

SONOMA COUNTY LIBRARY FISCAL YEAR 2021-2022 BUDGET

Prepared for the June 7, 2021 Sonoma County Library Commission meeting

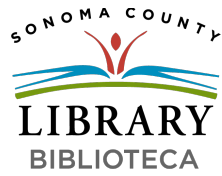
BUDGET OVERVIEW

At the May 26 budget workshop, staff presented information regarding projected revenues and expenses for fiscal year 2021/2022. The expenses accounted for inflation of fixed expenses, such as rents and leases, insurance, utilities, safety supplies and equipment, and building maintenance needs. Also included were 3.75 FTE new positions (five actual positions), an increase to the collections budget for physical and electronic materials and databases, an increase to the technology budget for equipment to better serve patrons and staff, an increase to the public services budget for expanded outreach and programming, and an increase to the communications budget to better support sharing the library's value with the community. All of these needs were identified during our Reimagining Plan process and support the library's goals for this fiscal year.

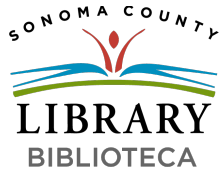
Following is a summary of the main categories of expense for each library division.

DIVISION SUMMARIES

PUBLIC SERVICES	FY 20-21	FY 21-22
Salaries & Benefits	\$12,257,441	\$17,112,319
Services & Supplies	\$517,000	\$676,400
Includes: programming expenses (eg: summer reading, youth and adult programs, literacy, BiblioBus); software subscriptions (Tutor.com, Gale, Prenda Coding Platform, Kahoot); contract employees; mileage; supplies for specials collections, literacy, Discover & Go		
COLLECTIONS	FY 20-21	FY 21-22
Salaries & Benefits	\$1,820,609	\$2,558,606
Services & Supplies	\$3,390,667	\$4,164,000
Includes: books; media; subscriptions (databases, digital resources); plus funds to stock BiblioBus and Roseland		
INFORMATION TECHNOLOGY	FY 20-21	FY 21-22
Salaries & Benefits	\$1,276,663	\$1,715,582
Services & Supplies	\$2,418,352	\$2,521,980
Capital Expenses	\$955,000	\$460,000
Includes: equipment purchases and leases (laptops to replace desktop PCs, device charging lockers for patrons, additional Chromebooks, laptop charging carts for branches, additional tote lifters for AMH, computer equipment for Petaluma refresh; WiFi and broadband charges; software and licensing)		
BUDGET & FINANCE	FY 20-21	FY 21-22
Salaries & Benefits	\$688,662	\$771,649
Services & Supplies	\$596,770	\$570,000
Includes: contract accounting services (county): county EFS charge; outside audit services		



FACILITIES	FY 20-21	FY 21-22
Salaries & Benefits	\$902,496	\$1,218,719
Services & Supplies	\$2,666,838	\$3,048,700
Capital Expenses	\$4,557,862	\$2,590,920
Includes: janitorial services and supplies; security services; utilities; machinery and equipment purchases and leases; landscaping services; safety supplies and equipment (including PPE); building maintenance; branch refreshes		
HUMAN RESOURCES	FY 20-21	FY 21-22
Salaries & Benefits	\$3,790,612	\$1,785,587
Services & Supplies	\$432,000	\$657,500
Includes: liability insurance; HR and contract related legal services; training services and software; systemwide professional development <i>(note that Salaries & Benefits in this division include OPEB payments)</i>		
COMMUNICATIONS	FY 20-21	FY 21-22
Salaries & Benefits	\$450,000	\$580,121
Services & Supplies	\$282,800	\$438,200
Capital Expenses		\$300,000
Includes: printing and binding supplies; outside printing; advertising; software; updated exterior building signage		
FUND DEVELOPMENT	FY 20-21	FY 21-22
Salaries & Benefits	\$50,000*	\$186,151
Services & Supplies	\$10,000	\$19,500
Includes: consulting services; mail and postage; office supplies <i>* a portion of Salaries & Benefits were previously allocated to Executive Services</i>		
EXECUTIVE SERVICES	FY 20-21	FY 21-22
Salaries & Benefits	\$942,341	\$896,510
Services & Supplies	\$1,089,700	\$1,039,700
Includes: general legal counsel; consulting services; building rents and leases; systemwide memberships		
TOTAL EXPENSES	FY 20-21	FY 21-22
	\$39,201,231	\$43,222,142



