

METROPOLITAN LIBRARY COMMISSION OF OKLAHOMA COUNTY

FINANCE COMMITTEE AGENDA

Members: Allen Coffey, Chair
 Fran Cory
 Jim Shonts
 Dennis Shockley
 Judy Smith
 Beth Toland

Monday, June 12, 2017
at 3:30 pm
Ronald J. Norick Downtown Library
300 Park Avenue
Oklahoma City, OK 73102
Telephone: (405) 231-8650

- I. Call to Order and Establishment of Quorum – Allen Coffey, Chair
- II. Discussion, Consideration, and Possible Action: Report and Recommendations from Administration
 - MLC FY 2017-2018 Preliminary Budget

REPORT AND RECOMMENDATION FROM ADMINISTRATION

In order to meet the stipulations of statute (65 O.S. §4-105), Library staff prepares and presents a budget to the Finance Committee and the full Metropolitan Library Commission before the beginning of the fiscal year (July 1). Prior to FY2016-17, the data included in this initial budget (usually referred to as the preliminary budget) was painstakingly created by staff across the system based on three quarters of expenditure information and projected revenue numbers, neither of which proved terribly accurate and always required the Commission to reconsider and republish the budget when the County Assessor's officer finalized property values in August (and sometimes again in October). In addition, this preliminary budget process often forced the Commission to finalize personnel-related expenditure decisions – such as staffing priorities and performance increases – prior to determining all other programmatic emphases, and before more complete revenue information was available.

As part of the FY2016-17 budget process, Library Administration found that a common practice employed by other library commissions and boards in Oklahoma was to approve a “continuing preliminary budget,” i.e., one that continued the revenue and expenditure numbers from the prior fiscal year into the next fiscal year until more accurate revenue data was available. In fact, it was found that only the Metropolitan Library System engaged in speculative projections revenue prior to receiving a certified report or notice from their respective assessor. Library Administration also determined that the approval of the continuing preliminary budget satisfied the requirements of statute while reducing the amount of work needlessly duplicated by both staff and the Commission.

Based on the above information, Administration asks that the Finance Committee recommend the approval of a continuing preliminary budget recommendation, showing no changes to overall revenue or expenditures, but which does include the benefit expenditure data approved by the Commission at its May 30, 2017 meeting. Staff will bring the final budget recommendation to the Finance Committee when final revenue numbers have been released by the County Assessor's Office. The final budget will represent the full recommendation of the Administration and will align with the Library's strategic plan, its annual business plans, and the priorities set by the Commission and Administration.

ADMINISTRATIVE RECOMMENDATION AND COMMITTEE ACTION:

To approve the recommendation of the Metropolitan Library System's Preliminary Budget FY 2017-18, showing no increases or decreases to revenue or expenditures.

