An Indiana Library Director's Guide to the Budget

By Sandy Petrie, Noble County Public Library - last updated May 2020

Disclaimer: This document was put together as a guide to help new directors understand and seasoned directors not to forget all things related to the budget. This is a living/breathing document that can never be definitive because of the constantly changing Indiana Code and interpretations of that code. I want to emphasize that this is a GUIDE only and that all information contained herein is my understanding or interpretation of the crazy Indiana budget process and though I tried to include everything I could think of, it is doubtfully all inclusive. When it conflicts with Indiana Code or guidance from DLGF, SBOA, or the State Library, well….you are all well aware of which takes precedence. So here we go!

Recent legislation:

SB321 in 2016 made many changes to the budget process…read that bill for more detailed information. Much of the philosophy of this guide is based on the uncertainties of the information and numbers we had prior to beginning our budgets. This bill was designed to begin making our budgets more realistic so that we don't have to "guess" quite so much. DLGF is doing a much better job of getting us factual numbers much earlier to work with and our access to budget information is improving each year. We have even started getting 1782's and Budget Orders (defined later) closer to when our budget year begins rather than half way through it.

HEA 1343 (Public Law 252) in 2019 (IC 6-1.1-17-20.4) provides that, "in the case of a public library outside Marion County, the fiscal body of a city, town, or county that established the public library, the governing body of which is not comprised of a majority of officials who are elected to serve on the governing body, may adopt a resolution to require the public library to submit its proposed budget and property tax levy to the city, town, or county fiscal body for binding review and approval in the same manner that is required under current law if the public library's cash on hand plus its expected revenues is greater than 150% of the public library's proposed budget. (These amounts exclude gifts, bequests, and philanthropic funds.) Provides that the fiscal body of the city, town, or county may not reduce the public library's proposed operating budget or tax levy in a budget year by more than 10% of the public library's operating levy." See SB410 below for "fixes" to this bill.

SEA 280-2019 made several changes to property tax exemptions and deductions primarily concerning the elderly and veterans which could affect revenue.

SB410 in 2020 clarified some of the confusing language of HEA 1343 from 2019. It clears up how to determine who your fiscal body is for a binding review concerning the 150% rule. ***It also required that a resolution identifying that fiscal body be submitted to the Indiana State Library by October 1, 2020.*** That resolution, once adopted by the library board must be signed by both the library board president and the fiscal body president. SB410 removes the language about "cash on hand plus expected revenues" and states that if the December 31 cash balance of all funds of the public library derived from tax revenue (most funds except gift/philanthropic) reported in the SBOA's Annual Financial Report is greater than 150% of the public library's proposed certified budget for the ensuing year, the budget must go to the fiscal body for a binding review. Additional language was added to this bill that removes the requirement of a binding review for the ensuing year if the December 31st cash balance falls below the 150% that would trigger such a review.

What you will find in the following pages:

1. Basic terms
2. Types of funds
3. Sources of Revenue
4. Forms and Reports
5. Budget Calendar (what to do when)
6. Cash Flow
7. Tips & Thoughts
8. Contact information for key agencies

1. Basic Terms:

DLGF-http://www.in.gov/dlgf - Dept. of Local Govt. Finance
(State Dept. that controls govt. budgets) At their website you will find all memorandum's that have been released and spreadsheets containing valuable information about your county and service areas. With the recent changes from SB321, we are getting information much quicker from our DLGF field reps, but you can often find what you need earlier or on your own through this website. Go into "county specific information" from the menu on the left.

SBOA- http://www.in.gov/sboa - State Board of Accounts
(State Dept. tied to finance law, audits, and internal controls). The most current accounting manual can be found at this website.

