
SALT LAKE CITY COUNCIL STAFF REPORT

Date: April 29, 2010

Subject: Proposed Budget: Salt Lake City Library System

Affected Council Districts: All

Staff Report By: Russell Weeks

Administrative Dept. and Contact Person: Beth Elder, Director, Salt Lake City Library System

KEY ELEMENTS:

- Including projected revenue for capital spending and capital expenditures, the proposed budget for the Salt Lake City Public Library System contains no increase over the current fiscal year in the total amount proposed. However, there are several decreases within the proposed budget “to avoid a major mid-year correction, if revenues are less than anticipated” and to offset inflation in other areas.¹
- The proposed budget recognizes but does not include in its budget tables about \$2.3 million in unreserved operating fund balance – equal to about 17.5 percent of \$13.4 million in projected total operating revenue – and roughly another \$2.3 million in unreserved capital fund balance.² It should be noted that the System uses unreserved capital fund balance as a funding source for capital projects including technological improvements. Unspent capital money is returned to unreserved capital fund balance at the end of each fiscal year.
- For the 2010-2011 Fiscal Year, the Library System plans to keep all of its libraries open the same number of days and hours (378 hours total per week) as in the current fiscal year. The plan is partly in recognition that total circulation is “3.6 million items per year – nearly three times the national average per capita” for similar sized libraries, and in March having achieved the largest one-month circulation in its history.³
- According to the proposed budget, the Library System plans to budget conservatively by holding open positions equivalent to 7.75 full-time

employees, deferring decisions on merit salary increases, and holding back expenditures for materials – the Library’s core product – by 15 percent.

- The proposed budget contains funding to work toward the planning and construction of two new branch libraries, one to serve the Glendale community in the City Council District 2 and the other to serve the Marmalade/West Capitol Hill communities in District 3.

POTENTIAL OPTIONS:

- Adopt the proposed budget.
- Amend the proposed budget.

POTENTIAL MOTIONS:

Council staff will prepare motions after City Council consideration and discussion of the proposed Library System Budget.

BUDGET RELATED FACTS:

I. The Library System has its own fund established by Salt Lake City’s “governing body” in accordance with Utah Code 9-7-401 and Salt Lake City Code 2.28.010 and 2.28.080. The majority of its revenues come from property taxes.

II. In May 2009, the Library System Board of Directors submitted a proposed budget that contained no property tax increase. However, the City Council in June 2009, in recognition of the System’s efforts to maintain existing levels of service at the System’s six libraries and to prepare to build two new branch libraries the City Council, adopted the following motion:

Councilmember Love proposed a substitute motion and Councilmember Garrott seconded to adopt Proposal 5: Increase revenue by \$560,000 for current library operations, build one new library with a sales tax bond, fund planning for Glendale library and fund planning process for Marmalade library at a tax rate of .000057 with the addition of a legislative intent statement indicating the Council’s intention to fund, plan and build the libraries. Councilmember Christensen called for a roll call vote, which motion carried all members voted aye except Council Members Martin and Christensen who voted nay.

III. Later in the current fiscal year, Library System administrators determined that property tax revenues fell short of the original budget estimate and adjusted the Library System budget accordingly. System administrators plan to submit a budget amendment to the City Council to reflect those changes.

MATTERS AT ISSUE/QUESTIONS FOR CONSIDERATION:

- The Library Fund contains healthy unreserved fund balances. Past City Council discussions with System administrators generally have centered on the maintaining the unreserved capital fund balance as a source for paying for future building projects. The Council may wish to discuss with the System Board and administrators potential uses for the unreserved operating fund balance – whether it should be maintained in an uncertain economy or whether there are potential necessary uses.
- The City Council may wish to review with the Board and System administrators plans to seek a property tax increase in fiscal years 2011-2012 and 2012-2013 for the construction of the Marmalade/West Capitol Hill Branch Library and operating funds for the Glendale and Marmalade branch libraries.⁴
- Given the System’s high circulation figures while dealing with the potential continued erosion of revenue, the City Council may wish to consider allocating Library System resources for a study that would identify best practices, potential operating efficiencies, and strategies other libraries have used to deal with high growth in lean times.
- As the System’s budget authority, the City Council can request that System administrators inform the Council as soon as budget amendment (reduction) scenarios are established so the Council can exercise its role in a timely manner.
- The City Council may wish to encourage the Library System Board to consider hiring a contract employee to assist the Library System director in advancing plans for the Glendale and Marmalade branch libraries so the director can focus on managing the apparent growth in circulation. Because the position would involve a contract employee, the use of one-time funds would be appropriate.
- The City Council may wish to ask the Board and Library System to explore whether using City internal services such as the City Attorney’s Office, Human Resource Division, accounting, payroll and budget might realize savings and efficiencies for the System.
- It might be noted that the City’s proposed budget for the Fiscal Year 2010-2011 includes a proposed 25-cent per half hour increase for people using the parking lot below Library Square. The proposed increase would bring parking fees to \$1.50 per half hour (\$3 per hour). Free parking for the first half hour would remain in effect. The proposed increase is projected to generate additional revenue of \$31,200. In addition, the City’s proposed budget includes instituting a \$50 per month parking pass in the structure

for businesses and residents. The pass is projected to generate about \$30,000 in revenue. Council staff estimates the parking pass would involve about 50 parking stalls of the 600 stalls located there. It should be noted that a memorandum of understanding between the Library System and the City includes the following language: “The Library is allowed the non-designated use of approximately 300 spaces on the lower level parking garage for its patrons and staff.” The City Council may wish to discuss with the Administration, the effect that providing parking passes essentially for private use might have on public accessibility to the Main Library.

DISCUSSION:

Revenue Sources

Major Category	Adopted Budget FY 2009-2010	Requested Budget FY 2010-2011	Difference	Percent Change
Total Property Tax	\$ 13,628,500	\$ 13,331,115	\$ (297,385)	-2%
Interest Income	127,534	45,000	(82,534)	-65%
Grants/Donations/Rebates	263,500	148,425	(115,075)	-44%
Fines/Charges/Leases/Events	495,000	495,000	0	0%
Prior Year Capital Fund Balance	1,000,000	1,000,000	0	0%
Branch Fund Carryover (est.)	0	450,000	450,000	N/A
TOTAL	\$ 15,514,534	\$ 15,469,540	\$ (44,994)	0%

As the table on Page 3 indicates, property taxes make up the bulk of Library System revenue in the current fiscal year and the next one. Most of the property tax revenue is allocated to daily operations. The proposed budget designates \$556,466 as revenue for capital projects. Another \$450,000 is designated as branch building fund carryover.⁵

Interest income is projected to continue to decline based on a March 2010 interest rate of .5605 percent on funds invested in the Public Treasurer’s Investment Fund. In March 2009, the interest rate was 1.246 percent.⁶

Revenue from fines is projected to decline. The System continues to contract with a collection agency, but the contract has not generated much, if any, increase in fine revenue.⁷ However, it apparently has led to an increase in returned material, allowing the System to reduce replacement costs. It also should be noted that the System periodically waves fines for charitable causes such as bringing in canned goods for the Utah Food Bank.

The Library System continues to work with Friends of the Library, which donated a substantial amount of money in the current fiscal year. The System also is considering whether to hire or contract with a grant writer to increase projected revenue from grants.

The System appears to make money on lease payments from shops at the Main Library, events and conferences and from the use of the Main Library and the Chapman Branch Library as locations used by film crews and professional photographers.

Again, it should be noted that projected revenue sources do not include unreserved fund balances for operations and capital projects.

Expenditures

Major Category	Amended Budget FY 2009-2010	Requested Budget FY 2010-2011	Difference	Percent Change
Buildings and Grounds	\$ 1,343,500	\$ 1,279,300	\$ (64,200)	-5%
Materials	2,067,068	1,767,068	(300,000)	-15%
Personnel	9,240,000	9,121,281	(118,719)	-1%
Services	1,104,000	1,037,000	(67,000)	-6%
Operating Contingency	25,000	210,000	185,000	740%
Capital Projects	1,734,966	2,054,891	319,925	18%
TOTAL	\$ 15,514,534	\$ 15,469,540	\$ (44,994)	0%

Personnel costs are projected to decline slightly in Fiscal Year 2010-2011. The bulk of the overall decrease is a \$332,719 decrease in salaries and wages. Most of that stems from a continued freeze in staff vacancies equivalent to 7.75 full-time employees. The freeze is projected to save \$235,000. As noted earlier in this report, the Board and System administrators plan to defer decisions on merit increases until January.⁸ The System plans to use paid substitute or temporary workers as a way to augment staff when necessary. The System continues to rely on volunteers for a variety of jobs. Projected savings will be offset by increases in health care costs (up 12.2 percent), workers compensation (up 14.64 percent), and retirement for local government workers (up 1.71 percent to a total of 13.37 percent).

