



106 Washington Avenue, Oshkosh, Wisconsin 54901-4985

MEMORANDUM

DATE: April 18, 2013
TO: Oshkosh Public Library Board of Trustees
FROM: Jeff Gilderson-Duwe
SUBJECT: Carryover Fund Designation

While the City of Oshkosh has not yet completed closing its accounts for 2012, they have provided us with an estimate of year-end undesignated fund balance in the library fund of \$336,243. We frequently refer to the undesignated fund balance as "carryover funds," since the amount represents accumulated fund surpluses "carried over" from past years' budgets.

If the library board adopts the recommendations in this memo, we can expect the library to carry approximately \$195,000 in undesignated fund balance into 2014.

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

2011 - 2012 Carryover	\$ 327,245
2012 Revenues (Estimated – books not closed)	\$ 3,419,626
2012 Revenues plus Carryover (Estimated – books not closed)	\$ 3,746,871
2012 Expenditures (Estimated – books not closed)	\$ 3,410,628
2012 – 2013 Carryover (Estimated – books not closed)	\$ 336,243

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I ask the library board to consider designating the use of the library's carryover funds as follows:

1. **2013 Operating Budget – Approved Expenditure Above Revenues (\$42,100):**
Approved by the library board at its December 20, 2012 regular meeting.
2. **Cover un-budgeted 2013 retirement costs (\$100,000):** I believe the library is likely to pay out \$30,000 - \$40,000 in retirement benefits in 2013. If every library employee retired who is eligible (especially those who are at least 57 years old and have at least 30 years of service in the Wisconsin Retirement System), the library's total payouts could be as much as \$170,000. This scenario is unlikely. I think it prudent to allow up to \$100,000 for this purpose.
3. **Facility maintenance needs (\$100,000):** I propose that the library board designate up to \$100,000 of the carryover funds to take care of facility repair or maintenance needs that have come to light since the budget was formulated last summer, plus any maintenance needs that may arise unexpectedly.

With the library building turning 20 years old in 2013, we have identified a number of building and grounds projects that need maintenance attention. The total of cost estimates for the projects listed below is \$34,000:

- Motorized glare-reducing shades for second floor windows;
 - Remove and replace lower level emergency staircase bullnose tread;
 - Widen masonry opening in dumpster enclosure, fabricate, paint and install new dumpster gate;
 - Replace the fabric wall coverings on 22 columns in lower level Children's Department;
 - Sand and paint window sills, bicycle racks and outdoor benches;
 - Remove remaining trees in parking lot and replace with shrubs;
 - Replace 3 water fountains; and
 - Replace colored cement slabs left and right of front entrance near outdoor benches.
4. **Support the Strategic Plan (\$25,000):** I ask the library board to consider designating up to \$25,000 of the library's carryover funds to support activities aimed at achieving the goals of the library's strategic plan.
 5. **Undesignated contingency (\$69,100)**