



# The Indianapolis Public Library 2023 Budget



## Table of Contents

Organization Chart – Library Board	2
Organization Chart – Indianapolis Public Library	3
<b>Executive Summary &amp; Calendar</b>	
Executive Summary	5
Calendar and Approval Process for 2023 Budget	7
<b>Operating Fund</b>	
Revenue Sources	9
Volunteer Time	14
Summary of Significant Assumptions – Budget 2023	15
2023 Proposed Budget Detail	16
<b>Bond &amp; Interest Redemption Fund</b>	
Bond & Interest Redemption Fund	19
<b>Rainy Day &amp; Library Improvement Reserve Fund</b>	
Rainy Day & Library Improvement Reserve Fund	22



# Indianapolis-Marion County Public Library

## Library Board

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Indianapolis-Marion County Public Library  
Executive Committee

**Nichelle M. Hayes**  
Interim CEO



**Lolita Campbell**  
Chief Financial Officer



**Gregory Hill**  
Interim Chief Public  
Services Officer



**Joe Backe**  
Director, Communications



**Tisha Galarce**  
Interim Director, Human  
Resources



**Shanika Heyward**  
Director, Innovation &  
Technology



**Deb Lambert**  
Director, Collection  
Management



**Adam Parsons**  
Director, Facilities



# INTRODUCTION

## **Executive Summary**

September 22, 2022

TO: Citizens of the Indianapolis-Marion County Public Library District  
Board Members of the Indianapolis-Marion County Public Library  
And their appointing authorities:  
The City-County Council  
The County Commissioners  
Board of School Commissioners of Indianapolis Public Schools.

We are pleased to present the proposed budget of the Indianapolis-Marion County Public Library (the "Library") for the fiscal year ending December 31, 2023.

The budget presented herein represents the third year of the Library's 2021-2023 Strategic Plan. The total annually appropriated budget being presented for adoption by the Library Board and the Indianapolis-Marion County City-County Council and approved by the Department of Local Government Finance (DLGF) totals \$75,972,289 for the year ended December 31, 2023. This budget includes additional resources to increase staff compensation and support the opening of the new Glendale and Fort Harrison branches. As always, the challenge of meeting increased demand for library services as revenue sources decrease may result in the need to rely upon the Library's fund balance to fill the gap for 2023. This budget maintains a collections budget for physical materials of \$3 million and \$3.2 million for digital resources (together "Collection Materials"). Collection Materials make up 11% of the budget. The largest portion of the Library budget, 60%, is for salaries and benefits.

Comparison of the 2023 proposed budget with the 2022 adopted budget is as follows:

<b>Library Funds</b>	<b>2023</b>	<b>2022</b>	<b>Variance</b>
General Fund	\$ 55,385,961	\$ 52,306,077	\$ 3,079,884
Debt Service Fund	19,278,281	16,532,741	2,745,540
Rainy Day Fund	1,000,000	3,000,000	(2,000,000)
Library Improvement Reserve Fund	250,000	250,000	-
<b>Total</b>	<b>\$ 75,914,242</b>	<b>\$ 72,088,818</b>	<b>\$ 3,825,424</b>

### **2023 Priorities**

The priorities and short-term goals for 2023 are primarily in line with priorities in 2022. The Library's 2023 priorities include these major areas.

- Racial Equity
- Partnerships
- Digital/Technology Inclusion

- Supporting Local Educators
- Reading and Writing
- Health/Wellness Literacy
- Financial Literacy

### **2023 Challenges**

The Library continues to have the challenge of limited growth due to the circuit breaker loss. Annual growth in the levy is limited by Indiana's statewide "circuit breaker" legislation that is intended to limit the tax liability for property owners. The circuit breaker loss has historically limited the long term growth in the revenues and the ability of revenue growth for the Library to keep with the expenditure growth. The library system has limited legal ability to raise additional revenues to compensate for the stagnant growth in property taxes, which make up about 79% of the budgeted revenues. Any increases in local income tax allocations must be initiated through the Indianapolis-Marion County City-County Council.

The increase in cost of electronic resources, increases in personnel costs, as well as increased technology costs presented challenges in allocating costs for the 2023 budget.

The Library is addressing the challenge of the cost of library services growing at a pace faster than revenues by maintaining conservative budgeting practices as well as maintaining adequate reserves to allow for flexibility in timing of any necessary changes to expenditure levels. The Library continues to update and monitor its five year financial plan to ensure its sustainability and to live within its means.

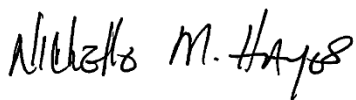
### **Conclusion**

The Library's stewardship of taxpayer dollars is exemplified by the Library's Aa1 rating from Moody's Investor's Service and the AA+ rating from Fitch.

This adopted 2023 Budget provides the Library the opportunity to keep tax rates low while continuing our mission of enriching the lives and building communities through lifelong learning. The Library not only serves as a bridge between individuals and information, but it successfully partners with many community organizations, acts as an economic stimulus in neighborhoods, and provides a welcoming place for newly-arrived immigrants. Its free and accessible spaces foster a learning community.

