>
<b>% Increase in Ad Valorem Tax Revenues in 2020*</b>	<b>2.95%</b>

\*most of the spending authority decrease is due to the elimination of debt service

**NOTICE OF BUDGET HEARING**

The governing body of

**Topeka & Shawnee County Public Library****Shawnee County**

will meet on August 8, 2019 at 5:30 PM at 1515 SW 10th Avenue, Topeka, Kansas for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of tax to levied.

Detailed budget information is available at <http://www.tscpl.org>, or hard copies from TSCPL and will be available at this hearing.

**SUPPORTING COUNTIES**

Shawnee County (home county)

**BUDGET SUMMARY**

Proposed Budget 2020 Expenditures and Amount of 2019 Ad Valorem Tax establish the maximum limits of the 2020 budget. Estimated Tax Rate is subject to change depending on the final assessed valuation.

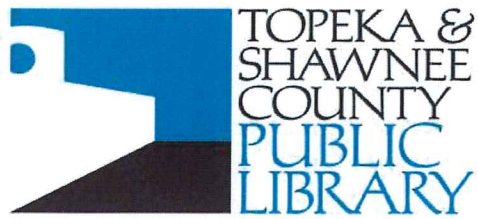
FUND	Prior Year Actual for 2018		Current Year Estimate for 2019		Proposed Budget Year for 2020		
	Expenditures	Actual Tax Rate*	Expenditures	Actual Tax Rate*	Budget Authority for Expenditures	Amount of 2019 Ad Valorem Tax	Estimate Tax Rate*
General	13,163,910	6.612	14,551,232	7.337	18,931,321	13,799,614	8.086
Debt Service	1,652,250	0.923	1,648,000	0.883	994,167		
Employee Benefits	3,264,731	2.252	3,563,709	1.566	4,042,064	2,900,904	1.700
State Aid	50,002		49,629		53,000		
Non-Budgeted Funds	1,336,436						
Totals	19,467,329	9.787	19,812,570	9.786	24,020,552	16,700,518	9.786
Less: Transfers	0		0	1	2,703,972	3	2
Net Expenditures	19,467,329		19,812,570	5	21,316,580	6	
Total Tax Levied	15,562,334		16,221,862	4	xxxxxxxxxxxxxx		
Assessed Valuation	1,590,296,753		1,657,901,299		1,706,572,536		
			8		7		

## Outstanding Indebtedness,

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Jan 1,			
G.O. Bonds	4,650,000	3,150,000	1,600,000
Revenue Bonds	0	0	0
Other	0	0	0
Lease Pur. Princ.	0	0	0
Total	4,650,000	3,150,000	1,600,000

\*Tax rates are expressed in mills.

Elizabeth Dobler  
Secretary



## **Revenue Source Definitions**

Ad Valorem Property Tax – Tax on all taxable tangible property in Shawnee County, excluding the Townships of Rossville and Silver Lake. The amount approved by the Library's Board of Trustees to fund the budget is converted to mills by the County Clerk when final property valuations are known (end of October).

Delinquent Tax – Taxes unpaid after the date when the penalty for non-payment begins. These are not budgeted because collection is uncertain.

Motor Vehicle Tax – Tax is based on the value of the vehicle and the previous year's county-wide average levy. It is paid when the vehicle is registered.

Recreational Vehicle (RV) Tax – Tax is assessed by weight of the RV, rather than the value of the RV, and is paid when the RV is registered. It is based on the levies in the previous year's budget.

16/20 Vehicle Tax – Tax is assessed like the motor vehicle tax when light trucks with a weight of 16,000 to 20,000 pounds are registered. The tax is collected like an ad valorem tax, in December and June.

In Lieu of Tax – Tax received from businesses that have issued industrial revenue bonds. These businesses do not pay taxes, but may be assessed an in lieu of tax amount to help pay for services.

Watercraft Assessments – K.S.A 79-5501 was amended by 2014 House Bill 2422, effective January 1, 2014, to change the calculation on watercraft to be based on the county average tax rate rather than being assessed like other personal property in the taxpayer's taxing unit. Because these are not specifically based on the Library's mill levy, they are budgeted based on estimates provided by the County. However, when collected and distributed to the taxing authorities, they are not separately identified and are paid with the ad valorem tax. Thus, it appears that this line item is always 100% under-budget.

Commercial Vehicle Fees – Collection of these fees began on January 1, 2014.

Slider – This has been phased out by the State of Kansas and is no longer a revenue source. Previously, it represented reimbursement from the State due to the loss of tax revenue caused by machinery and tax exemptions passed in the 2006 legislative session.