ADDITIONAL NOTES TO FY 2021-2022 BUDGET

ADDITIONAL POSITIONS

- 0.25 Library Specialist for Roseland
- 1.0 Senior Library Associate for BiblioBus
- 1.0 Adult Literacy Supervisor for Central
- 1.0 Digital Literacy Specialist for IT
- 0.5 Marketing Specialist for Communications

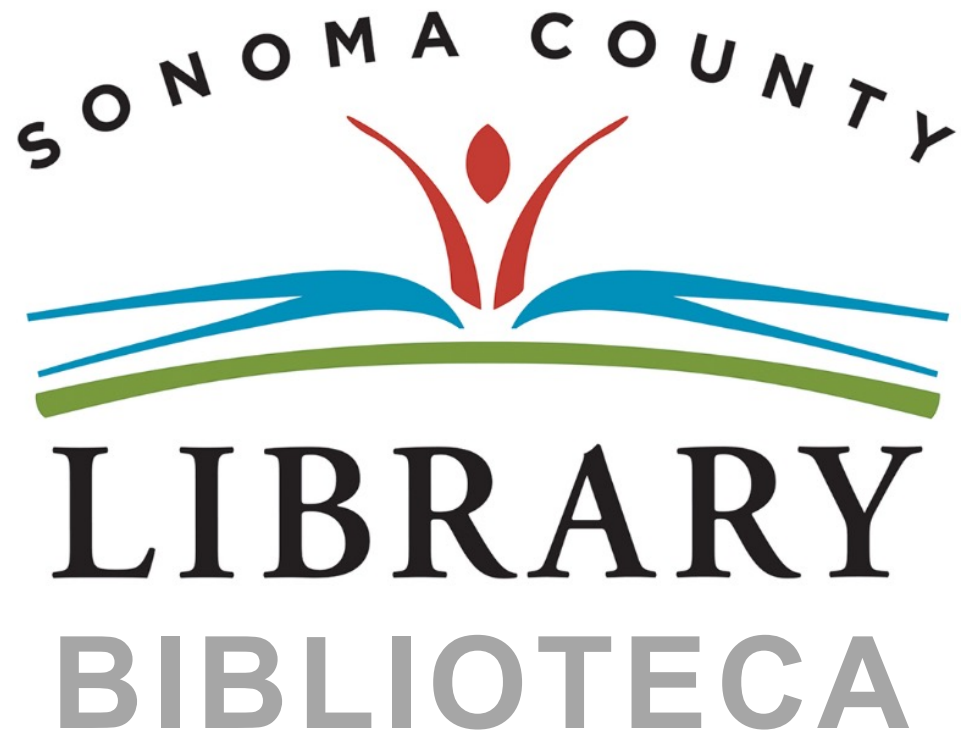
OPEB PAYMENTS	FY 20-21	FY 21-22
	\$3,100,000	\$750,000

ABOUT THE FUND BALANCE

The projected ending fund balance of \$21,040,431 represents “Unreserved/Undesignated Fund Balance.” There is also a total of \$4,092,907 in “committed” fund balance for Capital Improvement (\$273,657) and Rate Stabilization (\$3,819,250). This is reflected in the fund balance statements. Absent these commitments the total projected ending fund balance would be more than \$25 million.

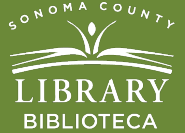
PROPOSED ACTION

That the Sonoma County Library Commission approve the fiscal year 2021-2022 operating budget of \$43,222,142, which includes the use of \$5,633,118 from the unassigned fund balance, leaving \$21,040,431 unassigned funds remaining.