The Library System has budgeted \$300,000 (15 percent) less for buying materials in the next fiscal year. The \$1,767,068 budgeted for library materials is about 13 percent of the System’s \$13,414,649 total operating budget. The proposed budget indicates that System administrators will evaluate revenue in January to see if the cut to the materials budget can be restored. The bulk of the reduction, \$200,000, will come from allocations for books, but funds for purchases of on-line databases, magazines, music, audio books, and DVDs also will be reduced.

The proposed budget for buildings and grounds is projected to be about \$64,000 less than the current fiscal year. Funding for security services for the Main Library and branch libraries will remain at its current level of \$150,000.

The proposed budget for services for the Library System, internally and externally, is projected to be about \$67,000 less than the current fiscal year, bringing total service expenditures down to about \$1.04 million. It probably should be noted that about

21 percent (\$14,000) of the projected reductions comes from cuts to staff travel and staff training and development. The largest reduction, \$35,000 (52 percent) comes from cuts in professional and technical services such as the annual financial audit, attorneys' fees, memberships in profession organizations, and the use of outside consultants.

Capital projects include planning for the Glendale and Marmalade branch libraries. The System plans to hire a project manager for the Glendale Branch Library project by the end of the current fiscal year. After that, the System will make a final decision on the site for the Glendale Branch, select an architect and begin designs. Simultaneously, programming for the Marmalade Branch Library will start, and a site will be selected.

Other capital projects include making improvements to the interior of the Day-Riverside Branch Library, replacing or re-upholstering worn furniture at the Main Library, installing energy saving lighting, and buying a hybrid vehicle.⁹

BACKGROUND

By way of review, the authority for the City Council to review and act on the City Library System's budget appears in *Title 9, Chapter 7* of the *Utah Code*. The Chapter includes the following sections:

9-7-401. Tax for establishment and maintenance of public library -- Library fund.

(1) A city governing body may establish and maintain a public library.

(2) For this purpose, cities may levy annually a tax not to exceed .001 of taxable value of taxable property in the city. The tax is in addition to all taxes levied by cities and is not limited by the levy limitation imposed on cities by law. However, if bonds are issued for purchasing a site, or constructing or furnishing a building, then taxes sufficient for the payment of the bonds and any interest may be levied.

(3) The taxes shall be levied and collected in the same manner as other general taxes of the city and shall constitute a fund to be known as the city library fund.

(4) The city library fund shall receive a portion of the uniform fee on tangible personal property in accordance with the procedures established in Subsection **59-2-405(5)**.

9-7-402. Library board of directors -- Expenses.

(1) When the city governing body decides to establish and maintain a city public library under the provisions of this part, it shall appoint a library board of directors of not less than five members and not more than nine members, chosen from the citizens of the city and based upon their fitness for the office.

(2) Only one member of the city governing body may be, at any one time, a member of the board.

9-7-404. Board powers and duties -- Library fund deposits and disbursements.

(1) The library board of directors may, with the approval of the city governing body:

(a) have control of the expenditure of the library fund, of construction, lease, or sale of library buildings and land, and of the operation and care of the library; and

(b) purchase, lease, or sell land, and purchase, lease, erect, or sell buildings for the benefit of the library.

(2) The board shall:

(a) maintain and care for the library;

(b) establish policies for its operation; and

(c) in general, carry out the spirit and intent of the provisions of this part.

(3) All tax moneys received for the library shall be deposited in the city treasury to the credit of the library fund, and may not be used for any purpose except that of the city library. These funds shall be drawn upon by the authorized officers of the city upon presentation of the properly authenticated vouchers of the library board. All moneys collected by the library shall be deposited to the credit of the library fund.

9-7-406. Reports to governing body and State Library Board. The library board of directors shall:

(1) make an annual report to the city governing body on the condition and operation of the library, including a financial statement; and

(2) provide for the keeping of records required by the State Library Board in its request for an annual report from the public libraries, and submit that annual report to the State Library Board.

It should be noted that it is an internal City Council policy not to have City Council Members serve on City boards and commissions except in an *ex officio* capacity. However, Council Members have not served on the Library Board since the Mayor-Council form of government was established in the 1980s.

The following is the Salt Lake City Code chapter pertaining to the Library Board:

Chapter 2.28
LIBRARY BOARD

2.28.010 Public Library Established:

There is established the city public library. (Prior code § 25-23-1)

2.28.020 Library Board of Directors/Appointment/Membership/Compensation:

The Mayor, with the advice and consent of the Council, shall appoint a Library Board of Directors chosen from the citizens of the City at large with reference to fitness for such office. The Board of Directors shall consist of not less than five (5) members nor more than nine (9) members. Not more than one member of the City Council shall be, at any one time, a member of such Board. The directors shall serve without compensation, but their actual necessary expenses

incurred in the performance of their official duties may be paid from library funds. (Prior code § 25-23-2)

2.28.030 Library Board of Directors/Terms/Election of Officers/Removal and Vacancies:

- A.** Directors shall be appointed for three (3) years. Initial appointments and terms of office shall be those of the current Library Board. Annually thereafter the Board of Directors shall, before July 1 of each year, appoint for three (3) year terms directors to take the place of retiring directors. Directors shall not serve for more than two (2) full terms in succession.
- B.** Following such appointments, the directors shall meet and elect a chairman and such other officers as they deem necessary for one year terms.
- C.** The Mayor may remove any director for misconduct or neglect of duty.
- D.** Vacancies in the Board of Directors shall be filled for the unexpired term in the same manner as the original appointments. (Ord. 95-90 § 3, 1990: prior code § 25-23-3)

2.28.040 Librarian and Other Personnel/Appointment/Compensation:

The Library Board of Directors shall appoint a competent person as the librarian to have immediate charge of the library, to have such duties and compensation for services as it shall fix and determine. The librarian shall act as the executive officer of the Library Board. The Board shall appoint, upon the recommendation of the librarian, other personnel as needed. (Prior code § 25-23-7)

2.28.050 Cooperation with Other Local Library Boards:

The Board of Directors of the City library is given authority to cooperate with other local library boards to provide library services. (Prior code § 25-23-9)

2.28.060 Library Use/Rules and Regulations:

Use of library to be free, subject to rules. The Library Board of Directors shall make and adopt rules and regulations not inconsistent with the law for the governing of the library. The library established under the provisions of this Chapter shall be free for the use of the inhabitants of the City subject to the rules and regulations adopted by the Board. The Board may exclude from the use of the library any and all persons who shall willfully violate such rules. The Board may extend the privileges and use of the library to persons residing outside of the City upon such terms and conditions as it may prescribe by its regulations. (Prior code § 25-23-5)

2.28.070 Donations of Money or Property:

Any person desiring to make donations of money, personal property or real estate for the benefit of such library shall have the right to vest the title to the money, personal property or real estate so donated in the Board of Directors of the City library to be held and controlled by such Board, when accepted, according to the terms of the deed, gift, devise or bequest of such property and as to such property, the Board shall be held and considered to be trustees. (Prior code § 25-23-8)

2.28.080 Library Fund Deposits and Disbursements:

The Library Board of Directors shall have control of the expenditure of the Library Fund, construction, lease, sale of library buildings and land, and of the operation and care of the

libraries and branches. All tax monies received for such libraries shall be deposited in the City Treasury to the credit of the Library Fund and shall not be used for any purpose except that of the City library. The funds shall be drawn upon by the authorized officers of the City upon presentation of properly authenticated vouchers of the Library Board. All monies collected by the library shall be deposited to the credit of the Library Fund. The Library Board shall purchase, lease and sell land and purchase, lease and erect or sell buildings for the benefit of the library. The Board shall be responsible for the maintenance and care of the library and shall establish policies for its operation. (Prior code § 25-23-4)

2.28.090 Annual Reports:

The Library Board of Directors shall make an annual report to Mayor and City Council on the condition and operation of the library, including financial statements. The Board of Directors shall also provide for the keeping of such records as shall be required by the State Library Commission and its request for an annual report from public libraries and shall submit such annual report to the State Library Commission. (Prior code § 25-23-6)

Cc: Cindy Gust-Jenson, Beth Elder, David Everitt, Ed Rutan, Helen Langan, Jennifer Bruno, Gordon Hoskins, Gina Chamness, Kay Christensen

File Location: Salt Lake City Public Library System; Mayor's Recommended Budget for Fiscal Year 2010-2011

¹ Operating and Capital Budget Fiscal Year 2010-2011

² Ibid. Page 9. However, the proposed budget has moved about \$1 million from the \$3.3 million listed on Page 9 to a Prior Year Capital Fund Balance line item in its Capital Revenue table on Page 10.

