



STEELE COUNTY BOARD OF COMMISSIONERS WORK SESSION AGENDA

Administration Center - 630 Florence Avenue – Owatonna, MN 55060

*Steele County's Mission:
Driven to deliver quality services in a respectful and fiscally responsible way.*

TUESDAY, AUGUST 9, 2022 AT 3:00 PM
County Boardroom, Steele County Administration Center

Agenda

1. Call to Order
2. 2023 Budget Update
3. Other business

Presentation

Steele County Library Appropriation Proposal 2023

- Andrew Langholz – Blooming Prairie City Administrator
- Mark Blando – Owatonna Public Library Director

Adjourn

Disclaimer: This agenda has been prepared to provide information regarding an upcoming meeting of the Steele County Board of Commissioners. This document does not claim to be complete and is subject to change.



City of
Blooming Prairie

P.O. Box 68, 138 Hwy Ave. South, Blooming Prairie, MN 55917

(507)583-7573

fax: (507)583-4520

Friday, July 29, 2022

Steele County Commissioners
630 Florence Ave
Owatonna, MN 55060

Ref: Steele County Public Library Appropriation

Dear Commissioners:

I appreciate the Board of Commissioners reviewing this proposal to reassess the amount which is levied county-wide for the free public library system.

In 2021 the Board of Commissioners approved a generous appropriation increase from \$191,500 to \$225,000 in an effort to better support the Steele County free public library system and the services it provides to all residents. During our presentations in 2021, we explained that the appropriation amount had not changed since 2009, in contrast to rising operating expenses, which have been absorbed by the Owatonna Public Library (OPL) and the Blooming Prairie Branch Library (BPBL).

The appropriation increase approved in 2021 for 2022 disbursement brought the funding support close to the 2017 level from what was presented last year.

(Approved Appropriation = \$225,000 / 2017 Inflationary Number = \$225,649.46).

I have included budgetary documentation and an explanation for where the proposed increase in funding support would be allocated.

Please review the attached exhibits:

1. Exhibit 1: Key Demographic and Appropriation Information
2. Exhibit 2: Letter from Nancy Vaillancourt, BPBL Manager
3. Exhibit 3: BPBL 2017 & 2023 Budgetary Figures/Trends
4. Exhibit 4: Letter from Mark Blando, OPL Director
5. Exhibit 5: OPL Budgetary Figures/Trends

Each exhibit provides insight into the operations of the BPBL and the OPL. Unfortunately, it is very difficult to convey the nuances for each department while keeping this proposal succinct. The main message that we are trying to convey is that in order to keep the free public library system engaging and operational for all Steele County residents, we are requesting that the Board of Commissioners to approve the proposal detailed below.

Proposal:

The BPBL and OPL are requesting that the Steele County Board of Commissioners increase the budgetary appropriation amount from \$225,000.00 to \$262,300.00, an increase of \$37,300 for 2023. This number is derived from starting at the \$225,649.46 2017 inflationary number and increasing it by the average inflation between 2017-2021, which was 2.54%.

This appropriation increase would act as a final catchup amount to simply get the OPL and the BPBL to the same funding support level that was received in 2009. Moving forward, I intend on presenting to the Steele County Board of Commissioners annually to discuss an inflationary increase, rather than large increases similar this this year and last.

Rationale & Conclusion:

I previously spoke of our staffing levels and the continuity of services that are only able to occur when we retain employees. It takes time for staff to build relationships with the patrons of our library system and do our best to provide services based on their individual needs. Programming and resources for books and other materials have been negatively impacted. Fortunately, the BPBL & OPL have dedicated followings that assist in programming efforts both monetarily and by volunteering. While a portion of the requested increase will go towards providing physical services, the majority of funding will be used towards the continue increased operational expenditures.

I believe that we all understand that an institution such as the Steele County free public library system was never intended to be self-sufficient. A properly funded public library system is a service to all residents of Steele County and in order to thrive and survive we are requesting that all stakeholders demonstrate their continued support.