We wish to express our appreciation to the dedicated service of the entire Library staff.

Respectfully submitted,



Nichelle M. Hayes  
Interim Chief Executive Officer



Lolita Campbell  
Chief Financial Officer

## 2023 Budget Calendar

May 10 <sup>th</sup>	Review 2023 budget assumptions, Long Term Plan, and Capital Plan at Finance Committee meeting.
June 30 <sup>th</sup>	Deadline to submit Pre Budget to DLGF.
July 19 <sup>th</sup>	Draft review of budget at Finance Committee meeting.
July 29 <sup>th</sup>	Budgets are advertised for the first time. (Meets 6-1.1-17-3 (a) requirement for 10 day notice before public hearing.)
	Budgets are advertised for the second time.
Aug 5 <sup>th</sup>	Effective July 1, 2021, if required to publish notice two or more times, the first is to be published in newspaper(s), but the second may be published on the official web site of Library subject to the requirements of IC 5-3-5.
	Special Board Meeting - Public Hearing on 2022 Budget
Aug 9 <sup>th</sup>	As noticed on July 29 <sup>th</sup> and August 5 <sup>th</sup> public notices and in accordance with IC 6-1.1-17-5(a) (notice of meeting to be posted 48 hours prior).
	Board adopts budget at the regular August Board meeting.
Aug 22 <sup>nd</sup>	As noticed on July 29 <sup>th</sup> and August 5 <sup>th</sup> public notices and in accordance with IC 6-1.1-17-5(a) (notice of meeting to be posted 48 hours prior).
	Last day for Board to approve Budget (Per IC 6-1.1-17-20.3).
Sept 1 <sup>st</sup>	Board must submit adopted budget and tax levies along with detailed accounts to council clerk before close of business.
Sept 12 <sup>th</sup>	Budget introduced at Council meeting (Per CCC schedule). Last day to submit notice of publication for 2023 budget and tax levies through Gateway.
Sept 22 <sup>nd</sup>	Municipal Corporations Committee hearing on the 2023 budget (Per CCC schedule and in accordance with IC 6-1.1-17-5(a) (2)) 5:30 p.m. Room 260.
Oct 3 <sup>rd</sup>	Public hearing on the 2023 budget at City-Council meeting at 7:00 p.m.
Oct 5 <sup>th</sup>	Review and pass budget by the Municipal Corporation Committee 5:30 p.m. Room 260
Oct 17 <sup>th</sup>	City County Council adopts Budgets for 2023 (as required by IC 6-1.1-17-5(a))
Oct 22 <sup>nd</sup>	Library files approved budget via Gateway for the City Controller to submit (Per IC 6-1.1-17-5).

Five (5) days after budget is signed by mayor or veto of budget is overridden, adopted budget ordinances must be filed by City County Council Clerk with DLGF. (Per IC 6-1.1- 17-5(e).)



## **OPERATING FUND**

## THE OPERATING FUND

### Assessed Valuation

The 2022 pay 2023 assessed valuation for the Library district is estimated at \$54,987,070,352 based on information provided by the County Auditor's office. This is the largest increase to assessed value since property tax caps were enacted in 2008.

Payment Year	Assessed Valuation of Library District	Growth of Assessed Value Over Time	
2008	42,553,962,335	2007 to 2008	(2)%
2009	35,693,488,773	2008 to 2009	(16)%
2010	34,794,821,192	2009 to 2010	(2)%
2011	33,240,892,643	2010 to 2011	(4)%
2012	33,005,181,323	2011 to 2012	(1)%
2013	33,168,703,752	2012 to 2013	>1%
2014	33,109,498,271	2013 to 2014	>(1)%
2015	35,872,739,097	2014 to 2015	8%
2016	35,784,492,637	2015 to 2016	>(1)%
2017*	36,995,952,545	2016 to 2017	3%
2018	38,958,770,110	2017 to 2018	5%
2019	40,373,153,619	2018 to 2019	4%
2020	42,493,844,770	2019 to 2020	5%
2021	44,694,125,087	2020 to 2021	5%
2022	46,674,037,441	2021 to 2022	4%
2023	54,987,070,352**	2022 to 2023	18%

\*Includes Beech Grove.

\*\* Estimated as the amount has not been certified by the DLGF.

## Revenues

### 1. Property Taxes

The Operating Fund is the general fund from which an annual appropriation is made for the day to day operations of the Library. This fund is used to pay staff and associated fringe benefits, supplies, utilities, maintenance, and collection materials. The 2022 pay 2023 anticipated Operating Fund tax rate is \$0.0905 based on the Certified Net Assessed Value of \$54,987,070,352 and the maximum permissible levy calculated by the DLGF.

The Library's earlier long range financial plans anticipated more significant growth in revenues would be necessary to operate the new and larger facilities coming online. However, due to property tax caps, property tax revenues have only increased, on average, 1.5% over the past 15 years. To address the reduction in growth due to property tax caps, the Library began evaluating operations to formulate a plan for streamlining operations. The Library continues to update and monitor the five year financial plan to ensure its sustainability and to live within its means.