³ Ibid. Pages 15 and 17.

⁴ Ibid. Page 6.

⁵ Ibid. Page 10.

⁶ Ibid. Page 11.

⁷ Ibid. Page 11.

⁸ Ibid. Page 18.

⁹ Ibid. Page 23



The City Library

SALT LAKE CITY PUBLIC LIBRARY SYSTEM

**OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2010-11**



The City Library



The City Library

THE SALT LAKE CITY PUBLIC LIBRARY SYSTEM

April 2010

City Council Members, Mayor Becker and Residents of Salt Lake City:

Let me begin by thanking you for your patronage and support of the Salt Lake City Public Library. This year, The City Library has exceeded all previous records for use of books and materials, attendance at events and programs, and hours utilizing public computers. We believe the high demand is in part due to the effects of the economic downturn, which makes library services even more valuable to the community. While revenue forecasts for 2010-11 will be conservative, we expect use of the library to continue to be “off the charts.”

The City Library proudly received the highest commendation by *Library Journal* this past year, one of only 84 libraries to receive a five-star rating. It was also the top-rated city service with a score of 7.33 out of 8. We are delighted by these accolades, but are often most touched by the stories of how The City Library has changed people’s lives. The library receives letters and e-mails every day complimenting the services, humanity, and compassion of the staff and the beautiful surroundings in which people find themselves inspired to discover and learn.

In the coming year, the library continues to advance its mission, particularly in the area of “building community.” We start by providing people with tools for engagement, whether that be learning to read, write, or use technology. Then, we encourage participation through exchange and dialogue at community meetings, programs, or on the library’s Twitter or Facebook pages.

This will be a year of innovation for the library as the planning continues for the design of new branch libraries in the Glendale and Marmalade neighborhoods.

We thank the Mayor and City Council for their ongoing support of The City Library, “the place where democracy happens.”

Sincerely,

Sincerely,

Hugh Gillilan
Library Board President

Beth Elder
Library Director

Main Library
210 East 400 South
Salt Lake City
Utah 84111
T: 801-524-8200
Hearing impaired: 801-364-4669
F: 801-322-8194

Anderson-Foothill
1135 South 2100 East
Salt Lake City
Utah 84108
T: 801-524-8200
F: 801-322-8181

Chapman
577 South 900 West
Salt Lake City
Utah 84104
T: 801-524-8200
F: 801-322-8180

Day-Riverside
1575 West 1000 North
Salt Lake City
Utah 84116
T: 801-524-8200
F: 801-322-8182

Sprague
2131 South 1100 East
Salt Lake City
Utah 84106
T: 801-524-8200
F: 801-322-8183

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455 “F” Street
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Utah 84103
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Mission Statement

The City Library is a dynamic civic resource that promotes free and open access to information, materials, and services to all members of the community to advance knowledge, foster creativity, encourage the exchange of ideas, build community, and enhance the quality of life.

Ethics Statement

We believe that free and open access to information, ideas and diverse perspectives forms the foundation of a democratic society.

We promote intellectual freedom and strive to empower our community by facilitating the information needs of individuals.

We respect our patrons' privacy and honor the trust placed in us.

We engage every patron as an individual with compassion and respect for their uniqueness.

We use our access to library resources judiciously and with honorable intent.

We hold ourselves accountable for the quality of information and service we provide.

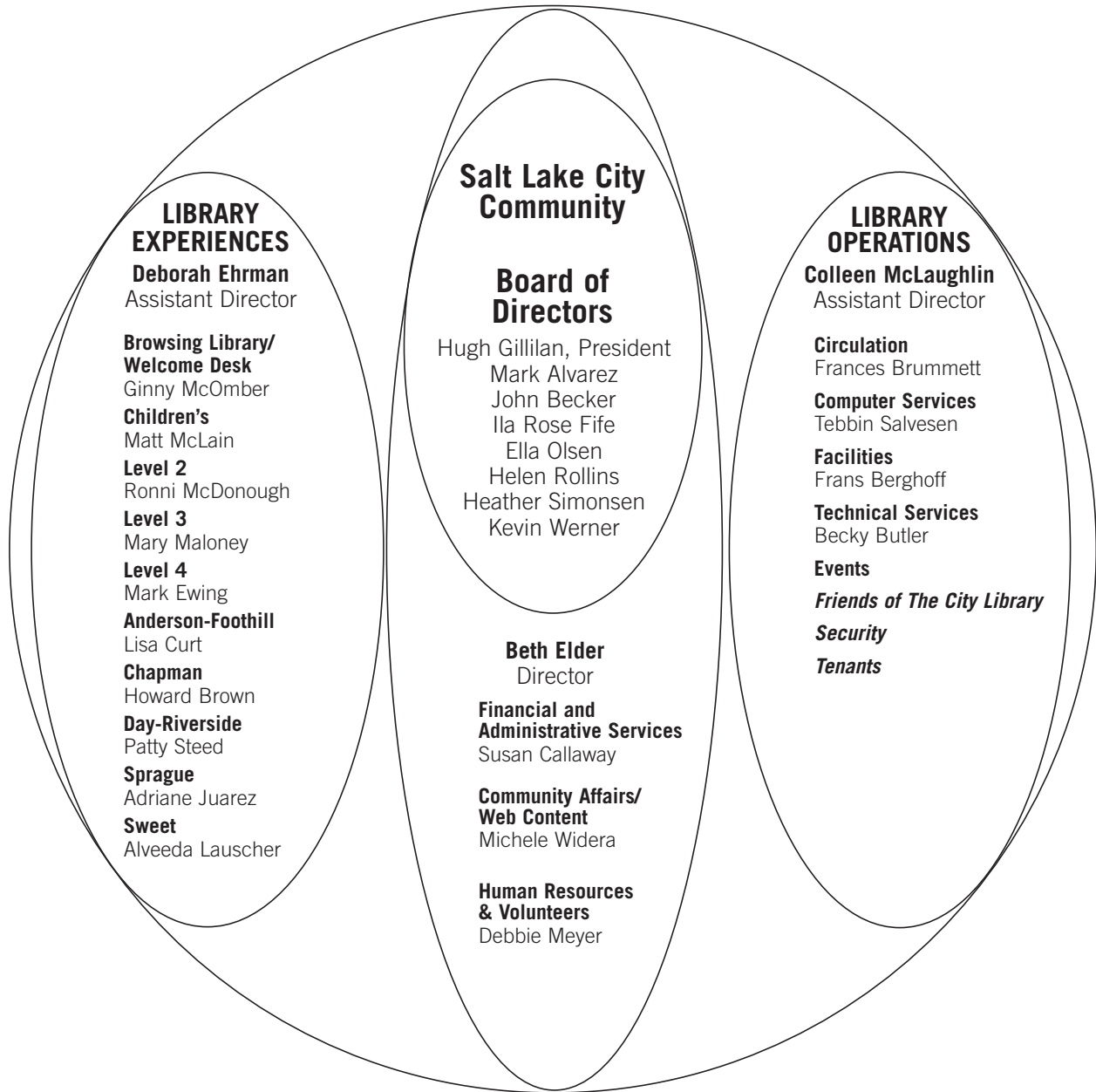
We effectively communicate our methods and decision making, in the pursuit of transparency.

We build excellence by supporting our colleagues training, skill-building, education, personal and professional development.

We continually grow by learning new methods, skills and technologies in order to adapt to the needs of a changing community.

We are a collaborative organization that provides a safe environment where staff ideas or concerns are encouraged and addressed.

LIBRARY ORGANIZATION



"Organizations exist to enable ordinary people to do extraordinary things."

-Ted Levitt

BUDGET DEVELOPMENT TIMELINE

JANUARY

Library administration develops goals and targets for Strategic Outcomes and internal development projects

FEBRUARY

Outcome committees develop outcome plans for upcoming fiscal year to accomplish targets—including budgetary needs for staff, programming, technology, equipment and training

MARCH

Department managers provide outcome committees with any additional budgetary needs for staff, programming, technology, equipment, and training

Library Board reviews preliminary proposed budget revenues and expenditures for next fiscal year, including capital projects

Budget briefing with Mayor and staff

Budget briefing with City Council staff

APRIL

Library receives confirmation of property tax revenues

Board approves proposed library budget for next fiscal year

City Council office and City Administration receive proposed budget for review

MAY

Library's proposed budget on display at all library public services desks and City Recorder's Office

Proposed budget presented to City Council

City Council public hearing on proposed budget

JUNE

County provides tax rate to government entities, including library

City Council approves proposed library budget and property tax rate for next fiscal year

JULY

Library's fiscal year budget effective

AUGUST

Truth-in-taxation hearings for government entities requesting a tax increase

EXECUTIVE SUMMARY

The library operating budget for 2010-11 is strongly influenced by 2009-10 revenue figures that were significantly lower than anticipated. Property taxes which comprise 94.9% of revenues were down \$697,048 (5.33%) and other library revenues suffered as well, with a shortfall from estimates of \$70,000 (9.89%). Revenues for 2010-11 will be estimated at \$13,414,649, \$364,919 less than the 2009-10 budget.

