

Crafting & Advancing Your Library's Budget

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Run of Show

- Brief review of basic budget practices
- Tactics for dealing with level funding or cuts
- Presenting and advocating for your budget
- Budget “hacks” –our ideas and yours!
- Q&A

Getting Ready

- Municipal or incorporated?
- Fiscal year dates
- Get (even more) familiar with your library's mission, values, strategic plan

Vocabulary

- **Revenue** - any money earned
- **Expense** - any cost incurred
- **Invoice** – requests payment for a purchase
- **Accounts payable** – money you owe
- **Accounts receivable** – money owed to you
- **Purchase order** - from purchaser to vendor that authorizes a purchase
- **Warrant** – a written order that instructs payment
- **Receipt** – document that proves payment
- **Capital** equipment item (as in capital budget) – longer-lasting item not consumed in ordinary course of business.
- **Gift** – a donation of money
- **Endowment** – a donation of money that uses the investment income

A Few More Definitions

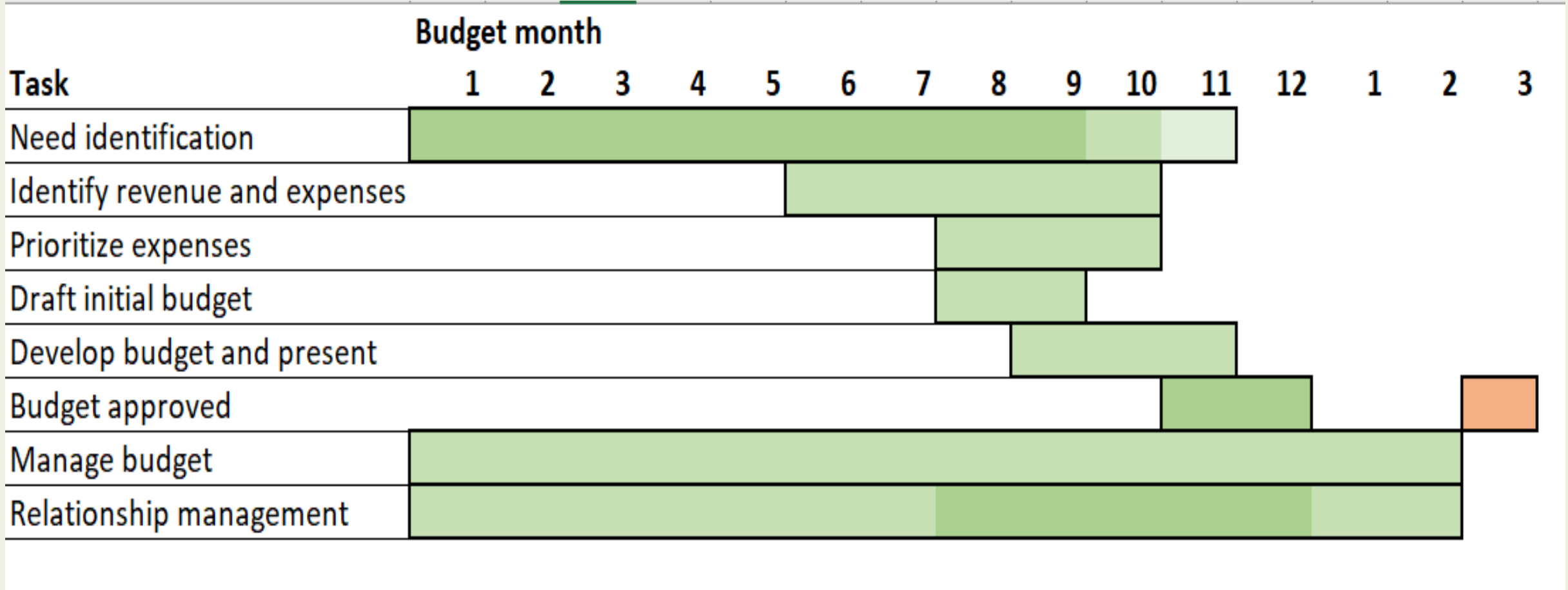
- **An income statement or profit and loss** shows the organization's revenues and expenses during a particular period
- A **balance sheet** is a snapshot of the organization at a specific point in time such as the end of year.
- **Budget vs. Actuals Report** is a comparison of how the organization is performing against the defined budget figures over a fixed time period, with gaps shown both as absolute values and as percentages.

Who's on Your Budget Team?



Steps in the Process

- Identify needs
- Identify revenues and expenses
- Prioritize expenses
- Draft budget
- Tweak if needed
- Present
- Manage Budget



The budget calendar

Credit: Gary Deziel

Budget Example

Credit: Maine State Library

Sample Format of a Minimal Library Budget

(Line Item Budget Format)

Operating Income	2014 Actual	2015 Budget	2016 Budget Request
Municipality	\$34,700	\$35,500	\$36,300
Funds carried forward	\$0	\$600	\$525
Fines	\$700	\$900	\$945
Donations	\$500	\$500	\$500
Fees/other	\$100	\$100	\$105
Transfer from endowment	\$24,000	\$24,050	\$24,625
Operating Income Total	\$60,000	\$61,650	\$63,000
Operating Expenditures	2014 Actual	2015 Budget	2016 Budget Request
Salaries and wages	\$24,150	\$24,700	\$25,650
Employee benefits	\$16,750	\$17,000	\$16,350
Books	\$6,465	\$6,700	\$7,035
Periodicals	\$1,330	\$1,400	\$1,470
Audio books and e-books	\$950	\$1,000	\$1,050
DVDs	\$380	\$400	\$420
Software and databases	\$475	\$500	\$525
Contracted services	\$950	\$1,000	\$1,050
Staff, board continuing education.	\$950	\$950	\$1,050
Public programming	\$475	\$500	\$525
Automation license	\$1,425	\$1,500	\$1,575
Utilities	\$3,800	\$4,000	\$4,200
Maintenance	\$475	\$500	\$525
Supplies	\$1,425	\$1,500	\$1,575
Operating Expenditures Total	\$60,000	\$61,650	\$63,000

Level Funding or Budget Cuts: Coping Strategies

- Think ahead: current local/state/national issues
- Determine non-discretionary and discretionary expenses
- Explore new collaborations that save money
- Level up your grant writing skills
- Mission, mission, mission!

Some Words About Wages

Yes, library has control of this line item, but is it discretionary?

[Living Wage Calculator – Vermont](#) (mit.edu)

[Basic Needs Budget](#) – Vermont Legislative Joint Fiscal Office

Advocating for your budget



No Surprises!

- Decision makers should know:
 - Library's Strategic Plan
 - New asks with major impact
- How to keep them informed?
 - Orientation for those new
 - Selectboard spring appearance
 - Find Community champions
- Always tie asks to Strategic Plan



The big meeting(s)



- Usually more than one
- Presentation (and negotiation)
- Get familiar with board's decision-making style

Budget “Hacks”

- Proof of Concept using Friends or Trustee-managed funds
- [Reserve Fund for capital projects](#)
- What are your best “hacks”?



Contact Information and Evaluation

Questions?



Workshop Evaluation: <https://forms.office.com/g/A44RXz2YHe>

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