FISCAL YEAR 2021-2022 BUDGET

Challenge and Resiliency

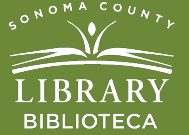


It's been an "interesting" year, leading up to this budget discussion

External factors Internal impacts

Fires	Air quality
Floods	Branch closures
Public Safety Power Outages	Staff displacement and branch closures
Widespread evacuations	Staff displacement and branch closures
COVID-19	Branch closures, shelter-in-place, anxiety
Overall uncertainty	Turnover in finance department
Constraints on activity	High unspent fund balance

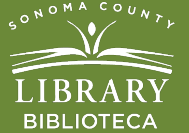
A Pledge to the Community



We asked the community to tell us about their aspirations and needs. Crafting responses that meet and match those aspirations and needs will be an evolving process.

This budget is our next step in that pledge to the community.

Budget Principles

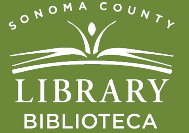


**Provide extraordinary service to the community,
“wherever you are, whoever you are”**

**Build in flexibility to react to changes, challenges,
and opportunities**

**Spend wisely, and utilize our growing fund
balance to support an agenda of
“reimagining the library”**

Budget Priorities



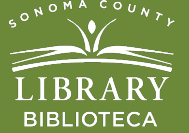
The commission, library staff and community members provided crucial feedback for this budget, through our Reimagining Plan

Provide opportunities for all to learn, contribute, interact, and participate

Support community resiliency

Foster racial equity, social justice, and inclusion for everyone

Revenue Assumptions



PROJECTED REVENUE: \$37,589,024

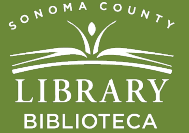
Property tax revenue slightly higher compared to 2020/2021 projected revenue:

\$23,107,324

Sales tax revenue increase 7.2% over 2020/2021 projected revenue:

\$14,481,700

Projected Revenue



Property Taxes	22,743,097
Sales Taxes	14,470,000
City of Santa Rosa	150,000
State of California - Adult/Family Literacy	70,727
Misc Charges for Services	28,500
Donations/Contributions	20,000
Interest earnings	106,700
Total Estimated Revenue	37,589,024

Expenses FY 21-22

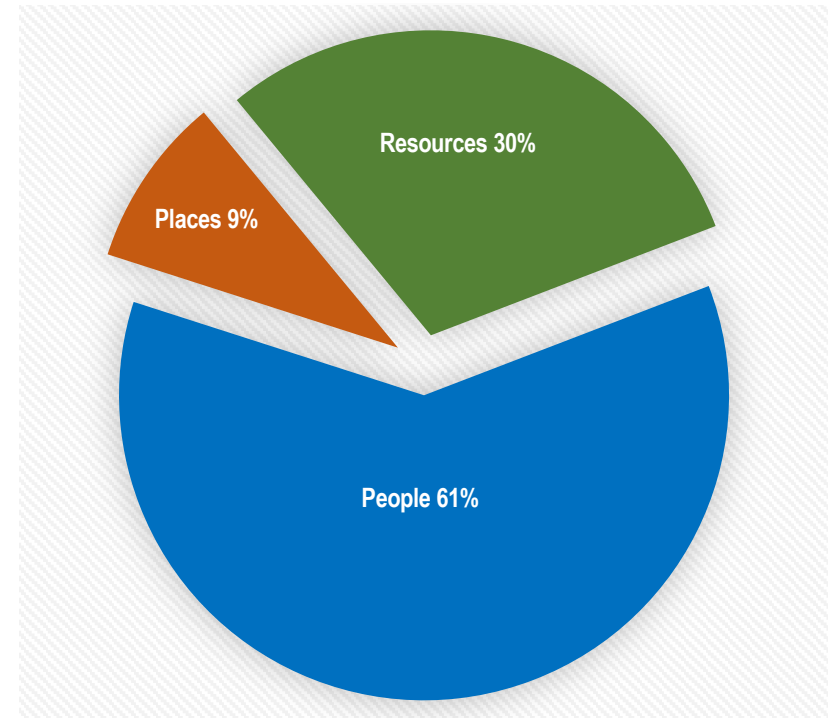
PROJECTED EXPENSES: \$43,222,142

(includes use of fund balance)