Gateway https://gateway.ifionline.org – Online reporting system for budgets/debt reports/and the Annual Financial Report (AFR formally known as the LAR-Library Accounting Report). You will also report your 100R info, and OPEB (Benefits), Debt, and will upload Conflict of Interest forms, and significant Contracts through Gateway. (Contracts that are the lessor of 10% of your property tax levy or $50,000 need to uploaded in Gateway within 60 days (though this is not yet available as of this writing). More information on Contracts is found at IC 5-14-3.8-3.5. Gateway is also where you will upload your monthly documents (minutes, fund report, and bank reconciliations) as well as annual uploads of similar documents for SBOA. This was a new requirement that began in 2018. In 2020 DLGF added a place to report requests for additional appropriations. All gateway reports have "HELP" where you can find the instruction manuals for each type of report.

Tax Levy-property taxes raised to fund the budget. DLGF is now providing units with their estimated max levy for the ensuing year by July 15th but you can estimate this yourself by applying the known or estimated AVGQ to your current max levy to get a head start on planning.

AV- Assessed Valuation of taxable property within taxing district
Auditor will provide an estimated AV by June 1 and the certified AV by Aug 1

Tax Rate= (tax levy/AV) x 100 note: tax levy is from line 16 of Form 4B in Gateway which will be adjusted by DLGF in your 1782 to establish the certified tax rate released on your budget order.

AVGQ-Assessed Value Growth Quotient determined by DLGF from the average growth over six years for the entire State. DLGF will provide this by July 1st.

Total Budget – Total of ALL <u>allocated/appropriated</u> funds (General, Debt, LIRF, Capital Projects, Rainy Day). This does NOT include Gift funds, only funds created from tax dollars. *This is the total of line 1's from each fund on your Form 1's in Gateway. Also note that if* *you include and consider property tax caps in your Form 1 (more info below), this will increase your GROSS total budget but has NO effect on whether it will be a binding review. DLGF only considers the NET total budget (line 1's) when determining if you exceed the AVGQ.*

Binding Review – Fiscal Body (often County or City Council) review of the budget if the budget requested exceeds the previous year's budget plus the AVGQ. *Please note that if you go for additional appropriations during the budget year, fiscal body approval will be required if the additional appropriations will increase that year's budget above the AVGQ. See SB 410 at the beginning of this document for the 150% rule. (Actually, read* IC 6-1.1-17-20.4 *for exact language*.)

Appropriations-authority via budget forms to expend funds. Also known as ***allocations***. This is what you estimate you will or could spend.

Additional Appropriations-used when you need to request to spend more than you appropriated in your approved budget. You would have the funds on hand, but not the authority to spend them without "additional" appropriations approval. Keep in mind that if your additional appropriations would put you over the triggers for a binding review, you will need fiscal body approval.

Expenditures – Actual monies spent

Circuit Breaker – Caps property taxes at the following levels to provide relief to Indiana taxpayers. Potentially reduces library revenues, in some cases – significantly. DLGF will provide circuit breaker impact by Aug 1st. *Note that in 2016, SB301 changed how farmland is assessed which may have a large impact in revenue for rural libraries especially*.

1% of homestead properties;
2% of residential properties;
2% of agricultural land;
2% of long-term care facilities;
3% of nonresidential properties; and
3% of personal property.

Operating Balance – Cash balance (including investments) of the General Fund. Ideally you would have 50% of your annual expenditures as an operating balance at the end of the year to ensure you have sufficient funds available to pay for the first six months of the ensuing year's expenses until the June settlement comes in. *This is an important point to make with your fiscal body. With COVID-19, we are likely to need those reserves not just for 2020, but for the next couple of years as our economy recovers. Those with strong reserves you will actually save taxpayers money by not having to "borrow" and pay interest.*

ILF- https://ilfonline.org – Indiana Library Federation
Organization that leads, educates, and advocates for Indiana Libraries. *A LIFESAVER during the COVID-19 pandemic!*

1782 Notice – this is the notice of final budget recommendations and numbers from DLGF. A unit has 10 days to respond to errors or provide changes before the Budget Order is finalized. The 1782 is much more detailed than the final Budget Order. This only comes electronically now, not in the mail. It is VERY important that you review this and ensure that there are no errors.