To evaluate reduction options, a set of guiding premises was developed. The budget will:

- support the library's current hours, 378 hours per week, and minimize the impact to the exceptional customer service library patrons have come to expect.
- retain the human capital of the organization, by avoiding lay-offs and reducing the personnel budget by holding vacancies.
- increase the implementation of cost-saving efficiencies in all areas of library operations.
- identify areas for reduction that are most easily reversed should revenues exceed expectations.
- budget conservatively to avoid a major mid-year (January 2011) correction, if revenues are less than anticipated.
- continue to think strategically and advance the Strategic Plan.

Several areas of the library's budget will increase due to inflation including health insurance, retirement, worker's compensation, and loss and liability insurance. These costs, estimated at \$148,000, were added into the budget which required reductions to go deeper. To accomplish needed reductions, the library will:

- hold vacancies equivalent to \$235,000 (currently 7.75 FTE) and defer decisions on merit increases, a 4.74% reduction in salaries and wages, and overall reduction of 1.28% in the personnel budget center.
- hold back \$300,000 in materials purchasing, a 14.51% reduction in the materials budget center.
- re-negotiate and reduce contracted services and delay non-critical maintenance, a 4.78% reduction in the buildings and grounds budget center.
- reduce supplies, travel, professional and technical services, and programming, a 6.07% reduction in the services budget center

While the budget has been built conservatively, strategic initiatives will continue forward in ways that maximize and leverage available resources. Examples include expanding the number of library cardholders and their satisfaction in library services, continued outreach to children under the age of five, mobile technology classes, an enhanced Web site with a new platform for community engagement, enhanced partnerships with local businesses and organizations, and support for staff wellness and green commuting.

The Capital Fund is generally supported by a portion of property taxes and fund balance from prior years created by excess revenues, this fund supports the City Library Capital Improvements plans. Plans may include renovating or expanding existing facilities or building a new branch. Funds are also set aside to support Technology enhancements, Vehicle replacement, Building and Grounds Capital Repairs and Contingency expenditures.

Capital funding will be used to refresh the Day-Riverside interior, implement labor-saving improvements, create a library presence in under-served communities, enhance the Web site and make energy-saving investments.

Planning for new libraries in Glendale and Marmalade is well underway. A steering committee for each branch was established, each comprised of two Library Board members, one City Library staff member, one City Planning Department member and five community members. In fiscal year 2010-11, architectural programming involving a large number of community voices and perspectives will be completed along with site selection and selection of architects. The architectural design plans are scheduled for completion by July 1, 2011.

The library is not requesting a tax rate increase this year but will request an increase in FY 2011-12 for the construction of the Marmalade Branch and in FY 2012-13 for operating funds for both Glendale and Marmalade branches.

**SALT LAKE CITY
PUBLIC LIBRARY
BY THE
NUMBERS**

Salt Lake City Population	181,698
Salt Lake City Residents with a Library Card	99,811
Total Number of Registered Library Card Holders	139,486
Salt Lake City Library Agencies/Main Library, five branches	
Hours Open Weekly Systemwide	378
Items in the Collection	959,113
Items Loaned/Year (April 2009-March 2010)	3,779,385
New Library Card Registrations/Year (Apr 2009-Mar 2010)	35,074
Full-Time Equivalent Staff	179.8
Web site Pages Viewed (April 2009-March 2010)	3,609,401
Public Access Computers	201
Library Programs (July 2008-June 2009)	1892
Attendance at Library Programs (July 2008-June 2009)	74,275
Interlibrary Loan Items Provided to other libraries	2,521
The Library Ranked #1 of all City Services in the 2009 Dan Jones Survey	
One-third of card holders use their card in any given quarter	
The City Library had its highest circulation ever in March 2010	
The City Library provides about 400,000 hours of public internet time annually—that's more than 45 years of linear time	

STRATEGIC PLAN 2009-12

The City Library has chosen six community outcomes to provide a focus for developing services, collections and programs. Along with community partners, staff has developed a rich array of initiatives and experiences to help achieve these goals.



Enjoying Life

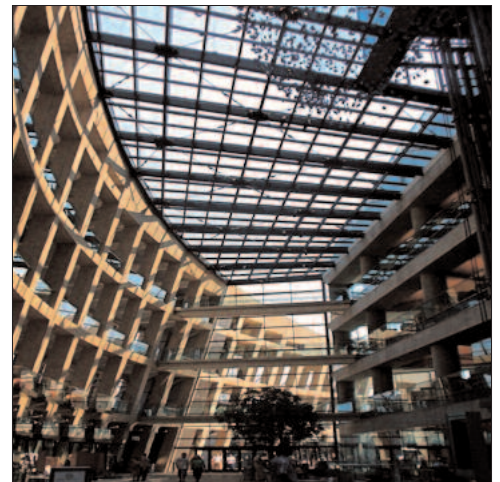
People make time for entertainment to lighten up, enjoy life and unlock creativity.

The City Library celebrates creativity and inspiration. The facilities are inviting and fun to explore. Collections include movies to entertain, music to inspire, and books and magazines to learn about the newest trends. Programs encourage family and friends to come together for events, children's paper airplane contests, outdoor concerts, Author's Live events, or tango classes. Experiencing The City Library reminds us we live in a smart, active and creative city.

Exploring New Ideas

The community openly explores ideas and engages in conversation, discussion and dialogue, especially about ideas they may never have encountered before.

Curiosity and engagement are essential to advancing knowledge. Lifelong learning results when natural curiosity comes in contact with a neutral venue where all information can be explored without judgment or bias. The City Library is also the community's urban living room, a place where people engage with one another on any topic, from city planning to medical discoveries to world politics.



Bridging Divides

The community finds ways to bridge the east/west racial, cultural and socio-economic divide to strengthen our city.

Within any community, actual and figurative divides exist. The City Library can be a catalyst for bridging the divides that inhibit positive perceptions and collaboration between eastside and westside neighborhoods. Rich cultures exist on each side of the freeway and by offering the encouragement to explore new neighborhoods, meet each other, and share personal stories, views and traditions, Salt Lake City residents can find greater opportunities to advance and celebrate the city's collective culture.

Ensuring Early Literacy

Every child has an equal chance to succeed. The youngest children have expansive early literacy and early learning opportunities.

The City Library will step up efforts to provide parents and children with the language and literacy foundation children need to be ready to read when they enter kindergarten. A love of books and stories doesn't just add to the richness of one's life, but also builds important reasoning skills, encourages community engagement, and promotes the creativity necessary for the entire society to tackle important issues.



Accessing Technology

Everyone in the community has access to computers and the skills to use them.



Using technology is no longer optional. Without access to technology and the skills to use it, individuals may be left disconnected from friends, family, work opportunities, news, information, entertainment and much more. The City Library is already a hub of technology access, providing computers and internet access for public use. Further efforts will be made to identify those in the community without access or the needed level of skills and provide modern technologies, information and courses to keep everyone up-to-date.

Creating Local Solutions

Everyone shares a sense of responsibility for the future. The community works together to address challenges and generate innovative solutions to create and sustain the best place to live, and then makes it happen. Our focus will be on sustainability and City, State and National urban initiatives.

Sustainability requires the attention and hard work of the whole community. The City Library will lead by example, reducing the system's carbon footprint with a number of energy-saving initiatives. As an organization devoted to community building and empowerment, we can help foster the passion in all Salt Lake City residents to make our city as clean, healthy and efficient as possible.



INCOME AND REVENUES

Financial Picture and 2010-11 Projections

The downturn in the economy over the last year was greatly reflected in property tax revenues for 2009-10. General property tax revenues in the operating fund were below the budgeted amount. Fee in Lieu and Age-based Revenues were also less than budgeted. The largest impact was Miscellaneous Collections, which includes Board Letter Refunds, with a negative balance at final settlement. The overall operating budget property tax line resulted in a total shortfall of \$697,048 (5.33%) from the budgeted \$13,072,034. The library also experienced decreases in budgeted revenue from fines and copier revenue, and interest has dropped to one half of one percent.

