



*City of Arts & Innovation*

# Board of Library Trustees

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**TO: BOARD OF LIBRARY TRUSTEES** **DATE: JUNE 27, 2016**

**FROM: RIVERSIDE PUBLIC LIBRARY**

**SUBJECT: FISCAL YEAR 2016/17 AND 2017/18 LIBRARY BUDGET UPDATE**

## **ISSUE:**

An update on the Fiscal Year 2016/17 and 2017/18 Library Department budget.

## **RECOMMENDATION:**

That the Board of Library Trustees receive and file this report.

## **BACKGROUND:**

The City is facing a \$10 million to \$12 million budget deficit. To address the issue, each department was asked to reduce their General Fund operational budget by 4%. Measure I revenue is approximately \$1.4 million annually and is not included in the 4% reduction target. For the Library, 4% equates to \$238,217.

Departments were additionally directed to meet their 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. The Library's managed savings target is \$150,000.

For the Fiscal Year 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

Total = \$388,217

## **DISCUSSION:**

On June 14, 2016, the City Council held a Public Hearing on the Proposed Fiscal Year 2016/18 Two-Year budget. The City Manager recommended that libraries not face any closure and no staff be furloughed as a result of proposed budget reductions. Instead, the City Manager recommended the City Council adopt the budget with the attached revisions (Note: the document should read "Remove Two Closures Per Month", not per week). The budget revision pulls funds from various other areas as listed on the attached recommended reductions document to cover

the budget amount needed to remove Sunday closure and alternating Friday closure from consideration.

The City Council voted to continue the budget discussion and consideration for approval until the June 21, 2016 meeting, at which time the Fire Department agreement is expected to have been ratified. As shown on the attached document, a significant portion of the proposed budget revisions are subject to formal approval of that agreement.

The Library Department is extremely grateful to the City Council, City Manager and Assistant City Managers for their support of library services.

**FISCAL IMPACT:**

There is no fiscal impact associated with this report.

Prepared by: Tonya Kennon, Library Director  
Approved by: Alexander T. Nguyen, Assistant City Manager

Attachments: Fiscal Year 2016-18 Two-Year Budget: Update to Recommended Reductions