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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

November 25, 2020

TO: InterLINK Board

Via email

Subject: Provisional 2021 InterLINK Budget

Dear Board member,

Attached please find the provisional 2021 InterLINK budget. At its meeting on Tuesday, November 24, 2020, the InterLINK Board passed the following motion:

THAT the Board of Directors of Public Library InterLINK adopt “Schedule A” as the Year 2021 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 2021 InterLINK Budget take place at the first InterLINK Board meeting in 2021.

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 2021 InterLINK budget decreases the *total* member levy by 31.7% which is mainly due to the significant actual and projected decrease in non-resident borrowing in 2020.

InterLINK Board members may wish to highlight Schedule B, which provides the 2021 member levy and provides a comparison to the 2018-2020 levies. Schedule C, page 2, provides the total 2021 member levy and projected net borrower levy (if applicable). The final non-resident borrowing numbers for 2020 will be provided in the final 2021 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



2021

PROVISIONAL BUDGET

November 24, 2020

**2021 InterLINK Provisional Operating Budget
Schedule A**

	2020 Budget			2021 DRAFT BUDGET
	Budgeted	YTD (Sept)	Projected	Budgeted
REVENUES:				
Provincial Grant	\$ 601,000	\$ 601,000	\$ 601,000	\$ 601,000
Net Borrower Library-Contribution	78,694	78,694	78,694	36,951
Member Levies	543,625	543,625	543,625	371,325
Interest Income	10,000	5,801	9,000	6,000
New to BC	300,000	383,967	450,000	431,000
Admin-New to BC	31,800	14,004	47,500	45,500
Workshops	15,000	26,780	26,800	5,000
Project LLEAD	-	27,185	27,185	-
Consortial Purchasing	55,000	42,658	44,287	40,000
Miscellaneous (COVID wage subsidy)	-	5,789	5,789	
Transfer from Reserve				
Prior Year Surplus				
Total Revenues	\$ 1,635,119	\$ 1,729,503	\$ 1,833,880	\$ 1,536,776
EXPENDITURES:				
OFFICE-Accounting	500	-	0	-
OFFICE-Audit & Legal	10,000	(300)	10,000	12,000
OFFICE-Board/Committee Expenses	13,000	2,283	2,500	8,000
OFFICE-Building Maintenance	4,200	1,330	1,800	4,200
OFFICE-Computer Repair & Maintenance	1,500	1,687	2,200	2,500
OFFICE-Consulting Fees	5,000	-		-
OFFICE-Equipment	1,500	2,225	4,000	1,500
OFFICE-Expenses-Miscellaneous	1,000	168	200	500
OFFICE-Insurance	5,100	3,151	5,400	6,000
OFFICE-Photocopier Lease	2,650	1,950	2,600	2,700
OFFICE-Rent	27,500	20,413	27,500	28,000
OFFICE-Utilities	9,000	4,637	8,000	9,000
OFFICE-Postage/Shipping	1,250	808	1,100	1,250
OFFICE-Expenses/Supplies	1,850	1,135	1,650	2,000
PROGRAMS-Audiobooks-Acquisitions	100,000	49,063	95,000	100,000
PROGRAMS-Audiobooks-Supplies & storage	2,800	1,554	2,400	3,200
PROGRAMS-Audiobooks-Website	3,700	3,462	3,462	4,200
PROGRAMS-Consortial Purchasing	55,000	44,287	44,287	40,000
PROGRAMS-New to BC - Federal	300,000	296,652	450,000	431,000
PROGRAMS-ILK admin costs for NBC	8,800	9,399	18,000	17,000
PROGRAMS- Project LLEAD	-	12,376	27,185	-
PROGRAMS-PNE	4,000	-	-	
PROGRAMS-Resource Sharing-Courier Charges	49,000	20,552	35,000	50,000
PROGRAMs-Resource Sharing-Del Suppl / storage	3,600	2,862	3,800	7,800
PROGRAMS-Resource Sharing-Hosting	20,000	-	20,000	20,000
PROGRAMs-Resource Sharing-UBC ILL Charges	3,500	-	3,000	3,500
PROGRAMs-Resource Sharing-Vehicle Operation	15,000	8,017	13,000	18,000
PROGRAM-Strategic Plan	-			-
PROGRAMS-Workshops	30,000	31,527	31,527	55,000
PROGRAMS-YSC	23,000	325	23,000	23,000
STAFF- Professional Development	6,000	1,771	2,000	4,000
STAFF-Benefits	57,000	38,983	55,000	59,000
STAFF-Salaries & Wages	365,000	247,570	360,000	365,000
Sub-Total Operating Expenses:	1,130,450	807,887	1,253,611	1,278,350
Trfr.Capital Asset Reserve	7,000		7,000	7,000
Trfr.Net Provider Comp.(Operating Bdgt)	314,776	314,776	314,776	147,806
Trfr.Net Provider Comp.(Borr.Library)	78,694	78,694	78,694	36,951
Trfr.Ref Provider Grant (VPL)	100,000	100,000	100,000	66,667
Total Oper. Exp. & Comp.	\$ 1,630,920	\$ 1,301,357	\$ 1,754,081	\$ 1,536,774
Excess (Deficit)	\$ 4,199	\$ 428,146	\$ 79,799	\$ 2