Balancing the budget remains a difficult challenge as use of services, facilities, and collections continues to increase. Additionally, health insurance premiums, retirement costs and worker's compensation continue to rise significantly. For 2010-11, the library has taken a very conservative approach to budgeting revenues. Since legislation several years ago limited windfall revenues when property tax growth was good and also protected revenues when property tax growth is less than projected, we are anticipating the restoration of 2009-10 levels in general property tax through the certified tax rate. Also, forecasted funding that is most uncertain will be set aside in the operating contingency line to minimize the impact of a possible shortfall in 2010-11 property tax revenues.

The capital budget includes funds from property taxes (\$556,466) to be set aside for the construction of a new Glendale Branch Library and the planning for a new Marmalade Branch. Other capital projects will continue to be funded through the capital fund balance and other revenue sources. Goals set forward in the Strategic Plan may create new opportunities for funding from individuals, corporations, foundations, and state and federal granting agencies. All opportunities will be explored along with in-kind donations.

The library is not requesting a tax rate increase this year, but will request a tax rate increase to fund construction of the Marmalade Branch Library in 2011-12, along with a tax increase in 2012-13 to operate both the Glendale and Marmalade Libraries.

Summary of General Property Tax Request • 2010-11 Budget

	2008-09 Actual	2009-10 Budget*	2010-11 Budget
Operating	\$12,579,569	\$ 13,072,034	\$ 12,774,649
Capital	—	556,466	556,466
Total General Property Tax	\$12,579,569	\$ 13,628,500	\$ 13,331,115
<i>2008-09 Operating Unreserved Fund Balance</i>	<i>\$2,348,314</i>		
<i>2008-09 Capital Unreserved Fund Balance</i>	<i>\$3,340,088</i>		

* Revised November 2009

Revenue Sources Operating Fund and Capital Fund • 2010-11 Budget

	2008-09 Actual	2009-10 Budget*	2010-11 Budget
OPERATING REVENUE			
General Property Tax	\$12,579,569	\$13,072,034	\$12,774,649
Copier/Printer and Sundry Revenue	42,141	60,000	45,000
Fines and Collections	380,499	385,000	340,000
Interest	106,269	27,534	20,000
Grants	4,974	25,000	50,000
Donations	71,464	100,000	75,000
Leases	49,351	60,000	60,000
Events/Conferences	62,248	50,000	50,000
Total Operating Revenue	\$13,296,515	\$13,779,568	\$13,414,649
CAPITAL REVENUE			
General Property Tax	\$ —	\$ 556,466	\$ 556,466
RDA Rebate	28,531	28,500	23,425
Interest	99,317	100,000	25,000
Prior Year Capital Fund Balance	68,029	1,000,000	1,000,000
Branch Building Fund Carryover (est.)	—	—	450,000
Donations and Grants; Sundry Revenue	81,298	50,000	—
Total Capital Revenue	\$ 277,175	\$ 1,734,966	\$ 2,054,891

General Property Tax

Traditionally, the library uses the revenue figures from the prior year to establish revenue figures for the upcoming year. Conservative estimates will be used for 2010-11 revenues:

- General Property Tax revenues—Despite a shortfall in General Property Tax in 2009-10, it is anticipated the tax rate will be reset to produce the budgeted level of last year.
- Property Tax—Miscellaneous Collections—Due to a 2009-10 unanticipated negative balance of \$157,661, predictions in this area are uncertain. An increased contingency fund has been established to reserve some funds should this occur again. If revenues are higher than expected, the Library Board and City Council will be asked to approve the use of contingency funds for operating purposes.
- Property Tax—Fee In Lieu and Age-based Revenues—Estimates are based on 2009-10 receipts which were down slightly from the prior year.

Copier/Printer and Sundry Revenue

Revenues included in this budget center are computer printing, copy machines, and fees charged for the use of library locations for professional photography and filming. The Main Library and Chapman Branch continue to be desired locations for film crews.

Fines and Collections

Fine revenues are expected to continue to decline based on current economic conditions. The library maintains its contract with Unique Management (UMI) collections system for collecting overdue materials and accounts. Although this has not generated any increased revenues from fines, it has resulted in more materials being returned. The return of popular materials provides better patron service, which is the ultimate goal. Indirect cost savings are realized when popular items do not need to be replaced.

Interest

A continuing decrease in interest rates over this past year has resulted in a loss of anticipated revenues. As of March 2010, the library earned .5605% on funds invested in the Public Treasurer's Investment Fund. At this same time last year, interest earnings were at 1.246%.

Grants

Efforts will be made to increase grant and foundation opportunities that are a good match for current library initiatives. This may require either hiring or contracting with a grant writer.

Donations

The City Library has been successful in raising funds for special programs and projects with the continued support of the Friends of The City Library and individuals. The library will support the Friends of The City Library in any enhancements to its fundraising approaches.

Leases

The City Library receives rent from the shops on Library Square, which are currently fully occupied.

Events/Conferences

Frequent use of library facilities, both during and after library hours, has resulted in revenue from rental fees. Larger events this past year have continued to provide the projected revenues in this budget center. The Library will evaluate the fee schedule to ensure that rental fees are competitive with other rental facilities and evaluate increased advertising of the availability of library rental spaces for meetings and events.

Summary of Operating Budget Expenditures

	2008-09 Actual	2009-10 Budget	2010-11 Budget
BUILDINGS AND GROUNDS			
Buildings–Maintenance	\$ 198,925	\$ 221,100	\$ 181,100
City Boiler Operations	—	103,900	108,900
Equipment–Maintenance	27,669	50,000	40,000
Buildings and Equipment–Contract Services	272,108	300,000	282,000
Building Security	119,304	150,000	150,000
Equipment Purchases	8,868	25,000	25,000
Heating and Fuel	90,898	100,000	100,000
Lights and Power	344,660	343,000	343,000
Motor Equipment–Service and Maintenance	8,702	9,000	9,000
Rent–Property and Equipment	2,741	3,500	2,300
Water	38,184	38,000	38,000
Total Buildings and Grounds	\$ 1,112,059	\$ 1,343,500	\$ 1,279,300
MATERIALS			
Art Prints	\$ —	\$ 1,000	\$ 1,000
Binding	2,733	4,000	4,000
Books and Reference Sources	937,988	935,068	735,068
CD-ROMS	2,167	—	—
Online Databases	216,707	200,000	180,000
Downloadable Audio	0	31,000	31,000
Maps	27	1,000	1,000
Periodicals	116,776	120,000	108,000
Music and Audio Books	358,006	400,000	360,000
DVDs	302,200	375,000	347,000
Total Materials	\$ 1,936,604	\$ 2,067,068	\$ 1,767,068
PERSONNEL			
Salaries and Wages	\$ 6,744,119	\$ 7,012,000	\$ 6,679,281
Wages-Flex	—	75,000	150,000
Employees' Insurance	835,953	974,000	1,042,000
Social Security	496,144	517,000	513,000
Retirement	604,492	635,000	710,000
Unemployment Compensation	13,778	12,000	12,000
Other	12,141	15,000	15,000
Total Personnel	\$ 8,706,627	\$ 9,240,000	\$ 9,121,281

	2008-09 Actual	2009-10 Budget	2010-11 Budget
SERVICES			
Cataloging Charges	\$ 86,374	\$ 80,000	\$ 80,000
City Administrative Charge	25,648	20,000	20,000
Copier-Printer Supplies	29,410	25,000	25,000
Insurance	198,166	203,000	208,000
Library Supplies	151,292	175,000	160,000
Office Supplies	6,895	8,000	8,000
Payroll Processing Charge	12,591	13,000	15,000
Postage	24,420	40,000	40,000
Professional and Technical	34,143	133,000	98,000
Professional and Technical-Attorney	12,272	8,000	8,000
Programming	94,350	140,000	126,000
Publicity	38,408	65,000	65,000
Staff Training and Development	27,198	25,000	20,000
Sundry Expense	19,431	20,000	20,000
Telephone	132,618	128,000	128,000
Travel	3,906	21,000	12,000
Board Development	—	—	4,000
Total Services	\$ 897,122	\$ 1,104,000	\$ 1,037,000
TOTAL OPERATING EXPENDITURES	\$12,652,412	\$13,754,568	\$13,204,649
CONTINGENCY	—	25,000	210,000
TOTAL	\$12,652,412	\$13,779,568	\$13,414,649

BUILDINGS AND GROUNDS

Accomplishments in 2009-10

Once again this year use of library facilities increased, placing an even greater demand on maintenance and facilities staff. Existing staff worked harder and smarter to keep 295,000 square feet of interiors and outdoor grounds at six locations clean and well maintained. Due to a 2009-10 mid-year budget shortfall, contracts with several vendors were eliminated or significantly reduced and the work was picked up by current staff. In an effort to conserve energy, the library increased the use of eco-friendly, water-saving cleaning products and reduced electricity usage at the Main Library by turning off selected lights. Essential, preventive maintenance projects were completed and all other projects were carefully evaluated to realize as much savings as possible in the Buildings and Grounds budget. The security budget will remain at 2009-10 levels.

