

2012 Library Levy

Department Overview

In August 2012, Seattle voters approved a seven-year, \$123 million levy to support, maintain and improve core Library services. The City Librarian and the Library Board of Trustees prepare annual progress reports that show how levy proceeds have been used each year.

The 2012 Library Levy allows the Library to increase hours, purchase more books and materials, upgrade public computers and online services, and improve building maintenance. Without the approved levy, the Library would have had to delay important maintenance and public technology investments and make reductions to collections and open hours. The levy supports four priority areas identified through a public process that engaged nearly 39,000 residents: open hours, the collection of books and materials, computers and online services, and building maintenance. As part of this planning process, the Library developed a Strategic Plan that supports reading, personal growth, education, access to information, empowerment of Seattle's neighborhoods, building partnerships and innovation and five action-oriented Service Priorities: youth and early learning; technology and access; community engagement; Seattle culture and history; and reimagined spaces.

The 2012 Library Levy supports the following categories of library services (dollar amounts reflect average annual amounts for the seven-year term of the levy, 2013 through 2019):

Hours and Access: The levy provides an average of \$3.7 million annually to increase operating hours (over 2012 levels) at branch libraries and bolster reference services to support patrons at branches and the Central Library. Funding also provides support for operational functions that support open hours, such as security services, technology support, and maintenance.

Collections: The levy provides an average of \$2.3 million annually to add to the variety and depth of the Library's collection to better meet patron demand for material in all formats. The collections component of the levy also funds a significant increase in purchasing of downloadable materials such as e-books, and more copies of popular materials in print, digital and other formats.

Technology/Online Services: The levy provides an average of \$1.5 million annually to replace and upgrade computers and technology infrastructure that was purchased during the Libraries for All (LFA) capital program, providing users access to up-to-date technology tools and resources. The levy also funds improvements to online services to ensure patrons can successfully find and use online material through the Library's online platform.

Regular maintenance: The levy provides an average of \$1.5 million annually for regular maintenance to sustain the public's investment in the Central Library and 26 branches that were constructed or remodeled as a result of the 1998 LFA bond measure. Seattle's libraries are among the most heavily used public buildings in the city and require additional resources as they age in order to preserve environments that are safe, clean and welcoming.

Major maintenance: The levy provides an average of \$3.1 million annually for sustained stewardship of library facilities. Prior to the levy, the Library's capital improvement program (CIP) was largely funded by allocations from the City's Real Estate Excise Tax (REET). When the original LFA capital program was approved, REET projections indicated there would be sufficient revenue to support the Library's CIP once the buildings were completed. With the real estate market downturn, the Library's CIP was at a historical low with annual cost for major maintenance and building renewal significantly outstripping available resources. Included in the funds for major maintenance is maintenance necessary for building components such as roofs, floors, finishes, HVAC and mechanical systems. It

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does not include any funding for new or expanded library space.

Additionally, the levy provides an average of \$4.4 million annually to maintain existing core functions and services at 2012 levels and an average of \$200,000 annually to support implementation and accountability measures for levy programs and annual reporting to the public on Levy outcomes.

The 2012 Library Levy Fund chapter of the budget is used to show the approved uses of the levy. Proceeds from the 2012 Library Levy are used to support maintaining, expanding and enhancing library services, programs and facilities. Levy funds to support the Library's operations are transferred to Library's operating fund and the appropriations are shown in the Library's section of the Proposed Budget. Capital Improvement Program (CIP) spending is made directly from the Levy Fund and all CIP appropriations are reflected in the Library's section of the Proposed CIP Budget.

Budget Overview

The 2015-2016 Proposed Budget makes no significant changes to the 2012 Library Levy.

Incremental Budget Changes

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	2015		2016	
	Budget	FTE	Budget	FTE
Total 2014 Adopted Budget	\$ 12,421,257	0.00	\$ 12,421,257	0.00
Baseline Changes				
Citywide Adjustments for Standard Cost Changes	\$ 213,702	0.00	\$ 213,702	0.00
Proposed Technical Changes				
Levy Technical Adjustment	\$ 505,017	0.00	\$ 1,030,878	0.00
Total Incremental Changes	\$ 718,719	0.00	\$ 1,244,580	0.00
2015 - 2016 Proposed Budget	\$ 13,139,976	0.00	\$ 13,665,837	0.00

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Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$213,702

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, healthcare, workers' compensation, and unemployment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Technical Changes

Levy Technical Adjustment - \$505,017

This item reflects the increase in levy support to the Library's operating fund. The 2012 Library Levy is reflected as a revenue source in the Library and this adjustment brings the total amount of levy support in line with the amount shown in the Library's budget. In 2015, levy resources will continue to provide support for core services, increase and diversify collections, and improve computer and online resources at the Library.

Expenditure Overview

Appropriations	Summit Code	2013 Actual	2014 Adopted	2015 Proposed	2016 Proposed
Library Levy Operating	18100-	11,904,854	12,421,257	13,139,976	13,665,837
Transfer Budget Control Level	B9TRF				
Library Levy Capital*	18100	0	3,056,000	3,148,000	3,242,000
Department Total		11,904,854	15,477,257	16,287,976	16,907,837

* Capital Improvement Program (CIP) spending is made directly from the Levy Fund and all CIP appropriations are reflected in the Library's section of the Proposed CIP Budget.

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Revenue Overview

2015 Estimated Revenues

Summit Code	Source	2013 Actual	2014 Adopted	2015 Proposed	2016 Proposed
411100	2012 Library Levy	16,868,000	16,998,000	17,168,000	17,340,000
	Total Levy	16,868,000	16,998,000	17,168,000	17,340,000
Total Revenues		16,868,000	16,998,000	17,168,000	17,340,000
379100	Use of (Contribution to) Fund Balance	-4,963,146	-1,520,743	-880,024	-432,163
	Total Levy Fund Balance	-4,963,146	-1,520,743	-880,024	-432,163
Total Resources		11,904,854	15,477,257	16,287,976	16,907,837

Appropriations By Program

Library Levy Operating Transfer

The purpose of the Library Levy Operating Transfer program is to transfer funds to the Library Fund (10410) for library operations. This program is funded by Library Levy dollars (Fund 18100).

Program Expenditures	2013 Actual	2014 Adopted	2015 Proposed	2016 Proposed
Library Levy Operating Transfer	11,904,854	12,421,257	13,139,976	13,665,837
Total	11,904,854	12,421,257	13,139,976	13,665,837

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2012 Library Levy Fund Table

2012 Library Levy Fund (18100)

	2013 Actuals	2014 Adopted	2014 Revised	2015 Proposed	2016 Proposed
Beginning Fund Balance	0	1,032,219	4,963,146	2,548,869	3,428,893
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	16,868,000	16,998,000	16,998,000	17,168,000	17,340,000
Less: Actual and Budgeted Expenditures	11,904,854	12,421,257	14,470,277	13,139,976	13,665,837
Less: Capital Improvements	0	3,056,000	4,942,000	3,148,000	3,242,000
Ending Fund Balance	4,963,146	2,552,962	2,548,869	3,428,893	3,861,056
Levy Reserve for Future Use	1,032,219	2,552,962	2,548,869	2,775,448	2,677,039
Planning Reserve	0	0	0	189,937	619,720
Total Reserves	1,032,219	2,552,962	2,548,869	2,965,385	3,296,759
Ending Unreserved Fund Balance	3,930,927	0	0	463,508	564,297