

Fiscal Year 2026 Staff Proposed Budget

Pamunkey Regional library
Board Meeting 9/25/2024

Budget Timeline

- ▶ Late August/ Early September
 - ▶ Library staff creates a staff recommended budget for upcoming fiscal year
- ▶ September Board Meeting
 - ▶ Library staff presents staff recommended budget to the Library Board of Trustees
- ▶ October Board Meeting
 - ▶ Library Board of Trustees votes on staff recommended budget and proposed changes
 - ▶ After the vote, this budget becomes the proposed budget for the upcoming fiscal year
- ▶ Late fall to early Spring (November to March)
 - ▶ Library staff submits proposed budget to partner localities
 - ▶ Hanover request current year budget be submitted to their locality by 11/1/2024
 - ▶ Library staff answers questions from partner localities
 - ▶ Library staff collects feedback from partner localities and updates any changes from outside revenues sources and expenses that occurred since proposed budget was voted on
 - ▶ Library staff updates Library Board of Trustees as feedback or data presents itself which would change the proposed budget
- ▶ April Board Meeting
 - ▶ Library staff submits proposed budget back to Library Board of Trustees for consideration
- ▶ May or June Board Meeting
 - ▶ Library Board of Trustees votes on proposed budget
 - ▶ After the vote, this budget is now the adopted budget for upcoming fiscal year

How does PRL budget?

▶ Expenses

▶ Books & Material

- ▶ Review of Circulation
- ▶ Looking at prices changes in services and items

▶ Continuing Education, Contractual, Rent, Utilities and Telephone

- ▶ Review of prior year's cost
- ▶ Estimating monthly cost for new fiscal year (look for price change in service)
- ▶ Review of price increases in contracts

▶ Supplies and Equipment

- ▶ Review of prior year's purchases and knowledge of new items
- ▶ Looking at prices changes in services and items
- ▶ Review of price increases in contracts

▶ Insurance

- ▶ Review of prior year's cost
- ▶ Hard to estimate when new facilities come online

▶ Vehicles

- ▶ Review of prior year's cost

▶ Payroll

- ▶ List of Current wages with new calculations added for merit, insurance, and payroll tax changes
- ▶ Verify potential hours worked match position titles
- ▶ Verification of branch hours and staff needed to run branch (Desk Hours)

How does PRL budget? continued

▶ Revenue

- ▶ State Aid
 - ▶ Verify with Library of Virginia (ongoing process)
 - ▶ Initial amount is based on current fiscal year
- ▶ Reserve Fund
 - ▶ What items/services are being funded by the Designation of the Reserve Fund
- ▶ Expenditure Refund
 - ▶ Verify amount with E-rate
 - ▶ Consider changes in telephone line spending (increased spending increases refund)
- ▶ Other
 - ▶ Fines, Charge for Services, Lost Damages Items
 - ▶ Review of prior year's revenue
 - ▶ Investment Income
 - ▶ Discussion with Hanover Treasurer's Office for direction
 - ▶ Donations
 - ▶ Review of year's contribution marking irregular donations from regular donations
- ▶ Partner Localities' Contributions
 - ▶ Partner Localities bear the full burden of branch expenses
 - ▶ Shared Services are covered in full.

How does PRL budget? concluded

Calculation of Share Services

Locality	Population per 2020 Census (Weldon Cooper Center)	Percent of Share Service
King William	17,810	12%
Goochland	24,272	16%
Hanover	109,979	72%
Total	152,061	100%

Open Hours and Desk Hours for Fiscal Year 2026

Branch	Hours/Wk	Average Staff/ Hour	Mgr Desk Hours/ Wk	Desk Hours
ASHLAND	60	4	13	240
ATLEE	60	6	13	360
GOOCHLAND	64	3	19	192
HANOVER	59	2	25	118
MECHANICSVILLE	60	5.25	13	315
MONTPELIER	60	2.5	22	150
ROCKVILLE	60	2	25	120
UPPER KING WILLIAM	*52	2	22	104
WEST POINT	*52	2	22	104

*Increase in hours to 52 from 40 for fiscal year 2026

Challenges for FY2026

- ▶ Keeping competitive salaries
- ▶ Increase in Health Insurance cost
- ▶ Increase cost in Utilities and Data Communication cost
- ▶ Increase in cost for Programs and Supplies
- ▶ Increase in Contractual Obligations

Changes to Meet FY2026 Challenges

- ▶ Increase in State Aid
- ▶ Increase in Expenditure Refund
- ▶ Increase in Other Refund
- ▶ Increase in Use of Reserve Fund
- ▶ Increase in Contributions from local Partners

