

## Library FY11 Budget

### Overview

The Reading Public Library general fund budget for FY11 is \$1,229,678, which is a \$9,480 increase (0.8%) compared to FY10. This amount from the Town's general fund historically has represented a bit more than 90% of the total revenues that the RPL utilizes to provide a high level of service to the community. For example, below see the various sources of funds for the most recently completed fiscal year:

### Library Revenue FY09 Town = 92%

Municipal Appropriation	\$1,206,822
State Aid	\$33,376
Friends & Foundation	\$22,000
Trust & Endowment	\$2,676
Gifts	\$7,509
Grants	\$23,700
Revolving Fund (Fees)	\$5,187
Capital	\$12,000
<b>Total</b>	<b>\$1,313,270</b>

### Staffing – wages

No changes to staffing are anticipated by this budget, and all wage costs are using existing FTEs at no COLA increase or step movement (except in the case of new hires for the six-month probationary period). Wages are typically about 70% of the total expenditures (compared to 78% of the funds provided by the Town). See the following chart for various expenditures of funds for the most recently completed fiscal year:

### Library Expenditures FY09 Salaries = 70%

Salaries	\$927,674
Grants	\$16,500
Books & Materials	\$189,727
Continuing Education	\$8,989
Tech Support/Infrastructure	\$9,285
Bookdrops (Capital)	\$12,000
Programs	\$17,260
Public computing	\$21,000
Software licenses, network	\$46,481
Revolving (State aid, Donations)	\$45,304
Supplies	\$19,050
<b>Total</b>	<b>\$1,313,270</b>

### Staffing – impact on services

In FY09 the part-time Technology/Reference Librarian's position was eliminated. Finance department staff took over some of the technology duties, and other library tasks were reassigned to other Reference Librarians; however, several shifts at the Reference Desk are understaffed on an ongoing basis as the Division's public service desk budget was reduced by 18 hours per week. Not all duties provided by this position have been able to continue at previous levels: the Technology/Reference Librarian taught computer classes, assisted patrons with various technological devices, provided database and specialized training for staff and public, and was a lead librarian for several innovative programs involving teens and technology

Librarians developed the new Library website in 2009 largely on their own time. The main web developer was freed up for a few hours per week from her primary function as a part-time Teen/Reference Librarian thanks to a two-year, \$20,000 federal

Teens/Tweens Grant. That grant period has ended and we will have to either reduce services to teens or compensate her for her website work. The going rate for website editing/updating services is \$50 per hour and the library staff is currently spending approximately six hours per week providing this important and growing public service. Some website tasks will become more routine and clerical; however the current part-time administrative staff doesn't have any capacity to add duties.

### **Expenses**

The increased funding to expenses is to allow the Town to fully meet the required 15% state target for the materials budget. Some years any shortfalls have been made up by other sources of revenue. Finance department technology staff have assumed full responsibility for the 63 public and staff computers, which will save this budget \$6,000 in previous computer maintenance services.

### **Revenues**

State Aid to Libraries is delivered through direct and indirect subsidies, grants, and programs. State funding provides daily delivery and infrastructure for one of our most popular services: our ability to borrow books from other libraries at no cost to residents. In 2009, Reading residents borrowed 33,176 items from other libraries through RPL. At an estimated cost of \$20 each, the library couldn't possibly afford to provide all those books, many specialized and unique. The state supports regional and cooperative resource sharing efforts that Reading

residents use daily, including subsidies to the network, ongoing network upgrades, electronic research sources, continuing education, and competitive grants that have enabled us to enhance services to teens, elders, and others.

In October, 2009, the Governor's spending cuts reduced \$500,000 from Regional Libraries, \$900,000 from Technology & Resource Sharing, and \$300,000 from State Aid to Public Libraries. This resulted in a 30% reduction in direct State Aid - from \$33,376 to an anticipated \$22,000. The long term outlook for diminishing state funding for libraries will be far more profound and damaging, if it comes to pass: local libraries like Reading will have to find more funding for core services and infrastructure as we share operating systems, network fees and costs, and training.

### **Other Sources of Income**

It's too soon to tell how gifts and donations will be affected by the current economy, as most fundraising and annual gifts come through the Foundation and Friends, who are mid-way through their membership and annual campaign drives. (Funding from these sources is described fully below). We do know, however, that there has been a precipitous drop in investment income that affects the endowment established by the Foundation and in what we can expect as Trust income. The Trusts managed by the Town on behalf of the library total \$54,000 principal. The hope for trust interest income is 2%, or \$1,080, in FY11.