

New Madbury Public Library Building Funding Facts

Two warrant articles pertaining to the Library Building Project will be presented at **Town Meeting on Tuesday, March 14th at 7:00 p.m.** Residents must be present at the meeting to vote on these articles. Both articles are recommended by the Selectmen. A majority vote is required for each.

Article 15 proposes adding \$60,000 to the existing Library Building Capital Reserve Fund established in Article 9 at the 2002 Town Meeting. This article continues a pattern of capital reserve contributions that have received voter support every year since the fund was established. This amount will be raised by taxation.

Article 16 proposes adding the sum of \$130,000 to the existing Library Building Capital Reserve Fund. This sum is to come from the December 31, 2016 fund balance available for transfer. **This amount will come from existing funds therefore does not require additional taxation.** This appropriation will speed the accumulation of capital reserve funds toward a completion of the Town's commitment by 2018.

HOW MUCH WILL THE NEW BUILDING COST?

Detailed Design Development plans are complete and the preliminary cost estimate is **\$1,300,000**. The Library Building Steering Committee continues to work with the architects to refine the plans and reduce the cost. Complete plans are on display at the Library and at Town Hall. Supporting documents are also available for review at the Library.

HOW WILL IT BE PAID FOR?

Funding will be a public-private partnership.

PUBLIC FUNDING:

Selectmen have proposed the town's contribution to include the town owned building site and \$750,000 which includes:

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| • funds voted to Library Capital Reserve at prior Town Meetings | 365,000 |
| • proposed 2017 contribution from taxes | 60,000 |
| • proposed 2017 contribution from fund balance | 130,000 |
| • proposed 2018 contribution from taxes | 60,000 |
| • proposed 2018 contribution (from fund balance if available; from taxes if not), approximately | 135,000 |

Proposed contributions require voter approval in 2017 and 2018. **There will not be a bond for the project.**

PRIVATE FUNDING:

The Capital Campaign Committee, comprised of Friends of Madbury Library and Library Trustees, has raised \$136,161 in the early stages of the campaign.

- Pledges received to date \$67, 500
- Contributions received to date \$68,661
- Projected additional Funds to be raised \$400,000
- Grant applications have been made to 7 foundations and 10 corporations

HOW MUCH WILL THE NEW BUILDING OPERATION AFFECT MY TAX BILL?

Proposed Library Operating Budget for 2017	\$59,859
Projected increase in Library operation budget for new building	\$4,500 in electricity, etc.
Additional Town Building general maintenance	\$4,500 for mowing, snow removal
Total projected Library Operating Budget for new building:	\$68,859

This represents 5.07% of the town operating budget. It will result in an approximate increase of .04 cents on the tax rate. A property with an assessed valuation of \$100,000 will see a \$4.00 increase on their annual tax bill due to increased operating costs for a new library building. Currently, a property with an assessed valuation of \$100,000 contributes \$28.00 per year in taxes for the library.

The library anticipates future requests for funds to provide additional furnishings and equipment for the library, perhaps \$65,000 total in one or two subsequent years.

WHAT IS THE FUND BALANCE THAT IS BEING REFERRED TO?

Most simply Fund Balance is the difference between assets and liabilities. The Town works to maintain an undesignated fund balance at a level adequate for the cashflow requirements of the Town that additionally falls in the range of guidelines recommended by NH Department of Revenue Administration and the Government Finance Officers Association. Fund Balance is increased when the Town receives unanticipated revenues or when the town operations do not require the entire amount of the operational budget approved at Town meeting. Excess amounts closed to Fund Balance at the end of one year are typically used to offset taxes in the following year.

WILL MORE STAFF NEED TO BE HIRED?

The new building is designed with an open floor plan allowing operation with minimal staff. We do not anticipate a need to increase staff. In the future, if there is public interest for the Library to be open more hours, we will explore adjusting staff hours.

WHAT WILL HAPPEN TO THE EXISTING LIBRARY BUILDING?

The high volume well on the library site was a major consideration in the original acquisition of the property by the Town. That well provides irrigation for the ball fields across the street, the current library and probably the new library when built. A library move does not alter that essential function. The Selectmen are exploring ideas for new use for the building.