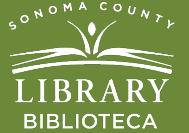
People: \$26,825,242

Places: \$3,350,920

Resources: \$13,045,980



Expenses: People

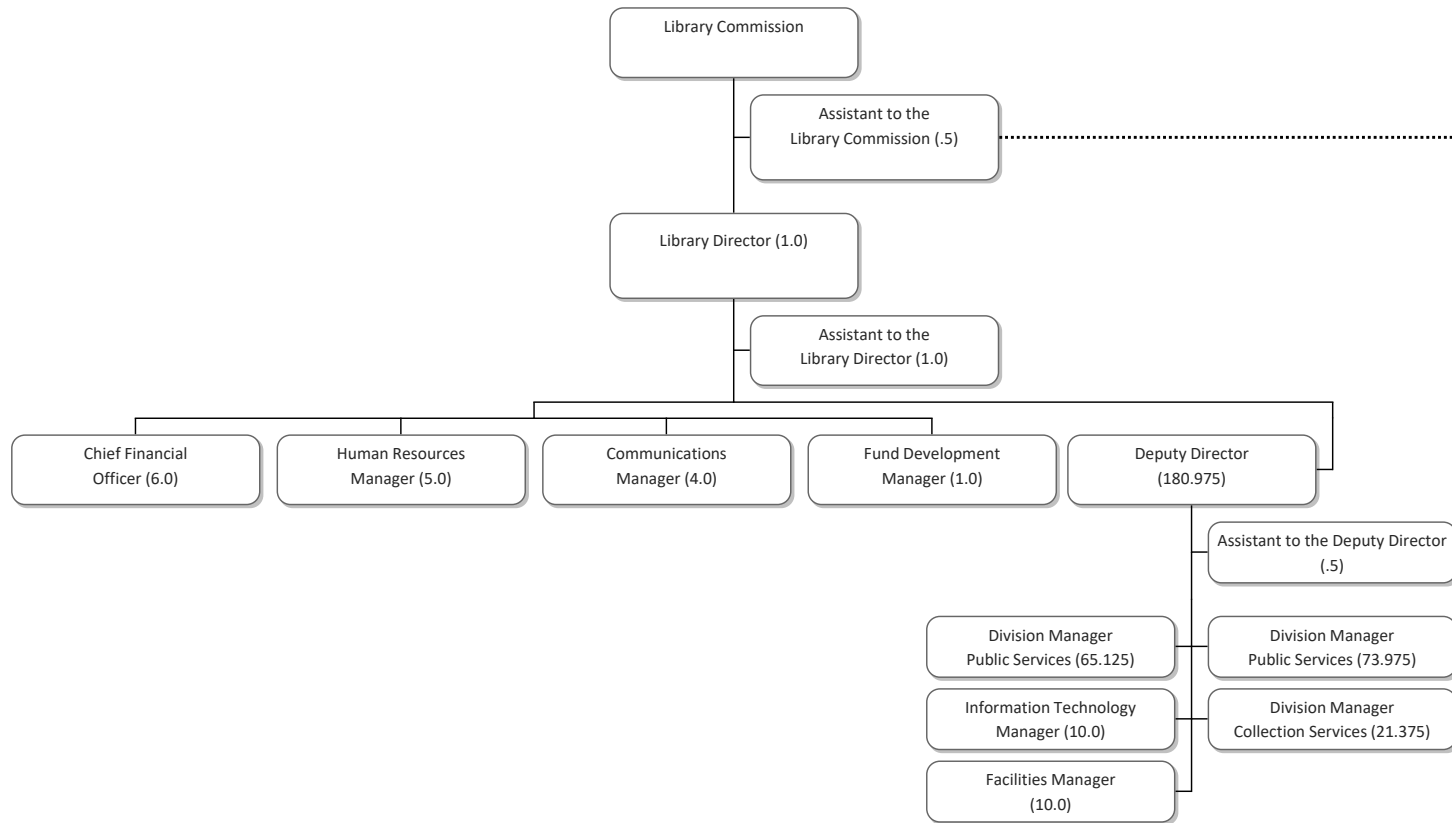
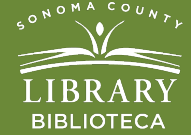


