



106 Washington Avenue, Oshkosh, Wisconsin 54901-4985

MEMORANDUM

DATE: April 19, 2018
TO: Oshkosh Public Library Board of Trustees
FROM: Jeff Gilderson-Duwe
SUBJECT: Carryover Fund Designation

Since the City of Oshkosh has not yet completed closing its accounts for 2017, we will use our own year-end library revenue and spending reports to estimate the amount of undesignated fund balance. We frequently refer to the undesignated fund balance as “carryover funds,” since the amount represents accumulated fund surpluses “carried over” from past years’ budgets.

We estimate that the library carried \$ 508,000 over from 2017 to 2018. This is 15% of the library’s total annual expenditures for 2017.

Please see the table below for detail of the fund balance calculation:

2016 – 2017 Carryover (Estimated APR 2017)	\$ 320,900
2017 Revenues (Estimated – books not closed)	\$ 3,563,700
2017 Revenues plus Carryover (Estimated – books not closed)	\$ 3,882,000
2017 Expenditures (Estimated – books not closed)	\$ 3,374,000
2017 – 2018 Carryover (Estimated – books not closed)	\$ 508,000

“Connecting People with Information”

I recommend that the library board designate \$45,000 of the undesignated fund balance to cover retirement benefits payouts in 2018.

The Library has paid out about \$7,000 in retirement benefits thus far in 2018. I estimate that we may pay out up to \$35,000 in additional benefits before the end of 2018. If every eligible employee retired this year, I estimate the library's retirement payout expenditures would be close to \$125,000. I do not view that as likely, however. I think there is a good chance that the library will be called upon to expend \$50,000 - \$100,000 in retirement benefits in 2019.

I recommend that the library board designate up to \$15,000 of the undesignated fund balance to cover previously unbudgeted costs in support of identified Strategic Plan projects.

I recommend that the library board designate up to \$35,000 of the undesignated fund balance to cover previously unbudgeted maintenance and/or repair projects for the library building and grounds.