

Ocean State Libraries, Inc.

**Budget Narrative
FY 2011**

EXPENSES

General Expenses

Personnel:

Budget Amount: \$858,577.

Salary: \$663,225

Increase \$13,345. Includes allowance to increase ILS Librarian's hours to fulltime (\$9,618) and FICA 7.65% (47,997.). No cost of living nor merit increases.

Fringe Benefits: \$190,052

Increase of \$19,668. Includes 8% increase allowance for Blue Cross, 8% increase allowance for Dental insurance, and OSL's retirement contribution, which is 5% of staff salaries. Last year BC/BS went up by 4.4%. This year it went up 7.8%

Projected Total BC/BS Medical cost = \$159,982

OSL's share = \$151,078. (includes \$1,000. stipend for employee who declines Insurance)

OSL employees' share = \$9904.

Dental = \$9,085.

Retirement = \$29,639.

Annual Fees for retirement program TIAACREF: \$250.

Workers Comp: \$2,300

Increased \$523. Rate based on salary.

Payroll Fees: \$3,000

Increased \$300. Fees went up this year. This assumes a small increase for next year.

Expenses Other Than Personnel:

Budget Amount: \$792,615.

III Maintenance: \$118,210

Increased 2,210. Encore maintenance will be \$9789. plus allows for III maint increase. The contract allows for up to 5%.

NELINET/Cataloging: \$79,960

Decreased \$3290. NELINET predicts an increase of no more than 5%. Was 73,295. Now allowing 76,960. Also in this category is OCLC cataloging for Overdrive records, allowing \$3,000 for an estimated 2,000 records at \$1.50 each. Last year we used \$1509.

Internet Services: \$115,000

Increase of 6625. Since last year, RINET has put us on a three year contract, non-binding to us. We get 80MG, used to get 40MG for almost the same rate. Includes RINET fees and troubleshooting monitoring line. These funds are e-ratable.

Network Equipment Maintenance: \$10,000

Stayed the same. We buy routers or packet shapers as needed with this account. We also pay for Peter's broadband service and the two FIOS lines, one for OSL back-up and one in Newport for a one year test. Last year the FIOS and Peter's came to \$2760.

Telephone: \$12,000

Increased by \$2,000. We have 6 phone lines for Teleforms, 4 office lines, 1 FAX line, three cell phones—Joan, Ken and Rick. This year we spent \$11,760. These funds are e-ratable.

Mileage: \$13,000

Stayed the same. FY09 rate: \$. 55/mile. At the current reimbursement rate, this allows for 23,636 miles to be driven. In FY09, we drove 21832 miles.

Supplies: \$11,000

Stayed the same. Office supplies, copier, LC Manuals, postage, refreshments. Breakdown: Copier/Printing: \$2,500. Office Supplies: \$6,300. Postage: \$1,000. Refreshments: \$1,100.

Maintenance and Equipment: \$12,000

Stayed the same. Includes purchasing equipment for testing and evaluation; lab equipment and maintenance. Both Ken and Rick draw on this for test equip and office upgrades.

Insurance: \$13,000

Increase by \$1,000. in FY 09, Property/liability insurance was \$3,237, Group Life Insurance was \$3871, Directors' and Officers' insurance for \$1 million limit was \$1004. Tech E & O is 3298. (Current total = \$11,409.)

Rent: \$69,045

Decreased \$271. This reflects the increases built in to the lease to \$67,045 plus an allowance for common area utilities, \$2,000. Last year we allowed \$3,000 for common area utilities, but paid about \$1,000.

Electricity: \$13,000

Increase \$1,000. Last year we paid \$10,663. Our bill may go up a little due to not carrying the back half of the conference room until now.

Professional Fees: \$10,000

Stayed the same. Accounting and Legal support. Our auditor will charge about \$6,100. this year. We will pay for some additional accounting for new IRS requirements and for some training or advice. We know of no need for legal advice, but allowed for some. We paid \$5500 for auditing last year. We had legal fees of \$2210.

Conferences and Training: \$12,000.

Decreased by \$2,000. It is intended for costs related to sending staff to Conferences and Courses, and any additional III training. Last year we paid \$10,339.

Bank Fees: \$200

Stayed the same. To cover Activity fees. We did not pay any fees this past year.

Consortium Software: \$16,000

Decrease \$2,756. Symantic Antivirus maintenance and Faronics Deep Freeze maintenance. We spent \$14,973. in FY2009, may need new discs for about \$250. No other purchases are anticipated in FY10.

Databases: \$278,200

Decrease of \$57,000. Ebsco is \$225,000.; this will be our second year on a fixed contract. Overdrive = \$25,200. This is intended to fund the contract that is set for \$19,200 plus \$6,000. for covering the Always Available titles. (Next year FY 2012-- Overdrive fees will drop to \$12,000.) We are adding \$5,000 for the cost of quarterly updates for Authorities from Backstage. Research Pro annual fee = \$23,000.

Contingency fund: \$10,000.

Decreased by \$5,000. This category sets aside some money for contingencies. In FY09, we spent about 11,000 for extra cataloging help when Patience was injured.

TOTAL EXPENSES:

Budget Amount: \$1,651,192.

INCOME

Membership Fees: \$1,643,692.

OSL fees = -1.2% decrease

Interest Income: \$7500

Decrease of \$4,000. We had a drop in interest income last year. We received \$7921. Current percentages on our accounts: Citizen's = .85%, Washington Trust = 1.25%, B of A = .39%

TOTAL INCOME: total budget decrease = -1.4%

\$1,651,192.