Budget Order – The actual "approved" budget numbers and levies. Again, these can be found on the DLGF website. DLGF will provide this by Dec 31st.

See "Sources of Revenue" for explanation of LIT, FIT, Excise, etc.

2. Types of Funds:

General Fund - Operating fund, day to day expenses.

Debt Service Fund - Fund for revenue and expenses related to bond principal and interest payments or leasing corporation payments (if this is how your debt was set up). This also includes any bank fees associated with bond management (you should include these fees on your debt worksheet). For a new bond, your amortization schedule will be uploaded into Gateway by you with the help of your capital financial council (like Umbaugh-Baker Tilly).
LIRF - Library Improvement Reserve Fund- used to accumulate balances in advance for capital improvements. No direct tax rate – funds normally allocated in General fund and then transferred to LIRF at end of year. With Rainy Day fund being more flexible and able to accomplish LIRF goals, this fund is becoming obsolete. I recommend spending it down or leaving it dormant and transferring to rainy day at some point. (see below for restrictions on how much you can transfer) *Note: One advantage of LIRF is that you are not limited how much you can allocate to transfer into this fund from your General Fund. Just know that LIRF can ONLY be used for Capital Expenses.*
Rainy Day Fund - Fund where budget surpluses can, and sometimes must, be placed to stabilize future revenue disruptions. This fund, by resolution, can be appropriated in same way that the General fund can. You can transfer up to 10% of your "Total Budget" from the operating balance, or dormant funds into the Rainy Day fund each year and at any time of the year. *Note:*
Make sure you send a copy of the resolution transferring funds into Rainy Day to your DLGF field rep when you do so or at least by early December so it can be factored in to your 1782.
CPF-Capital Projects Fund - Originally funded with a separate tax rate that allowed the library to generate funds for real estate, repairs, building maintenance, and technology. This fund is virtually obsolete since a single levy was established in 2009. Again, Rainy Day is much more flexible.
Construction Fund- Fund for bond proceeds and appropriations for major capital projects. You will be working with a financial advisor such as Baker Tilly (previously Umbaugh) and bond council such as ICE Miller, before establishing this type of fund for any bond proceeds. My recommendation if you do a large project with bond money is to establish a separate back account for this fund to better track interest income and the expenses. It keeps things clean.
Unemployment Fund – Fund established for unemployment payments should the library choose to keep this function "in house"
Gift Fund – Fund to manage donations and grants made directly to the library.
Technology Fund – Can be within the General Fund, Gift Fund etc. or its own separate fund. It is set aside to manage State reimbursed E-rate funds, bandwidth funds, etc.

3. Sources of Revenue:
Property taxes – received in June and December (well…most of the time!)
LIT (Local Income Tax) – As of 2017 this replaced CAGIT, CEDIT, COIT, LOIT as a single tax. It is a little more complicated than that but for our purposes here, you just need to know that LIT is collected with income taxes and then distributed back to local units in the form of "***Certified Distributions***" (for libraries, this was formerly our "Certified Shares" and "PTRC" payments).
Supplemental LIT – Any distribution of this nature should be receipted into the local fund in accordance with how the funds were originally generated. In other words, if the supplemental LIT distribution is from certified shares, it should go into the fund you currently receipt your certified shares. DLGF is pretty good about providing memos explaining all of this when supplemental LIT is issued.
License Excise tax (vehicles)

CVET (Commercial Vehicle Tax)
FIT (Financial Institution Tax)
Miscellaneous Revenues: Fines, Fees, refunds, Interest, etc.
Gifts/grants

<u>4. Forms & Reports</u>
<u>Forms (in the order I do them):</u>

Note: The Budget is completed in Gateway which I feel improves each year. See the "tips" section for thoughts on establishing your numbers for the total budget and each fund within the budget. I print out the forms as I fill them in which helps me see the overall picture and complete other forms.

