



The Seattle Public Library

Memorandum

Date: December 14, 2023

To: The Seattle Public Library Board of Trustees

From: Tom Fay, Executive Director and Chief Librarian
Nicholas Merkner, Head of Finance and Accounting

Subject: **Proposed 2024 Operations Plan**

The Revised Code of Washington (RCW 27.12.240) and the City Charter (Article XII, Section 5) grant the Board of Trustees "exclusive control of library expenditures for library purposes." The Library Board adopts an annual Operations Plan in December after the City Council approves the Library's operating and capital budget appropriations. The purpose of the Operations Plan is to present a picture of the Library's planned spending over the coming year inclusive of all funding sources. This document represents the Library Board of Trustees' adopted budget and functions as the guiding financial document for operations for the upcoming period.

On November 21, 2023, the City Council approved the 2024 budget, including \$90.1 million in operating and \$5.9 million in capital budget appropriations for the Library—Council appropriations included \$25.2 million in operating support and \$5.9 million in capital funding provided by the 2019 Library Levy. Grants approved by The Seattle Public Library Foundation Board of Directors and other Library gifts total \$6.2 million—these private resources enhance high quality and innovative Library programs for Seattle residents. The 2024 Library budget across all funding sources—including private gift and grant support—is \$102.2 million.

We reviewed the Operations Plan framework at your September Library Board meeting, and brought a draft to the November board meeting. The enclosed documents reflect board feedback and comments collected during those periods.

Attachment: Proposed 2024 Operations Plan

Action Requested: Library Board approval of 2024 Operations Plan at December 14, 2023 Library Board meeting. Comments or feedback are welcome.



The Seattle Public Library

2024 Operations Plan

The Seattle Public Library's 2024 Operations Plan reflects the second year of the City's biennial 2023-2024 budget cycle and the fifth year of a seven-year, voter-approved, \$219.1 million Library Levy. This plan summarizes planned spending information across the City's 2024 Adopted Budget (General Fund, Library Levy, Library-generated revenue, Real Estate Excise Tax), in addition to private funding resources from Library gift funds and grant awards provided by The Seattle Public Library Foundation. The Library Board of Trustees is responsible for monitoring Library funds appropriated through the City's budget.

The Library Board Policy on Race and Social Justice and the City of Seattle's Race and Social Justice Initiative—a commitment to eliminate racial disparities and achieve racial equity—help guide the use of these funds and all aspects of Library operations. The Library budget team participated in a City-wide equitable budgeting rubric project, has independently conducted interviews with peer organizations, and has undertaken a literature review to learn how other organizations center equity in their budget development process. We anticipate information gathered through this process will inform and shape our budget development philosophy in future periods.

Economy and Revenue

The City yielded higher than projected General Fund revenues in 2023, a trend which is expected to continue into 2024. These factors influenced a 2024 budgeting process where the City General Fund was balanced as a starting point—meaning the Library was not asked to provide target reduction proposals. The other side of that coin is the Library's non-grant budgets did not have changes beyond those associated with known spending plan variations, adjustments for central costs and benefit rates, and limited allowances for inflationary support.

Unexpected strength in employment and growth in Gross Domestic Product avoided the recession predicted last fall. However, the Federal Reserve's restrictive monetary policy (keeping interest rates high) is expected to remain in place through the first part of 2024—while this helps control inflation, it can also restrict economic growth. These factors, along with cooling technology, professional service, and business service sectors, have shifted the longer-term regional outlook toward slower and flatter economic and revenue growth. Several City revenue streams have yet to fully rebound coming out of COVID-19, meaning a slower recovery creates pressure on future periods. The City's latest projections on revenues, and the impact of generation-high inflation, indicate the City will face a \$251 million deficit for the 2025 fiscal year.

City Council Budget Actions

The City Council approved a budget action to reduce funding for employer contribution to the Seattle City Employees Retirement System (SCERS) in alignment the SCERS Board of Administration's recommendation. The City's 2024 Proposed Budget initially used a rate of 16.22%, which was

derived prior to updated actuarial results being known. The recommended SCERS Board rate is representative of these updated actuarial calculations and has been approved at 15.82%.

Overview of the 2024 Operations Plan relative to the Adopted 2023 Plan

To provide a comprehensive picture of the Library's 2024 planned spending, the Operations Plan includes both Operating and Capital budgets. The 2024 Library budget across all funding sources—including private gift and grant support—is \$102.2 million. This amount is \$2.5 million lower than the prior year (a 2% decrease). This net decrease is due to variation in the 2024 Capital Budget, nearly all of which is in accordance with the long-term capital financial plan. Some of the high level changes to the Library's 2024 budget are as follows (summarized view of year-to-year changes provided as Attachments 1 and 2):

Operating Budget Changes

- A continuation of \$700,000, and a one-time redirection of \$1 million, in prior period budget authority to offset City General Fund revenue reductions associated with COVID-19
- \$247,000 in additional gifts and grants from The Seattle Public Library Foundation and other private sources for collections, programming, and early learning
- Adjustments to Central Costs, annual wage increases, benefit rate changes, health care, and other inflationary changes added \$550,000 in operating resources. These resources are largely dedicated to designated cost pools and do not carry programming flexibility.

Capital Budget Changes

- Removal of a one-time, \$1 million supplement from the JumpStart Payroll Expense Tax—which helped fund de-carbonization efforts via branch electrification and other measures
- Library Levy capital support decreased by \$3 million. This is in accordance with the long-term capital plan as the 2023 budget included one-time increases to account for IT infrastructure purchases, seismic retrofit and unreinforced masonry project costs.
- REET capital project support decreased by \$870,000. 94% of this reduction is in alignment with what was laid out in the City's long-term capital financial plan. The Library was asked to make an additional reduction of \$53,000 for 2024 owing to REET revenues that are projected to fall short of previous estimates.

I. Priority Areas within Library Operations

The Library is currently assessing our strategic direction, which may result in changes to how the budget is structured in future periods. There is additional information as it relates to the strategic plan included in the Opportunities section of this document (Page 12, Section VI)—although the shape and form of said plan are still being developed. For the upcoming year, the Library will continue to utilize the five fundamental areas of our operations as reaffirmed by the community through a 2021 survey. Additional information as it relates to each of the existing priority areas, along with notable investments, will be discussed in the proceeding sections.