Sincerely,

Andrew Langholz
City Administrator

Exhibit 1: Key Demographic and Appropriation Information

1	Annual Increase Occurred 2000 - 2008	
2	Steele County Public Library Levy 2008 - 2021	\$191,500
3	Steele County Public Library Levy 2022	\$225,000
4	Proposed Levy for 2023	\$262,300
5	<u>Registered Steele County Citizens 2019 - 2021</u>	
6	Owatonna & Blooming Prairie Residents	84.97%
7	Rural Steele County Residents	15.03%
8	2008 - 2021 Avg. Annual Inflation	1.84%
9	2009 - 2021 Avg. Annual Increase	0%
10	2017 - 2021 Avg. Annual Inflation	2.54%

11	Steele Co. Public Library Levy	2017	2018	2019	2020	2021	2022	2023
12	Annual Steele Co. Levy	\$ 191,500	\$ 191,500	\$ 191,500	\$ 191,500	\$ 191,500	\$ 225,000	\$ 225,000
13	Levy Following 2.54% Inflation (2017-2021)	\$ 225,649	\$ 231,381	\$ 237,258	\$ 243,284	\$ 249,464	\$ 255,800	\$ 262,298
14	Levy to Inflation Gap	\$ 34,149	\$ 39,881	\$ 45,758	\$ 51,784	\$ 57,964	\$ 30,800	\$ 37,298
15	Annual Levy Increase Following Inflation	\$ -	\$ 5,731	\$ 5,877	\$ 6,026	\$ 6,179	\$ 6,336	\$ 6,497
16	Cumulative Levy Diff. Following Inflation	\$ -	\$ 5,731	\$ 11,609	\$ 17,635	\$ 23,814	\$ 30,151	\$ 36,648
17	<u>Owatonna with 2.54% Inflation = 90%</u>	\$ 203,085	\$ 208,243	\$ 213,532	\$ 218,956	\$ 224,517	\$ 230,220	\$ 236,068
18	OPL Current = 90%	\$ 172,350	\$ 172,350	\$ 172,350	\$ 172,350	\$ 172,350	\$ 202,500	\$ 202,500
19	OPL Annual Shortfall	\$ -	\$ 35,893	\$ 41,182	\$ 46,606	\$ 52,167	\$ 27,720	\$ 33,568
20	OPL Cumulative Shortfall	\$ 149,938	\$ 185,831	\$ 227,014	\$ 273,619	\$ 325,787	\$ 353,507	\$ 387,075
21	<u>Bloomng Prairie with 2.54% = 10%</u>	\$ 22,565	\$ 23,138	\$ 23,726	\$ 24,328	\$ 24,946	\$ 25,580	\$ 26,230
22	BPPL Current = 10%	\$ 19,150	\$ 19,150	\$ 19,150	\$ 19,150	\$ 19,150	\$ 22,500	\$ 22,500
23	BPPL Annual Shortfall	\$ -	\$ 3,988	\$ 4,576	\$ 5,178	\$ 5,796	\$ 3,080	\$ 3,730
24	BPPL Cumulative Shortfall	\$ 16,660	\$ 20,648	\$ 25,224	\$ 30,402	\$ 36,199	\$ 39,279	\$ 43,008

Exhibit 2: Letter from Nancy Vaillancourt, BPBL Manager

**Blooming Prairie Branch Library
P.O. Box 187
138 Highway Avenue South
Blooming Prairie, MN 55917
507-583-7750**

Steele County Board of Commissioners
630 Florence Ave.
P.O. Box 890
Owatonna, MN 55060

Re: Steele County Public Library Appropriation

Dear Commissioners:

On behalf of the residents of Blooming Prairie, our rural neighbors, and the Blooming Prairie Branch Library, we would like to thank you for your increased financial support over the last year.

