

# The Seattle Public Library

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## Department Overview

The Seattle Public Library, founded in 1891, includes the Central Library, 26 neighborhood libraries, and a robust "virtual library" available on a 24/7 basis through the Library's website. The Central Library provides library services and programs for downtown residents and workers. It is also the hub for planning and developing system-wide programs and services and provides critical computer and Wi-Fi availability for people without internet access, in addition to many Seattle visitors. The 26 neighborhood libraries provide services and programs close to where people live, go to school and work, and serve as neighborhood anchors for lifelong learning, civic engagement, and economic vitality.

The Library system had more than 5.2 million physical visits in 2017 plus 5.7 million virtual visits through the Library's catalog and website. The Library held 10,300 programs for children, teens and adults with annual attendance of 328,000. Every day nearly 2,500 people used Library public computers and by the end of 2017 patrons had checked out 11.6 million items (physical and digital materials). Libraries are points of contact for governmental services and partnerships such as citizenship, emergency preparedness, tax help and health care, among various other resources.

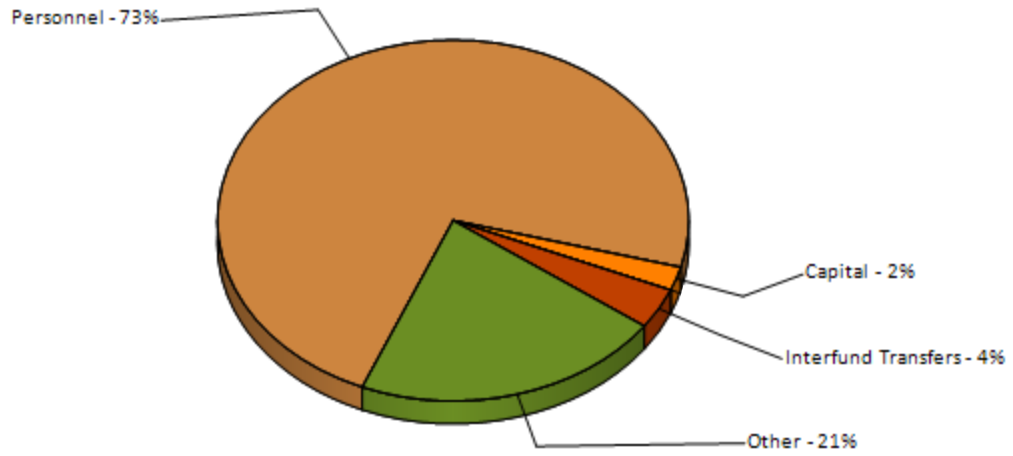
The Library is governed by a five-member Board of Trustees, who are appointed by the Mayor and confirmed by the City Council. Board members are eligible to serve two five-year terms. The Revised Code of Washington (RCW 27.12.240) and the City Charter (Article XII, Section 5) grant the Board of Trustees "exclusive control of library expenditures for library purposes." The Library Board adopts an annual Operations Plan in December after the City Council approves the Library's budget appropriation.

## Budget Snapshot

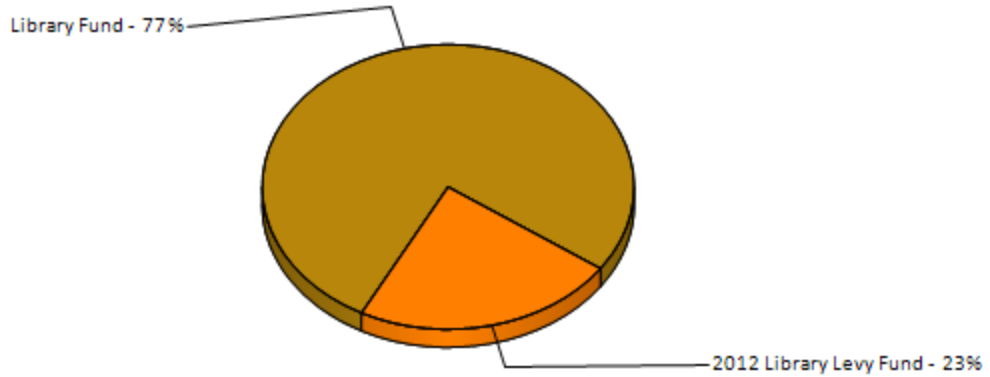
| Department Support      | 2018<br>Adopted     | 2019<br>Proposed    | 2020<br>Proposed    |
|-------------------------|---------------------|---------------------|---------------------|
| General Fund Support    | \$53,912,040        | \$54,966,045        | \$55,041,816        |
| Other Funding           | \$27,393,217        | \$23,243,826        | \$8,323,065         |
| <b>Total Operations</b> | <b>\$81,305,257</b> | <b>\$78,209,871</b> | <b>\$63,364,881</b> |