A. Hours and Access

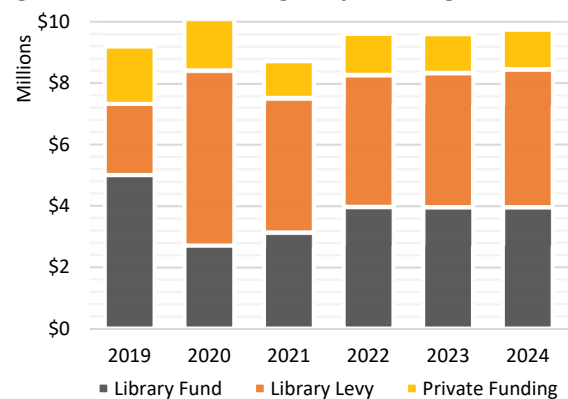
Library open hours mean access to technology, collections and resources, programs and knowledgeable staff for information and referral. To this end, Public Services staff are versed in the role the Library plays in creating a more equitable community with increased opportunity for low income and historically marginalized individuals and families in Seattle. The Library's largest expenditure is related to personnel, representing \$73 million, or 71% of total Library resources. One of the Library's key investments in this area is:

\$70,000 to offer programs for adult learners, such as English for Speakers of Other Languages classes, Adult Education Tutoring, digital literacy and English classes, family literacy classes, citizenship classes and tutoring, and community outreach. *(funded by The Seattle Public Library Foundation)*

B. Books and Materials

When considering the purchase of materials to be added to the collection, the Collection Services team applies an equity lens that factors in audiences, categories and formats, while also focusing acquisitions on titles that reflect underrepresented voices, including those from people of color, the LGBTQ+ community and other marginalized groups. Circulation trends have rebounded, and over 1.1 million items are circulated per month.

Figure 1: Materials Budget by Funding Source



The Library provides \$11.2 million (11% of the overall budget) to support the purchase of books and materials, and the movement of those materials across the system. These resources are provided via a combination of General Fund, Library Levy and private gifts (a summary of which can be seen in Figure 1). Key investments in the 2024 books and materials budget include:

\$100,000 for Books Unbanned, which is a partnership with other library systems to fight censorship and champion intellectual freedom by offering a free e-card allowing access to the Library's catalogue for teens and young adults (ages 13 to 26) nationwide *(funded by The Seattle Public Library Foundation)*

\$124,000 for archiving and processing the Paul Dorpat collection to make it discoverable and accessible to the public *(funded by The Seattle Public Library Foundation)*

C. Technology and Online Services

The digital environment provides increasing opportunities to participate in the information society, although some individuals and families can face serious barriers to access. These barriers, often referred to as the "digital divide," may include a lack of affordable internet connectivity; lack of internet ready devices; or a lack of skills, knowledge, or means to access digital resources. The Library plays an important role in helping bridge the digital divide by providing access to patrons who lack this capability at home.

According to a survey conducted by the Library, one-third of Seattle residents said they relied on Library computers or Wi-Fi networks to access the internet and other digital resources. The Library provides free access to digital devices (desktop computers, laptops and tablets) that can be used to search online resources, connect to the internet, or use popular software. Our wireless internet access is provided free to patrons and has experienced exponential growth as patron preferences shift toward mobile access. Additionally, patrons can use their Library card to check out a portable Wi-Fi hot spot. Key investments in this area for 2024 include:

\$250,000 for the finalization of a Microsoft 365 migration project *(funded by the General Fund and The Seattle Public Library Foundation)*

\$615,000 for IT enterprise equipment upgrades to repair and replace core and central switches to maintain and improve the Library's network *(funded by the 2019 Library Levy)*

D. Literacy and Early Learning

Libraries play an important role in fostering literacy, particularly for those who have historically faced barriers to access, such as immigrants and refugees, and those developing literacy skills, such as preschool and elementary students. A key investment in this priority area for 2024:

\$52,500 for Global Reading Challenge, a reading incentive program for 4th and 5th graders enrolled in Seattle Public Schools. Students form teams and read selected books, then take part in a trivia competition—semi-finals and the City-wide final take place at the Central Library in the spring *(funded by The Seattle Public Library Foundation)*

E. Building and Facility Support

As part of the 1998 Library's for All capital campaign, the Library remodeled and replaced a number of our branches. Many of these renovations and buildings are now over 20 years old and in need of ongoing and careful oversight and maintenance to protect the public investment. The Library utilizes an internally developed and actively managed Comprehensive Facilities Plan to surface and direct where investments are needed throughout the system. However, resulting from budget reductions taken during the COVID-19 pandemic, several building maintenance projects were deferred to future periods. This is not an optimal approach, as timely and ongoing maintenance is less expensive than emergency repairs and replacements—this is particularly salient when considering the iconic and unique buildings present in the Library property portfolio.

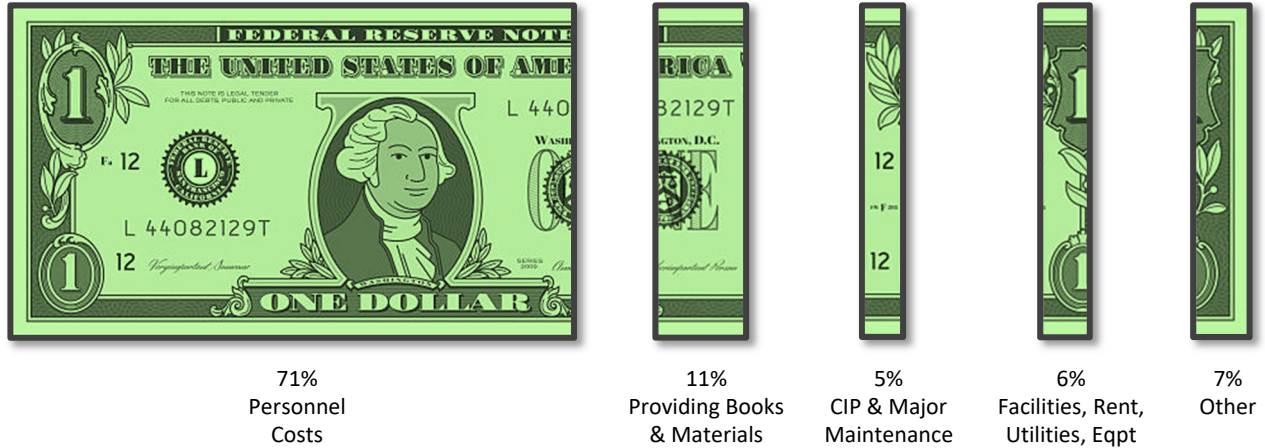
Our buildings provide a forum where patrons can read or study in a comfortable environment, listen to interesting and engaging speakers, participate in meaningful community events, or find daytime respite. \$15.9 million, or 15% of Library resources, support keeping our facilities open, clean, functional, and welcoming to all. A key investment in our building operations are:

\$2,078,000 for utilities across 28 library locations (27 neighborhood libraries and a Maintenance and Operations Center). Library facilities serve an important role of not only housing our collection of books and materials, but also providing welcoming and functional spaces for all members of the community. Heating, cooling and lighting are central elements of our buildings being open and operational. *(funded by the General Fund and the 2019 Library Levy)*

II. Operations Plan Overview by Personnel, Collections, and Buildings

There is an overarching and larger scale framework within which our priority areas fall, these consist of: 1) Personnel, 2) Books and Materials, and 3) Buildings. Relative investments of Library resources among these categories are shown below, along with an illustration of how \$1.00 is spent at the Library using this lens. Due to the unique nature of Library services and how they are provided to the public, Library work is inherently people-oriented—meaning the majority of our resources are dedicated toward personnel. Additional department level budget information can be seen on Attachment 1.