Debt Worksheet: This form is for any bonds you may have out. If you have your amortization schedules loaded in Gateway this is fairly easy. I still cross check from the actual amortization schedules and ensure that my fees are noted. *NOTE: If you have "Leasing Bonds" you will also need a "Lease Rental Affidavit" from your managing bank. This is required by DLGF and states that there are not sufficient funds to pay off the debt in full.*

Current Year Financial Worksheet (Line 2 Worksheet): This form allows you to work through all your budgets and determine the number that will go on line 2 of your 4B. This is an important form to print out for the overall picture. This helps me decide if I need to reduce a budget etc. when I see everything in one place. This form is where you can show that you will reduce a budget, transfer into another fund etc. This information will be pulled into Form 2.

Form 1 (Budget Estimate): This is the form for your "allocations" for the year. My technique is to provide the board (at the July meeting) with a Form 1 for the General fund that has the current year numbers in one column and the proposed allocations in another column so they can see where we are increasing, decreasing, or staying the same and I explain my reasoning. I do this in July so that the rest of the process is smooth as they actually begin approving things. This way if there is a problem or they disagree with something, I have ample time to adjust before big deadlines. Property Tax Cap tab: This is a new tab that helps you to consider the ramifications of the circuit breaker caps. The number that DLGF populates into your form 3 is a worst case scenario kind of number and you can't change it, BUT you do not have to use this number in your Form 1. If you do and the impact isn't as great as you anticipated, you can go for additional appropriations to get it back, but this creates a lot more headaches. I recommend that you look at past circuit breaker numbers and put something more realistic on your Form 1. The number you use can even be zero if your circuit breaker impact is minimal. The most important thing to note is that even though this will "increase" your gross budget, your AVGQ consideration is based on your NET budget which is your line 1's of the Form 1's. I also want to point out that if in Gateway you have your original fund option plus a new "property tax cap" fund drop down, these will combine in the overall forms so don't worry if you have some numbers in one and some in the other.

Form 2 (Miscellaneous Revenues): This form is used to determine revenues. Estimate LOW! However, with recent changes, you truly need to understand the impact of misc. revenues to know how to manipulate these numbers to ensure the best results for the Form 4B. For Jul-Dec I will use fairly accurate numbers for the tax revenues (because these are on your 1782s) but for Jan-Dec of the following year, cut your numbers by

20%-30%. And for ALL of your misc. revenue (copies, fees, interest) estimate very low, even by half unless you know without a doubt this is a strong and consistent revenue stream. None of us can predict the future, and some of us remember some very lean years we were not expecting! Let DLGF make corrections on the 1782 for the numbers they are privy to. Otherwise, if you estimate too high, this will hurt your numbers on the 4B and could inadvertently reduce your levy. If you are counting on those copy and fine fees to fund your budget, you absolutely need to begin building that operating balance.

Form 4A (Budget Report): This, in my opinion, is a redundant form. It just pulls the basic category totals from your Form 1s. I believe it is of more use for other types of units, but it is still required for libraries.

