

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 family 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 preliminary 2017-2018 allocations. Final 2017 allocations are approved by the Library Board of Trustees as part of the 2017 Library Operating Plan, and final 2018 allocations will be determined as part of the 2018 Library Operating Plan):

Hours and Access: The levy provides approximately \$4.3 million in 2017 and \$4.4 million in 2018 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. Since 2013, levy funds have been used to keep Columbia and Northgate branches open on Fridays. Starting in 2016, levy funds have been used to provide Friday hours at High Point, International District/Chinatown, South Park and University branches.

Collections: The levy provides approximately \$3.1 million in 2017 and \$3.3 million in 2018 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 and Online Services: The levy provides approximately \$1.6 million in 2017 and \$1.4 million in 2018 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 approximately \$1.4 million in 2017 and \$1.5 million in 2018 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 approximately \$3.7 million in 2017 and \$3.8 million in 2018 for sustained stewardship of library facilities. Prior to the levy, the Library's capital improvement program (CIP) was largely

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funded by allocations from the City's Real Estate Excise Tax (REET). Levy funds have largely replaced REET funding for Library major maintenance throughout the system. REET now provides funding for projects beyond the intended scope of the levy. Included in the levy scope for major maintenance is maintenance necessary for building components such as roofs, floors, finishes, HVAC and mechanical systems. It does not include any funding for new or expanded library space.

Additionally, the levy provides approximately \$4.7 million in 2017 and \$4.8 million in 2018 to maintain existing core functions and services at 2012 levels and about \$300,000 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. Levy funds to support the Library's operations are transferred to the Library's operating fund and the appropriations are shown in the Library's section of the 2017-2018 Proposed Budget. Capital Improvement Program (CIP) spending for major maintenance 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 2017-2018 biennium marks the fifth and sixth years of the seven-year, voter-approved \$123 million Library Levy. The levy supports four core service areas identified through an extensive public engagement process: open library hours, the collection of books and materials, computers and online services, and building maintenance. The 2017-2018 Proposed Budget includes continued levy support to expand Friday operations for four additional branches: International District/Chinatown, University, High Point and South Park. These branches began operating on Fridays in mid-2016. Levy support in the 2017-2018 Proposed Budget includes \$15.4 million in 2017 and \$15.7 million in 2018 for operating support (including use of \$938,000 in 2017 and \$805,370 in 2018 of prior year carryforward) and \$3.7 million in 2017 and \$3.8 million in 2018 for facilities capital support.

Incremental Budget Changes

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	2017 Budget	2018 Budget
Total 2016 Adopted Budget	\$ 13,665,837	\$ 13,665,837
Proposed Technical Changes		
Transfer of Levy Funds to Support Library Operations	\$ 837,324	\$ 1,239,925
Total Incremental Changes	\$ 837,324	\$ 1,239,925
2017 - 2018 Proposed Budget	\$ 14,503,161	\$ 14,905,762

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Descriptions of Incremental Budget Changes

Proposed Technical Changes

Transfer of Levy Funds to Support Library Operations - \$837,324

This item appropriates additional funds out of the 2012 Library Levy Fund as part of the planned increase of support for Library operations. Changes include funding to sustain Friday operating hours at four additional branches and to supplement the collections budget.

Expenditure Overview

Appropriations	Summit Code	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
Library Levy Operating Transfer	18100-B9TRF	12,859,594	13,665,837	14,503,161	14,905,762
Library Levy Capital*	18100	2,972,384	2,242,000	3,673,000	3,772,000
Department Total		15,831,978	15,907,837	18,176,161	18,677,762

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

Revenue Overview

2017 Estimated Revenues

Summit Code	Source	2015 Actual	2016 Adopted	2017 Proposed	2018 Proposed
411100	Property Tax	17,283,986	17,340,000	17,513,077	17,688,208
461110	Interest Earnings	110,333	50,000	100,000	50,000
	Total Levy Revenue	17,394,319	17,390,000	17,613,077	17,738,208
	Total Revenues	17,394,319	17,390,000	17,613,077	17,738,208
379100	Use of (Contribution To) Fund Balance	-1,562,341	-1,482,163	563,084	939,554
	Total Resources	15,831,978	15,907,837	18,176,161	18,677,762

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Appropriations By Program

<u>Library Levy Operating Transfer</u>				
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).				
	2015	2016	2017	2018
Program Expenditures	Actual	Adopted	Proposed	Proposed
Library Levy Operating Transfer	12,859,594	13,665,837	14,503,161	14,905,762
Total	12,859,594	13,665,837	14,503,161	14,905,762

2012 Library Levy Fund Table

<u>2012 Library Levy Fund (18100)</u>					
	2015	2016	2016	2017	2018
	Actuals	Adopted	Revised	Proposed	Proposed
Beginning Fund Balance	8,033,433	4,404,930	9,595,774	5,941,044	4,439,960
Accounting and Technical Adjustments				(938,000)	(805,370)
Plus: Actual and Estimated Revenue	17,394,319	17,390,000	17,439,680	17,613,077	17,738,208
Less: Actual and Budgeted Expenditures	12,859,594	13,665,837	15,251,853	14,503,161	14,905,762
Less: Capital Improvements	2,972,384	2,242,000	5,842,557	3,673,000	3,772,000
Ending Fund Balance	9,595,774	5,887,093	5,941,044	4,439,960	2,695,036
Planning Reserve	-	440,142	-	-	-
Levy Reserve for Future Use	-	2,677,039	1,743,370	805,370	
Total Reserves	-	3,117,181	1,743,370	805,370	-
Ending Unreserved Fund Balance	9,595,774	2,769,912	4,197,674	3,634,590	2,695,036