Figure 2: How \$1.00 is spent at the Library and the Proposed Budget

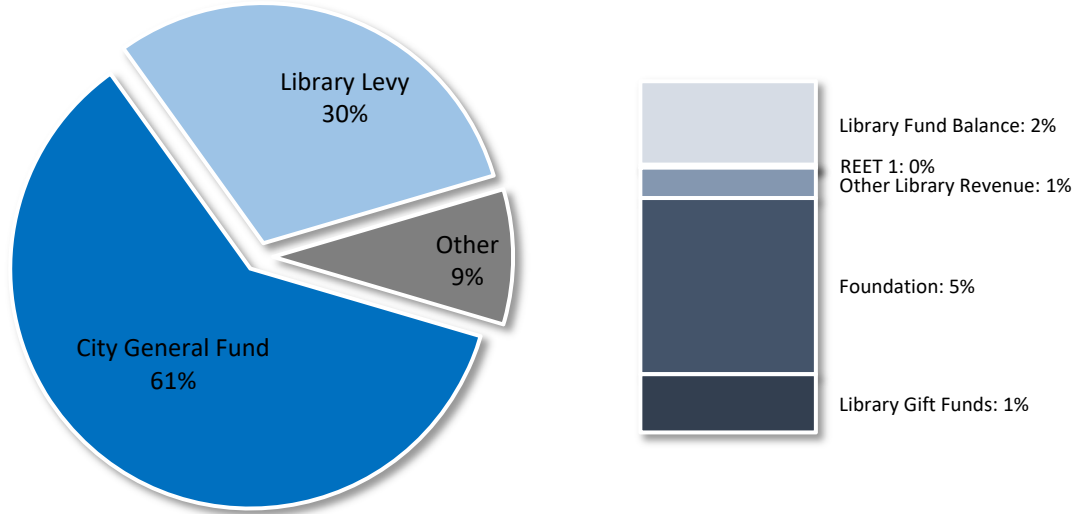


Amounts in \$1,000s	2024 Proposed	%
<i>Personnel</i>		
Public Services, Collections & Access	\$53,406	52%
All Other Departments	\$19,569	19%
<i>Personnel Sub-Total</i>	<i>\$72,975</i>	<i>71%</i>
<i>Providing Books & Materials</i>		
Books & Materials Collection	\$10,222	10%
Collection Processing & Distribution	\$989	1%
<i>Providing Books & Materials Sub-Total</i>	<i>\$11,211</i>	<i>11%</i>
<i>Buildings</i>		
Capital Improvements & Major Maintenance	\$4,878	5%
Utilities, Maintenance, Rent, Equipment	\$5,905	6%
<i>Other</i>		
Direct Programming Supplies	\$1,650	2%
City Central Costs	\$3,030	3%
Software	\$940	1%
Other	\$1,604	1%
<i>Other Sub-Total</i>	<i>\$7,224</i>	<i>7%</i>
Total	\$102,193	

III. Operations Plan Overview by Funding Source

The design and development of the Library budget occurs against a backdrop of equity impacts associated with the City’s Language Access Plan (Library plan included as Attachment 3), as well as the City’s Race and Social Justice Ordinance and the Library Board policy on Race and Social Justice (Attachment 4). Library operations are supported by three main funding sources: City appropriation of General Fund support, an annual allocation from the seven-year, voter-approved Library Levy, and private gift funds—which include annual grants from The Seattle Public Library Foundation.

Figure 3: Operations Plan by Funding Source



Amounts in \$1,000s	2023 Adopted	2024 Proposed	% Change
<i>Operating Fund</i>			
City General Fund (Operating)	\$60,105	\$61,883	3%
2019 Library Levy (Operating)	\$24,079	\$25,194	5%
Other Library Revenue	\$553	\$778	41%
Interdepartmental Support	\$31	\$27	-13%
Use of Library Fund Balance	\$3,331	\$2,212	-34%
<i>Operating Fund Sub-Total</i>	<i>\$88,099</i>	<i>\$90,094</i>	<i>2%</i>
<i>CIP</i>			
2019 Library Levy (CIP)	\$8,894	\$5,859	-34%
REET I (CIP)	\$948	\$78	-92%
JumpStart Payroll Expense Tax (CIP)	\$1,000	\$0	-100%
<i>CIP Sub-Total</i>	<i>\$10,842</i>	<i>\$5,937</i>	<i>-45%</i>
<i>Gifts and Grants</i>			
Seattle Public Library Foundation*	\$4,425	\$4,672	6%
Gift Funds (Balch, Bunn, other)	\$1,416	\$1,490	9%
<i>Gifts and Grants Sub-Total</i>	<i>\$5,841</i>	<i>\$6,162</i>	<i>6%</i>
Total	\$104,782	\$102,193	-2%

* Grant awards approved by The Seattle Public Library Foundation Board of Directors

A. General Fund

The majority of the Library’s funding is provided by the City General Fund, with 61% of the budget provided by this resource. The Library’s financial well-being and our ability to deliver services to the public is closely tied to the performance of the local and national economy.

