

BOARD REPORT – Supplemental FY25-26 Budget Summary

May 12 2026

FY2025–26 Supplemental Budget Compared with FY2025–26 Original Budget

Executive Summary

The FY2025–26 supplemental budget increases total budget authority from approximately **\$3,586,088** to **\$3,697,573**, a net increase of about **\$111,485**. The increase is concentrated almost entirely in the **General Fund** and **Sage Library System Fund**, while the **Other Uses Fund** is reduced and the **Capital Investment Reserve Fund** remains unchanged.

The supplemental budget does three main things:

1. Recognizes stronger-than-budgeted General Fund resources, especially beginning working capital and property tax receipts.
2. Reallocates General Fund spending authority from Personnel savings into Materials & Services, especially collections, facilities, technology, vehicles, and other operating categories.
3. Recognizes higher Sage beginning working capital and miscellaneous revenue, with corresponding increases in Sage Materials & Services and ending reserve.

Fund-Level Changes

Fund	FY2025–26 Original	FY2025–26 Supplemental	Change	Main explanation
General Fund	\$2,445,145	\$2,553,872	+\$108,727	Higher working capital and tax revenue; more M&S authority
Other Uses Fund	\$289,000	\$279,000	-\$10,000	Lower working capital and Memorial/Grants activity
Reserve Fund – Capital Investment	\$212,500	\$212,500	\$0	No change
Sage Library System Fund	\$639,443	\$652,200 / \$652,201	+\$12,758	Higher working capital and miscellaneous revenue
Total	\$3,586,088	\$3,697,572–\$3,697,573	about +\$111,484–\$111,485	Primarily General Fund increase

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1. General Fund

General Fund resources increase by \$108,727

The General Fund supplemental budget increases total resources from **\$2,445,145** to **\$2,553,872**, a gain of **\$108,727** over the original FY2025–26 budget. The two main drivers are:

Resource	Original	Supplemental	Change
Net working capital	\$775,000	\$838,754	+\$63,754
Taxes estimated to be received	\$1,500,160	\$1,550,883	+\$50,723
Federal revenue / E-rate	\$16,500	\$10,750	-\$5,750
Other resources	Mostly unchanged	Mostly unchanged	—
Total General Fund resources	\$2,445,145	\$2,553,872	+\$108,727

The General Fund resource trend is favorable. Beginning working capital continues its multi-year rise, from **\$272,341 in FY2019–20** to **\$838,754 in the FY2025–26 supplemental budget**. This reflects the District’s growing cash carryover and reserve position. Current-year tax revenue also outperformed the original budget estimate. The one notable revenue reduction is E-rate, reduced by **\$5,750**, bringing that line closer to actual expected reimbursement.

Personnel Services are reduced by \$21,158

General Fund Personnel Services decrease from **\$1,156,086** in the original budget to **\$1,134,928** in the supplemental budget, a reduction of **\$21,158**. Salaries are reduced by **\$12,291**, and benefits are reduced by **\$8,867**. FTE remains unchanged at **15.8**.

Personnel category	Original	Supplemental	Change
Salaries	\$758,459	\$746,168	-\$12,291
Benefits	\$397,627	\$388,760	-\$8,867
Total Personnel Services	\$1,156,086	\$1,134,928	-\$21,158

The proposed end year adjustments are a better match to projected actual personnel costs, rather than a service reduction. Because FTE remains unchanged, the reduction reflects vacancies, timing, staffing mix, benefit utilization, or other actual payroll experience.

Materials & Services increase by \$131,870

The largest General Fund supplemental change is in Materials & Services, which rises from **\$483,500** to **\$615,370**, an increase of **\$131,870**. This is the main expenditure-side reason for the supplemental budget.

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Major increases include:

Line item	Original	Supplemental	Change
Collection Development	\$128,500	\$186,500	+\$58,000
Computer Maintenance	\$43,000	\$84,600	+\$41,600
Facilities Maintenance	\$60,000	\$77,500	+\$17,500
Bookmobile & Vehicle Operations	\$10,000	\$17,500	+\$7,500
Equipment Maintenance Services / Lease	\$3,000	\$6,500	+\$3,500
Insurance	\$31,450	\$34,000	+\$2,550
Youth Programs	\$14,750	\$17,400	+\$2,650
Dues and Subscriptions	\$4,000	\$6,500	+\$2,500
Public Programs	\$3,500	\$5,000	+\$1,500
Marketing / Publication	\$4,000	\$5,000	+\$1,000
Audit	\$11,000	\$12,000	+\$1,000
Bookkeeping	\$3,000	\$4,000	+\$1,000

Some lines are reduced:

Line item	Original	Supplemental	Change
Library Consortium	\$24,000	\$19,200	-\$4,800
Telecommunications	\$22,150	\$20,220	-\$1,930
Utilities	\$54,750	\$52,950	-\$1,800

The most important development is the large increase to **Collection Development**, which moves the line from **\$128,500** to **\$186,500**. Computer Maintenance and Facilities Maintenance are also major increases, suggesting that the supplemental budget is being used to address technology and facilities needs that exceeded or were not fully known at original budget adoption.

General Fund not-allocated requirements are essentially flat

Not-allocated General Fund requirements decline slightly from **\$785,559** to **\$783,574**, a decrease of **\$1,985**. Transfers remain at **\$115,000**, including the **\$100,000 transfer to the Capital Improvement Fund**. Reserved for future expenditure remains at **\$655,000**. The small reduction comes from operating contingency, which decreases from **\$15,559** to **\$13,574**.

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This is important for the Board: the supplemental budget does **not** reduce the major operating reserve or planned capital transfer. It preserves the District’s reserve strategy while reallocating additional authority to operating needs.

