
M E M O R A N D U M

DATE: April 4, 2003
TO: City Council Members
FROM: Russell Weeks
RE: Briefing – Library Budget Amendment No. 1
CC: Cindy Gust-Jenson, Rocky Fluhart, Nancy Tessman, David Nimkin,
Gary Mumford, Michael Sears

This memorandum addresses a proposed Salt Lake City Library System budget amendment for fiscal year 2002-2003. A public hearing is scheduled for April 15 for the City Council to consider amending the Salt Lake City Library System's budget for fiscal year 2002-2003.

The City Council staff and the City Attorney's Office will prepare an ordinance similar to the attached sample to amend the Library System Budget. The City Council tentatively is scheduled to amend the budget after the April 15 public hearing.

The Library System Board of Directors approved amending the budget for the current fiscal year at a special Board meeting March 31. Through the proposed budget amendment ordinance, the Library Board is seeking City Council approval and ratification of the Board's action.

According to the attached Library System transmittal, a shortfall originally projected at about \$1 million, now appears to be about \$723,000.

During a March 11 briefing before the City Council, the Library System's executive director indicated that to meet the \$1 million shortfall the system would:

- Take \$500,000 from the System's \$950,000 Operating Fund Balance.
- Reduce or defer \$150,000 in operating expenses.
- Take \$350,000 from the System's \$930,000 Prior Year/Contingency Capital Reserve.

According to the Library System transmittal, the Library Board now proposes to:

- Take \$350,000 instead of \$500,000 from the Operating Fund Balance.
- Continue to reduce or defer \$150,000 in operating expenses.
- Take \$223,000 instead of \$350,000 from the Prior Year/Contingency Capital Reserve.

The Library System transmittal outlined the \$150,000 reductions or deferrals to operating expenses in the following manner:

- One full-time librarian position for six months: \$17,000

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- Reduce travel budget by 50%: \$14,000
- Reduce program costs: \$18,000
- Reduce materials expenditures: \$35,000
- Reduce publicity and printing costs: \$10,000
- Reduce equipment purchases: \$15,000
- Reduce security services: \$12,000
- Use unspent reserves for utilities: \$29,000

One issue raised during the March 11 briefing involved whether using \$350,000 from the Prior Year/Contingency Capital Reserve would delay plans for a new branch library in City Council District 2. One question the City Council may wish to ask is whether using \$223,000 instead of \$350,000 would have an effect on plans for a new District 2 branch library.