Amounts in \$1,000s	2023 Adopted	2024 Proposed	% Change
Hours & Access	\$26,746	\$28,444	6%
Providing Books & Materials	\$13,502	\$13,425	-1%
Technology & Online Services	\$4,349	\$4,358	0%
Literacy & Early Learning	\$539	\$560	4%
Building & Facility Support	\$7,559	\$7,516	-1%
Administration	\$4,591	\$4,817	3%
City Central Costs	\$2,819	\$2,764	-2%
Total	\$60,105	\$61,884	3%

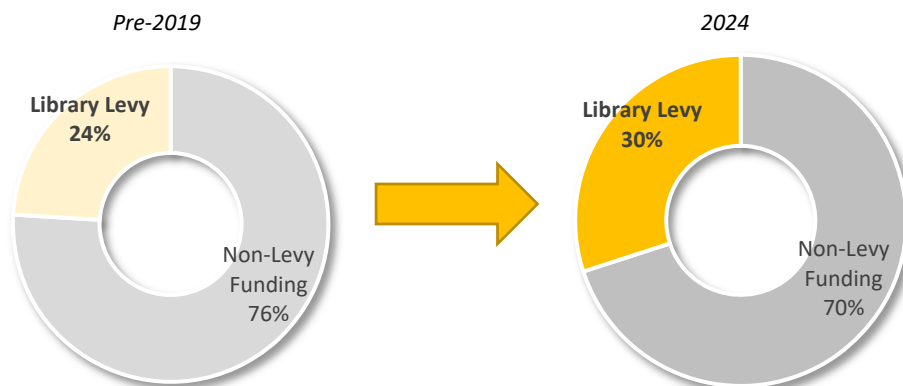
In 2023, the local economy outperformed the City’s forecasting models, resulting in additional General Fund revenues of nearly \$76 million. Because of this, the City Budget Office was able to maintain 2024 Endorsed Budget commitments and no additional reductions were requested for the mid-biennium. With that being said, the City’s 2023-2024 biennial budget does include a one-time use of \$2.2 million in accumulated Library fund balance in lieu of service reductions. Considering the projected \$251 million shortfall in the City’s 2025 fiscal year, a priority and hurdle for the Library and City will be to secure baseline General Fund in support of our operations. It will be essential to keep historically marginalized communities and prioritized audiences who rely on Library services at the forefront of upcoming budget, policy, and programming decisions.

The City Budget Office requested the Library achieve an underspend target or meet a mid-year budget reduction for five out of the last 10 years. Considering the economic landscape, the risk of the City requesting a mid-year 2024 budget reduction should not be understated. In the event a mid-year reduction occurs, the Library has controls in place to closely monitor non-labor expenditure activity in addition to vacancies and other system-wide personnel shifts.

B. 2019 Library Levy

In August 2019, Seattle voters approved a seven-year, \$219.1 million 2019 Library Levy renewal to support, maintain, and expand core Library services, renewing a \$122 million Library Levy that was first passed in 2012. With the passage of the 2019 Library Levy, the Library increased our dependence on time-limited voter-approved funding.

Figure 4: Pre-2019 Library Levy Budget % Compared to Current-Year Budget %



Each year, the Library Board of Trustees allocates available levy funds through the Operations Plan. More information on 2019 Library Levy categories, including how they map back to the budget can be found on Attachment 5.

Amounts in \$1,000s	2023 Adopted	2024 Proposed	% Change
Hours & Access	\$13,283	\$13,692	3%
Providing Books & Materials	\$5,800	\$5,931	2%
Technology & Online Services	\$2,563	\$2,670	4%
Literacy & Early Learning	\$301	\$381	27%
Building & Facility Support	\$1,832	\$1,947	6%
Major Maintenance (CIP)	\$7,747	\$5,244	-32%
Major Maintenance (IT)	\$1,147	\$615	-46%
Administration	\$300	\$573	92%
Total	\$32,973	\$31,053	-6%

Levy – Operating Fund

In 2024, the Library continues to fulfill levy commitments. Once the Green Lake Branch reopens after completion of the seismic retrofit project, the Library will be scheduled to open 10% more hours per week than in 2019 before the start of the 2019 levy. Air conditioned public spaces have become an increasingly important community need throughout the city as summer temperatures climb, wildfire smoke becomes more prevalent, and many lack air conditioning in their homes. With the installation of air conditioning at four branches in late 2023, unscheduled closures due to excessive heat in the summer should be reduced. In 2024, we will also be offering seven weekly play and learn groups, exceeding our levy commitment to fund up to six groups. We will also continue to offer social service support to at-risk youth through our community resource specialist program.

2024 brings expanded City-wide Central Costs allocations to the Library Levy—these costs have previously been funded by the General Fund, but represent expenditures associated with City IT, labor relations, payroll, financial system licensing, and other forms of centralized support. Other highlights of levy funding for 2024 include fine-free access to the books and materials collection, investment in e-materials and our no-holds no-wait Peak Picks collection, digital equity through the Wi-Fi hot spot program, and enhanced levels of building maintenance and branch security.

Levy – Capital Improvement Program

Of the Library’s 26 neighborhood branches, seven are Carnegie-era branches that are considered historic city and state landmarks. These branches—Douglass-Truth, Columbia, Fremont, Green Lake, Queen Anne, University, and West Seattle—are unreinforced masonry buildings, which means the buildings are at an increased risk for damage during a seismic event. The current seven-year levy, passed by voters in 2019, included planned funding for seismic retrofits at the three of the most vulnerable branches: Green Lake, University and Columbia. The 2024 budget includes levy funding for the University branch seismic retrofit project, which continues planning, design and permitting. Seismic retrofit projects will also allow installation of air conditioning in these Carnegie-era branches.

Mechanical systems replacement, repair and electrification of branch libraries will continue in 2024—with emphasis on the highest priority sites to fulfill the 2030 Mayoral electrification mandate to reduce City reliance on fossil fuels. Branch electrification is prioritized based on immediate maintenance needs, air-conditioning status, years since last remodel, and proximity to other branches. Specific site selection is dependent upon pending federal grant funding outcomes, which have been delayed at the federal level. The Library’s 2024 capital IT infrastructure budget includes \$615,000 to replace existing end of life wireless access points at both Central and branches, accounting for over 300 discrete access points—which provide wireless signals for the public, staff and partner networks. The 2024 capital project plan is included as Attachment 6.

C. Other Capital Improvement Program Support

Capital improvement projects may carry large fund balances as timelines shift and are influenced by external factors (such as COVID-19), project complexity, supply chain disruptions and materials shortages (more likely with historically-landmarked buildings), and the availability of qualified contractors in a competitive local construction market (also often related to historically-landmarked buildings). Projects require ample planning and are often multi-year in nature—as a result, the Library may have carryforward resources that span multiple fiscal years. A long-term capital improvement program is submitted to the City Budget Office each year and is included as Attachment 7.

Real Estate Excise Tax (REET) – Capital Improvement Program

The 2024 Operations Plan includes a total of \$78,000 in REET funding, which is tax revenue generated from property sales in Seattle. The total \$78,000 is dedicated to ongoing planning, design and construction costs associated with the University Branch seismic retrofit project (which includes upgrades to, and electrification of, the branch’s mechanical and HVAC systems).