Priorities for 2010-11

To support the library's goal of increased sustainability and a reduced carbon footprint, the Facilities Manager will become LEED certified. The benefit to existing facilities will be immediate and the knowledge will be invaluable as plans for the new branches move forward. We will seek out "green" vendors and products, and participate in Rocky Mountain Power's Cool Keepers program at qualifying branch libraries.

	2009-10 Budget	2010-11 Budget
BUILDINGS AND GROUNDS		
Buildings–Maintenance	\$ 221,100	\$ 181,100
City Boiler Operations	103,900	108,900
Equipment–Maintenance	50,000	40,000
Buildings and Equipment–Contract Services	300,000	282,000
Building Security	150,000	150,000
Equipment Purchases	25,000	25,000
Heating and Fuel	100,000	100,000
Lights and Power	343,000	343,000
Motor Equipment–Service and Maintenance	9,000	9,000
Rent–Property and Equipment	3,500	2,300
Water	38,000	38,000
Total Buildings and Grounds	\$ 1,343,500	\$1,279,300

Buildings–Maintenance

Increased use of all facilities has an impact on buildings maintenance. However, the library will make every effort to reduce this budget by focusing on preventive, essential maintenance projects and by carefully evaluating all other projects without compromising quality.

City Boiler Operations

The library anticipates a \$5,000 cost increase for city boiler operations.

Equipment–Maintenance

This budget supports ongoing maintenance costs of all equipment (not currently on maintenance contracts), including computer equipment. Public computers were replaced in 2009-10, which should result in a savings in this budget.

Buildings and Equipment–Contract Services

The City Library routinely contracts for a variety of services when outsourcing is a more efficient and economical solution. This category includes computer service and maintenance contracts, HVAC maintenance, main elevator maintenance, garbage removal, copier and alarm service contracts, and window washing. The library has eliminated, reduced or re-negotiated several contracts, including window washing and plant maintenance, resulting in an \$18,000 savings.

Building Security

The security contract with CBI includes a scheduled presence at the Main Library with visits to the branches, as needed. The expectations of CBI have been fine tuned and will continue to reflect adjustments as necessary. This budget was increased in 2009-10 in response to increased use of the library, and will be maintained at the same level in 2010-11.

Equipment Purchases

Minor equipment purchases unrelated to computers come from this budget center.

Utilities

Utilities include lights and power and heating and fuel. The library's Strategic Plan calls for a reduction in the library's carbon footprint. With this goal in mind, this budget was reduced in 2009-10. The library will continue efforts to curb energy use by installing more efficient, lower wattage light bulbs, participating in Rocky Mountain Power's Cool Keepers program, and monitoring usage.

Motor Equipment–Service and Maintenance

This account covers operational and maintenance costs related to The City Library's five delivery and maintenance vehicles.

Rent–Property and Equipment

The decrease in this budget reflects current needs.

Water

The library will make a concerted effort to reduce water usage by 2%.

MATERIALS**Accomplishments in 2009-10**

Circulation for The City Library System now exceeds 3.6 million items per year—nearly three times the national average per capita for libraries of its size. Demand for materials in all formats continues to grow. Circulation has increased 5% YTD. Hold requests for materials have increased 14.9% YTD. There is an increased demand in a variety of formats including cd, dvd and downloadable print and audio. The use of online databases continues to climb and pages viewed averages nearly 375,000 per month. The materials purchases are guided by the needs of the community as expressed by the Strategic Plan.

In 2009-10, The City Library:

- Expanded the adult nonfiction collection by adding titles in new areas and replacing and updating others to support Strategic Plan outcomes.
- Continued to build and evaluate the International Languages Collection and implemented an expansion of the collections in Chinese and Spanish that are transferred from branch to branch.
- Expanded CD formats to replace outgoing cassette formats in fiction, non-fiction, and language collections.
- Initiated the USB format for language learning collections for children and adults.
- Used the system collection maintenance recommendations to keep collections fresh and up-to-date.
- Enhanced early literacy collections of ABC books, counting books, board books and easy readers.

Priorities for 2010-11

Due to conservative budgeting in 2010-11, 15% of the materials budget (\$300,000) will be held until January 2011 at which time revenues will be re-evaluated. Strategic evaluation is underway to identify reductions that will minimize the impact to the public. Paper reference, periodicals, online databases and replacements that receive less use or are redundant will be

carefully evaluated by selectors in partnership with staff at all locations. Patterns of use, hold requests, and collection composition will be closely monitored to ensure that the 2010-11 materials budget is utilized most efficiently to meet increasing demand. Every effort will be made to streamline the selection and acquisition process to maximize discounts from vendors. Additionally, all books donated to the Friends of The City Library organization will continue to be systematically reviewed to enlarge and augment The City Library's collections.

Purchasing priorities include:

- Materials that support the Strategic Plan outcomes, which may increase the percentage of card holders who use their cards.
- Early literacy materials targeted to families with children under the age of 5, especially board books, picture books, and early reader collections to support and increase the circulation of these collections by 20-30%.
- Popular book and audiovisual collections to meet increased demand from the community.
- Downloadable e-books.
- Selected standing order, periodical and automatic collections that best meet the information and enjoyment needs of the community.

	2009-10 Budget	2010-11 Budget
MATERIALS		
Art Prints	\$ 1,000	\$ 1,000
Binding	4,000	4,000
Books and Reference Sources	935,068	735,068
Online Databases	200,000	180,000
Downloadable Audio	31,000	31,000
Maps	1,000	1,000
Periodicals	120,000	108,000
Music and Audio Books	400,000	360,000
DVDs	375,000	347,000
Total Materials	\$ 2,067,068	\$ 1,767,068

Art Prints

This budget funds replacement of the most popular prints that become damaged with use.

Binding

This budget funds the binding of back issues of magazines. Binding periodicals is vital for The City Library's ability to organize and protect its in-depth magazine collection.

Books and Reference Sources

Books continue to be in high demand in the community. This budget supports new and replacement adult books, children's books, and reference sources. A reduction of \$200,000 from 2009-10 budgeted levels will be held until January 2011.

Online Databases

A large number of patrons use library resources from home, work or school via the library's Web site which includes a large collection of online databases. While online subscriptions can be expensive, they can serve many simultaneous users, save paper and space, and benefit from continuous updating. A reduction of \$20,000 from 2009-10 budgeted levels will be held until January 2011.

Downloadable Audio

Downloadable audio (also known as e-audiobooks) allows library patrons to download and listen to a variety of popular and classic fiction, nonfiction, young adult, children's, and international language audiobooks. This service is available from home for patrons with Internet access. New vendors and services will be evaluated in 2010-11.

Maps

Funds an ongoing collection.

Periodicals

Magazines and newspapers remain a timely and popular source of current and historical information for patrons. Use of the magazine collections throughout The City Library System is high. A reduction of \$12,000 from 2009-10 budgeted levels will be held until January 2011.

Music and Audio Books

Music and books-on-CD are in high demand. A reduction of \$40,000 from 2009-10 budgeted levels will be held until January 2011.

DVDs

DVDs are one of the most popular areas of library use and include both entertainment and educational topics. A reduction of \$28,000 from 2009-10 budgeted levels will be held until January 2011.

PERSONNEL

Accomplishments in 2009-10

For the second year in a row, The City Library received top honors from *Library Journal*, a five star rating based on per capita number of library visits, circulation, program attendance, and public Internet use. This is in large part due to the customer-focused philosophy and innovative spirit of The City Library staff. Despite an unanticipated mid-year budget shortfall, library staff continued to provide excellent customer service and further Strategic Plan initiatives with a shortage of staff created by a freeze on all vacancies. In March 2010, the library's circulation topped 340,000—the highest circulation total for one month in the library's history.

A major early literacy initiative was launched this year in collaboration with the Friends of The City Library. City Library staff visited approximately 30 early childhood centers per month to promote the library and provide information to parents and teachers of young children. The Friends of The City Library and staff distributed thousands of books to children at Headstart centers, day cares, WIC clinics and Salt Lake City public school kindergarten classes.

Sustainability is a focus of the Strategic Plan and staff have reduced paper, conserved energy, increased "green commutes," and developed public programs around the community's environmental interests.

Initiatives in support of staff included deploying a new Human Resources Information System to allow staff greater online access to their employment information and benefits. The Library Employees Organization and Wellness Committee initiated a large variety of events, socials and a “Wellness Challenge.”