Our library is fortunate to have support from the Friends of the Blooming Prairie Branch Library. The non-profit Friends group here has been active for over 30 years and has raised substantial sums of money for programs, furniture, and special needs. Within the past year they have paid for a large storage closet for the library; within weeks we will be installing a custom-made desk in the staff work area.

Likewise, the Owatonna Public Library Foundation provides significant funding for both Owatonna Public Library and our Blooming Prairie library. Their generosity covers online ebook databases such as Libby and Hooplah, as well as other resources for a variety of topics. Foundation funds also pay for the annual Summer Reading Program, allowing us to bring in excellent, entertaining, and educational programs each summer.

Exhibit 2: Letter from Nancy Vaillancourt, BPBL Manager

Both of those organizations provide the extras that make our libraries exceptional. However, they are not able to provide the funding for the nuts and bolts of a library - the physical facilities, the up-to-date technology, the materials, and the staff. For these items we depend on our city and county governments. Local governments provide the major funding for our libraries. For this we are truly grateful.

While the pandemic has changed our society, it has not changed the needs of the community. In fact, members of the community have asked for more services: online programs, delivery of materials to disabled or housebound patrons, assistance with electronic devices, and the resumption of in-person events such as storytime and author visits.

We strive to be good stewards of the funds that we receive from our local governments. With inflation rising this year, our expenses have likewise increased. Both the citizens of Blooming Prairie and all rural residents of Steele County who use the Blooming Prairie Branch Library appreciate the continuing support of the local libraries.

Sincerely,

Nancy Vaillancourt
BPBL Branch Manager

Exhibit 3: BPBL 2017 & 2023 Budgetary Figures/Trends

	Approve 2017	Proposed 2023	Difference	Percent Change
<u>LIBRARY EXPENDITURES</u>				
Wages	\$ 72,800.00	\$ 94,000.00	\$ 21,200.00	29%
FICA	\$ 5,570.00	\$ 6,750.00	\$ 1,180.00	21%
PERA	\$ 5,050.00	\$ 7,200.00	\$ 2,150.00	43%
Employee Benefits	\$ 31,900.00	\$ 22,700.00	\$ (9,200.00)	-29%
Work Comp	<u>\$ 400.00</u>	<u>\$ 650.00</u>	<u>\$ 250.00</u>	<u>63%</u>
SUBTOTAL	\$115,720.00	\$130,650.00	\$ 14,930.00	13%
Office Supply	\$ 1,200.00	\$ 900.00	\$ (300.00)	-25%
Other	\$ 100.00	\$ 50.00	\$ (50.00)	-50%
Summer Reading	\$ 950.00	\$ 600.00	\$ (350.00)	-37%
Music & Artistic Exp	\$ -	\$ -	\$ -	0%
Liability Ins	\$ 1,100.00	\$ 600.00	\$ (500.00)	-45%
Phone	\$ 480.00	\$ 500.00	\$ 20.00	4%
Training	\$ 50.00	\$ 80.00	\$ 30.00	60%
Books Subscriptions	\$ 20,000.00	\$ 18,625.00	\$ (1,375.00)	-7%
Computer Rent	\$ 7,900.00	\$ 8,800.00	\$ 900.00	11%
Building Rent	\$ -	\$ -	\$ -	0%
Postage	\$ 50.00	\$ 110.00	\$ 60.00	120%
Garbage/Cleaning	\$ 3,600.00	\$ 2,750.00	\$ (850.00)	-24%
Publishing	\$ 150.00	\$ 50.00	\$ (100.00)	-67%
Licensing	\$ 335.00	\$ 378.00	\$ 43.00	13%
Utility Gas	\$ 2,400.00	\$ 2,400.00	\$ -	0%
Utility Elec & Water	<u>\$ 2,800.00</u>	<u>\$ 2,900.00</u>	<u>\$ 100.00</u>	<u>4%</u>
SUBTOTAL	\$ 41,115.00	\$ 38,743.00	\$ (2,372.00)	-6%
Bldg Repairs & Maint.	\$ 500.00	\$ 500.00	\$ -	0%
Capital Outlay	\$ 600.00	\$ 1,700.00	\$ 1,100.00	183%
Equipment Lease	\$ 1,600.00	\$ 1,850.00	\$ 250.00	16%
Equipment Repairs	<u>\$ 1,000.00</u>	<u>\$ 600.00</u>	<u>\$ (400.00)</u>	<u>-40%</u>
SUBTOTAL	\$ 3,700.00	\$ 4,650.00	\$ 950.00	26%
<u>LIBRARY TOTAL</u>	<u>\$160,535.00</u>	<u>\$174,043.00</u>	<u>\$ 13,508.00</u>	<u>8%</u>