D. The Seattle Public Library Foundation

The Seattle Public Library Foundation helps the Library equitably enhance its collections, offer activities for all ages, pilot new and innovative initiatives, and enrich our program of service for our community. It supports the Library by securing and managing donations from individuals, businesses and other foundations to enhance levels of Library service beyond what public funding alone is able to provide. The Foundation’s goal is to expand the reach of the Library, not to supplant funding for core Library operations. The Library submits grant requests and provides support where needed, however the final award amount, as well as the efforts funded, is at the discretion of The Seattle Public Library Foundation Board of Directors.

Amounts in \$1,000s	2023 Adopted	2024 Proposed	% Change
Hours & Access	\$1,197	\$1,322	11%
Providing Books & Materials	\$1,642	\$1,735	6%
Technology & Online Services	\$318	\$428	35%
Literacy & Early Learning	\$779	\$698	-10%
Major Maintenance (CIP)	\$200	\$210	5%
Administration	\$289	\$279	-3%
Total	\$4,425	\$4,672	6%

E. Library Gift Funds

The Library receives investment earnings from two main funds, the Robert C. Bunn Trust and the Albert S. Balch Trust, which are used to enhance Library services and support new initiatives. There are also designated contributions that were made to the Library and are spent in accordance with donor restrictions. The allocation and approval for spending authority of Library gift funds occurs as part of the Operations Plan. Detail on items funded for 2024 can be found on Attachment 8.

F. Library Enterprise Revenues

The Library has limited opportunities for revenue generation, with said resources used to help support core operations. Library enterprise revenues have been on a slow path to recovery. 2024 revenue projections place the Library at 90% of pre-pandemic revenues, with full revenue recovery (\$866,000) expected for 2025. These funding sources provide approximately 0.8% of the Library’s 2024 budget.

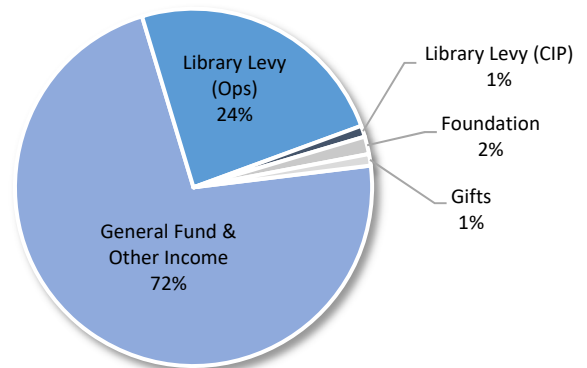
Amounts in \$1,000s	2023 Adopted	2024 Proposed	% Change
Lost Material Fees	\$110	\$115	4%
Central Library Parking Garage Fees	\$235	\$345	32%
Copy Services/Pay for Print	\$110	\$95	-16%
Space Rental	\$50	\$135	63%
Consignment Fees	\$45	\$85	47%
Miscellaneous Revenue	\$3	\$3	0%
Total	\$553	\$778	29%

IV. Staffing Levels by Funding Source

The 2024 Library budget contains 709 positions (608.1 FTE)—funded via multiple sources (Figure 5).

Figure 5: FTE by Funding Source

	2023 FTE	2024 FTE	% Change
General Fund & Other Income	440.2	439.1	0%
Library Levy (Operations)	146.8	146.7	0%
Library Levy (CIP)	6.2	6.2	0%
Foundation	8.7	9.7	10%
Gift Funds (Bunn & Balch)	6.4	6.4	0%
Total	608.3	608.1	0%



A. Vacancies

As Library employees leave for reasons such as retirement or in search of other opportunities, their position will go unfilled for a period of time—in the simplest of terms, this period when a position is unfilled represents a period of vacancy. Assuming full employment for an entire year is unrealistic, as such a salary savings assumption is built into the budget that forecasts an

organization-level vacancy rate. A 4% salary savings assumption is included as part of the 2024 budget—this rate is in line with historical vacancy rates at the Library. Actual savings and expenditures will be closely monitored to ensure appropriation authority is not over-expended.

B. Accrued Vacation and Sick Leave Payouts for Retirement & Other Separations

Staff turnover due to cyclical separations jumped in 2021, however 2022 represented a return to pre-pandemic averages. While staff retirements remained relatively steady, the ranks of Library employees reaching retirement age, but who have yet to announce their retirement, are significant. As of November 2023, The Library had 128 employees eligible for retirement (compared to 150 employees in November 2022), with an estimated liability of \$1.4 million (compared to \$1.6 million in November 2022).

While the Library has been able to manage these payouts within our annual appropriation (against agency-wide vacancy savings), this approach is not a guarantee of sufficient resources regarding the future liability. Library separation and retirement payouts over the past three years are as follows:

	2020		2021		2022	
	Count	Amount	Count	Amount	Count	Amount
Separation Payouts	19	\$39,086	61	\$190,877	33	\$136,808
Retirement Payouts	11	\$179,223	15	\$206,542	12	\$151,425
Total	30	\$218,309	76	\$397,418	45	\$288,234

V. Future Risks

In any given year, the Library is faced with risks that can impact our operations in a multitude of ways. Two high priority risk areas have been included as part of this section.

A. Pressures of Social Issues on Staff and Safety/Security in our Buildings

The Library serves a critical role in providing daytime respite and engagement for people who are insecurely housed, unemployed, or out of school. Keeping libraries safe and clean ensures everyone in the city has a welcoming and attractive place to learn, to access the internet, search for a job, and connect with friends and family, or to simply be. However, providing open access to all also brings with it all the challenges our community faces outside of our doors, including mental health struggles, addiction issues, crime, violence, and insecure housing conditions.

These socio-economic challenges have introduced severe pressures on the Library and Library staff. There has been increased frequency and severity of disruptive patron behaviors, such as assaults, drug use, and harassment, as well as increased vandalism and intentional destruction of Library property. Immediate and ongoing impacts are on staff safety, operations and facilities. If this trend continues, the Library faces serious risks: we will need to hire additional security officers and we will have to continue to evolve staffing models to have more public services staff onsite to manage a more complex environment—potentially resulting in reduced hours, service levels and programs; increased costs for property damage and repair; and more unplanned closures due to violent and unpredictable incidents and facilities disruptions.

These impacts are also felt by the general public who may feel unsafe when such incidents and disruptions occur. Additionally, unplanned closures may create a sense of unreliability and erode public trust in an institution that is known for its high-level of service, excellence of resources and programs, and caring and compassionate staff. This may lead to a longer-term concern for reputation, access to information and resources, and overall sustainability.

