



Unit # 158 – 5489 Byrne Road

Burnaby, B.C. V5J 3J1

Phone: 604-437-8441

Fax: 604-437-8410

Email: info@interlinklibraries.ca

Website: www.interlinklibraries.ca

Joining Libraries Together

Bowen Island Public Library

Burnaby Public Library

Coquitlam Public Library

Fraser Valley Regional Library

Gibsons & District Public Library Association

Lillooet Area Library Association

New Westminster Public Library

North Vancouver City Library

North Vancouver District Public Library

Pemberton & District Public Library Association

Port Moody Public Library

Richmond Public Library

Sechelt Public Library Association

Squamish Public Library

Surrey Libraries

Vancouver Public Library

West Vancouver Memorial Library

Whistler Public Library

December 7, 2021

TO: InterLINK Board

Via email

Subject: Provisional 2022 InterLINK Budget

Dear Board member,

Attached please find the provisional 2022 InterLINK budget. At its meeting on Tuesday, November 30, 2021, the InterLINK Board passed the following motion:

“THAT the Board of Directors of Public Library InterLINK adopt “Schedule A” as the Year 2022 Provisional Budget of Public Library InterLINK and authorize its onward transmittal to member library boards for their consideration and comment

and

THAT a final vote on the 2022 InterLINK Budget take place at the first InterLINK Board meeting in 2022.”

InterLINK Board members should request that the provisional budget be placed as an information item on the agenda at the next meeting of their home board. As an information item, and as noted in the above motion, member library boards are asked for comment on the budget. Member library boards are not required to pass a motion to "approve" the budget, however, boards could, for the record, pass a motion to receive the budget as an item for information.

As a reminder, the provisional 2022 InterLINK budget maintains the *total* member levy at the decreased 2021 amount, \$371,325, which is possible only because a transfer of \$65,649 will be made from the Compensation Encumbered Fund (which were held due to the decrease in non-resident borrowing in 2020). The lower total member levy amount is anticipated to return to the "pre-COVID" base rate of \$443,625 over the next few years.

As the levy for individual libraries is based on population, and 2022 is the final year of phased changes to per capita levies and the Vancouver Public Library grant, libraries will see changes to their levies vs 2021. InterLINK Board members may wish to highlight Schedule B, which provides the 2022 member levy and provides a comparison to the 2019-2021 levies. Schedule C, page 2, provides the total 2022 member levy and projected net borrower levy (if applicable). The final non-resident borrowing numbers for 2021 will be provided in the final 2022 InterLINK Budget as noted above.

Please do not hesitate to call if you have any questions,

Sincerely,

A handwritten signature in black ink, appearing to read 'm. burris', with a stylized, cursive script.