# The Seattle Public Library

## 2019 Proposed Budget - Expenditure by Category



## 2019 Proposed Budget - Revenue by Category



# The Seattle Public Library

## Budget Overview

With more than 5.2 million visits annually, the Seattle Public Library's 27 locations are among the most heavily used public spaces in the city. Open and welcoming, libraries serve as a haven for some of the city's most vulnerable residents. For individuals experiencing homelessness, libraries provide safe, comfortable, quiet spaces during daytime hours when many shelters are closed; they are often the only daytime shelter individuals have during inclement weather. Also, libraries are frequently the only source of internet access for many patrons, providing the means to search for employment and connect with friends and family through email and social media. With Seattle's growing homelessness crisis, pressure on library resources has intensified along with the need to serve patrons whose immediate needs go well beyond traditional library services.

Keeping libraries safe and clean ensures everyone in the city has a welcoming and attractive place to learn, to access the internet, or simply a place to be. The 2019-2020 Proposed Budget maintains resources to support the Library. In addition, it adds one-time funding for two additional security officer positions, which will help provide continuous staffing of a minimum of four officers on duty at any given time at the Central Library and increase support to library branches.

At the Mayor's direction, the Library identified some operational efficiencies in 2019 to save General Fund resources. These efficiencies include discontinuing some database subscriptions, moving some staff costs to levy funding, and identification of additional salary savings.

### Library Levy

In August 2012, Seattle voters approved a seven-year, \$123 million levy to support, maintain and improve core Library services. The levy supports four priority areas: open hours, the books and materials collection, computers and online services, and building maintenance. Without the approved levy, the Library would have had to delay important maintenance and public technology investments and make additional ongoing reductions to collections and open hours as the result of budget cuts taken during the Great Recession. Each year, the Library Board of Trustees allocates available levy funds through the annual Operations Plan and reports to the Mayor and City Council on how levy proceeds were spent in the prior year.

The 2012 Library Levy will conclude at the end of 2019. The Library is currently engaged in preliminary levy renewal planning. In the spring of 2018, the Library conducted a community survey to assess public satisfaction with Library programs and services, and gauge interest in potential new service offerings. The Library received over 26,000 survey responses and the public re-affirmed the existing priorities for levy investment. This public input will help guide next steps. In preparing the 2012 levy for the ballot, the Library formulated a seven-year asset management plan to guide the capital element of the levy proposal; it is in the midst of a similar effort for levy renewal in 2019.

### Other Revenues

The Library continues to respond to the public's growing preference for digital media rather than print media. Since digital materials do not have fines or fees associated with their use, this shift toward digital materials has created a growing gap in the Library's baseline operating revenues. Compounding the loss of this revenue to support Library operations, the cost of e-books and e-audiobooks places additional pressure on the Library's collection budget. The Library incurs strikingly different materials costs based on the format purchased; a digital item can carry a cost per copy that is almost five or six times higher than its physical counterpart. The Library has addressed some of these pressures in the past with one-time funding from fund balance and library levy resources but lacks an ongoing mechanism to address the price discrepancy.

# The Seattle Public Library

## Capital Improvement Projects

The Library's Capital Improvement Program (CIP) projects generally fall into one or more categories: asset preservation, operational efficiency, environmental stability, public service improvements, and safety and security.