Priorities for 2010-11

With a reduced personnel budget and higher circulation anticipated in 2010-11, a number of approaches will be explored to maintain high levels of service and continue to bring staff focus to the Strategic Plan. These will include the following:

- Identifying automated solutions for some repetitive materials handling functions.
- Strategically evaluating all future vacancies, making adjustments in job classifications as needed and identifying creative ways to maintain service levels.
- Providing staff with training opportunities to enhance their skills.
- Researching the most cost-effective benefit options, yet remaining competitive with local agencies.
- Increasing the use of volunteers.

	2009-10 Budget	2010-11 Budget
PERSONNEL		
Salaries and Wages	\$ 7,012,000	\$ 6,679,281
Wages-Flex	75,000	150,000
Employees’ Insurance	974,000	1,042,000
Social Security	517,000	513,000
Retirement	635,000	710,000
Unemployment Compensation	12,000	12,000
Other	15,000	15,000
Total Personnel	\$ 9,240,000	\$ 9,121,281

Salaries and Wages

This budget shows a reduction which will be achieved through the continued freeze in vacancies to sustain a \$235,000 (currently 7.75 FTE) reduction. Decisions will be deferred regarding merit increases (typically received in August) until the revenue picture is clearer in January 2011.

Wages-Flex

Flexible wages will allow for supplementing staffing with substitute or temporary workers. As staffing levels at all locations have been reduced to the minimum, flex hours have been increased to provide for the staffing levels necessary to open buildings. This is a cost-effective means of managing personnel costs.

Employees' Insurance

City Library employees are covered by Public Employees Health Program. Health care costs for 2010-11 will increase by 12.2%. The library continues to cover the premium for the employee, but does not contribute to the coverage for doubles or families. Workers compensation insurance coverage for April 1, 2010 to April 1, 2011 will increase by 14.64%. Staff members continue to attend training sessions and work with Workers Compensation Fund to reduce future costs where possible.

Social Security

The rate for social security is 7.65%. The City Library experiences a lower overall rate in social security benefits due to increased staff use of pretax dollars for health care costs (cafeteria plan/flexible spending).

Retirement

Benefited library employees are covered under the Utah Retirement Public Employees Noncontributory Retirement System. This year, the retirement rate for local government increased significantly from 11.66% to 13.37%. The library continues to contribute either 2.65% or 1.40% into a 401(k) plan for 21 employees who switched from the contributory to noncontributory retirement plan.

Unemployment Compensation

The City Library's unemployment costs are not anticipated to increase from 2009-10 levels.

Other

This budget center supports employee use of public transit by reimbursing employees a portion of monthly transit pass costs. Funds are also allocated, when available, for flu and hepatitis shots to help reduce illness among staff members.

SERVICES

Accomplishments in 2009-10

The services budget includes a variety of costs related to supporting library functions. Several important achievements were made using funding from this area in 2009-10.

In 2009-10, the professional and technical budget was used strategically to garner the expertise of consultants to provide assistance on a variety of projects. A consultant was hired to develop a Web-enabled online community archive and write a planning grant that was submitted to the Institute of Museum and Library Services (successful projects will receive grant awards in August 2010).

The library's programming supported Strategic Plan outcomes. Hundreds of programs were originally produced by staff or provided in collaboration with community organizations. Impromptu experiences with art and culture included recent performances by DanceBrazil and arias in the Urban Room performed by members of the Utah Opera. The Dewey Lecture Series continued with Jane and Michael Stern, staff writers John Harris and Chad Nackers from The Onion, and NPR's Scott Simon.

Staff training remains a high priority. The City Library received a Worker Incumbent Training Grant from the State of Utah Department of Workforce Service. This grant money was used to provide library staff with Spanish language training classes. These classes will increase knowledge and assist in providing quality customer service to our diverse population. This year, all staff were trained in new security policies and procedures.

Priorities for 2010-11

Loss and liability insurance is anticipated to increase slightly in 2010-11 and reductions will be made in several categories to address reduced revenues. The supplies budget will be reduced due to fewer materials to process. Programming will also be reduced as staff work more closely with community partners. Professional and technical, travel, and training will also be reduced.

Publicity for library programs and events has begun a shift from paper to electronic. Plasma screens were placed behind all circulation desks to enable publicity of upcoming events and new titles. The Web site will become the place to find the most up-to-date information on library happenings, and staff are beginning to use social networking utilities like Twitter and Facebook to reach new audiences.

	2009-10 Budget	2010-11 Budget
SERVICES		
Cataloging Charges	\$ 80,000	\$ 80,000
City Administrative Charge	20,000	20,000
Copier-Printer Supplies	25,000	25,000
Insurance	203,000	208,000
Library Supplies	175,000	160,000
Office Supplies	8,000	8,000
Payroll Processing Charge	13,000	15,000
Postage	40,000	40,000
Professional and Technical	133,000	98,000
Professional and Technical-Attorney	8,000	8,000
Programming	140,000	126,000
Publicity	65,000	65,000
Staff Training and Development	25,000	20,000
Sundry Expense	20,000	20,000
Telephone	128,000	128,000
Travel	21,000	12,000
Board Development	—	4,000
Total Services	\$ 1,104,000	\$ 1,037,000

Cataloging Charges

The majority of these expenditures are applied to The City Library's contract with Online Computer Library Center, Inc., (OCLC) which provides Bibliographic Center for Research (BCR) pricing plans for cataloging library materials. In addition to OCLC charges, the library uses this fund to pay for outsourcing the acquisition and cataloging of many of the 80+ international languages represented in the library's collection.

City Administrative Charge

These charges from Salt Lake City Corporation are administrative fees for The City Library's related costs for cash management, City Council, and City attorney.

Copier-Printer Supplies

The cost recovery on printing has reduced the paper and toner costs for the public printers.

This budget covers the costs of paper for printers and copiers throughout The City Library System.

Insurance

The City Library practices careful application of risk management principles and regular competitive bidding to ensure the best coverage for the lowest cost. A slight increase is anticipated as a result of standard increased building values. The current policy includes earthquake and terrorism coverage.

Library Supplies

This decrease is a result of a lower materials budget. Supplies are purchased in bulk in order to contain costs and to obtain favorable discounts. The library closely monitors the cost of packaging and processing newer, more popular formats such as DVDs, CDs, and recorded books, which can be more expensive than traditional library materials.

Office Supplies

Every effort is made to contain costs by purchasing through vendors with State of Utah negotiated pricing. As a result, the library will be able to maintain this budget center at current levels.

Payroll Processing Charge

The City Library uses an independent vendor to process payroll checks. The library anticipates an increase in cost this year.

Postage

The implementation of e-mail and automated calling for patron notifications has resulted in a substantial decrease in postage costs. The current level should be adequate for this budget year. The City Library mails *The City Library News*, the library's newsletter, to all Salt Lake City residents once a year to keep them informed of the library and its services. Over the years, the Friends of The City Library have supported the postage costs for this mailing.

Professional and Technical

This budget supports funding for the annual financial audit, attorneys' fees, memberships in professional activities and organizations, and the use of outside consultants for library projects. A decrease in this budget center will still allow for the use of consultants and specialists to provide targeted services. Use of experts in areas associated with the Strategic Plan will continue to fuel new directions and supplement the skills that currently exist in the organization.

Programming

The quality of public programs and the community's enthusiasm continues to be very high. Nationally known authors attract audiences that fill the Main Library's auditorium. Cultural celebrations such as Eid al-Fitr, Chinese New Year, and Norouz draw hundreds of people from diverse backgrounds. The library will continue to work with established community partners and seek out new partners in an effort to stretch the programming budget which will see a decrease this year.

Publicity

This budget covers the cost of printing the Library's quarterly newsletter and also to produce all other promotional materials.

Staff Training and Development

The City Library continues to build an excellent staff and supports a training program that encourages staff to expand their expertise and knowledge in support of library goals. This budget center also supports the extensive volunteer program which will expand in 2010-11. The Friends of The City Library scholarship program for staff supplements the Library's staff development efforts.

Sundry Expense

This account includes such expenses as advertising for job openings and procurement bids, staff identification badges, and other miscellaneous expenses. Sundry expense items are monitored closely.

Telephone

It is anticipated that this budget center will not increase.

Travel

The decrease in this budget center will sustain some travel-related expenses for library administration and staff attendance at state and national conferences, such as ALA, MPLA and ULA. In addition, all mileage allowances are paid from this budget center at the reimbursement rate of 37.5 cents per mile.

Board Development

This new budget line will help to dedicate some funding for costs associated with Library Board members. These funds cover membership fees in professional organizations (ALA, MPLA, ULA, etc.) and travel expenses to attend library conferences.