Reimbursement Foundation, Friends and Shawnee County – The Topeka & Shawnee County Public Library (TSCPL) initially pays the salaries and fringe benefits for employees on loan to The Library Foundation and the Friends of the Library. Occasionally, other small amounts are paid on behalf of these organizations.

New in 2013 was the reimbursement for a technical position as a result of a partnership agreement with Shawnee County Parks and Recreation. This partnership provides computer training and access, as well as programming, in the community centers to best utilize computer facilities, equipment and instructors. This cost-effectively boosts service equity to TSCPL customers without the need to invest in “bricks and mortar.” This agreement ends November 2017, subject to a two year renewal by Shawnee County. However, no revenues after November 2017 have been budgeted since the future of this agreement is uncertain at budget time.

The revenues represent the reimbursement of the expected agreed-upon share for which these organizations are responsible.

Fees – TSCPL charges fees for a number of services or for non-compliance with library policies. These fees include: (1) overdue fees for materials not returned by the due date (auto-renewal was implemented in July 2016 which should significantly reduce overdue fees incurred; no-fees on materials for children and young adults was implemented in December 2016); (2) debt collection (recovery of cost to TSCPL for using an outside debt collection service for unpaid debts); (3) interlibrary loan mailing fees; (4) mailing fees for customer-requested items; (5) non-resident library card fees; (6) copies/printing and telephone usage fees (staff and customers); (7) obituary lookup fees; (8) meeting room and/or equipment usage fees; (9) vending machine income and from the purchase of supplies such as headphones and flash drives by customers; (10) charges for lost and damaged materials; and (11) fees for tax forms.

E-rate Reimbursement – A federal program in which 50% to 90% of approved, actual costs paid by TSCPL for internet, wireless and telephone services, as well as some types of communications equipment, are reimbursed.

Miscellaneous – Up to \$5,000 of annual revenues not categorized elsewhere. Due to the infrequency of receipt or small dollar amount per transaction, it is more efficient to lump them in one miscellaneous category.

Investment Income – Interest on invested idle funds not immediately needed for cash flow to pay operating expenditures.

Neighborhood Revitalization Rebates – Neighborhood revitalization districts may qualify for property tax rebates based only on the valuation of new improvements to the property. In past budgets, the rebates were budgeted as expenditures and increased the expenditure authority. However, since the rebates represent the ad valorem property tax that TSCPL will not receive, the reporting was changed to the acceptable alternative reporting method as a revenue reduction, beginning with the 2013 budget.

# Facilities Master Plan

Schedule E

	PROJECT TASKS	Est Purch	EST COST	FUNDING SOURCES					TOTAL FUNDING
				GENERAL	CAP IMPROVMNT	FRIENDS	FOUNDATION	STATE AID	
2020	Public spaces on second level and Topeka Room	Design	\$800,000.00	\$800,000.00					\$800,000.00
	Architectural Fees for 2021	Design	\$200,000.00	\$200,000.00					\$200,000.00
	Living Room redesign	Design	\$100,000.00	\$100,000.00					\$100,000.00
	Floor in YS (A15) + new YS carpet (need cost for carpet)	Maint	\$85,000.00	\$85,000.00					\$85,000.00
	Staff spaces	Design	\$100,000.00	\$100,000.00					\$100,000.00
	Bathrooms	Design	\$100,000.00	\$100,000.00					\$100,000.00
	Create Pedestrian Plaza	Design	\$25,000.00	\$25,000.00					\$25,000.00
	Meeting Room AV Upgrade	Digital Services	\$75,000.00	\$75,000.00					\$75,000.00
	Wood paneling (A14)	Maint	\$18,000.00	\$18,000.00					\$18,000.00
	Interior finishes (A13) (Painting in other areas)	Maint	\$51,750.00	\$51,750.00					\$51,750.00
	Move Gallery Storage	Design					\$450,000.00		\$450,000.00
	Café Flooring		\$75,000.00	\$75,000.00					\$75,000.00
	Café Furniture		\$50,000.00	\$50,000.00					\$50,000.00
	Café Equipment		\$25,000.00	\$25,000.00					\$25,000.00
Subtotal			\$1,704,750.00	\$1,704,750.00	\$0.00	\$0.00	\$450,000.00	\$0.00	\$2,154,750.00
Budget					\$1,112,933.00				\$1,112,933.00
Remaining				-\$1,704,750.00	\$1,112,933.00	\$0.00	-\$450,000.00	\$0.00	-\$1,041,817.00