The overriding priority of the Library's capital program is to extend the useful life of its buildings as long as possible. As the Library's buildings have all surpassed the ten-year mark since the completion of the capital improvements associated with the 1998 "Library's for All" bond measure that upgraded The Seattle Public Library's system with new facilities, technology, and books, they require attention to flooring, casework, finishes and restroom fixtures. Some examples of asset preservation items funded through the Library's CIP budget include: major repairs and replacement to roofs, building envelopes, HVAC and other critical building systems, doors, windows, flooring and casework. A varying combination of roof, building envelope and window planning and/or restoration is scheduled at Queen Anne, Columbia, West Seattle and Green Lake, contingent upon which projects begin in late 2018.

The Library Levy provides funding of approximately \$2.7 million in 2019, which is the current levy's final year. The first year of the Library's 2019-2024 CIP provides a base level of support for asset management. Planning has begun for Library Levy renewal; however, to maintain conservative projections, Levy renewal is not assumed for the final five years of the 2019-2024 CIP.

Please see the capital improvement budget for detailed information on Library's current capital improvement projects.

# The Seattle Public Library

## Incremental Budget Changes

### The Seattle Public Library

|   | 2019<br>Budget       | 2020<br>Budget        |
|---|----------------------|-----------------------|
| <b>2018 Adopted Budget</b>                        | <b>\$ 81,305,257</b> | <b>\$ 81,305,257</b>  |
| <b>Baseline Changes</b>                           |                      |                       |
| Citywide Adjustments for Standard Cost Changes    | \$ 1,372,272         | \$ 1,776,717          |
| <b>Proposed Changes</b>                           |                      |                       |
| Operational Efficiencies for General Fund Savings | -\$ 448,750          | -\$ 459,450           |
| Reduce Fuel Budget                                | -\$ 9,325            | -\$ 9,346             |
| Enhance Library Security                          | \$ 194,500           | \$ 0                  |
| <b>Proposed Technical Changes</b>                 |                      |                       |
| Technical Adjustment                              | -\$ 4,204,083        | -\$ 19,248,297        |
| <b>Total Incremental Changes</b>                  | <b>-\$ 3,095,386</b> | <b>-\$ 17,940,376</b> |
| <b>2019 - 2020 Proposed Budget</b>                | <b>\$ 78,209,871</b> | <b>\$ 63,364,881</b>  |

## Descriptions of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$1,372,272**

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

### Proposed Changes

#### **Operational Efficiencies for General Fund Savings - (\$448,750)**

The Mayor requested the Library find some operating efficiencies to achieve General Fund savings. The Library identified \$450,000 of savings that do not affect library operations. These changes involve discontinuing some database subscriptions (focusing on the least used/most expensive), moving some staff costs to levy funding, the elimination of a training position, and the identification of additional salary savings.

# The Seattle Public Library

## **Reduce Fuel Budget - (\$9,325)**

Responsive to a request from the Mayor, the Library analyzed its historical fuel use to determine whether its fuel budget could be reduced beginning in 2019. The result of this work was identified savings of \$9,325, a 15% reduction in Library's fuel budget. This reduction will not affect the department's ability to maintain business operations.

## **Enhance Library Security - \$194,500**

This adjustment adds funding for two additional security officer positions to increase security coverage. In comparing 2017 data against the previous four years, the Library experienced more than a 50% increase in exclusions for drug and alcohol related behavior, an 11% increase in verbal harassment of staff and non-compliance with Library Rules of Conduct, and a 39% increase in trespassing after being excluded for other behaviors. This increase in staffing will also enable the team to undergo more targeted training, including training in Implicit Bias, to improve how the officers work engage with individuals. The security officers will be funded by General Fund in 2019 with the expectation that they will be considered for funding in the next Library Levy.

## **Proposed Technical Changes**

### **Technical Adjustment - (\$4,204,083)**

This adjustment contains two small technical adjustments and one larger correction:

- Inflation of Library's Real Estate Excise Tax (REET) funding in the Capital Improvement Program. Library will receive \$562,000 of REET in 2019 and \$578,000 in 2020.
- Increase budget authority for inter-department expenditures. Citywide Accounting has provided guidance that all departments should begin recording inter-department transactions as an expense with a corresponding revenue. Several Neighborhood Services Centers are co-located in library branches and pay lease costs. This is a revenue backed increase in budget authority within the Library Fund (10410).
- Finally, the larger technical adjustment trues up for three items that had carried forward in Library's budget but should have been reflected as one time or capital items. This includes \$1.7 million for the automated materials handling replacement, which was a one-time expense but appeared in the operating budget as an ongoing item, and \$2.85 million for the multi-use facility acquisition, which is a one-time expense in the Capital Improvement Program, rather than an ongoing budget appropriation. It also removes a one-time expense of \$500,000 for a cabling project.