Form 4B (Financial Statement): This is your bread and butter form. Also known as the "16 line" form. Make sure to double and triple check this form because your levy will be determined by the information on it. **There are three numbers that are critical. The DLGF can NOT give you more than the tax rate (line 17) you ask for, more than the levy (line 16) you ask for, or more than the total budget estimate (line 1) you ask for**. So if these numbers are not HIGH enough, you could end up receiving less money than you would have been allowed. So how do you ensure you get every dime possible? The first step is establishing your estimated AV: Estimate LOW! I typically use 85% of my previous year AV. (**For 2021 budget I strongly recommend you go to 70% since the impact of COVID-19 is unknown.)** We now get certified AVs by August 1st from the auditor but if you are like me, your budget process is well under way by then and estimating lower is always safer. The next step is to ensure your requested levy is high enough. On the 4B you will not indicate potential PRTC because we have no idea, so you assume zero which is pre-populated on 13a. I will add as much as 10% to my current levy to ensure it is high enough and I always use this line to let Gateway calculate the rest. Line 12, 14, and 16 should all be the same number. Your tax rate will be determined by the AV and Levy and WILL be high compared to what you will actually end up getting. It is important to educate your board on why you are doing this (to get the max levy possible) because this tax rate and levy are what you will be advertising even though the reality is the levy and tax rate you actually get will be much less. Some of you may have boards that don't believe in asking for the max, but let me say from experience, once you lose it, you will NEVER have the ability to get it back. Our board (before my time) went for twenty years without going for the max and as a result we now receive about $300,000 less per year than we would have. That money would have gone a long way toward keeping our buildings maintained. As it is now, we will likely end up paying much more through bonds to correct issues gone too long unattended. One final note of importance is that **line 11 is no longer allowed to be a negative number!** This means that you must adjust numbers elsewhere to ensure this is not negative. Options are: 1) Reduce line 1 (add to other funds to ensure you are still requesting full AVGQ); 2) manipulate miscellaneous revenues; 3) reduce this year's budget to compensate. In any case, be ready and know where you can reduce your budget should this be required by DLGF. You can avoid all of this with a strong operating balance.

Form 3 (Notice to Taxpayers): This is the advertising form. MAKE SURE NUMBERS ARE ACCURATE because once again, you will NOT be able to get more than you ask for!

Form 4 (Ordinance/Resolution): This is the actual budget "approval" form. This is the one that will be uploaded in Gateway with signatures. Remember, you MUST move proposed numbers into the approved column BEFORE your board actually signs this form at your board meeting. It seems counter-intuitive, but it is the only way to populate the form correctly for signatures.

Reports:

Gateway is the reporting portal that you will submit the majority of your reports for both DLGF and SBOA. You will login at https://gateway.ifionline.org/login.aspx

OPEB Report (DLGF): Other Post Employment Benefits. This is in Gateway and required for all libraries even if you don't offer insurance. It is due by Jan 31.

100 R (SBOA): A Gateway Report. Due by January 31. This is a public document so it is important to use the library address for your employees, NOT their home address. More info at https://gateway.ifionline.org/userguides/100Rguide

Annual Report (State Library): Not a Gateway report at this time. This report uses separate software and guidance will come from the State Library. I list it here because it will contain financial information and you will want to make sure numbers match your SBOA financial reports. This report is due by Mar 1st.

Debt Report (DLGF): A Gateway Report. Due March 1st. Once you put in your amortization schedules, this is a very easy report to complete. *Please note that any new bonds/debt you get must be uploaded into Gateway within 30 days of receipt*. *Your financial council (such as Umbaugh) will likely do this for you.*

Annual Financial Report or AFR (SBOA): A Gateway Report. Due March 1st . This is actually much easier than the old methods of reporting and SBOA is working to improve and simplify every year. *Unlike your budget, this report MUST be advertised in your newspapers by March 1st so your* ***due date is actually around mid-February*** *in order to ensure you get it to the papers.*

Monthly and Annual Engagement Uploads: SBOA requires the following to be uploaded monthly (within 45 days of the end of the month you are uploading): • Bank Reconcilements • Approved Board Minutes • Funds Ledger, Detailing Receipts and Disbursements, by Fund. The following needs to be uploaded annually (by March 1st): • Year-End Bank Statements • Year-End Outstanding Check List • Year-End Investment Statements • Detail of receipts and disbursements for the year • Salary Ordinance • Employee Earnings Records • Annual Vendor History Report. The user guide for these uploads can be found at:
https://gateway.ifionline.org/userguides/engagementguide#nav_AnnualUploads

5. Budget Calendar:

- Budget is "calendar" year
- Tax revenues received June & December (in a good year) driving an 18 month budget plan.
- The budget planning process goes from June through October
- The following "dates" are a basic guideline:
    - June: begin estimating needs (more insurance, adding staff, etc.)
    - July: once your June reports are complete and you have the AVGQ, it's time to get busy! Prepare a draft General Fund Form 1 for your board's July meeting using current year numbers for comparison.
    - Late July/early August: you will meet with your DLGF rep and go over budget. Though only minimal information is required for this, I always go in with entire budget complete and just have DLGF confirm numbers and highlight any errors. Take all the required paperwork as well as "Lease Rental Affidavit" if it applies (which you will get from your bond management bank).

