



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: May 3, 2016**
FROM: LIBRARY DEPARTMENT **WARDS: ALL**
SUBJECT: BUDGET PRESENTATION FROM THE LIBRARY DEPARTMENT

ISSUE:

The issue for City Council consideration is to receive and provide input on a budget presentation from the Library Department about 1) current and historical operations; 2) FY 2016/17 recommended reductions; and 3) unfunded challenges for fiscal years (FY) 2016/17 and 2017/18.

RECOMMENDATIONS:

That the City Council receive and provide input on the Library Department's 1) current and historical operations; 2) FY 2016/17 recommended reductions; and 3) unfunded challenges for fiscal years (FY) 2016/17 and 2017/18.

BACKGROUND:

Department Operations

The Riverside Public Library is a doorway to opportunity, self-enrichment, and access to information in print and digital forms. The Library provides a forum for residents to participate in the open exchange of ideas, cultures and resources within the building and across the globe. The Library welcomes over 1 million visitors annually and supports the circulation and maintenance of a collection of over 442,000 items to over 272,000 borrowers. The Library Department is designed to deliver service as a library system with a strong Main Library, supporting seven active neighborhood branch libraries, Arlanza, Arlington, Casa Blanca, Eastside, La Sierra, Marcy and Orange Terrace, each tailored to the unique constituent needs of its neighborhood.

Supported with grant funds from the California State Library and donations from the Friends of the Library, the Literacy Program actively recruits volunteer tutors to support adult learners. Volunteers also support the Home Delivery Service Program by delivering library materials to incapacitated adults and registered family child care providers. Via the Storymobile, a children's library on wheels, the Library brings early learning opportunities such as story time and puppet shows to registered partners serving low-income preschool age children. Learning opportunities are enriched across the city with workshops on computer use, coding, and various STEM (Science Technology Engineering and Math) programs and tools and by offering 24/7 access to digital solutions, such as Zinio (digital magazines), Mango (online language learning) and Freegal (music streaming and downloads). The Library enhances local service with borrowing agreements through the Inland Library System.

Library Department services support the City Council Strategic Plan through enhanced customer service and improved quality of life. Services are aligned with Seizing Our Destiny Pillars Intelligent Growth, Catalyst for Innovation, Location of Choice and Unified City.

The Library Department includes Administration and Neighborhood Services. Administration, consisting of the Director, Administrative Services Manager, Digital Systems Specialist, Sr. Account Clerk, and Office Specialist, is responsible for planning, organizing, coordinating and directing department operations and developing staff. Recruitment for an Assistant Library Director is underway.

Neighborhood Services, consisting of Librarians, Library Associates, Library Technicians, Library Assistants, is responsible for the direct delivery of library services to the community, including collection acquisition and maintenance, access to information and technology, and programs for all ages and interests.

Department performance measures include library visits, library cardholders, materials circulation, program attendance, technology usage, code of conduct incidents, and staff, materials and program ratios to community population and in relation to benchmark jurisdictions.

Accomplishments over the last fiscal year include:

1. Opening the city's first public Makerspace at Main Library.
2. The planned opening in May 2016 of the first library Veteran Resource Center at Arlanza Library.
3. Implementation of a 21st Century Integrated Library System for the enhancement of internal and public operations.
4. Securing over \$300,000 in grants and donations to enhance library service to the community.

Goals for upcoming fiscal years include:

1. The planning and relocation of a 21st Century Main Library
2. Completion of the department strategic plan
3. Implementation of mobile library services

Overview of Prior and Current Financials

LIBRARY	FY 2013-14 Actuals		FY 2014-15 Actuals		FY 2015-16 Adopted Budget	
	\$	FTEs	\$	FTEs	\$	FTEs
Division Operational Expenditures						
Administration	\$ 735,529	6.00	\$ 870,902	6.00	\$ 914,925	6.00
Neighborhood Services	\$ 4,435,864	59.92	\$ 4,552,031	59.92	\$ 4,884,279	59.92
Measure I	\$ 265,942		\$ 272,393		\$ 306,579	
General Fund Totals	\$ 5,437,336	65.92	\$ 5,695,326	65.92	\$ 6,105,783	65.92

