

***APPENDIX D***  
***FALMOUTH MEMORIAL LIBRARY BUDGET***



February 15, 2023

Mr. Nathan Poore  
Town Manager  
Town of Falmouth  
271 Falmouth Road  
Falmouth, ME 04105

Dear Nathan:

Falmouth Memorial Library requests an appropriation of \$893,737 from the Town of Falmouth for the Library's FY25 operating budget. We are requesting \$875,000 as an ongoing budget request, plus \$18,737 remaining from the FY24 allocation to hire a Development Director, which was pro-rated to date of hire in FY24.

The FY25 budget includes these key assumptions:

- The Library is bearing the majority of the cost of the Development Director position, expected to be covered by increased fundraising efforts. However, we are requesting the remainder of the funds allocated last year, to minimize our risk of not meeting our fundraising goal. This position is still new, but fundraising results have been very positive, and we expect to be able to cover the full salary and benefits in future fiscal years.
- Building Occupancy: 5% increase assumed, unless otherwise known due to contracts. There are no additional expense categories, the increase is assumed inflation and labor costs associated with maintenance and repairs.
- There is a 27% increase in Capital Reserve request, the model used to predict future expenses is currently being revised to incorporate the last several years of increased inflation and labor/construction costs.
- Acquisitions: 9.5% growth, in part to account for continued price increase for physical materials, as well as provide modest additional resources for e-books and periodicals.
- Insurance: 10% increase in health insurance costs for all eligible staff, and 12% increase for business insurance. Both increases are at the advice of our insurance broker, as insurance costs increase dramatically nationwide.
- Staff compensation COLA and recruitment/retention costs.

The Library has become very busy during FY24 – we've seen increased traffic in the building, larger turnout for programs and reference questions, increased circulation, and a continued high pace of new card applications, both resident and non-resident cards. It's been an exciting year at the Library as we continue to greet new community members!

Sincerely,  
Jenna N. Mayotte  
Library Director

Attachments: Budget Summary & Overview

**FALMOUTH MEMORIAL LIBRARY  
FY25 BUDGET REQUEST  
as of 2/15/24**

	<b>FY23 Actual</b>	<b>FY24 Budget</b>	<b>FY24 Projected</b>	<b>FY25 Budget Request</b>
<b>Income</b>				
<b>Contributions</b>	129,008	153,500	153,500	227,053
<b>Town of Falmouth</b>	782,679	923,530	904,793	893,737
Town share of library total budget		83%		76%
ongoing \$ Inc in Town's share yr over yr		50,561		41,760
<b>Operations</b>	26,061	23,300	24,500	23,800
<b>Other Income</b>	34,760	18,500	24,000	36,851
<b>Total Income</b>	972,508	1,118,830	1,106,793	1,181,441
<b>Expense</b>				
<b>Acquisitions</b>	54,837	62,000	73,500	67,885
<b>Building Occupancy</b>	151,147	171,553	169,553	183,900
<b>Other Expenses</b>	81,879	109,500	117,100	120,000
<b>Payroll</b>	600,993	775,777	684,800	809,656
<b>Total Expense</b>	888,856	1,118,830	1,044,953	1,181,441
<b>Net Income</b>	<b>83,652</b>	<b>0</b>	<b>61,840</b>	<b>0</b>

FALMOUTH MEMORIAL LIBRARY  
 FY25 BUDGET REQUEST  
 as of 2/15/24

	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget Request
<b>Income</b>				
<b>Contributions</b>				
Annual Fund	108,308	100,000	133,455	133,500
Donations	12,119	43,500	4,000	
Fund Raising	8,581	10,000	16,045	20,000
Development Director *				73,553
<b>Total Contributions</b>	<b>129,008</b>	<b>153,500</b>	<b>153,500</b>	<b>227,053</b>
<b>Town of Falmouth</b>				
On-Going Town of Falmouth	782,679	833,240	833,240	875,000
Funding for Development Director		90,290	71,553	18,737 **
<b>Total Town of Falmouth</b>	<b>782,679</b>	<b>923,530</b>	<b>904,793</b>	<b>893,737</b>
Town share of library total budget		83%		76%
ongoing \$ Inc in Town's share yr over yr		50,561		41,760
<b>Operations</b>				
Copier Usage	1,234	1,300	1,300	1,300
Non-Resident Fees	12,760	10,000	13,000	10,000
Other Operations Income	382	500	200	500
Overdue Fees	8,407	7,500	8,000	8,000
Room Rental	3,278	4,000	2,000	4,000
<b>Total Operations</b>	<b>26,061</b>	<b>23,300</b>	<b>24,500</b>	<b>23,800</b>
<b>Other Income</b>				
Book Sales	7,923	10,000	8,000	8,000
Interest	26,837	1,000	16,000	18,300
Transfer from BDF	-	7,500	-	10,551
<b>Total Other Income</b>	<b>34,760</b>	<b>18,500</b>	<b>24,000</b>	<b>36,851</b>
<b>Total Income</b>	<b>972,508</b>	<b>1,118,830</b>	<b>1,106,793</b>	<b>1,181,441</b>
<b>Expense</b>				
<b>Acquisitions</b>				
Audio Books	4,748	5,200	5,200	5,460
Books	33,286	38,000	43,000	40,000
Electronic Resources	10,975	10,800	15,800	12,700
Periodicals	2,804	3,500	5,000	5,000
DVDs	3,023	4,500	4,500	4,725
<b>Total Acquisitions</b>	<b>54,837</b>	<b>62,000</b>	<b>73,500</b>	<b>67,885</b>

