

# STAFF REPORT

<b>MTG. DATE:</b>	<b>August 17 , 2022</b>
<b>TO:</b>	Library Board
<b>FROM:</b>	Cindi Kelm-Nelson, Library Board President
<b>RE:</b>	<b>Revised Budget requests for 2023 and Financial Management Plan</b>

## OVERVIEW

The Library Board has been taking the necessary steps to plan for the construction of a Village Library. The capital campaign/financial feasibility study has been completed. The budget requests and timeline presented below are with construction of the Library slated for 2025 with opening in 2026 per the Library Board Timeline (July 2022).

This memo has been revised from the July 20 Library Board Meeting. There were considerable errors in the original cost estimate documents. This memo serves to correct these cost estimates and incorporates suggestions from Dane County Library System, South Central Library Services, and The Sweeney Group.

## REQUESTS & FINANCIAL IMPACTS 2023

**Implementation of a Library Impact Fee.** A firm would be hired to study, design and move a Library Impact Fee through the approval and adoption process. **Financial Impact :** \$7,500 one-time cost in 2023.

**Programming.** Existing area libraries have offered the opportunity to partner and begin providing programs in the Village utilizing their existing staff. **Financial Impact:** \$10,000 - \$30,000 in operating costs depending on level of programming.

**The hiring of a Library Director.** The plan would be to hire the position part-time at 24 hours per week in the first year, 30 hours per week in the second and beginning full time in the third year. The position would be hired for the second half of 2023. **Financial Impact:** \$37,500 additional operating budget in 2023.

**Space Needs and Design/Engineering of Village Library .** Hire an architectural firm to begin work on the space needs, design & engineering of the library. Proposed design concept may include a phased building approach. The selected firm would work closely with the Strategic Planning/Facility Committee, Library Director, Board and stakeholders (including other Village departments) in bringing the plan through construction over the next three years. **Financial impact:** These costs would be spread over 2023-2026, \$1 - \$1.25 million over the course of the complete design through construction. (10% of overall construction costs). Most likely debt-funded; Ehlers to guide specifics of financing in Financial Management Plan.

**Operational Funds:** The Library Board is recommending additional funds for trustee training, public engagement purposes, materials, printing, and marketing. **Financial Impact:** \$5,000.

**Strategic Planning and Community Engagement .** A 6-month community engagement and capital campaign strategic planning phase will be completed by the Sweeney Group. **Financial impact:** \$25,000

**Administrative Support:** The Library Planning Committee suggests administrative support of approximately 15 hours per week to help staff the Library Board, research, and be the contact person.

## **CONSIDERATIONS FOR FUTURE/FMP**

**Construction in 2025.** Construction cost is estimated between \$15 - \$21 million all-in (depending on design) for a 2026 opening. This includes construction, furniture, finishes, collection, architect/design costs, and project management. The costs for design would already have begun accruing. The Library Board could recommend a middle-ground of \$17 million be placed in the Financial Management Plan, this could be adjusted as costs are fine-tuned during design. The Library Board will consider smaller scale design as well. Debt-financed; Ehlers will incorporate into the Financial Management Plan during the 2022 budget cycle discussion.

**Revised operating costs moving forward** . For a 2026 opening, the municipal contribution to the operating budget is estimated at \$430K. There is a reasonable expectation that the contribution from Dane County would grow to around \$500,000 annually; the Village is established and already pays \$300K annually into this system.