Under the provisions of the Property Tax Control program, the current estimated maximum levy for the Operating Fund (2023) allowed by law for the Indianapolis-Marion County Public Library is \$49,759,813. This represents a 5.0% increase over last year's property tax levy based on the allowable growth rate per the Department of Local Government Finance. The estimated maximum levy for the Operating Fund for 2023 is \$49,759,813 less the estimated loss of \$13,337,280 due to Circuit Breaker resulting in net property taxes of \$36,422,533. The estimated loss due to Circuit Breaker is calculated by the DLGF. **This is a decrease of \$2,437,511 to the Library's net property tax levy from 2022.**

Property Tax Caps (aka Circuit Breaker)- the property tax cap, also known as "circuit breaker" was enacted by the Indiana General Assembly in 2008 and subsequently amended into the Indiana Constitution. The cap guarantees that property tax rates in overlapping districts cannot exceed a certain capped percent of the parcel's gross assessed value. The "circuit breaker" amount represents property tax liability waived because it is above the level allowed under the property tax caps. The property tax caps are as follows:

- 1% - for Homestead property
- 2% - for other residential property and agricultural land
- 3% - for commercial and industrial property

The chart below shows the property tax rates since 2017 including the 2022 anticipated tax rate.

Tax Rate History						
Fund	2018	2019	2020	2021	2022	2023
Operating	0.1047	0.1043	0.1026	0.1017	0.1015	.0905
Bond 1	0.0258	0.0265	0.0184	0.0173	0.0143	-
Bond 2	0.0056	0.0053	0.0134	0.0145	0.0173	.0318
<b>Total</b>	<b>0.1361</b>	<b>0.1361</b>	<b>0.1344</b>	<b>0.1335</b>	<b>0.1333</b>	<b>.1223</b>

## 2. Other Intergovernmental Revenue

### Local Income Tax – LOIT Property Tax Relief

During the summer of 2007, the Governor requested local governments to increase the local income tax for property tax relief (known as LOIT). The City-County Council adopted an increase in August of 2007 which provided funding for public safety along with property tax relief. As a result of this action, the Library was required to keep their tax levy for years 2007 – 2010 at the rate approved for 2007. The difference between the levy adopted by the Library and the maximum allowed would be made up from the increase in the local income tax as a Local Option Income Tax. For 2023 the amount anticipated to be received by the library is \$3,854,584. This Local Option Income Tax is not an

additional source of revenue for the Library – **it is property tax replacement and is deducted from the Library's tax levy.**

### **Local Income Tax – LIT Certified Shares (COIT)**

In 2011, legislation was changed allowing the Library's fiscal body (City/County Council) to distribute a share of COIT revenue to the Library. For 2023, the amount of revenue from COIT included in our projections is \$533,241 which is two tenths of one percent of the Marion County Certified Distributions.

### **Motor Vehicle Excise Tax**

Motor Vehicle Excise Tax projected for 2023 is \$3,111,698 for the Library's Operating Fund. This tax is in lieu of a personal property tax on vehicles, and it is paid at the same time annual license plates are obtained. Yearly renewals of plates and payments of this excise tax are normally handled by mail. The rate of tax varies based on the initial "factory advertised delivered price" of the vehicle in the year which it was new. The tax is then computed lower per year of manufacture. Changes in legislation reduced the amount of tax collected through this mechanism. Replacement funds are provided from gambling proceeds and from the general fund, if necessary, to make up the difference for units of local government.

Commercial Vehicle Excise Tax (CVET) projected for 2023 is \$303,422 for the Library's Operating Fund.

### **Financial Institutions Tax**

The library's share of tax monies received from banks and savings and loan associations is projected at \$443,294 in 2023 for the Library's Operating Fund.

## **3. Sources of Additional Revenue**

### **Public Library Access Card**

As a result of legislative action, a Statewide Library Card (PLAC) was made available beginning January 1, 1993. On a quarterly basis, the Library submits the revenue it generates for this program to the Indiana State Library to be placed in a designated fund account for the PLAC program (Indiana Code 4-23-7.1-5.2). After the calendar year, the revenue plus interest is distributed back to participating libraries on the basis of net loans. For 2023, PLAC revenue is projected at \$55,000.

### **Fines and Fees**

Fines and fees projected in 2023 for lost and damaged materials are \$117,934. The growth of eBooks has reduced our fine revenue as e-resources do not have associated fines. Print and copy revenue is projected to generate \$280,000 in revenue and fax usage is projected to bring in \$74,468. The Library's meeting room income is projected at \$292,334 in 2023.

## Interest

This represents the investment income earned on cash held by the Library during the year. Investments are limited by statute to government operating fund backed instruments such as CDs. For 2023, interest income is projected at \$69,610 for the Operating Fund.

## Grants/Contributions

Annual support for the InfoZone Library Branch for 2023 is projected at \$225,000. The Library maintains Grant/Gift funds for all other grant/gifts in accordance to State Accounting Guidelines.