2. Other Uses Fund

The Other Uses Fund decreases from **\$289,000** to **\$279,000**, a net reduction of **\$10,000**. The change is driven by a reduction in working capital from **\$245,000** to **\$235,000**. Other resource lines remain unchanged: interest at **\$12,000**, transfers in at **\$15,000**, grants and loans at **\$10,000**, donations at **\$3,000**, and book sales at **\$4,000**.

On the requirements side, the reduction is concentrated in **Memorial & Grants**, which decreases from **\$141,750** to **\$131,750**. Election reserve, literacy, technology reserve, severance liability contingency, corporate costs, and transfer out remain unchanged.

Takeaway:

This is a modest cleanup adjustment. It lowers budget authority to match expected available working capital and reduces Memorial & Grants authority by the same amount. It does not materially change the purpose or function of the fund.

3. Reserve Fund – Capital Investment

The Capital Investment Reserve Fund remains unchanged at **\$212,500** in both the original and supplemental FY2025–26 budgets. Resources and requirements remain the same: **\$100,000** working capital, **\$7,500** interest, **\$100,000** transferred in, and **\$5,000** in grants and loans, with the full amount budgeted for facilities maintenance and repair.

Takeaway:

No supplemental adjustment is proposed for the Capital Investment Reserve Fund. This keeps the Board’s existing capital reserve strategy intact for FY2025–26.

4. Sage Library System Fund

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The Sage Library System Fund increases from **\$639,443** to **\$652,200**, a net increase of **\$12,758**. The main resource changes are:

Resource	Original	Supplemental	Change
Working capital	\$265,000	\$275,758	+\$10,758
Miscellaneous revenue	\$3,500	\$5,500	+\$2,000
Interest	\$12,000	\$12,000	\$0
Membership dues	\$278,943	\$278,943	\$0
Restricted grants	\$80,000	\$80,000	\$0
Total Sage resources	\$639,443	\$652,200	+\$12,758

The supplemental budget recognizes stronger beginning working capital and slightly higher miscellaneous revenue, while holding membership dues and restricted grants flat.

On the requirements side, the main changes are:

Requirement	Original	Supplemental	Change
Personnel Services	\$148,918	\$149,488	+\$570
Materials & Services	\$238,525	\$248,760	+\$10,235
Capital Outlay	\$15,000	\$15,000	\$0
Operating Contingency	\$30,000	\$30,000	\$0
Unappropriated Ending Fund Balance / reserve about	\$207,000	\$208,953	+\$1,953

Within Sage Materials & Services, the most significant increase is **Technology**, which rises from **\$10,000** to **\$20,000**. Dues and subscriptions also increase from **\$5,000** to **\$6,300**. Contracted system support is slightly reduced, from **\$81,090** to **\$80,100**.

Takeaway:

The Sage supplemental budget is mostly a recognition of additional beginning resources and technology needs. It does not materially alter Sage’s membership dues, restricted grant assumptions, capital outlay, or contingency.

Major Trends and Developments

1. The General Fund is performing better than originally budgeted

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The supplemental budget recognizes higher working capital and higher tax receipts. This continues a positive trend in the District's cash position and supports the ongoing goal of maintaining sufficient reserves to avoid short-term borrowing.

2. The budget shifts authority from personnel savings to operating needs

Personnel Services are reduced by **\$21,158**, while Materials & Services increase by **\$131,870**. This indicates that current-year spending pressure is not primarily from staffing expansion, but from collections, facilities, technology, vehicle operations, insurance, programming, and administrative costs.

3. Collection Development receives the largest single General Fund increase

The **\$58,000** increase to Collection Development is the most significant line-item change in the General Fund. This uses available resources to strengthen collections during the year, after the District confirmed stronger revenue/carryover.

4. Technology and facilities remain major pressure areas

Computer Maintenance increases by **\$41,600**, Facilities Maintenance by **\$17,500**, and Equipment Maintenance by **\$3,500**. Together, these changes show continued demand for technology replacement, repair, systems support, and building maintenance capacity.

5. Reserves are preserved

The supplemental budget leaves the **\$655,000 General Fund reserve for future expenditure** unchanged and retains the **\$100,000 transfer to the Capital Investment Reserve Fund**. This is a favorable sign: the District is absorbing current-year adjustments without reducing its core reserve strategy.

6. Other Uses Fund adjustment is minor and targeted

The **\$10,000** reduction in Other Uses is a straightforward adjustment to working capital and Memorial & Grants authority. It does not indicate a structural concern.

7. Sage remains stable, with technology as the main adjustment

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Sage's increase is modest and mostly tied to beginning working capital, miscellaneous revenue, and technology. Membership dues and restricted grants remain unchanged, and Sage's contingency and capital outlay are preserved.

Final Summary

The FY2025–26 supplemental budget is considered a **positive end-year adjustment**. It recognizes stronger General Fund resources, maintains reserves, and increases spending authority in areas where actual service and infrastructure needs have exceeded the original budget. The most important changes are not new staffing or debt, but reinvestment in collections, technology, facilities, vehicles, and operational support.

The **FY2025–26 supplemental budget** increases total budget authority by approximately **\$111,500**, primarily due to stronger General Fund beginning working capital and property tax receipts, plus higher Sage working capital. The General Fund reallocates personnel savings into Materials & Services, especially Collection Development, Computer Maintenance, Facilities Maintenance, Bookmobile/Vehicle Operations, and other operating needs. The supplemental budget preserves the General Fund operating reserve and the planned \$100,000 transfer to the Capital Investment Reserve. The Other Uses Fund is reduced by \$10,000 to match working capital and Memorial/Grants expectations, while the Capital Investment Reserve Fund remains unchanged. Sage increases modestly for technology and reserve adjustments.