Major changes for increase to FY 2015-16 include:

- Library added \$50,000 to Materials Budget.
- Personnel costs increased by \$215,137 due to normal salary and benefits increases

Departmental 4% Reduction Measures and Managed Savings

During the development of the FY 2016-2018 two-year budget, the Finance Department estimated the City would have a structural shortfall in the General Fund of approximately \$10 million to \$12 million. To address the issue, each department was asked to reduce their General Fund operational budget by 4%. This amount is in addition to the Department's annual managed savings target. A managed savings target represents the amount of money the department has historically

saved each year. Examples of managed savings include vacancy savings and better pricing on professional services. Typically, city departments have been left to manage their budget to determine how these managed savings amounts would be achieved; however, given the need to reduce 4% of the Library Department's operating budget, it is imperative a plan to realize the managed savings target is provided.

For the FY 2016-18 two-year budget, the Library has the following 4% reduction and managed savings targets:

- \$238,217 = 4% Reduction (Does not include Measure I Revenue of \$1.4 million)
- \$150,000 = Managed Savings

4% Reductions:

In order to achieve 4% savings (\$238,217 of the Department's General Fund operational budget), the following measures may be needed:

- Library Neighborhood Services/Bi-Weekly Branch Closures (\$162,768)
 - Close every Library location twice per month on Friday (day averaging lowest public visits)
 - No library service to the public
- Library Neighborhood Services/Personnel (\$107,189)
 - Hold Senior Librarian position vacant for one year
 - Reduced service to the public
 - Reduced desk coverage for staff
 - Requires reorganizing supervision of Main Library Staff

Managed Savings:

In order to achieve the Department's managed savings target (\$150,000) for the General Fund, the following measures may be needed:

- Branch Closures (\$27,958)
 - Close the Main Library and La Sierra Library locations one Sunday per month.
 - No library service to the public
- Branch Closure and Hours of Operations (\$19,864)
 - Close Main Library on Sundays only
 - Eliminate late closing at Main Library every Thursday from 7 p.m. – 9 p.m.
 - No library service to the public
- Library Neighborhood Services/Personnel (\$59,367)
 - Hold vacant one Library Associate position
 - Reduced customer service resulting from reduced public desk coverage

Critical Unfunded Needs

Priority Level	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Highest	\$559,834	\$564,914	\$752,126	\$786,041	\$821,767
High	\$50,000	\$50,000	\$360,814	\$375,103	\$390,108
Important	\$110,000	\$110,000	\$50,000	\$25,000	\$25,000
Grand Total	\$719,834	\$724,914	\$1,162,940	\$1,186,144	\$1,236,875

The Library Department challenges have occurred historically with the decrease in actual personnel. Currently, the Department has 65.92 FTE and in FY 2008/09 this amount was 71.80 and in FY 2006/07 this amount was 103.68. Additionally, in 2008/09, one new library branch

opened and two years later two additional branches were opened for a total of eight branches with the same amount of staff to operate all locations. Staffing in administration and branches has been at the bare minimum. As a result, service levels have been greatly impacted and security risks have increased. To increase customer service and create a more welcome environment, funding is requested for four librarians, one at each location currently without a librarian, and one security guard at each location.

In order for the Library to meet its Riverside 2.0 Strategic Plan goal, funding in the amount of \$220,000 in Fiscal Year 2016/17 and 2017/18 is requested for a consultant to provide the Library with vision and direction based on internal transitions and external societal and technological shifts, including how the community wishes to access, receive, and share information.

FISCAL IMPACT:

There is no direct fiscal impact associated with this report; however, as stated above the two-year budget process will include necessary deliberation on the proposed measures to meet both 4% reductions and managed savings targets. Moreover, the unfunded needs discussed above represent fiscal challenges above and beyond these reduction targets.

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availability of funds: Scott Miller, Interim Finance Director/Treasurer
Approved by: Alexander Nguyen, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Presentation
2. Department Organization Chart
3. Financial Summaries
4. Unfunded Needs