For 2020, a larger technical adjustment zeroes out any assumed baseline expenditures associated with the library levy. The 2012 Library Levy concludes at the end of 2019 and the proposed budget does not assume levy revenues beyond 2019.

# The Seattle Public Library

## Expenditure Overview

| <b>Appropriations</b>                                     | <b>2018<br/>Adopted</b> | <b>2019<br/>Proposed</b> | <b>2020<br/>Proposed</b> |
|---|-------------------------|--------------------------|--------------------------|
| <b>Capital Improvements Division</b>                      |                         |                          |                          |
| 2012 Library Levy Fund (18100)                            | 4,072,000               | 2,659,000                | 0                        |
| Library Fund (10410)                                      | 2,855,000               | 0                        | 0                        |
| REET I Capital Projects Fund                              | 550,000                 | 562,000                  | 578,000                  |
| <b>Total: BC-PL-B3000</b>                                 | <b>7,477,000</b>        | <b>3,221,000</b>         | <b>578,000</b>           |
| <b>Administrative/Support Service Division</b>            |                         |                          |                          |
| 2012 Library Levy Fund (18100)                            | 2,307,402               | 2,582,451                | 0                        |
| Library Fund (10410)                                      | 9,764,326               | 9,026,542                | 8,901,645                |
| <b>Total: BO-PL-B1ADM</b>                                 | <b>12,071,728</b>       | <b>11,608,993</b>        | <b>8,901,645</b>         |
| <b>Chief Librarians Office Division</b>                   |                         |                          |                          |
| 2012 Library Levy Fund (18100)                            | 6,839                   | 8,150                    | 0                        |
| Library Fund (10410)                                      | 501,635                 | 471,635                  | 473,817                  |
| <b>Total: BO-PL-B2CTL</b>                                 | <b>508,474</b>          | <b>479,785</b>           | <b>473,817</b>           |
| <b>Library Program and Services Division</b>              |                         |                          |                          |
| 2012 Library Levy Fund (18100)                            | 7,219,060               | 9,120,340                | 0                        |
| Library Fund (10410)                                      | 51,076,480              | 50,208,610               | 50,454,453               |
| <b>Total: BO-PL-B4PUB</b>                                 | <b>58,295,540</b>       | <b>59,328,950</b>        | <b>50,454,453</b>        |
| <b>Human Resources Division</b>                           |                         |                          |                          |
| 2012 Library Levy Fund (18100)                            | 7,042                   | 21,281                   | 0                        |
| Library Fund (10410)                                      | 1,446,662               | 2,017,522                | 2,021,663                |
| <b>Total: BO-PL-B5HRS</b>                                 | <b>1,453,704</b>        | <b>2,038,803</b>         | <b>2,021,663</b>         |
| <b>Institutional &amp; Strategic Advancement Division</b> |                         |                          |                          |
| 2012 Library Levy Fund (18100)                            | 536,739                 | 603,503                  | 0                        |
| Library Fund (10410)                                      | 962,072                 | 928,837                  | 935,303                  |
| <b>Total: BO-PL-B7STR</b>                                 | <b>1,498,811</b>        | <b>1,532,340</b>         | <b>935,303</b>           |
| <b>Department Total</b>                                   | <b>81,305,257</b>       | <b>78,209,871</b>        | <b>63,364,881</b>        |

# The Seattle Public Library

## Budget Summary by Fund for Library

|  | 2018 Adopted      | 2019 Proposed     | 2020 Proposed     |
|--|-------------------|-------------------|-------------------|
| 18100 - 2012 Library Levy Fund (18100) | 14,149,082        | 14,994,725        | 0                 |
| 10410 - Library Fund (10410)           | 66,606,175        | 62,653,146        | 62,786,881        |
| 30010 - REET I Capital Projects Fund   | 550,000           | 562,000           | 578,000           |
| <b>Budget Totals for SPL</b>           | <b>81,305,257</b> | <b>78,209,871</b> | <b>63,364,881</b> |