Exhibit 3: BPBL 2017 & 2023 Budgetary Figures/Trends

<u>LIBRARY REVENUES</u>	Approved 2017	Proposed 2023	Difference	Percent Change
Library Rent	\$ 19,150.00	\$ 22,500.00	\$ 3,350.00	17%
Donation	\$ 150.00	\$ 300.00	\$ 150.00	100%
Misc Income	\$ 300.00	\$ 1,000.00	\$ 700.00	233%
Refunds & Reimb	\$ 1,200.00	\$ 1,200.00	\$ -	0%
Library Fines	<u>\$ 1,600.00</u>	<u>\$ 900.00</u>	<u>\$ (700.00)</u>	<u>-44%</u>
TOTAL	\$ 22,400.00	\$ 25,900.00	\$ 3,500.00	16%

Notes:

1. Expenditures have increased by 8% in between 2017-2023, with the most significant increase coming from wages and benefits. The reduction in health benefits was due to an employee moving from family to single coverage.
2. 19.6% of Steele County residents that are patrons at the BPBL have rural addresses.
3. The Proposal, if approved, would translate to a 16.58% increase in funding for the BPBL from Steele County. The funding amount would go from \$22,500.00 to \$26,230.00.
4. Total expenditures between 2009-2023 have increased by \$43,379.00. If the proposal is approved Steele County will have absorbed 16.32% of the increase.
5. Steele County would be funding 15.07% of the total operating budget for the BPBL in 2023, if the Proposal is approved. This is an increase from 2009, when that percentage was 14.66%. However, services such as the Summer Reading Program and Books & Subscriptions have either been reduced or have been unable to keep up with inflation.

Exhibit 4: Letter from Mark Blando, OPL Director



*Over 100 years of service to
Owatonna and Steele County*

*105 N. Elm
Owatonna, Minnesota 55060*

*Phone 507-444-2460
FAX 507-444-2465
www.owatonna.info*

Steele County Board of Commissioners
630 Florence Ave.
P.O. Box 890
Owatonna, MN 55060

Dear Commissioners:

First, I want to thank you on behalf of the staff and patrons of the Owatonna Public Library for your funding increase over this past year. It cannot be overstated the impact our library services have on the citizens of Owatonna and Steele County. From offering up story times, free author events, internet services or just a friendly "Good Morning" and smile to someone who needs it, the library is many things to many people.

Over this past year we have been able to reintroduce our in-person programming. It had been over two years since we had story time in the library and this March, we were happy to welcome families back. This is also the first summer in two years that all of our Summer Reading Program activities were held in the library. We had nearly 900 people show up for our kickoff program in June and attendance for our programs has been close to pre-pandemic levels. I was also fortunate enough to attend the kickoff in Blooming Prairie where the excitement for returning to in-person programming showed on everyone's face. For adults, we were also able to bring back our author talks to the library with a two month series of events including one by Owatonna author Chris Norbury.

We are so happy to be to still be offering our Books-To-Go delivery service. We are able to deliver books and other materials to assisted living centers. We constantly hear from residents about how much these books mean to them and how they look forward to every delivery.

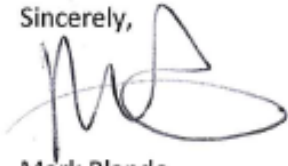
This year we began our remodeling project with the completion of a bathroom on our third floor. We will shortly be working on a new small meeting room and hope to have new shelving and circulation desk by early next year. We are excited to be entering this next chapter for the Owatonna Public Library and hope that our redesigned space will better serve the citizens of Steele County.