**CAPITAL
BUDGET**

Accomplishments in 2009-10

With the assistance of an architectural design consultant, the library identified and addressed a number of overdue capital improvements and repairs. The Sprague Branch Library interiors were completely repainted. The Sweet Branch received new carpet, a more efficient service desk, fresh paint, and new meeting room chairs. Worn furniture at several locations was re-upholstered or replaced. Increased circulation led to a need for additional and improved storage and shelving at several branches. New stack end signs were installed at all branches, as were LCD screens that will advertise library programs and announce new services. Computers in the Children’s Library at Main were moved closer to the service desk, and the space was reorganized to provide better sight lines for librarians.

Planning for the future Glendale and Marmalade branch libraries began by establishing community-based steering committees for both projects. The library issued a RFP for a programming consultant for the Glendale Branch with an option to extend the contract for the Marmalade project. The library expects to have a project manager in place by the end of the fiscal year.

Priorities for 2010-11

- Exploration, pilot, and possible installation of automated methods for sorting and circulating materials and increasing efficiency.
- Refreshed interior at the Day-Riverside Branch.
- Exploration of a mobile library presence for express or outreach services.
- Replacement or re-upholster of worn seating at the Main Library.
- Improvement of the Chapman Library parking lot.
- Evaluation of HVAC systems at the Main Library’s Technical Services Department and Technology Lab.
- Continued development of the library’s Web site.
- Implementation of energy-saving investments, including lighting and hybrid vehicle.

With a Project Manager in place, the library will finalize the site for the Glendale Branch Library, select an architect, and enter into the design phase. Concurrently, the programming phase for the Marmalade Branch Library will begin and a site will be selected.

	2009-10 Budget	2010-11 Budget
CAPITAL		
Glendale Branch Building Project	\$ 278,233	\$ 728,233
Marmalade Branch Building Project	278,233	278,233
Capital Improvements	628,500	498,425
Technology Infrastructure	200,000	200,000
Qwest Lease Agreement	50,000	50,000
Capital Repairs	200,000	200,000
Prior Year/Contingency	100,000	100,000
Total Capital	\$ 1,734,966	\$2,054,891

Glendale and Marmalade Branch Building Project

Capital revenues designated for the construction of the Glendale Branch Library, approved by City Council on August 11, 2009, are estimated at \$556,466. Funds will be used to complete the public process, program development, site evaluation, site selection, land acquisition (if needed) and to initiate architectural design services. Unspent funds from 2009-10 designated for the further development of the Marmalade Branch Library programming and design phase will be carried over for use in 2010-11.

Capital Improvements

With many of the planned capital improvements completed in 2009-10, this fund can be reduced.

Technology Infrastructure

Computer equipment is heavily used, and funds are needed on an annual basis to upgrade and expand the computer system.

Qwest Lease Agreement

The City Library entered into a contract with Qwest in March 2008 to purchase Voice-over IP for all library locations. Bandwidth increased from 1.544 megabits to 30 megabits resulting in significantly faster computer access at branch locations. Voice-over IP also provided expanded features to the Library's seven-year-old phone system, including voice mail and easily customizable messages. The cost of hardware, installation, and entrance facilities for the Main Library and four branches is included in a five-year lease agreement at 3.73% interest. Fiscal year 2010-11 will be year three of a five year lease.

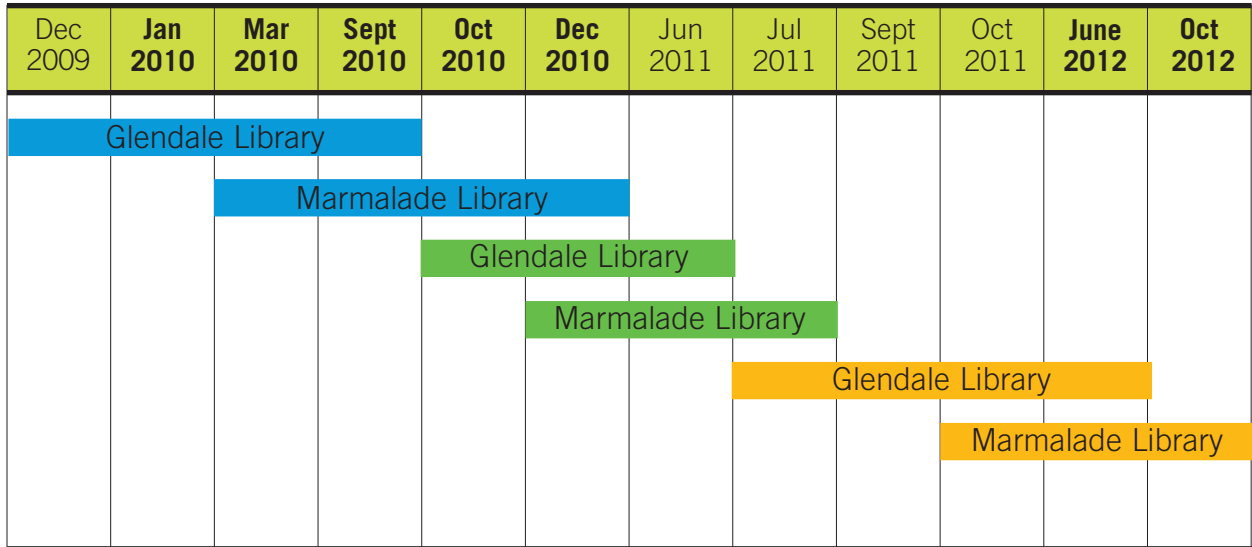
Capital Repairs

This fund supports ongoing major capital repairs at all locations as needed. This year will see a major emphasis on repairs in the Main Library.

Prior Year/Contingency

This fund is maintained to cover carryover projects and emergency or unanticipated expenses.

TIMELINE FOR GLENDALE AND MARMALADE BRANCH CONSTRUCTION (DRAFT)



PHASE 1

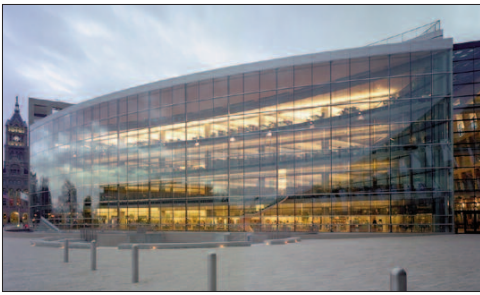
Planning, Program Development and Site Selection
(estimated 10 months)

PHASE 2

Architectural Design, Plan Review and Permitting
(estimated 9 months)

PHASE 3

Construction
(estimated 12 months)



Main Library

Anchoring Salt Lake City's civic core. Library Square provides a connection and transition from the Central Business District to the residential neighborhoods adjacent to downtown. One of the most heavily used main libraries in the United States, the Main Library has become a major attraction for residents and visitors since its opening on February 8, 2003. A 240,000 square-foot concrete and glass structure with exceptional views of Salt Lake City and surrounding mountains, the Main Library features book, periodical and media collections of over 500,000 items, reading galleries, technology center, 315-seat auditorium and adjoining meeting spaces, small conference rooms, and selected community shops designed to enhance The City Library's mission. The adjoining plaza features a reflecting pool, garden, and granite fountain. Underground parking for approximately 600 vehicles provides parking for city and library employees, as well as library visitors.



Anderson-Foothill Branch

The pleasing design of the branch has two unique elements as part of its plan. The first is a passive solar energy design that includes earth berming, window placement for solar heating, and zone supplemental heating/cooling. The second element of this 14,900 square foot community library built in 1985, expanded in 1992 and in 2002, is a modular design.



Chapman Branch

Considered to be one of the finest Carnegie Libraries in the West, this 8,900 square foot library has two levels. Since its opening in 1918, it has been an important part of city services to Westside residents. The Library was completely renovated 1993. A major remodel of the basement level meeting space in 2002 resulted in a much improved children's area and expanded service and collection space for adults on the ground level.



Corinne and Jack Sweet Branch

The Sweet Branch is the sister branch of the Anderson-Foothill Branch using the same modular design. The branch contains over 8,000 square feet of service space, including a community program and meeting space. In 2009, the interior was completely refreshed.



Day-Riverside Branch

This beautiful facility was designed to complement the residential neighborhood with sensitivity to its site on the Jordan River Parkway. An open space plan, with a large community meeting room and outside deck area, will accommodate this growing neighborhood.



Sprague Branch

This high-gabled English Tudor style building has served the Sugar House community for three generations. The building was selected by the American Library Association in 1935 as the "Most Beautiful Branch Library in America." The two-level facility was renovated in 1989-90. The Reading Room on the first floor was remodeled in 1993-94. A new slate roof was installed in the fall of 1996. An expansion project to add a new, larger meeting room and remodel the building was completed in April 2001, which increased the square footage to 9,700.