Michael Burris

Executive Director



2022

PROVISIONAL BUDGET

November 30, 2021

**2022 Draft Provisional InterLINK Operating Budget
Schedule A**

	2021 Budget			2022 DRAFT BUDGET
REVENUES:	Budgeted	YTD (Sept)	Projected	Budgeted
Provincial Grant	\$ 601,000	\$ 601,000	\$ 601,000	\$ 601,000
Net Borrower Library-Contribution	36,564	36,564	36,564	50,898
Member Levies	371,325	371,325	371,325	371,325
Interest Income	6,000	2,212	4,200	6,000
New to BC	431,000	307,195	456,000	456,000
Admin-New to BC	45,500	24,605	33,000	45,500
Workshops	5,000	16,345	16,345	5,000
Project LLEAD	-	149,281	149,281	-
Consortial Purchasing	40,000	29,560	29,560	20,000
Miscellaneous (COVID wage subsidy)			-	
Transfer from Encumb. Fund - Compensation				65,649
Prior Year Surplus			275,329	
Total Revenues	\$ 1,536,389	\$ 1,538,087	\$ 1,972,604	\$ 1,621,372
EXPENDITURES:				
OFFICE-Audit & Legal	12,000	8	9,000	12,000
OFFICE-Board/Committee Expenses	8,000	2,354	4,000	8,000
OFFICE-Building Maintenance	4,200	1,518	2,500	4,200
OFFICE-Computer Repair & Maintenance	2,500	1,815	2,500	2,500
OFFICE-Equipment	1,500	1,809	1,809	2,500
OFFICE-Expenses-Miscellaneous	500	196	300	500
OFFICE-Insurance	6,000	5,780	5,780	6,000
OFFICE-Photocopier Lease	2,700	1,592	2,700	2,700
OFFICE-Rent	28,000	20,779	27,178	34,100
OFFICE-Utilities	9,000	4,399	7,000	9,500
OFFICE-Postage/Shipping	1,250	1,098	1,350	1,250
OFFICE-Expenses/Supplies	2,000	1,319	1,600	2,000
PROGRAMS-Audiobooks-Acquisitions	100,000	63,036	100,000	100,000
PROGRAMS-Audiobooks-Supplies & storage	3,200	2,189	3,200	3,200
PROGRAMS-Audiobooks-Website	4,200	3,777	4,200	4,200
PROGRAMS-Consortial Purchasing	40,000	29,081	29,560	20,000
PROGRAMS-New to BC - Federal	431,000	369,661	456,000	456,000
PROGRAMS-ILK admin costs for NBC	17,000	10,079	17,000	17,000
PROGRAMS- Project LLEAD	-	15,993	149,281	-
PROGRAMS-Resource Sharing-Courier Charges	50,000	43,505	61,000	65,000
PROGRAMS-Resource Sharing-Del Suppl / storage	7,800	6,300	8,400	8,400
PROGRAMS-Resource Sharing-Hosting	20,000	17,000	20,000	20,000
PROGRAMS-Resource Sharing-UBC ILL Charges	3,500	-	3,000	3,500
PROGRAMS-Resource Sharing-Vehicle Operation	18,000	15,549	20,500	20,000
PROGRAMS-Workshops	55,000	29,214	46,000	55,000
PROGRAMS-YSC	23,000	12,381	22,000	23,000
STAFF- Professional Development	4,000	193	500	2,000
STAFF-Benefits	59,000	43,903	58,500	59,000
STAFF-Salaries & Wages	365,000	286,616	375,000	385,000
Sub-Total Operating Expenses:	1,278,350	991,144	1,439,858	1,326,550
Trfr.Capital Asset Reserve	7,000	7,000	7,000	7,000
Trfr. To Enc. Fund Compensation (fr 2020 surplus)			168,522	
Trfr. Project Reserve (fr 2020 surplus)			106,807	
Trfr.Net Provider Comp.(Operating Bdgt)	146,254	146,254	146,254	203,591
Trfr.Net Provider Comp.(Borr.Library)	36,564	36,564	36,564	50,898
Trfr.Ref Provider Grant (VPL)	66,667	66,667	66,667	33,333
Total Oper. Exp. & Comp.	\$ 1,534,835	\$ 1,247,629	\$ 1,971,672	\$ 1,621,372
Excess (Deficit)	\$ 1,554	\$ 290,458	\$ 932	\$ -

2022 InterLINK Draft Provisional Operating Budget Member Levies Schedule B

NOTE: The 2022 Membership Levies are based upon the latest population figures provided by the Libraries Branch for InterLINK's use

PROPOSED							
Library	Population 2021	Adjusted Population (see note)	2019 InterLINK Member Levies	2020 InterLINK Member Levies	2021 InterLINK Member Levies	2022 InterLINK Member Levies	Variance
BIPL *	3,982	3,650	\$ 603	659	463	473	\$ 10
BPL	257,926	253,007	51,982	54,863	35,523	32,753	\$ (2,770)
CPL	152,791	149,950	33,306	33,020	21,053	19,412	\$ (1,642)
FVRL **	805,364	671,110	83,412	85,904	74,607	86,877	\$ 12,270
GibPL *	12,662	11,608	1,990	2,128	1,497	1,503	\$ 6
LALA *	3,997	3,664	743	709	484	474	\$ (10)
NWPL	82,590	79,737	16,393	16,957	11,195	10,322	\$ (873)
NVCL	59,640	57,969	12,085	12,668	8,139	7,504	\$ (635)
NVDPL	92,016	91,974	19,556	20,531	12,913	11,906	\$ (1,007)
PemPL *	6,543	5,998	1,085	1,050	753	776	\$ 24
PMPL	35,151	35,052	7,507	7,863	4,921	4,538	\$ (384)
RPL	216,046	212,276	48,621	47,759	29,804	27,480	\$ (2,324)
SecPL *	19,045	17,459	2,898	3,167	2,224	2,260	\$ 37
SqPL *	22,341	20,480	3,506	3,696	2,514	2,651	\$ 137
SPL	598,672	584,666	123,442	125,678	82,089	75,687	\$ (6,402)
VPL	699,145	687,732	111,143	114,288	74,847	78,881	\$ 4,035
WVML	47,108	47,192	10,486	10,622	6,626	6,109	\$ (517)
WhPL *	14,482	13,276	1,862	2,061	1,674	1,719	\$ 45
TOTAL	3,129,502	2,946,799	\$ 545,900	\$ 530,620	\$ 371,325	\$ 371,325	\$ 0
COST PER CAPITA:			\$ 0.2081	0.2076	\$ 0.1326	\$ 0.1260	
2021 Adjusted Population			2,946,799				