2021 InterLINK Provisional Operating Budget

Member Levies

Schedule B - p. 1

NOTE: The 2021 Membership Levies are based upon the latest population figures provided by the Libraries Branch for InterLINK's use

Library	Population 2020	Adjusted Population (see note)	2018 InterLINK Member Levies	2019 InterLINK Member Levies	2020 InterLINK Member Levies	2021 InterLINK Member Levies	Variance
BIPL *	3,957	3,297	\$ 660	603	659	463	\$ (196)
BPL	253,007	253,007	55,628	51,982	54,863	35,523	\$ (19,340)
CPL	149,950	149,950	33,302	33,306	33,020	21,053	\$ (11,967)
FVRL **	797,063	531,378	86,350	83,412	85,904	74,607	\$ (11,297)
GibPL *	12,791	10,659	2,155	1,990	2,128	1,497	\$ (632)
LALA *	4,136	3,447	719	743	709	484	\$ (225)
NWPL	79,737	79,737	16,968	16,393	16,957	11,195	\$ (5,762)
NVCL	57,969	57,969	12,780	12,085	12,668	8,139	\$ (4,529)
NVDPL	91,974	91,974	21,011	19,556	20,531	12,913	\$ (7,618)
PemPL *	6,432	5,360	1,038	1,085	1,050	753	\$ (298)
PMPL	35,052	35,052	8,019	7,507	7,863	4,921	\$ (2,942)
RPL	212,276	212,276	47,396	48,621	47,759	29,804	\$ (17,955)
SecPL *	19,004	15,837	3,217	2,898	3,167	2,224	\$ (944)
SqPL *	21,485	17,904	3,676	3,506	3,696	2,514	\$ (1,182)
SPL	584,666	584,666	123,804	123,442	125,678	82,089	\$ (43,590)
VPL	687,732	687,732	116,112	111,143	114,288	74,847	\$ (39,441)
WVML	47,192	47,192	10,852	10,486	10,622	6,626	\$ (3,996)
WhPL *	14,304	11,920	2,214	1,862	2,061	1,674	\$ (388)
TOTAL	3,078,727	2,799,357	\$ 545,900	\$ 530,620	\$ 543,625	\$ 371,325	\$ (172,300)
COST PER CAPITA:			\$ 0.2245	0.2081	\$ 0.2076	\$ 0.1326	
2020 Adjusted Population			2,799,357				

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 2,799,357. The population figures for *designated libraries have been reduced to 83.33% with the exception of **FVRL whose population has been reduced to 66.67%. 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, thus 2021 net lending subsidy is reduced, and levies may temporarily be reduced in this budget proposal.

Public Library InterLINK

Circulation Comparisons

Schedule B p 2

Actuals for 2016 - 2019; projected for 2020
for the 12 month period of January - December (2020 Actual Jan - Sept, proj. Oct - Dec)