## Revenue Overview

### 2019 Estimated Revenues

| Summit Code | Source  | 2018 Adopted      | 2019 Proposed     | 2020 Proposed     |
|-------------|---|-------------------|-------------------|-------------------|
| 311010      | 2012 Library Levy                             | 13,616,208        | 15,989,000        | 0                 |
| 360020      | Interest Earnings                             | 100,000           | 47,000            | 0                 |
| 311010      | 2012 Library Levy Major Maintenance           | 4,072,000         | 2,658,907         | 0                 |
|             | <b>Total 2012 Library Levy Fund</b>           | <b>17,788,208</b> | <b>18,694,907</b> | <b>0</b>          |
| 360340      | Coffee Cart                                   | 4,000             | 4,000             | 4,500             |
| 341050      | Copy and Pay for Print                        | 235,000           | 235,000           | 235,000           |
| 350130      | Fines and Fees                                | 1,288,000         | 1,242,000         | 1,200,000         |
| 360990      | Misc. Revenue                                 | 2,000             | 2,000             | 2,500             |
| 330020      | Operating Transfer In (2012 Library Levy)     | 4,827,960         | 4,972,799         | 0                 |
| 360290      | Parking Revenue                               | 365,000           | 350,000           | 350,000           |
|             | Proceeds from Property Sale                   | 2,855,000         | 0                 | 0                 |
| 360380      | Sale of Fixed Assets                          | 55,000            | 0                 | 0                 |
| 360300      | Space Rentals                                 | 185,000           | 185,000           | 187,000           |
| 397010      | Cable Franchise Fees                          | 642,000           | 645,000           | 647,500           |
| 397010      | General Subfund Support                       | 53,912,040        | 54,966,045        | 55,041,816        |
| 330020      | Neighborhood Service Center Co-Location (DON) | 0                 | 3,500             | 3,575             |
| 330020      | Neighborhood Service Center Co-Location (FAS) | 0                 | 22,050            | 22,475            |
|             | <b>Total Library Fund</b>                     | <b>64,371,000</b> | <b>62,627,394</b> | <b>57,694,366</b> |
|             | <b>Total Revenues</b>                         | <b>82,159,208</b> | <b>81,322,301</b> | <b>57,694,366</b> |
|             | Use of (Contribution To) Fund Balance         | -3,639,126        | -3,700,182        | 0                 |
|             | <b>Total 2012 Library Levy Fund</b>           | <b>-3,639,126</b> | <b>-3,700,182</b> | <b>0</b>          |
|             | Use of (Contribution To) Fund Balance         | 2,235,175         | 25,752            | 5,092,515         |
|             | <b>Total Library Fund</b>                     | <b>2,235,175</b>  | <b>25,752</b>     | <b>5,092,515</b>  |
|             | <b>Total Resources</b>                        | <b>80,755,257</b> | <b>77,647,871</b> | <b>62,786,881</b> |



# The Seattle Public Library

## Appropriations By Division and Program

| <b><u>Capital Improvements Division by Program</u></b> |                         |                          |                          |
|--|-------------------------|--------------------------|--------------------------|
| <b>Program Expenditures</b>                            | <b>2018<br/>Adopted</b> | <b>2019<br/>Proposed</b> | <b>2020<br/>Proposed</b> |
| Capital Improvements                                   | 7,477,000               | 3,221,000                | 578,000                  |
| <b>Total</b>   | <b>7,477,000</b>        | <b>3,221,000</b>         | <b>578,000</b>           |

| <b><u>Administrative/Support Division by Program</u></b> |                         |                          |                          |
|--|-------------------------|--------------------------|--------------------------|
| <b>Program Expenditures</b>                              | <b>2018<br/>Adopted</b> | <b>2019<br/>Proposed</b> | <b>2020<br/>Proposed</b> |
| Administrative Services                                  | 1,842,647               | 558,009                  | 276,166                  |
| Business Office  | 725,683                 | 1,330,648                | 1,325,556                |
| Event Services   | 559,782                 | 479,853                  | 422,555                  |
| FAC Services   | 8,943,616               | 9,240,483                | 6,877,368                |
| <b>Total</b>   | <b>12,071,728</b>       | <b>11,608,993</b>        | <b>8,901,645</b>         |