FALMOUTH MEMORIAL LIBRARY  
 FY25 BUDGET REQUEST  
 as of 2/15/24

	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget Request
<b>Building Occupancy</b>				
Bldg & Bond Insurance	13,380	16,500	16,800	19,000
Bldg & Grounds Maintenance	55,132	61,000	61,000	61,000
Capital Reserve Transfer	46,000	47,153	47,153	60,000
Cleaning & Bldg Supplies	3,005	5,000	3,500	5,000
Electricity	26,018	33,000	33,000	30,000
Telephone	3,705	4,400	4,100	4,400
Water & Sewer	3,908	4,500	4,000	4,500
<b>Total Building Occupancy</b>	<b>151,147</b>	<b>171,553</b>	<b>169,553</b>	<b>183,900</b>
<b>Other Expenses</b>				
Professional Services	25,442	39,000	34,000	34,000
Book Processing Supplies	4,364	6,000	7,000	7,000
Fundraising	9,649	5,000	15,000	15,000
Furniture & Equipment	1,121	2,000	2,000	2,000
Inter-Library Loan	4,458	5,000	7,500	7,000
Miscellaneous Expenses	907	5,000	5,000	5,000
Office Supplies	8,529	10,000	10,000	10,000
Postage	704	1,000	100	500
Professional Development	3,822	6,500	6,500	6,500
Programs	8,583	6,000	8,000	8,000
Technology	14,298	24,000	22,000	25,000
<b>Total Other Expenses</b>	<b>81,879</b>	<b>109,500</b>	<b>117,100</b>	<b>120,000</b>
<b>Payroll</b>				
Development Director***	-	90,290		
Health Insurance	27,563	68,015	35,000	47,510
MePERS Expense	43,080	43,894	50,000	56,199
Payroll Service	2,970	3,000	3,000	3,000
PR Taxes	11,578	15,420	15,000	18,245
Retirement Funds	16,552	19,563	20,800	26,189
Salaries & Wages	499,250	535,594	561,000	658,513
<b>Total Payroll</b>	<b>600,993</b>	<b>775,777</b>	<b>684,800</b>	<b>809,656</b>
<b>Total Expense</b>	<b>888,856</b>	<b>1,118,830</b>	<b>1,044,953</b>	<b>1,181,441</b>
<b>Net Income</b>	<b>83,652</b>	<b>0</b>	<b>61,840</b>	<b>0</b>

\* Shortfall in Library contributions goal will be covered by BDF in FY25

\*\* Balance of amount allocated for Development Director in FY24

\*\*\* Projected FY24 expenses for development director are included in appropriate sub accounts

## FY25 Library Budget Request Discussion

- Payroll is about 70% of the budget, and that percentage has held fairly steady since FY20. The FTE has not grown substantially over the years, but the need to attract and retain staff via higher salaries and more full-time benefitted positions versus part-time has put pressure on the budget. The other driver of overall budget growth is contribution to the capital reserve fund.
- The Library raised its fundraising goal by a very large amount in FY23 to support the new operations budget required to operate a library nearly twice the size, in a post-COVID labor market. We have been unable to meet that aggressive fundraising goal until hiring a development director. Experience suggests the Library might raise a \$100k Annual Fund without a development professional, or potentially \$200k with one (based on interim results).
  - Preliminary FY24 results: through the end of December 2023, we are up 64% in terms of dollars and 112% in terms of the number of donors (excluding an unexpected FY23 bequest of \$8k) compared to the same six month period in 2022.
- On the budget request documents, the Development Director position is included in budget expenditures; as payroll expenses are not tracked separately from other staff costs. There are separate lines on the contribution side, so ongoing Town contribution is separated from the one-time FY24 funding on budget request.
- This is the first fiscal year of professional dedicated fundraising, which will provide the data the Library needs to set an achievable Annual Fund goal. Strategies employed in fundraising include:
  - Growing the Annual Fund – includes cleaning up the donor database; soliciting the entire database, including active patrons who are not currently giving; improving communications (website) and increased messaging (email list)
  - Increasing corporate sponsorships of events (5K) and programming
  - Creating a major gifts program – includes planned/estate giving, named giving societies
  - Strategize for future endowment growth/campaign for long-term financial strength
  - Apply for grants and family foundations as appropriate; grants may provide funds for special projects and new services – but grantors do not typically pay for ongoing operational expenses.
- Comparing library statistics is challenging due to the very individual nature of how libraries in Maine are funded, and lack of closely matched peer libraries (by size, staff, type of community). Using Maine State Library annual statistics, Falmouth Memorial Library is considered a Large Library (service area 10,000 – 22,400). There are 22 large libraries in Maine, 12 of these are private nonprofits. Of these 12 libraries, Falmouth ranks:
  - #11 on populations/service area
  - #8 on number of registered users, #6 for nonresident users
  - #8 on collections expenditures
  - #5 on total operating expenditures, #6 on local government revenue
  - #2 on square footage