

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

VOTE

IN CITY COUNCIL

ORDER,

To transfer funds from the City Manager's contingency budget to the Pollard Memorial Library's FY2022 operating budget, more fully described in "Attachment A".

ORDERED,

By the City Council of the City of Lowell, as follows:

That the amount of Sixty-Five Thousand Two Hundred Forty-Five and 00/100 (\$65,245.00) Dollars be transferred:

FROM: Manager's Contingency account, as more fully described in "Attachment A"

TO: Library's S&W Perm, Professional Services and Equipment Leasing, as more fully described in "Attachment A"

ORDER RECOMMENDED AND INTRODUCED BY:



Eileen M. Donoghue, City Manager




Conor Baldwin
Chief Financial Officer

Allison Chambers
Deputy CFO

MEMORANDUM

TO: Eileen M. Donoghue, City Manager

FROM: Conor Baldwin, Chief Financial Officer 

CC: Victoria Woodley, Library Director

DATE: September 20, 2021

SUBJECT: Contingency Transfer & Supplemental Appropriation – FY2021 Library Funding

As a public library, each year the Pollard Memorial Library (PML) applies to receive State Aid from the Massachusetts Libraries Board of Library Commissioners (MBLC) to support its mission. A municipality and its library must be certified by the MBLC as meeting statutory and regulatory requirements to receive State Aid to Public Libraries funding, this includes but is not limited to, meeting the Minimal Appropriation Requirement (MAR).

Massachusetts General Law (M.G.L., c.78, s.19A) states that a municipality must appropriate a figure of at least the average of the last 3 years' municipal appropriations to the library for operations, increased by 2.5%, in order to be certified for State Aid to Public Libraries. A municipality must meet the MAR or apply for and receive a waiver of the MAR in order to be eligible to be certified for State Aid to Public Libraries by the MBLC. A municipality, in times of hardship, can apply for a waiver for no more than three consecutive years or otherwise the facility may risk losing annual funding and face other repercussions, such as decertification.

During the FY2022 budget process, every city department was asked to level fund their departmental budgets to their FY2021 appropriated amounts. To balance the budget, the finance team further cut departmental budgets in order to finalize the budget. As a result of the aforementioned, the Library's budget was cut less than most other departments, but a total that would miss meeting the MAR by \$65,245. The strategy was to apply for a waiver this fiscal year and to bring funding up to the MAR in the subsequent year.

However, the PML's Board of Trustees ("BOT") presented further analysis of the Library's funding and strongly advocated for the additional funding to meet the MAR in FY22. On September 14, 2021 the BOT went in front of the finance subcommittee to promote the need for the funding. The outcome of the meeting was a motion to provide the funding to meet the MAR. The plan is to transfer money from the City Manager's contingency budget into the PML operating budget to keep the library in compliance with the MAR and without having to apply for a waiver. This funding is an existing appropriation and will have no impact on taxes.



Conor Baldwin
 Chief Financial Officer

Allison Chambers
 Deputy CFO

I have asked the law department to prepare the necessary votes. Below is a summary of the impacted budget accounts. Please let me know if there are any questions.

Account Name	Original Budget	Previous Transfers	Revised Budget	YTD Expenditures (Actual)	Encumbrances	Balance Before Transfer	Transfer	Balance After Transfer
Transfer TO:								
Library - S&W Perm	\$ 928,982	\$ -	\$ 928,982	\$ 186,696	\$ -	\$ 742,286	\$ 43,000	\$ 785,286
Library -Professional Services	\$ 34,000	\$ 2,894	\$ 36,894	\$ -	\$ 2,894	\$ 34,000	\$ 10,000	\$ 44,000
Library - Equipment Leasing	\$ 33,000	\$ -	\$ 33,000	\$ 5,925	\$ 14,322	\$ 12,753	\$ 12,245	\$ 24,998
Transfer FROM:								
Manager's Contingency	\$ 450,229	\$ (237,068)	\$ 213,161	\$ -	\$ -	\$ 213,161	\$ (65,245)	\$ 147,916

Transfer Form - "Attachment A"

Department:		Library/ Finance			
TRANSFER TO:					
Account #				Description	Amount
Org.	Object	Project			
06104151-511000			S&W Perm		\$ 43,000.00
06104153-530000			Professional Services		\$ 10,000.00
06104153-525100			Equipment Leasing		\$ 12,245.00
				TOTAL	\$ 65,245.00
TRANSFER FROM:					
Account #				Description	Amount
Org.	Object	Project			
01237056-561700			Manager's Contingency		\$ 65,245.00
				TOTAL	\$ 65,245.00

Reason for Transfer:
 To Provide Supplemental Funding for Library to meet the FY22 Municipal Appropriation Requirement (MAR)



 /s/ Victoria Woodley, Library Director
 Department Head

 Chief Financial Officer



Eileen M. Donoghue
City Manager

September 21, 2021

Mayor John J. Leahy
And
Members of the Lowell City Council

Dear Mayor Leahy and Members of the Lowell City Council,

I am hereby requesting that the City Council approve a transfer from the City Manager's contingency budget to the Pollard Memorial Library's FY2022 operating budget to meet the funding requirements set forth in M.G.L. c.78, s.19A.

The Massachusetts Board of Library Commissioners ("MBLC") maintains strict compliance with the requirement for cities and towns to increase annual municipal contributions to their libraries by an amount equal to or greater than 2.5% of the average appropriation of the last three fiscal years. This requirement remains intact, despite the fiscal challenges wrought upon the city from COVID-19. All other applicable spending controls will remain intact for the Library, but the vote on the Council agenda will both preserve the state aid revenue and the certification status of the Pollard Memorial Library.

Enclosed with this email is a memorandum from the Chief Financial Officer which details the financing plan. Please do not hesitate to let me know if there are any questions.

Sincerely,

Eileen M. Donoghue
City Manager

Cc: Conor Baldwin, Chief Financial Officer
Victoria Woodley, Library Director
Brendan Flynn, Acting HHS Director