- August board meeting: All forms should be complete in Gateway (but not submitted) and your board will approve your budget for publishing (this is your form 3)
- Day after the August board meeting: Submit the Form 3 via Gateway (this serves as your advertising – no longer required to advertise in the papers). Make SURE that the public hearing dates and physical locations are correct and once again, triple check the numbers because DLGF can NOT approve more than you advertise for. The Form 3 must be submitted in Gateway at least 10 calendar days prior to your public hearing.
- September board meeting: you will likely hold your public hearing at your regular board meeting (but no later than Oct 23). Just ensure that you note the time you opened the public hearing and closed it within your minutes. The public hearing must be at least 10 calendar days before the budget adoption.
- Also late Aug/early Sep: Binding reviews if required will happen. Ask your auditor what their dates will be to ensure your calendar is appropriate. Their review must be completed by October 1st. If you have a "binding" review, work with your auditor and DLGF and adjust dates accordingly.
- October board meeting: Board adopts the budget at a regular meeting (But no later than November 1)
- Day after October board meeting: Submit budget to DLGF via Gateway. Don't forget to upload the Form 4 with signatures. The budget MUST be submitted within 2 days of adoption.

6. Cash Flow: (see template attached) This is NOT a mandatory form, just helpful. You will likely be in trouble if you ever spend your entire allocated budget (there are always exceptions, of course). Because of the uncertainty of legislation, AVs, income revenue, etc. your budget should always have wiggle room and a strong operating balance that would ALLOW you to spend all your appropriations in an emergency situation. If you are in a situation where you not only spend all your appropriations, but also go for additional appropriations later in the year, that just costs the taxpayers more advertising money and more of your time. So…this is where the cash flow worksheet comes in. This is what you will actually use to determine what you can and should spend each year and allows you to adjust as actual expenses come in. Things to consider:

- You will start the year with expected revenues and expenses and change those to actual numbers as you close each month.
- Plan to receive 3% less than expected property tax revenues (anything more is a gift!)
- Plan for the circuit breaker credits to reduce your revenues (use DLGF's estimate or the more realistic number you anticipate)
- Worst case plan expenses to equal revenues
- Best case plan expenses to be less than revenues to build up weak operating balances.
- Know which months have higher expenses than others and build these in (example, months with 3 pay periods, months where your building insurance premium is due, etc.) this will help you know how long you can truly go without a tax settlement. For those of you who were around a few years ago when we got just one settlement late in the year, you know how important this is.

- If you see you will be negative in a future month – begin planning how will deal with this. Whether borrowing from other funds, getting a loan, etc. These things take time and you do NOT want to be caught unprepared.

7. Tips & Thoughts:

1. **DLGF encourages libraries to pursue max levy for several reasons**
   a. Laws change (sometimes retroactively as with Capital Projects several years ago!)
   b. Operating balance may be needed to handle disruptions in revenue (COVID-19)
   c. Allows funds to be built for capital expenditures (vs. bonding)
   d. Once behind in ability to generate revenue, always behind
   e. Loans cost taxpayers money that is NOT used for services

2. **Staff are the largest part of library service and the budget should reflect this**
   a. Typically 65%-70% of operating budget, but as the role of the library evolves, staff are becoming ever more critical as interactive service and programs take precedence over circulation and reference. 70%-75% is not unreasonable in light of this, especially if you have more than one location.
   b. Health Care costs etc. is driving personnel costs ever upward
   c. May be cheaper & more cost effective to hire than to contract (ie. Computer tech, janitor) which makes Category 1 (personnel expenses) increase.
   d. More buildings = more staff needed (for those of you with branches)

3. **Technology is critical to library service**
   a. Technology is pervasive in all aspects of our lives
   b. In rural counties especially, patrons look to the library for required technology services such as unemployment, registering vehicles, posting resumes, etc.
   c. Technology is not cheap.
   d. Technology is changing and evolving rapidly and the old rule of thumb to upgrade every 3-5 years is decreasing to 1-3 years depending on the device.
   e. The new makerspace revolution is increasing demand for this type of service.