SUMMARY:

The direct cost per capita is arrived at by dividing the total member levy cost of \$371,325 by the total adjusted population of 2,946,799. The population figures for *designated libraries have been reduced to 91.67% with the exception of **FVRL whose population has been reduced to 83.33%. As approved by the InterLINK Board on 24/09/19, the adjustment to populations will be phased out by 2023

Please note that the extraordinary circumstances caused by COVID affected non-resident borrowing in 2020 & 2021, thus the net lending subsidy was reduced, and levies would temporarily be reduced in this budget proposal.

Public Library InterLINK

2022 Draft Calculations

(using 2021 PLSB pop. numbers & adjusting population for indicated libraries to 91.67 / 83.33%;
2021 Projected Circulation Activity; Membership Levy based on Data and Budget inputs for 2022)
(using \$0.50 per Net Loan)

Schedule C - p. 1

Library	Population 2021	Adjusted pop. 2021 (see below)	Items Lent 2021 PROJECTED	Items Borrowed 2021 PROJECTED	Net Activity 2021 PROJECTED	Net Lender Income \$0.50/net item PROJECTED (0.40/item fr. subsidy)	Net Borrower Levy at \$0.10 per net item PROJECTED
BIPL *	3,982	3,650	647	12,190	(11,542)		\$1,154
BPL	257,926	253,007	480,470	229,721	250,750	\$125,375	
CPL	152,791	149,950	159,119	296,318	(137,199)		\$13,720
FVRL **	805,364	671,110	202,046	351,344	(149,297)		\$14,930
GibPL *	12,662	11,608	8,177	13,149	(4,973)		\$497
LALA *	3,997	3,664	71	151	(80)		\$8
NWPL	82,590	79,737	66,385	126,482	(60,097)		\$6,010
NVCL	59,640	57,969	85,341	193,031	(107,690)		\$10,769
NVDPL	92,016	91,974	183,134	150,103	33,030	\$16,515	
PemPL *	6,543	5,998	1,060	3,373	(2,313)		\$231
PMPL	35,151	35,052	168,650	84,271	84,379	\$42,189	
RPL	216,046	212,276	97,154	93,800	3,354	\$1,677	
SecPL *	19,045	17,459	11,507	10,327	1,180	\$590	
SqPL *	22,341	20,480	3,790	8,111	(4,321)		\$432
SL	598,672	584,666	168,420	199,886	(31,466)		\$3,147
VPL	699,145	687,732	374,131	333,764	40,367	\$20,184	
WVML	47,108	47,192	131,260	42,708	88,551	\$44,276	
WPL *	14,482	13,276	13,471	6,104	7,367	\$3,684	
TOTALS:	3,129,502	2,946,799	2,154,833	2,154,833	0	\$ 254,489	\$ 50,898

For transition, in 2022:

(rounded)

* population adjusted to 91.67% for Bowen Island, Gibsons,
Lillooet, Pemberton, Sechelt, Squamish & Whistler