Operating Revenue - 2021 to 2023 Cash Basis			
Source	2021 Actual	2022 Estimated	2023 Projected
Property Tax	\$ 45,409,231	\$ 47,390,298	\$ 49,759,813
Less Property Tax Caps	(7,113,232)	(8,530,254)	(13,337,280)*
Delinquencies/Uncollected	-	500,000	500,000
<b>Total Property Tax</b>	<b>38,295,999</b>	<b>39,360,044</b>	<b>36,922,533</b>
Excise Tax	2,956,723	2,989,778	3,111,698
In Lieu of Property Taxes	25,078	21,238	25,078
Local Option Income Tax	3,854,584	3,854,584	3,854,584
LIT Certified Shares (COIT)	527,705	498,398	533,241
CVET	288,310	294,870	303,422
Financial Institutions Tax	448,239	319,007	443,294
<b>Total Intergovernmental Revenue</b>	<b>8,100,639</b>	<b>7,977,875</b>	<b>8,271,317</b>
E-Rate	287,965	240,000	240,000
Facility Rental	149,369	292,334	292,334
Café	4,505	16,325	16,325
Catering Commission	22,982	78,840	78,840
Fines/Fees	107,833	115,622	117,934
Fax Usage	111,653	74,468	74,468
Printers/Photocopiers	286,405	280,000	280,000
PLAC Distribution	20,257	55,000	55,000
Headset/USB	5,629	12,127	12,127
Interest Income	36,493	69,610	69,610
Miscellaneous	218,231	19,103	19,103
Reimbursements	175,598	180,000	180,000
Grants/Contributions	225,000	225,000	225,000
<b>Total Other Revenue</b>	<b>1,651,920</b>	<b>1,658,429</b>	<b>1,660,741</b>
<b>Total Revenue</b>	<b>\$ 48,048,558</b>	<b>\$ 48,996,348</b>	<b>\$ 46,854,591</b>

\*Estimated DLGF property tax cap loss.

### ***Long Term Operating Fund Projections***

The Library's projected revenue for 2023 is **\$46,854,591** and the projected budget is **\$55,385,961 resulting in a potential structural deficit of \$8,531,370**. The Library plans to fund this deficit with fund balance. Looking ahead, the Library plans to continue to strategically draw down fund balance as we continue to control expenditures by holding some expenditures flat and/or reducing costs, evaluating each vacant position, and pursuing additional sources of revenues through grants, endowments, and Foundation support.

Due to shortfalls in collections and feedback from rating agencies and auditors regarding the Library's cash balances in previous years, the Board has a benchmark to aid in their long range planning for the Operating Fund. In 2012, the Board approved an Operating Fund Balance Policy that sets the balance at the amount necessary to avoid the issuance of Tax Anticipation Warrants as a minimum target for the Unrestricted Operating Fund balance. Unrestricted fund balance is an important measure of economic stability. It is essential that the Library maintain adequate levels of unrestricted fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and to ensure stable tax rates. The fund balance also provides cash flow liquidity for the Library's general operations and is crucial in long-term financial planning.

## Volunteer Time

Another resource utilized by the Library, but which is not included in any of the expenditure figures in this report, are the volunteer hours donated by many dedicated patrons of the Library. Although volunteerism is not accounted, it should be acknowledged here nonetheless.

Volunteerism itself is an important component of our society, especially with not-for-profit organizations. Many people donate their time and energy to perform services. Listed below is a recap of the work done by volunteers in 2021.

Due to the COVID-19 pandemic, the Indy Library Store moved to an online system for scheduling volunteers and for scheduling shoppers at reduced-capacity sales. In addition, the Store began thinking about ways to increase online sales to compensate for reductions in in-person sales. One popular change was the Secret Santa program which brought in over \$1,000. Lastly, with a lack of sales opportunities and in need of a way to clear out discards and donations, the Store sent large quantities of books to [Better World Books](#).

<u>Type of Volunteer</u>	<u># of Volunteers</u>	<u># of Hours Contributed</u>
On-going	551	12,260 hours
One-time from Corporate/Civic Groups	89	383 hours
<u>Totals</u>	<u>640</u>	<u>12,643 hours</u>

Volunteerism is generally considered as an unaccountable resource in the organization. Person-hours are received gratis from the volunteers. Thus, volunteer time can be considered as gifts from the volunteers. IMCPL tracks the number of hours donated to each of its service areas throughout the year. In 2021, the total time received was 12,643 hours.

A monetary value for volunteer time has been determined by *The Independent Sector*, of Washington, D.C. from extensive research with many types of organizations throughout the U.S. that use volunteers. The value for one volunteer-hour, which they determined for 2021, is \$28.54. This value includes both wage per hour, based on the type of work performed, and benefits, and is an average of all types of volunteer positions.

At \$28.54, per hour, and with 12,643 hours donated to the Library last year, the Library received a total of **\$360,831** in value for 2021.

## Summary of Significant Assumptions - Operating Fund Expenditures

### ▪ **Character 1: Personal Services**

The largest part of our budget continues to be Salaries and Benefits. The planned overall increase in the preliminary budget for Salaries and Benefits is approximately 17.20% or \$5,368,199.