Library	2016			2017			2018			2019			2020		
	Total Circ	Total Non-Res. Circ.	Net Activity	Total Circ	Total Non-Res. Circ.	Net Activity	Total Circ	Total Non-Res. Circ.	Net Activity	Total Circ	Total Non-Res. Circ.	Net Activity	Total Circ	Total Non-Res. Circ.	Net Activity
BIPL	36,059	749	(13,281)	33,344	527	(12,871)	36,192	993	(12,295)	37,109	963	(12,709)	19,402	390	(6,863)
BPL	3,117,875	714,865	319,573	2,999,529	686,129	314,395	3,012,682	685,376	334,962	2,925,037	666,409	336,753	1,262,135	321,849	189,209
CPL	1,068,866	184,447	(300,745)	1,057,007	186,767	(262,280)	1,070,236	211,911	(232,784)	1,089,667	211,329	(224,852)	602,843	112,085	(110,349)
FVRL	6,195,357	344,118	(180,624)	5,696,879	301,434	(211,286)	5,523,675	282,826	(253,835)	5,299,719	280,722	(234,662)	2,662,303	152,650	(45,971)
GibPL	136,928	12,051	(17,135)	138,707	10,985	(14,998)	145,291	13,096	(10,995)	144,557	12,481	(9,015)	84,310	7,871	(1,010)
LALA	29,236	312	(477)	28,515	102	(475)	24,490	51	(458)	26,580	142	(306)	20,017	47	(108)
NWPL	794,626	134,780	(38,081)	774,413	124,915	(46,743)	525,997	101,617	(84,085)	634,750	78,127	(104,887)	382,632	38,970	(39,566)
NVCL	683,198	159,030	(117,081)	642,141	137,823	(112,690)	601,574	126,687	(120,673)	601,322	110,780	(135,109)	448,650	63,219	(70,318)
NVDPL	1,393,947	252,540	25,846	1,313,988	230,228	27,804	1,295,666	223,357	32,621	1,265,455	213,100	33,462	642,018	108,718	16,115
PemPL	79,496	2,392	(7,232)	80,739	1,747	(8,479)	79,801	1,721	(8,756)	82,777	2,334	(6,177)	35,926	901	(2,764)
PMPL	584,259	234,980	126,755	538,993	218,002	107,138	582,197	224,603	112,692	566,390	226,193	119,629	299,005	139,184	76,253
RPL	2,801,246	289,104	130,266	2,614,148	249,786	95,951	2,685,122	221,648	57,997	2,625,865	203,321	46,825	1,533,824	80,667	10,519
SecPL	168,609	25,146	8,355	155,542	23,000	7,619	156,127	18,872	2,914	155,121	17,517	1,154	74,199	7,203	(1,029)
SqPL	194,869	2,873	(8,799)	182,143	4,345	(6,342)	176,422	5,200	(4,968)	172,924	5,380	(3,099)	76,059	2,817	(1,843)
SPL	3,360,118	271,372	(122,872)	3,149,098	273,114	(86,138)	3,128,310	290,554	(54,153)	2,991,027	279,370	(56,124)	1,048,368	97,790	(76,234)
VPL	7,876,194	716,471	81,590	7,540,600	680,095	103,279	7,438,297	686,536	138,156	7,175,492	663,944	137,964	2,735,949	232,302	(13,459)
WVML	818,413	163,120	95,421	763,601	149,050	88,518	724,568	147,711	86,122	732,691	156,732	97,142	451,980	98,744	73,136
WhPL	223,510	25,783	18,521	189,298	24,074	17,598	176,299	24,747	17,538	159,921	21,427	14,011	73,130	8,436	4,282
TOTALS	29,562,806	3,534,133	-	27,898,685	3,302,123	-	27,382,946	3,267,506	-	26,686,404	3,150,271	-	12,452,751	1,473,843	-

Public Library InterLINK 2021 Calculations

(using 2020 PLSB pop. numbers & adjusting population for indicated libraries to 83.33%/66.67%;
2020 Projected Circulation Activity; Membership Levy based on Data and Budget inputs for 2021)
(using \$0.50 per Net Loan)

Schedule C - p. 1

Library	Population 2020	Adjusted pop. 2020 (Lib. w/ pop.under 20K @ 83.33% FVRL @ 66.67%)	Items Lent 2020 PROJECTED	Items Borrowed 2020 PROJECTED	Net Activity 2020 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 *	3,957	3,297	390	7,253	(6,863)		\$686
BPL	253,007	253,007	321,849	132,640	189,209	\$94,605	
CPL	149,950	149,950	112,085	222,434	(110,349)		\$11,035
FVRL **	797,063	531,378	152,650	198,621	(45,971)		\$4,597
GibPL *	12,791	10,659	7,871	8,881	(1,010)		\$101
LALA *	4,136	3,447	47	155	(108)		\$11
NWPL	79,737	79,737	38,970	78,536	(39,566)		\$3,957
NVCL	57,969	57,969	63,219	133,537	(70,318)		\$7,032
NVDPL	91,974	91,974	108,718	92,603	16,115	\$8,058	
PemPL *	6,432	5,360	901	3,665	(2,764)		\$276
PMPL	35,052	35,052	139,184	62,931	76,253	\$38,127	
RPL	212,276	212,276	80,667	70,148	10,519	\$5,260	
SecPL *	19,004	15,837	7,203	8,232	(1,029)		\$103
SqPL *	21,485	17,904	2,817	4,660	(1,843)		\$184
SL	584,666	584,666	97,790	174,024	(76,234)		\$7,623
VPL	687,732	687,732	232,302	245,761	(13,459)		\$1,346
WVML	47,192	47,192	98,744	25,608	73,136	\$36,568	
WPL *	14,304	11,920	8,436	4,154	4,282	\$2,141	
TOTALS:	3,078,727	2,799,357				\$ 184,759	\$ 36,951