4. **Operating balance must be strong** (This is especially helpful in keeping the line 11 of Form 4b positive!)
   a. A strong operating balance helps get us through the rough times
   b. I appropriate more than I intend to spend because going for additional appropriations is a headache and much of our budget is guess work since we do it so far in advance (utilities, health care etc.)
   c. When the operating balance reaches 40%-50% of actual annual expenditures and is stable, I recommend transferring surplus funds to the Rainy Day Fund (which may also be appropriated).
   d. By having a strong operating balance these last few years, we were able to ride through some rough times while other libraries struggled with many having to get loans or reduce services.
   e. S & P 500 and other rating agencies look for strong operating balances and fiscal management when awarding ratings. This is important if you ever intend to bond or have current bonds. They love to see tools like the cash flow worksheets because they indicate that the organization truly understands its financial health.

5. Maintenance & future expenses must be planned for

a. It will only become harder to get funds for capital expenses and putting money aside for future expenses should be a priority.
b. Other expenses to be thinking about are mechanical equipment, painting, building renovations/repairs, computers and technology, grounds & landscaping etc.
c. It is a good idea to create a short term/long term maintenance plan that indicates the life of what you currently have and anticipates when those things may need to be replaced.
d. Taking care of your buildings as you go ultimately saves your taxpayers thousands of dollars. Waiting for something to fail limits your ability to shop around for best service and pricing and often results in "emergency" labor costs.

6. Establishing your total budget/fund numbers

a. There is not a lot you can do until the DLGF releases the AVGQ for the year (July 1st).
b. To get the MAX Total Budget possible without a "binding" review: take your Total Budget (all funds allocated) from the previous year and multiply that number by 100% plus the AVGQ. **Example using a 2.6% AVGQ**: Previous year budget (General: $101,032 + Debt: $50,024 + LIRF: $25,000 + Rainy Day: $35,000 = Total Budget from previous year of $211,056) and AVGQ for the year = 2.6% so your new Total Budget figure you want to work with is $211,056 x 102.6% = $216,543.456 I ALWAYS just knock off the "cents" and maybe $1 and would go with $216,542 which is still UNDER the max allowed.
c. It does not matter if you allocate some funds higher than the 2.6% and some lower than the 2.6%. All that matters is your total appropriations add up to the number you just came up with for your total budget. If you need more in the General Fund, just allocate less in Rainy Day. Debt is what it is and there is no room to adjust.

8. Contact information for key agencies:

State Library http://www.in.gov/library/libraries.htm :
Hayley Trefun - Public Library Services Consultant – 317-232-1938, htrefun@library.in.gov
Provides general consultation to library staff and trustees, and specific consultation on library finance, and coordinates the Indiana e-rate program.

DLGF http://www.in.gov/dlgf : The following link is a map showing the districts of the field representatives and has their contact information
https://www.in.gov/dlgf/files/Budget_Field_Reps.pdf
Fred Van Dorp is the Director of the Budget Division and can be contacted for issues you do not feel your field rep can help with. (317) 234-3937 FVandorp@dlgf.in.gov

SBOA http://www.in.gov/sboa/index.htm:
Todd Caldwell and Susan Gordon
(317) 232-2513 libraries@sboa.in.gov

ILF http://ilfonline.org
Lucinda Nord – Executive Director
317-257-2040 x 101 exec@ilfonline.org

And though not an official – me (I am happy to help if I can)
Sandy Petrie: Noble County Public Library - (260) 636-7197 - spetrie@myncpl.us