This increase is due to:

- Assumed salary merit increases for 2023 of 5%.
- Additional \$2.5 million reserved for salary adjustments per the updated 2019 compensation study.
- Health Insurance – The 2023 budget includes an 8.5% increase in health insurance from the 2022 budget.
- Wellness – Plan for an increase in the budget for wellness programs to benefit staff – screenings, flu shots, enrichment classes, and other wellness initiatives.
- FICA – The contribution rate set by the Federal Government is 7.65%
- PERF – The Library pays the employer contribution to PERF at 11.2%. The budget assumes that the Library will continue to pay the employee required contribution of 3% which makes the total Library contribution 14.2% of salaries for benefit eligible employees

### ▪ **Character 2: Supplies**

Supplies are budgeted to increase by approximately 1.09% or \$13,752.

The 2023 budget will include about the same number of PC purchases as 2022 while decreasing Gasoline and Non-Capital Furniture & Equipment lines to align with prior year actuals.

### ▪ **Character 3: Other Services & Charges**

Other Services & Charges are budgeted to decrease by 12.50% or \$2,072,068.

This decrease is due to:

- Budgeting utilities and maintenance lines to be more in line with prior year actuals.
- The Library moving from utilizing contracted Security Services to having in-house security.
- The decision not to transfer funds from Operating to LIRF in 2023.

### ▪ **Character 4: Capital Outlay**

Capital Outlay budgeted to decrease by 7.04% or \$230,000.

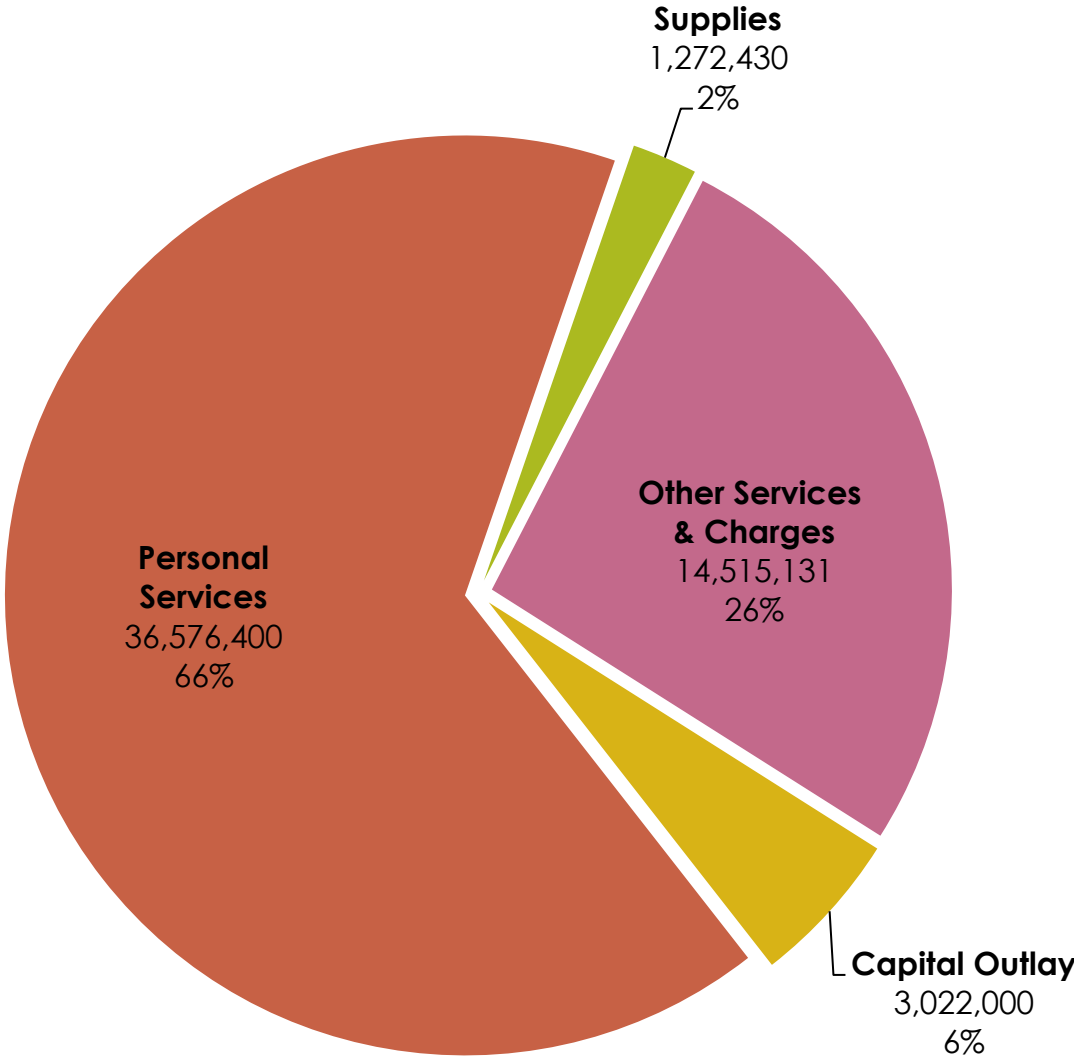
Decreases in Capital Furniture and Computer Equipment due to the decision to utilize bond funds for these expenses to free up operating funds for employee compensation.

Books & Materials budget kept flat from 2022.