METROPOLITAN LIBRARY SYSTEM

Comparative Schedule of Revenue Sources

		2017-18 Preliminary (a)	2016-17 Budget (b)	2016-17 Actual(Projected) (c)	Changes from 2016-17 Budget Dollar (d)		Changes from 2016-17 Actual Dollar (f)	
					% (e)		% (g)	
Projected Ad Valorem Taxes								
1	Tax Levy at 5.2 mills	\$35,461,875.00	\$35,461,875.00	\$35,461,875.00	\$0.00	0.00%	\$0.00	0.00%
2	Less: 10% Reserve for Delinq.	<u>(3,223,807.00)</u>	<u>(3,223,807.00)</u>	<u>(3,223,807.00)</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
3	Total Ad Valorem Taxes	<u>32,238,068.00</u>	<u>32,238,068.00</u>	<u>32,238,068.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
Projected Miscellaneous Income								
4	State Aid (90% of prior year actual)	239,154.00	239,154.00	239,154.00	0.00	0.00%	0.00	0.00%
5	Fines (90% of prior year actual)	<u>500,310.00</u>	<u>500,310.00</u>	<u>500,310.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
6	Total Miscellaneous Income	<u>739,464.00</u>	<u>739,464.00</u>	<u>739,464.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
Carryover From Prior Year								
Tax Revenue:								
7	Current taxes coll. into 10% reser.	2,028,244.90	2,028,244.90	2,028,244.90	0.00	0.00%	0.00	0.00%
8	Back year taxes	<u>1,234,984.42</u>	<u>1,234,984.42</u>	<u>1,234,984.42</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
Miscellaneous Income:								
9	Transfer from Gift or Copy Fund	100,024.00	100,024.00	100,024.00	0.00	0.00%	0.00	0.00%
10	Fines collected over budget	60,900.00	60,900.00	60,900.00	0.00	0.00%	0.00	0.00%
11	State Aid collected over budget	12,379.70	12,379.70	12,379.70	0.00	0.00%	0.00	0.00%
12	Investment Income	201,726.41	201,726.41	201,726.41	0.00	0.00%	0.00	0.00%
13	Flexible Benefits balances	3,668.27	3,668.27	3,668.27	0.00	0.00%	0.00	0.00%
14	Other Miscellaneous	<u>267,208.44</u>	<u>267,208.44</u>	<u>267,208.44</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
Cancelled & Lapsed Appropriation:								
15	Cancelled Prior Years Approp.	401,455.21	401,455.21	401,455.21	0.00	0.00%	0.00	0.00%
16	Lapsed Current Year Approp.	<u>8,014,310.07</u>	<u>8,014,310.07</u>	<u>8,014,310.07</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
17	Total Carryover	<u>12,324,901.42</u>	<u>12,324,901.42</u>	<u>12,324,901.42</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
18	Total Budget Revenue Sources	<u>45,302,433.42</u>	<u>45,302,433.42</u>	<u>45,302,433.42</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
19	Prior Year Reserve	<u>14,232,020.98</u>	<u>14,232,020.98</u>	<u>14,232,020.98</u>	<u>0.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>0.00%</u>
20	Total Available for Budget	<u><u>\$59,534,454.40</u></u>	<u><u>\$59,534,454.40</u></u>	<u><u>\$59,534,454.40</u></u>	<u><u>\$0.00</u></u>	<u><u>0.00%</u></u>	<u><u>\$0.00</u></u>	<u><u>0.00%</u></u>

METROPOLITAN LIBRARY SYSTEM
Budget and Actual Comparisons - Preliminary Budget
Fiscal Year 2017-18 and 2016-17

Description	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	2017-18 Proposed	2016-17 Budget	2016-17 Actual(projected)	Changes from 2016-17 Budget Dollar	Percent	Changes from 2016-17 Actual Dollar	Percent
SALARIES, WAGES & BENEFITS:							
Salaries	\$18,067,512.00	\$18,067,512.00	\$18,067,512.00	\$0.00	0.00%	\$0.00	0.00%
Payroll Taxes	1,377,112.00	1,377,112.00	1,377,112.00	0.00	0.00%	0.00	0.00%
Benefits	4,647,987.00	4,262,017.00	4,262,017.00	385,970.00	9.06%	385,970.00	9.06%
Retirement	1,948,427.00	1,948,427.00	1,948,427.00	0.00	0.00%	0.00	0.00%
Total S. W. & Benefits	26,041,038.00	25,655,068.00	25,655,068.00	385,970.00	1.50%	385,970.00	1.50%
MAINTENANCE & OPERATIONS - CONTRACTUAL SERVICES							
Bldg, Property & Auto Insu.	307,599.00	307,599.00	307,599.00	0.00	0.00%	0.00	0.00%
Rent of Library Buildings	54,700.00	54,700.00	54,700.00	0.00	0.00%	0.00	0.00%
Janitorial Services	495,679.00	495,679.00	495,679.00	0.00	0.00%	0.00	0.00%
Repair and Maintenance	489,465.00	489,465.00	489,465.00	0.00	0.00%	0.00	0.00%
Mileage and Parking	246,894.00	246,894.00	246,894.00	0.00	0.00%	0.00	0.00%
Travel, Registrations, Training	158,900.00	158,900.00	158,900.00	0.00	0.00%	0.00	0.00%
Professional Services	536,215.00	536,215.00	536,215.00	0.00	0.00%	0.00	0.00%
Security Services	668,000.00	668,000.00	668,000.00	0.00	0.00%	0.00	0.00%
Utilities	1,289,716.00	1,289,716.00	1,289,716.00	0.00	0.00%	0.00	0.00%
Memberships	50,256.00	50,256.00	50,256.00	0.00	0.00%	0.00	0.00%
Communications	326,468.00	326,468.00	326,468.00	0.00	0.00%	0.00	0.00%
Other Services	212,100.00	212,100.00	212,100.00	0.00	0.00%	0.00	0.00%
Automation Services	1,264,865.00	1,264,865.00	1,264,865.00	0.00	0.00%	0.00	0.00%
Catalog Services	110,325.00	110,325.00	110,325.00	0.00	0.00%	0.00	0.00%
Total Contractual Services	6,211,182.00	6,211,182.00	6,211,182.00	0.00	0.00%	0.00	0.00%