One of the main questions we get asked is when our library will be expanding hours. To do that we require more staff and more staff hours. Over the next few months, we hope to add an additional night and more weekend hours to what we are currently offering. In doing so we open up the possibility for

Exhibit 4: Letter from Mark Bando, OPL Director

more programming, more story time and more visits to the library. With your help we can make this happen. It is an exciting time for libraries in Steele County. We are excited for what the future hold and look to the important role you will play in making it happen.

Sincerely,

A handwritten signature in black ink, appearing to be 'MB', with a large loop at the end.

Mark Bando
Director
Owatonna Public Library

Exhibit 5: OPL Budgetary Figures/Trends

DEPT 420: LIBRARY

Account Number	Account Name	2019 Actual	2019 Budget	2020 Actual	2020 Budget	06/30/21 YTD	2021 Budget	2022 Budget
	Intergovernmental Revenue	199,495	202,600	259,665	201,185	96,125	200,594	233,358
	Charges for Services	8,594	9,100	2,171	9,250	567	8,750	6,250
	Fines & Forfeits	8,736	9,000	2,211	9,000	237	750	120
	Miscellaneous	0	50	0	0	0	0	0
	Total Revenues	216,825	220,750	264,047	219,435	96,929	210,094	239,728
	FT Wages	543,441	583,064	522,596	499,958	266,469	528,692	518,037
	PT/Seasonal Wages	241,847	289,958	85,921	299,576	41,513	242,673	279,443
	OT	0	0	10	0	0	0	0
	Holiday/Other	10,048	0	0	0	0	0	0
	Benefits	219,732	223,503	164,253	201,660	85,119	203,554	223,596
	PERSONAL SERVICES	1,015,068	1,096,525	772,780	1,001,194	393,101	974,919	1,021,076
	Supplies	4,084	4,900	6,263	4,050	643	4,100	3,885
	Repair Supplies	6,536	4,000	7,623	6,000	1,134	6,500	7,000
	Small Tools & Equipment	14,938	15,000	3,062	15,250	1,233	14,600	14,895
	Library Materials	113,045	110,800	69,943	112,500	55,700	82,500	78,350
	Other Supplies	28,686	27,132	22,574	28,500	1,639	28,686	31,701
	SUPPLIES	167,289	161,832	109,465	166,300	60,349	136,386	135,831
	Professional Services	30,645	1,800	30,009	34,486	13,744	34,386	36,000
	Communication	2,095	6,600	1,819	5,700	2,119	3,100	2,115
	Vehicle, Travel & Training	2,675	3,655	2,147	3,000	31	1,250	2,500
	Advertising & Promotion	358	1,250	712	1,500	555	750	800
	Memberships & Subscriptions	1,084	1,750	1,564	1,500	240	1,000	1,000
	Insurance	8,500	8,500	10,267	8,800	3,600	7,200	8,900
	Repair/Maint/Licenses	4,612	5,460	66,693	3,410	3,690	2,815	4,365
	Rents/Leases	2,124	2,100	1,018	0	313	2,200	900
	Other Services & Charges	49,785	51,355	47,770	49,805	21,274	53,383	53,463
	OTHER SERVICES & CHARGES	101,878	82,470	161,999	108,201	45,566	106,084	110,043
	CAPITAL OUTLAY	0	0	48,259	0	0	0	0
	Total Expenditures	1,284,235	1,340,827	1,092,503	1,275,695	499,016	1,217,389	1,266,950
	Net Revenue	-1,067,410	-1,120,077	-828,456	-1,056,260	-402,087	-1,007,295	-1,027,222
	Total for DEPT 420: LIBRARY	-1,067,410	-1,120,077	-828,456	-1,056,260	-402,087	-1,007,295	-1,027,222