** population for FVRL is adjusted at 83.33%

Only net
borrowers pay
this levy

**Public Library InterLINK
Compensation Model - 2022
Schedule C - p. 2**

2022 PROPOSED MEMBER LEVIES							
Based on 2021 population							
Library	Memb. Levy by Adjusted Pop. on InterLINK Reference Grant to VPL 2022	Member Levy (excluding ILINK Ref. Grant to VPL) 2022	Total 2021 Member Levy 2022	PROJECTED Net Borrower Levy at \$0.10 per net item (rounded)	Total 2021 Member Levy + PROJ. Net Borrower Levy	2021 Member Levy & Actual '20 Net Borrower Levy paid in 2021	Variance betw. 2022 Memb. Levy + Proj. Net Borr. Levy and 2021 Memb. Levy + Actual Net Borr. Levy
BIPL *	\$ 54	\$ 419	\$473	\$ 1,154	\$ 1,627	\$1,164	\$ 463
BPL	\$ 3,733	29,019	\$32,753		\$ 32,753	\$35,523	(2,770)
CPL	\$ 2,213	17,199	\$19,412	13,720	\$ 33,131	\$31,627	1,505
FVRL **	\$ 9,902	76,975	\$86,877	14,930	\$ 101,807	\$79,359	22,448
GibPL *	\$ 171	1,331	\$1,503	497	\$ 2,000	\$1,732	268
LALA *	\$ 54	420	\$474	8	\$ 482	\$494	(12)
NWPL	\$ 1,177	9,146	\$10,322	6,010	\$ 16,332	\$14,422	1,910
NVCL	\$ 855	6,649	\$7,504	10,769	\$ 18,273	\$15,452	2,822
NVDPL	\$ 1,357	10,549	\$11,906		\$ 11,906	\$12,913	(1,007)
PemPL *	\$ 88	688	\$776	231	\$ 1,008	\$988	20
PMPL	\$ 517	4,020	\$4,538		\$ 4,538	\$4,921	(384)
RPL	\$ 3,132	24,348	\$27,480		\$ 27,480	\$29,804	(2,324)
SecPL *	\$ 258	2,002	\$2,260		\$ 2,260	\$2,288	(28)
SqPL *	\$ 302	2,349	\$2,651	432	\$ 3,083	\$2,698	385
SL	\$ 8,627	67,060	\$75,687	3,147	\$ 78,834	\$89,537	(10,704)
VPL		78,881	\$78,881		\$ 78,881	\$76,666	2,215
WVML	\$ 696	5,413	\$6,109		\$ 6,109	\$6,626	(517)
WPL *	\$ 196	1,523	\$1,719		\$ 1,719	\$1,674	45
TOTALS:	\$ 33,333	\$ 337,992	\$ 371,325	\$ 50,898	\$ 422,223	\$ 407,889	14,334

Step 3 of changes

InterLINK 2022 Budget FAQs

What is the net borrower library contribution?

InterLINK facilitates “non-resident borrowing”, which refers to the ability for anyone living in the InterLINK service area to borrow materials from libraries outside their “home” community. Each time a member library loans an item to a non-resident, they are paid \$0.50 compensation for that loan. Of that 50 cents, 40 cents come from the InterLINK budget and 10 cents is contributed by the borrowing library. Final net borrowing calculations are done after the year end.

Why has the net borrower library contribution amount increased?

Compensation for non-resident lending is budgeted in the year after the circulation activity occurs. That is, circulation activity in 2021 is built into the 2022 budget. 2020 was an extraordinary year due to library closures and the resulting reduction in net borrowing. 2021 is not projected to return to "normal" levels, but has increased over 2020.

Why are member levies staying the same?

40% of member levies fund the 40 cents paid in compensation to non-resident borrowing. Last year there was a surplus due to the reduction in 2020 non-resident borrowing, and these funds went into an encumbered fund for compensation. The InterLINK Board has voted to transfer some of the surplus funds to maintain the lower member levy rate for 2022, in order to provide member libraries with stability in 2022. Member levies are based on population, so the exact levy amount per library will change from 2021.

Will member levies return to previous levels?

It is anticipated that over time, non-resident borrowing activity will return to pre-2020 levels. It is key that member library boards understand that 2020 and 2021 are anomalies. InterLINK is projecting an increase to non-resident borrowing in 2021 vs 2020, but it has not yet returned to "normal" levels.

Why is the NewToBC amount so much higher?

2022 NewToBC funding is based on the 2021-2025 contribution agreement negotiated with the federal government. The important thing to note for budget purposes is that while this amount may fluctuate from the budgeted amount, the revenue is completely offset by expenses.

What does Schedule B show?

Schedule B provides the member levy, based on population, that each member library pays. The schedule provides a comparison of the member levy from 2019 to 2022. The 2022 total levy of \$371,325 is reflected as revenue on the draft operation budget (Schedule A).

What does Schedule C show?

Schedule C, page 1 provides the projected circulation activity for 2022 and the related compensation for non-resident borrowing. Net lender libraries derive revenue from the compensation model while net borrowing libraries pay into the compensation fund. Schedule C, page 2 combines the member levy and net borrowing (where applicable) to provide a total for each member library. The variance between 2022 and 2021 is also provided.