# 2023 Proposed Budget - Operating Fund

\$ 55,385,961



## Operating Fund - Detailed Budget

Object Code	Object Description	2023 Proposed Budget	2022 Adopted Budget	2021 Actuals
<b>Personal Services</b>				
411000	SALARIES APPOINTED STAFF	\$ 22,103,619	\$ 19,496,401	\$ 17,929,196
412000	SALARIES HOURLY STAFF	1,805,175	1,789,546	1,018,241
413000	WELLNESS	117,278	46,125	25,391
413001	LONG TERM DISABILITY INSURANCE	55,500	46,081	52,642
413002	EMPLOYEE ASSISTANCE PROGRAM	19,500	24,569	17,600
413003	TUITION ASSISTANCE	30,750	30,750	8,449
413004	SALARY ADJUSTMENT	1,634,164	203,287	-
413100	FICA AND MEDICARE	1,877,408	1,643,926	1,383,232
413300	PERF/INPRS	3,370,765	2,797,356	2,497,502
413400	UNEMPLOYMENT COMPENSATION	20,500	20,500	16,477
413500	MEDICAL & DENTAL INSURANCE	5,500,000	5,068,936	3,554,888
413600	GROUP LIFE INSURANCE	41,741	40,723	33,221
<b>Personal Services Total</b>		<b>36,576,400</b>	<b>31,208,200</b>	<b>26,536,837</b>
<b>Supplies</b>				
421500	OFFICE SUPPLIES - FAC/PURCH	585,780	537,048	362,827
421600	LIBRARY SUPPLIES	100,000	100,000	71,584
421700	DEPARTMENT OFFICE SUPPLIES	325,380	337,120	199,433
422210	GASOLINE	30,000	44,880	15,532
422250	UNIFORMS	16,320	16,320	4,491
422310	CLEANING & SANITATION	169,950	169,950	85,846
429001	NON CAPITAL FURNITURE & EQUIP	45,000	53,360	21,227
<b>Supplies Total</b>		<b>1,272,430</b>	<b>1,258,678</b>	<b>760,940</b>
<b>Other Charges &amp; Services</b>				
431100	LEGAL SERVICES	251,850	219,000	234,435
431500	CONSULTING SERVICES	386,777	327,900	317,016
432100	FREIGHT & EXPRESS	9,750	12,070	5,334
432200	POSTAGE	57,638	65,265	37,742
432300	TRAVEL	29,300	34,380	2,646
432400	DATA COMMUNICATIONS	305,580	280,400	265,269
432401	CELLULAR PHONE	15,632	11,602	10,037
432500	CONFERENCES	76,800	94,000	6,979
432501	IN HOUSE CONFERENCE	260,000	124,560	68,931
433100	OUTSIDE PRINTING	106,000	103,000	58,779
433200	PUBLICATION OF LEGAL NOTICES	1,810	1,810	1,589
434100	WORKER'S COMPENSATION	99,470	176,927	79,309
434200	PACKAGE	190,051	275,575	170,912
434201	EXCESS LIABILITY	23,862	11,802	18,049
434202	AUTOMOBILE	28,000	22,342	21,967
434500	OFFICIAL BONDS	1,000	1,140	975
434501	PUBLIC OFFICIALS & EE LIAB	15,077	18,243	22,136
434502	BROKERAGE FEE	23,000	20,500	10,000
435100	ELECTRICITY	918,050	1,300,000	830,564
435200	NATURAL GAS	110,000	190,000	105,320
435300	HEAT/STEAM	301,000	408,194	222,922
435400	WATER	67,725	87,574	47,162
435401	COOLING/CHILLED WATER	575,000	564,737	479,394
435500	STORMWATER	30,100	28,512	23,666
435900	SEWAGE	97,825	100,725	45,923
436100	REP & MAINT-STRUCTURE	778,550	748,606	570,872