B. Aging Library Building Portfolio

Library buildings are among the most intensively-used City facilities in Seattle. Prior to the pandemic, the Central Library hosted over 1.2 million visitors annually, with library branches serving over 3.6 million visitors. The Library's historic landmark buildings have unique features such as brick facades, slate roofs and other details. When undertaking maintenance and repair work, it is essential to use designs and materials consistent with their landmark status—all factors that increase major maintenance costs. Additionally, the economic disruption stemming from the pandemic skewed supply and demand for raw materials and services, forcing either reexamination of individual project scope or reprioritization of larger Library projects. Contractors are charging more; public project bids, such as those for the Green Lake seismic retrofit and Capitol Hill roof and mechanical system replacement, came in far above architectural estimates—resulting in delays and/or potential scope revisions. Additional risks and challenges associated with working on the Library's building portfolio can include, but are not limited to:

- Unforeseen conditions often found in century-old buildings
- Expected near-term changes to seismic building codes, likely to be more stringent than current codes
- Potential near-term changes to ADA/accessibility building codes, likely to be more stringent than current codes
- The Mayor's Executive Order seeking to eliminate the City's use of fossil fuels
- A highly active local construction market, leading to heightened competition for a limited number of qualified contractors

The Central Library will enter its third decade of service during 2024, and its systems are aging. A building of the Central Library's size, complexity, and intensity of use requires significant annual maintenance to preserve core functionality and continually improve building efficiency. Updating Central's mechanical and HVAC systems to align with current City policy (including the Mayoral order to eliminate fossil fuels) and lessen its carbon footprint will require significant funding beyond the annual Levy major maintenance allocation.

A system-wide internal evaluation of major maintenance needs was completed two years ago. Those needs were projected at roughly \$250 million for the next decade, with a roughly 60%/40% split between the costs projected at Central/branches. The bulk of the costs (~70%) would involve asset preservation in the categories of building envelope, roof and window repair/replacement, and mechanical systems (including HVAC and plumbing). While the \$250 million figure seems sizable, it is also quite possibly too low as inflation at the time was estimated at 4% annually (construction inflation has trended much higher recently), and there may be larger issues beyond the scope of major maintenance/asset preservation, such as potential seismic retrofits or full system-wide conversion from dependence on fossil fuels.

VI. Opportunities

While the Library is faced with risks each year, we are also presented with opportunities. Two opportunity areas have been analyzed as part of this section.

A. Strategic Planning

Guided by an internal core team and with staff, community, and partner input, a “Future of the Library” strategic foresight study was conducted in early 2023. Input for the Strategic Foresight process was gathered through multiple core team meetings, staff and community workshops with dozens of Library staff and community stakeholders participating, and a community and stakeholder survey for those who could not participate in person.

Using understandings from that study, the Library has engaged a consultant to lead the organization through an extensive strategic planning initiative. In support of this, the Library has engaged patrons, community partners serving Seattle’s many diverse communities, staff and key stakeholders. The Library has also had this feedback analyzed by a third-party qualitative analyst to ensure our understanding of the feedback is accurate and reflected in the direction of the plan. The plan is expected to be available in early 2024.

B. Capital Grants, Campaigns, and Alternative Funding Mechanisms

As the Library’s building portfolio continues to age, leveraging alternative funding mechanisms will have to be strategically employed by the organization to keep pace with accelerating needs. Increased research into the capital grant sphere, targeted capital campaigns, and bond issuance will all need to receive consideration by the organization. Organizational readiness of the Library and the Foundation must be assessed, a clear plan with a compelling case needs to be developed, and strong leadership to focus on longitudinal goals will all be essential. While there is much work to be done in this realm, there is also a great deal of promise and opportunity.

Closing Summary

Stable funding going into 2024 allows the Library to focus on longer term planning efforts. While the levy provides necessary resources to support ongoing Library programs and services, it is set to end in 2026. Internal planning on how to approach a future levy is already underway. Additionally, considering the upcoming 2025-2026 biennium and the City’s \$251 million projected revenue shortfall, it will be critical to work collaboratively with other leaders to develop a sustainable plan regarding funding over the long term.

Attachments

1	2024 Operations Plan compared to 2023 Adopted Budget
2	Key Changes in 2024 relative to 2023 Adopted Budget
3	Library Language Access Plan
4	Library Board Race and Social Justice Policy
5	2019 Library Levy Categories & Budget Cross-walk
6	2024 Capital Improvement Projects
7	Long-Term Capital Improvement Program Plan
8	Library Gift Fund Project Listing
9	Library Organizational Chart

Attachment 1

2024 Operations Plan Compared to 2023 Adopted

LIBRARY FUND & LIBRARY LEVY OPERATING

	2023 Adopted	FTE	2024 Proposed	FTE	% Change	FTE Change
CHIEF LIBRARIAN'S OFFICE	\$486,000	2.0	\$728,000	2.8	50%	0.8
INSTITUTIONAL & STRATEGIC ADVANCEMENT						
Institutional & Strategic Advancement Administration	231,000	1.0	234,000	1.0	1%	-
Communications	428,000	2.8	443,000	2.8	4%	-
Marketing and Online Services	1,229,500	7.0	1,258,000	7.2	2%	0.2
Institutional & Strategic Advancement Sub-Total	\$1,888,500	10.8	\$1,935,000	11.0	2%	0.2
HUMAN RESOURCES						
Human Resources	2,517,000	10.0	2,702,000	10.0	7%	-
Health & Safety Services	171,000	1.0	161,000	1.0	-6%	-
Human Resources Sub-Total	\$2,688,000	11.0	\$2,863,000	11.0	7%	0.0
ADMINISTRATIVE SERVICES						
Admin Services Administration	617,000	3.4	409,000	2.2	-34%	(1.3)
Financial Services	1,615,000	7.1	1,737,000	7.1	8%	-
Event Services	597,000	5.0	587,000	5.0	-2%	-
Facilities & Building Maintenance	8,544,000	53.5	8,704,000	54.0	2%	0.5
Security Services	2,467,000	21.0	2,531,000	21.0	3%	-
Administrative Services Sub-Total	\$13,840,000	90.0	\$13,968,000	89.2	1%	(0.8)
LIBRARY PROGRAMS & SERVICES						
LIBRARY PROGRAMS & SERVICES ADMINISTRATION						
Library Programs & Services Administration	2,078,300	12.4	2,231,000	13.1	7%	0.7
Sub-Total	\$2,078,300	12.4	\$2,231,000	13.1	7%	0.7
COLLECTIONS & ACCESS						
Circulation Services	3,480,000	37.0	3,554,000	36.2	2%	(0.9)
Materials Distribution Services	2,370,000	16.3	2,164,000	15.9	-9%	(0.4)
Technical & Collection Services	13,420,000	35.1	13,621,000	35.1	1%	-
Special Collections	900,000	6.3	925,000	6.3	3%	-
Sub-Total	\$20,170,000	94.7	\$20,264,000	93.4	0%	(1.3)
INFORMATION TECHNOLOGY						
Information Technology	6,508,000	16.7	6,585,000	16.7	1%	-
Sub-Total	\$6,508,000	16.7	\$6,585,000	16.7	1%	0.0
PUBLIC SERVICES						
Branch & Central Library Operations	40,237,000	330.2	41,392,000	329.3	3%	(0.9)
Sub-Total	\$40,237,000	330.2	41,392,000	329.3	3%	(0.9)
EQUITY, LEARNING, & ENGAGEMENT SERVICES						
Community Engagement & Economic Dev	1,278,000	8.9	1,278,000	8.9	0%	-
Lifelong Access	729,000	5.6	751,000	5.6	3%	-
Youth & Family Learning Services	860,000	5.0	959,000	5.0	12%	-
Sub-Total	\$2,867,000	19.5	2,988,000	19.5	4%	0.0
Library Programs & Services Sub-Total	\$71,860,300	473.4	\$73,460,000	472.0	2%	(1.5)
Projected Budget Savings	(\$2,663,000)		(\$2,860,000)			
LIBRARY FUND & LIBRARY LEVY OPERATING TOTAL	\$88,099,800	587.1	\$90,094,000	585.9	2%	(1.3)

