

DPLS Library Annex & Renovation

Current project estimates, operating projections, and levy questions

\$8.3M estimated project cost	\$2.5M fundraising goal	\$528,255 projected annual operations
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Current estimated cost of the annex and renovation project

\$8.3 million, with a \$2.5 million fundraising goal.

How much money has been raised from private donors?

DPLS has not yet commenced its public fundraising campaign. There is currently \$38K in a fund at the Defiance Area Foundation dedicated specifically to the annex project. DPLS has hired a fundraising consultant and plans to launch its formal campaign in the coming months.

How much will the library borrow at what interest rate?

The amount borrowed will depend on the amount secured through fundraising. The interest rate will be determined at the time of the bond sale to investors. For financial projections, DPLS has used an assumed interest rate of 6%.

What will the new annex cost to operate every year after it is built?

Current projections estimate this at \$528,255, including salaries and benefits, supplies, purchased and contractual services, library materials and information, and capital outlay.

How many additional employees will be needed, and what will salaries and benefits cost?

By the fifth year of annex operations, current projections call for seven part-time positions: one Children's Services Associate (30 hours/week), one Circulation Associate (30 hours/week), two Circulation Assistants (20 hours/week each), one MakerSpace Associate (30 hours/week), one MakerSpace Assistant (20 hours/week), and one Maintenance Handyperson (20 hours/week). This does not represent initial, first-year staffing. Year-five salaries are estimated at \$150,000, with approximately \$30,000 in benefits.

Operating details and debt questions

Figures and descriptions below reflect current available projections

What will utilities, maintenance, insurance, tech, and cleaning cost?

Current available financial projections for these services annually are: utilities (\$35,000); maintenance services, printing services, and copier contracts (\$26,250); insurance (\$4,600); computer IT and software (\$62,500); cleaning services (\$34,600).

What makes up the additional 0.9 mills?

Approximately half of the 0.9-mill increase (0.45 mills) is projected to support costs associated with construction-loan debt for the annex and Carnegie renovations, with approximately 0.45 mills supporting ongoing operating costs.

If part of the financial need is related to construction debt, what happens when the debt is paid down or paid off? Does the amount collected automatically decrease or does the 1.65-mill levy remain authorized for the entire 35 years?

If, for example, the debt were paid off in 20 years, the portion of the levy authorized for debt charges would no longer be needed after the debt was retired, and the millage would be adjusted accordingly.

ANNEX ESTIMATED OPERATIONS BUDGET SUMMARY