## Operating Fund - Detailed Budget

Object Code	Object Description	2023 Proposed Budget	2022 Adopted Budget	2021 Actuals
436101	ELECTRICAL	260,000	487,437	282,706
436102	PLUMBING	55,000	102,000	56,692
436103	PEST SERVICES	20,000	35,700	17,588
436104	ELEVATOR SERVICES	145,000	165,000	162,057
436110	CLEANING SERVICES	1,235,500	1,370,000	933,285
436200	REP & MAINT-EQUIPMENT	140,000	221,340	126,335
436201	REP & MAINT-HEATING & AIR	475,000	523,974	245,349
436202	REP & MAINT -AUTO	47,000	64,260	45,622
436203	REP & MAINT-COMPUTERS	522,151	401,420	320,249
437200	EQUIPMENT RENTAL	112,276	87,869	56,321
437300	REAL ESTATE RENTAL	192,825	343,575	287,648
439100	CLAIMS-AWARDS-INDEMNITIES	25,000	25,750	-
439600	TRASH REMOVAL	83,200	80,000	77,026
439601	SNOW REMOVAL	370,000	419,910	235,600
439602	LAWN & LANDSCAPING	356,805	343,082	190,520
439800	DUES & MEMBERSHIPS	61,815	58,880	48,842
439901	COMPUTER SERVICES	536,098	566,634	265,628
439902	PAYROLL SERVICES	145,000	145,000	117,274
439903	SECURITY SERVICES	482,700	1,255,543	768,253
439904	BANK FEES/CREDIT CARD FEES	50,000	68,289	67,151
439905	OTHER CONTRACTUAL SERVICES	723,732	687,476	517,982
439906	RECRUITMENT EXPENSES	30,000	44,000	22,045
439907	EVENTS & PR	71,750	77,200	52,416
439910	PROGRAMMING	123,280	77,950	25,305
439911	PROGRAMMING-JUV.	145,650	150,750	45,874
439912	PROGRAMMING ADULT - CENTRAL	-	25,000	-
439913	PROGRAMMING EXHIBITS - CENTRAL	5,000	5,000	-
439930	MATERIALS CONTRACTUAL	3,325,502	3,260,296	3,473,180
451100	AUDIT FEES	15,000	15,000	13,803
452000	TRANSFR TO LIBRY IMPROVMT FND	-	250,000	-
452002	TRANSFERS IN/OUT	-	-	1,000,000
<b>Total Other Services &amp; Charges</b>		<b>14,515,131</b>	<b>16,587,199</b>	<b>13,112,679</b>
<b>Capital Outlay</b>				
445100	CAPITAL - FURNITURE	20,000	50,000	8,113
445200	VEHICLES	-	-	42,257
445300	CAPITAL - EQUIPMENT	-	-	-
445301	COMPUTER EQUIPMENT	-	200,000	66,475
449000	BOOKS & MATERIALS	3,002,000	3,002,000	2,841,529
<b>Total Capital Outlay</b>		<b>3,022,000</b>	<b>3,252,000</b>	<b>2,958,373</b>
<b>Total Expenses</b>		<b>\$ 55,385,961</b>	<b>\$ 52,306,077</b>	<b>\$ 43,368,830</b>

**BOND AND INTEREST  
REDEMPTION FUND**

## **Bond and Interest Redemption Fund**

### **General Obligation Bonds**

The Library issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities as well as major maintenance and the purchase of computer equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the government.

### **Current Bond Ratings**

The Library's general obligation bonds have always been rated very favorably, due in part to the low level of debt that the Library has carried.

In February 2017, Moody's Investors Service upgraded the Library's rating from Aa2 to Aa1. The new rating was applied to all outstanding debt. Moody's last rated the Library in June 2018.

In November 2019, Fitch rated the Library and stated the following:

*The 'AA+' Issuer Default Rating (IDR) and GO bond ratings for the library system reflect the system's history of solid operating performance and broad spending flexibility, the latter of which, Fitch believes, will enable the system to successfully manage through periods of revenue stress with moderate impacts on service levels. The ratings also reflect a low long-term liability burden relative to economic resources, a solid financial cushion and good revenue growth prospects despite the system's limited independent ability to raise new recurring revenues.*

### **Revenues for the Bond and Interest Redemption Fund**

The Library is planning to issue the improvement projects bond in September 2022; therefore the budget requested includes an estimate for the new debt. Property taxes are estimated to be \$17,485,888 and other revenue is projected to be:

Commercial Vehicle Excise Tax	\$ 95,922
Excise Tax License	983,710
Financial Institutions Tax	140,139
In-lieu-of Property Taxes	<u>4,654</u>
	<u>\$ 1,224,425</u>

**General obligation bonds currently outstanding along with the corresponding debt service due in 2023 are as follows:**

*(Outstanding balances are projected as of 12/31/22)*

	<b>Budget Year of Final Payment</b>	<b>Original Balance</b>	<b>Outstanding Balance</b>	<b>2023 Debt Service</b>
2016 Bonds – Michigan Road Branch	2028	\$ 7,565,000	\$ 7,450,000	\$ 393,569
2017A Bonds - Brightwood Branch	2025	5,945,000	5,830,000	2,041,553
2017B Bonds - Eagle Branch	2029	7,660,000	5,905,000	926,881
2018B Bonds - West Perry Branch	2030	9,635,000	8,700,000	1,228,725
2021A Bonds - Glendale Branch	2024	14,425,000	14,090,000	3,280,525
2021B Bonds - Fort Ben Branch	2024	13,315,000	12,945,000	2,848,125
2021C Bonds - Improvement Projects	2023	5,400,000	4,085,000	2,806,950
2022 Bonds - Improvement Projects	2024	5,575,000	5,575,000	5,741,953
Fees				10,000
<b>Total</b>			<b>\$ 64,580,000</b>	<b>\$ 19,278,281</b>

Legal Debt Limit:

1/3 of 2% of 2023 Certified Net AV	\$ 366,580,469
Outstanding balance as of 12/31/22	<u>64,580,000</u>
Available Debt Capacity	\$ 302,000,469

**RAINY DAY FUND  
&  
LIBRARY IMPROVEMENT RESERVE FUND**

## **Rainy Day Fund**

For 2023 the Library will use the Rainy Day Fund for consulting/legal expenses associated with the acquisition of the land, construction and road related expenses. This allows the Library to have funds in place to make the purchases in advance of selling bonds.