Attachment 1 (cont.)

2024 Operations Plan Compared to 2023 Adopted

CIP, FOUNDATION, & GIFT FUNDS

	2023 Adopted	FTE	2024 Proposed	FTE	% Change	FTE Change
CHIEF LIBRARIAN'S OFFICE	\$369,000	1.0	\$377,000	1.0	2%	0.0
INSTITUTIONAL & STRATEGIC ADVANCEMENT						
Communications	125,000	1.0	132,000	1.0	6%	-
Community Partnerships & Government Relations	98,000	1.0	102,000	1.0	4%	-
Marketing and Online Services	372,000	1.0	362,000	1.0	-3%	-
Institutional & Strategic Advancement Sub-Total	\$595,000	3.0	\$596,000	3.0	0%	0.0
HUMAN RESOURCES						
Human Resources	179,000	1.4	188,000	1.4	5%	-
Human Resources Sub-Total	\$179,000	1.4	\$188,000	1.4	5%	0.0
ADMINISTRATIVE SERVICES						
Admin Services Administration	270,000	0.6	225,000	0.1	-17%	(0.5)
Financial Services	269,000	2.0	244,000	2.0	-9%	-
Capital Improvement Program	9,698,000	4.3	5,393,000	4.8	-44%	0.5
Administrative Services Sub-Total	\$10,237,000	6.8	\$5,862,000	6.8	-43%	0.0
LIBRARY PROGRAMS & SERVICES						
LIBRARY PROGRAMS & SERVICES ADMINISTRATION						
Library Programs & Services Administration	160,000	-	102,000	-	-36%	-
Sub-Total	\$160,000	-	\$102,000	-	-36%	-
COLLECTIONS & ACCESS						
Circulation Services	-	-	-	-	0%	-
Materials Distribution Services	25,000	-	25,000	-	0%	-
Technical & Collection Services	1,186,000	-	1,284,000	-	8%	-
Special Collections	223,000	0.5	274,000	1.5	23%	1.0
Sub-Total	\$1,434,000	0.5	\$1,583,000	1.5	10%	1.0
INFORMATION TECHNOLOGY						
Information Technology	1,145,000	0.4	711,000	0.4	-38%	-
Sub-Total	\$1,145,000	0.4	\$711,000	0.4	-38%	0.0
PUBLIC SERVICES						
Branch & Central Library Operations	19,000	-	41,000	-	116%	-
Sub-Total	19,000	-	41,000	-	116%	0.0
EQUITY, LEARNING, & ENGAGEMENT SERVICES						
Community Engagement & Economic Dev	1,212,500	4.0	1,382,000	4.0	14%	-
Lifelong Access	289,000	2.2	280,000	2.2	-3%	-
Youth & Family Learning Services	1,044,000	2.0	977,000	2.0	-6%	-
Sub-Total	\$2,545,500	8.2	2,639,000	8.2	4%	0.0
Library Programs & Services Sub-Total	\$5,303,500	9.1	\$5,076,000	10.1	-4%	1.0
CIP, FOUNDATION & GIFT FUND TOTAL	\$16,683,500	21.2	\$12,099,000	22.2	-27%	1.0

TOTAL LIBRARY OPERATIONS PLAN BUDGET

TOTAL LIBRARY OPERATIONS PLAN	\$104,783,300	608.3	\$102,193,000	608.1	-2%	(0.2)
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Attachment 2

Key Operating Budget Changes in 2024 Relative to the 2023 Adopted Operations Plan

All changes detailed below account for a salary step increases of up to 5% for eligible employees. This also reflects technical changes are related to inflation, rate adjustments, and healthcare. A 2023 & 2024 AWI under negotiation by the City--rate TBD.

LIBRARY FUND & LIBRARY LEVY OPERATING

	2023 Adopted	2024 Proposed	Net Budget Change	% Chg	FTE Chg
CHIEF LIBRARIAN'S OFFICE					
Technical Adjustments	486,000	491,000	5,000	1%	-
Levy Admin transferred to CLO	-	153,000	153,000	-100%	0.8
Language Premium budget centralized under CLO	-	84,000	84,000	-100%	-
Chief Librarian's Office Sub-Total	\$486,000	\$728,000	\$242,000	50%	0.8
INSTITUTIONAL & STRATEGIC ADVANCEMENT					
Technical Adjustments	1,868,500	1,913,000	44,500	2%	-
SPL.com website support	20,000	22,000	2,000	10%	0.2
Institutional & Strategic Advancement Sub-Total	\$1,888,500	\$1,935,000	\$46,500	2%	0.2
HUMAN RESOURCES					
Technical Adjustments	1,904,000	1,966,000	62,000	3%	-
City of Seattle Central Costs	784,000	897,000	113,000	14%	-
Human Resources Sub-Total	\$2,688,000	\$2,863,000	\$175,000	7%	-
ADMINISTRATIVE SERVICES					
Technical Adjustments	13,174,000	13,384,000	210,000	2%	-
Levy Admin transferred to CLO	-	(153,000)	(153,000)	100%	(0.8)
City of Seattle Central Costs	665,000	737,000	72,000	11%	-
Administrative Services Sub-Total	\$13,839,000	\$13,968,000	\$129,000	1%	(0.8)
LIBRARY PROGRAMS & SERVICES					
Technical Adjustments	70,394,000	71,917,000	1,523,000	2%	(1.5)
MS365 Conversion Funding Sunset from SPLF	100,000	150,000	50,000	50%	-
City of Seattle Central Costs	1,366,000	1,393,000	27,000	2%	-
Library Programs & Services Sub-Total	\$71,860,300	\$73,460,000	\$1,599,700	2%	(1.5)
Vacancy Savings	(\$2,663,000)	(\$2,860,000)			
LIBRARY FUND & LIBRARY LEVY OPERATING TOTAL	\$88,098,800	\$90,094,000	\$1,995,200	2%	(1.3)

Attachment 3

Library Language Access Plan Summary

Mission

The mission of the Seattle Public Library is to bring people, information and ideas together to enrich lives and build community.