People: \$26,825,242

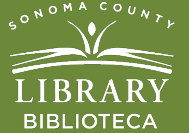
Add 3.75 additional FTE

Empower staff to focus on outreach and address community aspirations identified in the Reimagining Plan

Expenses: People



Expenses: Places

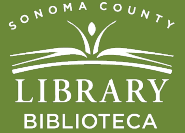


Places: \$3,350,920

Reallocate funds to complete branch projects that are underway:

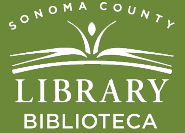
- **Roseland**
- **Petaluma**
- **Guerneville**
- **Central**

Capital Projects



Rebudget of Previously Approved Projects	FY 21/22
Parking Lot Reseals (All Branches except NW)	300,000
Branded New Signage	300,000
Facilities Assessment Plan	150,000
Petaluma Refresh	892,920
Petaluma Refresh - ILS Reallocation	100,000
Building Improvements	500,000
Furniture Replacement	500,000
Technology Upgrades	280,000
Subtotal - rebudget of previously approved projects	3,022,920
New Capital Projects FY 21-22	
Tote Lifters	30,000
Petaluma Branch Refresh - Computer Equipment	150,000
Vehicle Replacement - E234	28,000
HVAC Web Controls	120,000
Subtotal new capital projects	328,000
TOTAL CAPITAL PROJECTS FY 21-22	3,350,920

Expenses: Resources



Resources: \$13,045,980

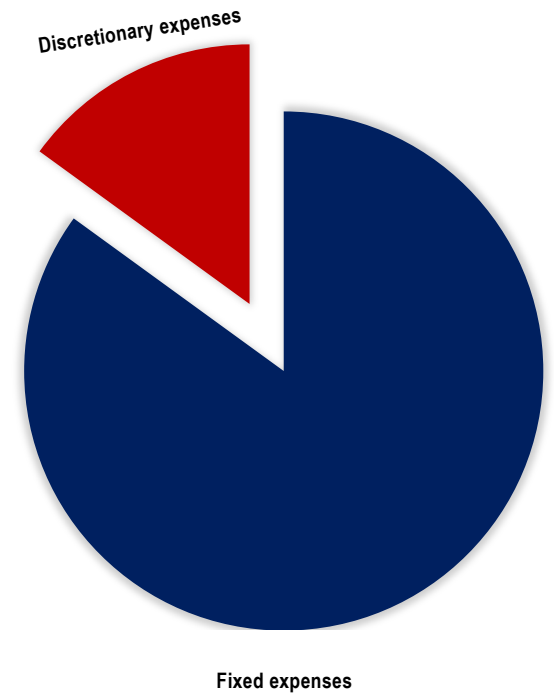
Increases in:

- **Public Services** (supplies, programming)
- **Technology** (equipment, charging lockers, data line upgrades)
- **Collections** (books, digital resources and databases)
- **Communications** (advertising, printing, software, extra help)
- **Budget & Finance** (outside accounting and auditing services)
- **General** (safety equipment, janitorial, utilities, security, maintenance, training, professional development, contract services, memberships, legal counsel)

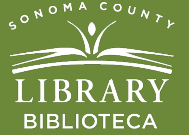
Discretionary Funds

While a \$43.2 million budget looks big, many of our expenses are fixed.

In fact, most of this budget reflects fixed costs that rise each year, such as salaries, benefits, insurance, lease payments, building and grounds maintenance, utilities, security, technology, safety supplies, OPEB payments, and more



Balancing the Budget



Projected expenses:	\$43,222,142
Projected revenue:	\$37,589,024 +
Use of fund balance:	\$5,633,118 =
Balanced budget:	\$43,222,142

Use of Fund Balance



PROJECTED FUND BALANCE ON 7/1/21: \$26,673,549

Proposed use of fund balance

People and Resources: **\$2,282,198**

Places (projects underway that require a reallocation): **\$3,350,920**

TOTAL: (~30% of fund balance) **\$5,633,118**

Fund balance after allocation: \$21,040,431