For transition, in 2021:

(rounded)

* population adjusted to 83.33% for Bowen Island, Gibsons,
Lillooet, Pemberton, Sechelt, Squamish & Whistler

** population for FVRL is adjusted at 66.67%

Only net
borrowers pay
this levy

**Public Library InterLINK
Compensation Model - 2021
Schedule C - p. 2**

<u>2021 MEMBER LEVIES - proposed</u> <u>Estimate based on 2020 population</u>							
Library	Memb. Levy by Adjusted Pop. on \$100K ILINK Reference Grant to VPL	Member Levy (less \$100K ILINK Ref. Grant to VPL)	Total 2021 Member Levy	Projected Net Borrower Levy at \$0.10 per net item (estimated)	Total 2021 Member Levy + Projected Net Borrower Levy	2020 Member Levy & Actual '19 Net Borrower Levy paid in 2020	Variance betw. 2021 Memb. Levy + Proj. Net Borr. Levy & and 2020 Memb. Levy + Actual Net Borr. Levy
	2021	2021	2021				
BIPL *	\$ 104	\$ 359	\$463	\$ 686	\$ 1,149	\$1,929	\$ (781)
BPL	\$ 7,988	27,535	\$35,523		\$ 35,523	\$54,863	(19,340)
CPL	\$ 4,734	16,319	\$21,053	11,035	\$ 32,088	\$55,506	(23,417)
FVRL **	\$ 16,776	57,831	\$74,607	4,597	\$ 79,204	\$109,370	(30,166)
GibPL *	\$ 337	1,160	\$1,497	101	\$ 1,598	\$3,030	(1,432)
LALA *	\$ 109	375	\$484	11	\$ 495	\$740	(245)
NWPL	\$ 2,517	8,678	\$11,195	3,957	\$ 15,152	\$27,446	(12,294)
NVCL	\$ 1,830	6,309	\$8,139	7,032	\$ 15,171	\$26,179	(11,008)
NVDPL	\$ 2,904	10,010	\$12,913		\$ 12,913	\$20,531	(7,618)
PemPL *	\$ 169	583	\$753	276	\$ 1,029	\$1,668	(639)
PMPL	\$ 1,107	3,815	\$4,921		\$ 4,921	\$7,863	(2,942)
RPL	\$ 6,702	23,102	\$29,804		\$ 29,804	\$47,759	(17,955)
SecPL *	\$ 500	1,724	\$2,224	103	\$ 2,327	\$3,167	(841)
SqPL *	\$ 565	1,949	\$2,514	184	\$ 2,698	\$4,006	(1,308)
SL	\$ 18,459	63,630	\$82,089	7,623	\$ 89,712	\$131,291	(41,579)
VPL		74,847	\$74,847	1,346	\$ 76,193	\$114,288	(38,095)
WVML	\$ 1,490	5,136	\$6,626		\$ 6,626	\$10,622	(3,996)
WPL *	\$ 376	1,297	\$1,674		\$ 1,674	\$2,061	(388)
TOTALS:	\$ 66,667	\$ 304,658	\$ 371,325	\$ 36,951	\$ 408,276	\$ 622,319	(214,043)

Step 1 of changes

InterLINK 2021 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 dropped?

Compensation for non-resident lending is budgeted in the year after the circulation activity occurs. That is, circulation activity in 2020 is built into the 2021 budget. Primarily as a result of the COVID-19 pandemic, projected 2020 non-resident borrowing for 2020 is 47% of the 2019 total, resulting in a decrease in the amount net borrowing libraries pay as their portion of the total compensation. The final amount will be known in January 2021.

Why have member levies dropped?

40% of member levies fund the 40 cents paid in compensation to non-resident borrowing. The drop in member levies is primarily due to the drop in 2020 non-resident borrowing. Member levies are based on population.

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 was an anomaly.

Why is the NewToBC amount so much higher?

2021 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.

Why have the amounts for Board and Committee expenses and Workshops changed so dramatically?

The amount for board and committees reflects the plan to hold fewer in-person meetings and events but more committee activities than in 2020, while we anticipate additional support for member library staff development.

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 2018 to 2021. The schedule details the drop (variance) in levies in 2021. The 2021 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 2021 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 2021 and 2020 is also provided.