The Rainy Day fund was established in accordance with State guidelines. The Library Board has authorized the Rainy Day Fund to be used to purchase one-time items rather than re-occurring on-going expenditures.

For 2023, the Library is planning the following expenditures from the Rainy Day Fund:

Construction	\$ 500,000
Consulting Services/Engineering & Architectural	300,000
Legal Services	<u>200,000</u>
	\$ 1,000,000

## **Revenue Sources**

Cash Balance 6/30/22	\$ 7,699,059
Reimbursement from Bond issue (2022)	3,000,000
Projected Interest Earnings (7/1-12/13/22)	8,000
Projected Interest Earnings (2023)	<u>-</u>
Total funds available	10,707,059
Less: 2022 Expenditures	3,000,000
Less: 2023 Budget	<u>1,000,000</u>
Projected Cash Balance 12/31/23	\$ 6,707,059



## **Library Improvement Reserve Fund**

Indiana Code 36-12-3-11-4 provides that money may be accumulated for the purpose of anticipated necessary future capital expenditures. Such as the purchase of land, the purchase and construction of buildings or structures, the construction of additions or improvements to existing structures, the purchase of equipment and all repairs or replacement of buildings or equipment and such monies shall be deposited into the Library Improvement Reserve Fund (LIRF). Such funds are first appropriated in the Operating Fund Appropriation and transferred to the LIRF. The LIRF is considered to be for building repairs, capital needs, or for seed money for future capital projects that require pre-development investments prior to the sale of bonds or the availability of other funding.

For 2023, the Library is planning the following expenditures from LIRF:

Munis Software Upgrade	\$ 250,000
Total	<u>250,000</u>

### **Funding Source**

Cash Balance (as of 6/30/22)	\$ 2,437,472
Projected Interest Earnings (7/1-12/31/22)	5,000
Projected interest earnings (2023)	<u>-</u>
Total funds available	2,442,472
Less: 2022 expenditures	-
Less: 2023 expenditures	250,000
Transfer from General Fund	<u>-</u>
Projected Cash Balance 12/31/23	\$ 2,192,472

# Indianapolis-Marion County Public Libraries

## **Central Library**

40 East St. Clair Street  
Indianapolis, Indiana 46204  
317-275-4100

## **Beech Grove Branch Library**

1102 Main St  
Beech Grove, IN 46107  
317-275-4560

## **College Avenue Branch Library**

4180 North College Avenue  
Indianapolis, Indiana 46205  
317-275-4320

## **Decatur Branch Library**

5301 Kentucky Avenue  
Indianapolis, Indiana 46221  
317-275-4330

## **Eagle Branch Library**

3905 Moller Road  
Indianapolis, Indiana 46254  
317-275-4340

## **East Thirty-Eighth Street Branch Library**

5420 East 38<sup>th</sup> Street  
Indianapolis, Indiana 46218  
317-275-4350

## **East Washington Branch Library**

2822 East Washington Street  
Indianapolis, Indiana 46201  
317-275-4360

## **Franklin Road Branch Library**

5550 South Franklin Road  
Indianapolis, Indiana 46239  
317-275-4380

## **Garfield Park Branch Library**

2502 Shelby Street  
Indianapolis, Indiana 46203  
317-275-4490

## **Glendale Branch Library**

6101 North Keystone Avenue  
Indianapolis, Indiana 46220  
317-275-4410

## **Haughville Branch Library**

2121 West Michigan Street  
Indianapolis, Indiana 46222  
317-275-4420

## **InfoZone Branch Library**

at The Children's Museum  
3000 North Meridian Street  
Indianapolis, Indiana 46208  
317-275-4430

## **Irvington Branch Library**

5625 East Washington Street  
Indianapolis, Indiana 46219  
317-275-4450

## **Lawrence Branch Library**

7898 North Hague Road  
Indianapolis, Indiana 46256  
317-275-4460

## **Martindale-Brightwood Branch Library**

2434 North Sherman Drive  
Indianapolis, Indiana 46218  
317-275-4310

## **Michigan Road Branch Library**

6201 Michigan Road  
Indianapolis, IN 46268  
317-275-4370

## **Nora Branch Library**

8625 Guilford Avenue  
Indianapolis, Indiana 46240  
317-275-4470

## **Pike Branch Library**

6525 Zionsville Road  
Indianapolis, Indiana 46268  
317-275-4480

## **Southport Branch Library**

2630 East Stop 11 Road  
Indianapolis, Indiana 46227  
317-275-4510

## **Spades Park Branch Library**

1801 Nowland Avenue  
Indianapolis, Indiana 46201  
317-275-4520

## **Warren Branch Library**

9701 East 21<sup>st</sup> Street  
Indianapolis, Indiana 46229  
317-275-4550

## **Wayne Branch Library**

198 South Girls School Road  
Indianapolis, Indiana 46231  
317-275-4530

## **West Indianapolis Branch Library**

1216 South Kappes Street  
Indianapolis, Indiana 46221  
317-275-4540

## **West Perry Branch Library**

6650 South Harding Street  
Indianapolis, Indiana 46217  
317-275-4390



[www.indypl.org](http://www.indypl.org)

317.275.4100

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