

2023 Budget Estimate Notes

Northeast Kansas Library System

The annual budget requires balancing the cost of providing strong services and grants (our core purpose), the financial resources from the System tax base and other sources, and careful consideration of tax increases. The 2023 official budget is based on the following assumptions:

- (1) NEKLS has a full-time staff of eleven.
- (2) The budget pre-supposes an overall 5% increase in wages for staff and a 5% increase in health insurance, worker's compensation, unemployment insurance costs, and employer KPERS costs. An increase of this nature is necessary for employee recruitment and retention.
- (3) The budget increase in the grants and subsidies line includes an annual increase in the library development grants to qualified public libraries; growth in e-content grants (hoopla); a school grant initiative; an increase in the subsidy for courier services; and a small fund for special projects such as various competitive grants. This increases grants and subsidies to 41% of the estimated budget.
- (4) Overall, the cost of doing business is increasing – e.g. materials, supplies, fuel.
- (5) The estimated assessed value of the taxing district, per June 2022 figures, increased; motor vehicle tax estimates increased slightly.
- (6) The revenue-neutral rate for NEKLS in 2023 is 1.176 mills.
- (7) The Revenue Neutral Rate (RNR) is based on the aggregate budget (total of General and Employee Benefit Funds). The proposed budget – in the aggregate – calls for an ad valorem tax of 1.291 mills, which is 0.115 mills above the RNR.

Note, however, that the 2023 budget proposes an overall decrease in the mill rate from 1.295 mills (in 2022) to 1.291 mills.