Budget Highlights

- ▶ Restore open hours of Upper King William and West Point branches from 40 to 52 hours
- ▶ Merit Increase of 3%
- ▶ Health Insurance Increase of 8%
- ▶ State Aid for fiscal year 2026 is estimated at \$713,650
 - ▶ 10% increase from fiscal year 2024
- ▶ Proposed budget includes no new full time positions
- ▶ Includes new mandates for exempt employees regarding min. annual salary
 - ▶ Librarians proposed to be non-exempt
- ▶ Proposed budget does not include capital projects
 - ▶ Future projects would seek Board of Trustees approval and use funds from the designated reserve fund

Overview of Changes for Fiscal Year 2026

Changes for FY2026		
Operational Increase	\$	56,449.00
Books/Material Increase	\$	44,836.00
Payroll Increase Merit 3%	\$	102,461.00
Payroll Increase Health Insurance 8%	\$	30,323.00
Payroll Changes Decrease (Turnover in positions)	\$	(74,144.00)
Total of Changes	\$	159,925.00
Reserve Fund Spending	\$	3,100.00
Additional State Grant	\$	65,625.00
Additional Revenue	\$	52,797.00
Locality Changes		
Goochland	\$	-
Hanover	\$	-
King William	\$	38,403.00
Total of Changes	\$	159,925.00
Difference	\$	-

Pamunkey Regional Library Proposed Budget FY2026*

	FY2025	FY2026 Staff* Proposed	FY2025 to FY2026 Requested Change	FY2025 to FY2026 Percent Change
Revenue				
Goochland	\$ 634,480.00	\$ 634,480.00	\$ -	0.00%
Hanover	\$ 3,860,396.00	\$ 3,860,396.00	\$ -	0.00%
King William	\$ 602,907.00	\$ 641,310.00	\$ 38,403.00 **	6.37%
State Aid	\$ 648,025.00	\$ 713,650.00	\$ 65,625.00	10.13%
Other	\$ 86,300.00	\$ 131,300.00	\$ 45,000.00	52.06%
Expenditure Refund	\$ 22,133.00	\$ 30,000.00	\$ 7,867.00	35.54%
Reserve fund	\$ 105,000.00	\$ 108,100.00	\$ 3,100.00	2.95%
TOTAL	\$ 5,959,241.00	\$ 6,119,166.00	\$ 159,925.00	2.68%
Expense				
Books/Materials	\$ 765,103.00	\$ 809,939.00	\$ 44,836.00	5.86%
Continuing Education	\$ 19,000.00	\$ 19,000.00	\$ -	0.00%
Contractual	\$ 223,000.00	\$ 229,100.00	\$ 6,100.00	2.74%
Equipment	\$ 118,000.00	\$ 120,200.00	\$ 2,200.00	1.86%
Insurance	\$ 17,300.00	\$ 19,800.00	\$ 2,500.00	14.45%
Rent	\$ 139,000.00	\$ 141,100.00	\$ 2,100.00	1.51%
Salaries & Benefits	\$ 4,342,911.00	\$ 4,401,551.00	\$ 58,640.00	1.35%
Supplies	\$ 82,650.00	\$ 93,276.00	\$ 10,626.00	12.86%
Telephone	\$ 80,477.00	\$ 86,700.00	\$ 6,223.00	7.73%
Utilities	\$ 158,500.00	\$ 185,200.00	\$ 26,700.00	16.85%
Vehicle	\$ 13,300.00	\$ 13,300.00	\$ -	0.00%
TOTAL	\$ 5,959,241.00	\$ 6,119,116.00	\$ 159,925.00	2.68%

*The proposal is a recommendation from PRL staff. The appropriation of the budget is a board action.

**Increase is due to increase in branch hours from 40 to 52 per week.

King William County Options

- ▶ King William County’s withdrawal from the Regional Library would impact the following areas
 - ▶ Number of Branches would reduce from 9 to 7
 - ▶ Reallocation and Reduction of staff at Branch and Shared Service Levels
 - ▶ Large decrease in expenses in Books & Materials
 - ▶ Decrease in expenses in other budget areas
- ▶ Estimated loss of revenue is more than \$700,000.00 annually
 - ▶ \$419,000.00 at Branch Level
 - ▶ \$300,000.00 at Shared Service Level

Areas that can lower King William’s annual contribution

- ▶ Relocation of Upper King William Branch to county owned/maintained building
 - ▶ FY2026 Rent and Maintenance is budgeted at \$33,000
- ▶ Change in Branch Hours
 - ▶ Table below provides a few variations on open hours and their cost impact

Opens Hours	Branch Cost	Change to FY2026 Proposed Budget
52	\$419,113	\$ 0
48	\$402,424	\$ -16,689
44	\$386,170	\$ -32,943

Thank you for your time