*The following information summarizes the programs in Administrative/Support Service Division:*

### **Administrative Services Program**

The purpose of the Administrative Services Program is to support the delivery of library services to the public.

| <b>Expenditures</b>     | <b>2018 Adopted</b> | <b>2019 Proposed</b> | <b>2020 Proposed</b> |
|-------------------------|---------------------|----------------------|----------------------|
| Administrative Services | 1,842,647           | 558,009              | 276,166              |

### **Business Office Program**

| <b>Expenditures</b> | <b>2018 Adopted</b> | <b>2019 Proposed</b> | <b>2020 Proposed</b> |
|---------------------|---------------------|----------------------|----------------------|
| Business Office     | 725,683             | 1,330,648            | 1,325,556            |

### **Event Services Program**

| <b>Expenditures</b> | <b>2018 Adopted</b> | <b>2019 Proposed</b> | <b>2020 Proposed</b> |
|---------------------|---------------------|----------------------|----------------------|
| Event Services      | 559,782             | 479,853              | 422,555              |

# The Seattle Public Library

## FAC Services Program

| Expenditures | 2018 Adopted | 2019 Proposed | 2020 Proposed |
|--------------|--------------|---------------|---------------|
| FAC Services | 8,943,616    | 9,240,483     | 6,877,368     |

### Chief Librarians Office Division by Program

| Program Expenditures    | 2018 Adopted   | 2019 Proposed  | 2020 Proposed  |
|-------------------------|----------------|----------------|----------------|
| Chief Librarians Office | 508,474        | 479,785        | 473,817        |
| <b>Total</b>            | <b>508,474</b> | <b>479,785</b> | <b>473,817</b> |

### Library Program and Services Division by Program

| Program Expenditures   | 2018 Adopted      | 2019 Proposed     | 2020 Proposed     |
|------------------------|-------------------|-------------------|-------------------|
| Collections and Access | 17,851,332        | 17,896,872        | 14,432,207        |
| Information Technology | 4,438,309         | 6,265,843         | 4,473,893         |
| Public Services        | 36,005,899        | 35,166,235        | 31,548,353        |
| <b>Total</b>           | <b>58,295,540</b> | <b>59,328,950</b> | <b>50,454,453</b> |

*The following information summarizes the programs in Library Program and Services Budget Summary Level:*

#### Collections and Access Program

| Expenditures           | 2018 Adopted | 2019 Proposed | 2020 Proposed |
|------------------------|--------------|---------------|---------------|
| Collections and Access | 17,851,332   | 17,896,872    | 14,432,207    |

#### Information Technology Program

| Expenditures           | 2018 Adopted | 2019 Proposed | 2020 Proposed |
|------------------------|--------------|---------------|---------------|
| Information Technology | 4,438,309    | 6,265,843     | 4,473,893     |

#### Public Services Program

| Expenditures    | 2018 Adopted | 2019 Proposed | 2020 Proposed |
|-----------------|--------------|---------------|---------------|
| Public Services | 36,005,899   | 35,166,235    | 31,548,353    |

# The Seattle Public Library

| <b><u>Human Resources Division by Program</u></b> |                         |                          |                          |
|---|-------------------------|--------------------------|--------------------------|
| <b>Program Expenditures</b>                       | <b>2018<br/>Adopted</b> | <b>2019<br/>Proposed</b> | <b>2020<br/>Proposed</b> |
| Human Resources                                   | 1,453,704               | 2,038,803                | 2,021,663                |
| <b>Total</b>                                      | <b>1,453,704</b>        | <b>2,038,803</b>         | <b>2,021,663</b>         |

| <b><u>Institutional &amp; Strategic Advancement Division by Program</u></b> |                         |                          |                          |
|---|-------------------------|--------------------------|--------------------------|
| <b>Program Expenditures</b>   | <b>2018<br/>Adopted</b> | <b>2019<br/>Proposed</b> | <b>2020<br/>Proposed</b> |
| Institutional & Strategic Advancement                                       | 1,498,811               | 1,532,340                | 935,303                  |
| <b>Total</b>  | <b>1,498,811</b>        | <b>1,532,340</b>         | <b>935,303</b>           |