Description	2017-18 Proposed	2016-17 Budget	2016-17 Actual(projected)	Changes from 2016-17 Budget		Changes from 2016-17 Actual	
				Dollar	Percent	Dollar	Percent
MAINTENANCE & OPERATIONS - COMMODITIES							
Printing & Printing Supplies	189,500.00	189,500.00	189,500.00	0.00	0.00%	0.00	0.00%
Postage	261,546.00	261,546.00	261,546.00	0.00	0.00%	0.00	0.00%
Supplies-General	552,115.00	552,115.00	552,115.00	0.00	0.00%	0.00	0.00%
Uniform Rental	6,000.00	6,000.00	6,000.00	0.00	0.00%	0.00	0.00%
Gasoline & Oil	35,000.00	35,000.00	35,000.00	0.00	0.00%	0.00	0.00%
Vehicle Parts & Repairs	30,000.00	30,000.00	30,000.00	0.00	0.00%	0.00	0.00%
Performance Services	230,740.00	230,740.00	230,740.00	0.00	0.00%	0.00	0.00%
Other Commodities	127,130.00	513,100.00	513,100.00	(385,970.00)	-75.22%	(385,970.00)	-75.22%
Total Commodities	1,432,031.00	1,818,001.00	1,818,001.00	(385,970.00)	-21.23%	(385,970.00)	-21.23%
BOOKS & MATERIALS							
Books & Materials	5,869,985.00	5,869,985.00	5,869,985.00	0.00	0.00%	0.00	0.00%
Total Books & Materials	5,869,985.00	5,869,985.00	5,869,985.00	0.00	0.00%	0.00	0.00%
OPERATION - CAPITAL OUTLAYS							
Furniture, Fixture, & Equip.	432,130.00	432,130.00	432,130.00	0.00	0.00%	0.00	0.00%
Motor Vehicles	0.00	0.00	0.00	0.00	NA	0.00	NA
Automation System & Equip.	837,742.00	837,742.00	837,742.00	0.00	0.00%	0.00	0.00%
Total Capital Outlays	1,269,872.00	1,269,872.00	1,269,872.00	0.00	0.00%	0.00	0.00%
Total Operating Budget	40,824,108.00	40,824,108.00	40,824,108.00	0.00	0.00%	0.00	0.00%
CAPITAL IMPROVEMENTS							
Building Projects	1,176,000.00	1,176,000.00	1,176,000.00	0.00	NA	0.00	0.00%
Building Construction	2,083,000.00	2,083,000.00	2,083,000.00	0.00	0.00%	0.00	0.00%
Total Budget before Reserves	44,083,108.00	44,083,108.00	44,083,108.00	0.00	0.00%	0.00	0.00%
RESERVES							
Capital Reserves - Current	1,219,325.42	1,219,325.42	1,219,325.42	0.00	0.00%	0.00	0.00%
Reserve Carryover - Prior	14,232,020.98	14,232,020.98	14,232,020.98	0.00	0.00%	0.00	0.00%
Total Reserves	15,451,346.40	15,451,346.40	15,451,346.40	0.00	0.00%	0.00	0.00%
Total Budget	\$59,534,454.40	\$59,534,454.40	\$59,534,454.40	\$0.00	0.00%	\$0.00	0.00%