Language Access Plan


The Library provides the following as needed for patrons with Limited English Proficiency (LEP):

- The Library employs a significant number of public facing staff who speak languages beyond English, with an emphasis on neighborhoods with higher populations of LEP patrons
- Library staff access to Language Line when serving LEP patrons in person or over the phone
- When working with program managers, our marketing team uses a strategic framework to help evaluate language needs for the intended audience and how to best meet those needs with translation or original creation in each language. Considerations in addition to audience needs include the Library's ability to deliver service in other languages, project timelines, and content complexity and longevity.
- The Library regularly offers programs and services in four of the seven Tier 1 languages identified by OIRA: Chinese, Somali, Spanish, and Vietnamese. These offerings are supported by staff who speak these languages natively, community members, or both.



The Seattle Public Library

Board Policy

RACE AND SOCIAL JUSTICE	Adopted by the Library Board Jan. 27, 2018
Owner: Executive Director and Chief Librarian	
Approved by: Kristi England, Library Board President 	

BACKGROUND

The Race and Social Justice Initiative (RSJI) is the City of Seattle’s longstanding commitment to eliminate racial disparities and achieve racial equity in Seattle. This important effort recognizes that ending institutional racism involves more than simply developing programs to help people of color. The initiative works to address biases built into institutions and society, and end the underlying structural racism that perpetuates racial and social inequities.

In response to this initiative and its importance in the Library’s particular work, the Board of Trustees of The Seattle Public Library (SPL) has committed itself to addressing the Library’s role for doing the same in and through its programs, services and staff. To best serve the public and assist staff, the board has created an enhanced, Library-specific Race and Social Justice Policy to support this mission and the Library’s work.

This policy provides guidance to Library staff to underscore the organization’s ongoing RSJI efforts, support staff understanding, guide the use of resources, and highlight the Library’s unique role in addressing this challenging issue.

POLICY STATEMENT

The Seattle Public Library actively commits its programs and resources to eliminate institutional racism by ensuring that barriers to access by staff and the public are eliminated, by supporting broader public access to Library programs and services, and by providing the public and staff equitable opportunities for growth through employment and education. The key concepts of this policy include:

- Making a system wide commitment;
- Naming institutional racism;
- Acknowledging that there are barriers that need elimination;
- Affirmatively supporting programs to achieve these ends; and
- Making sure that there is equitable access to skills training and employment opportunities for staff and the public.

DEFINITIONS

Individual/Interpersonal racism: Pre-judgement, bias, stereotypes or generalizations about an individual or group based on race.

Institutional racism: Policies, practices, and procedures that work to the benefit of white people and the detriment of people of color, usually unintentionally or inadvertently.

Structural racism: The interplay of policies, practices and programs of differing institutions which leads to adverse outcomes and conditions, occurring within the context of racialized historical and cultural conditions, for communities of color compared to white communities.

APPLICABILITY

This policy applies to any and all Library activities.

RELATED LAWS, POLICIES AND PROCEDURES

Board Policy, *Diversity*.

Administrative Procedure, *Diversity Action Plan*.

Seattle City Council Resolution 31164, *Affirming the City's Race and Social Justice Work*.

Attachment 5

2019 Library Levy Categories & Budget Cross-walk

2019 Library Levy Ordinance (Section 4) – Six Categories of Library Services

Levy investments will be made in six categories of Library services. Program elements, in subsections A through F of this ordinance, are illustrative examples. In accordance with the annual City budget process, each year the Library Board shall adopt an annual operations plan and capital budget. The Chief Librarian and the Library Board shall submit to the Mayor and the City Council an annual levy expenditure plan that will supplement, maintain and improve the core Library services identified in this section. Levy proceeds will be used, in combination with the annual budget appropriation of City General Fund, Real Estate Excise Tax, and other City funds as available to the Library, for Library services.

Hours and Access

Major program elements include: supporting Library operating hours in neighborhood branches and the Central Library; providing access to Library programs and services in the community; and outreach and engagement services throughout the city.

Collections

Major program elements include: increasing the variety, depth and accessibility of collections with new titles and additional copies in various physical and digital formats; providing additional online resources as new platforms and services emerge; curating a local history collection and making those resources more widely available through digitization; providing fine-free access to the Library's collections; and continuing innovative approaches to collection distribution and to fulfilling patron material requests.

Technology

Major program elements include: replacing and upgrading the Library's technology infrastructure, including its Integrated Library System, the Library's main business platform for procuring, processing, and tracking Library materials; its enterprise network that provides high-speed internet and Wi-Fi access to the Central Library and all 26 branches; and its technology equipment, such as switches, routers, servers, cabling, computers, tablets, printers, copiers, scanners and widescreen monitors, and other audiovisual equipment for newly emerging technologies, such as virtual and augmented reality. Further, this category maintains and enhances the SPL.org website and catalog, with a focus on language accessibility, as well as device compatibility and compliance with the Americans with Disabilities Act. The technology program also supports the Library's digital equity efforts, including digital literacy instruction and provision and support of internet access devices for use within Library buildings and for check-out.

Maintenance

Major program elements include enhanced resources to provide routine, preventive and major maintenance for the Library's heavily-used buildings as they age, to prolong their useful life. Maintenance also includes funding to seismically retrofit three landmarked branches identified as high-vulnerability in the City's Unreinforced Masonry Building Study.

Supporting children

Program elements include support for programming targeted toward children ages zero to five.

Administration

Administration program elements include supporting implementation and accountability measures for Levy programs and annual reporting to the public on Levy outcomes.

2019 Library Levy Category to 2024 Library Priority Cross-Walk

2019 Library Levy Category	Library Priorities	2024 Proposed*
Hours & Access	Hours & Access	\$13,692
Collections	Providing Books & Materials	\$5,931
Technology	Technology & Online Services	\$2,670
Supporting Children	Literacy & Early Learning	\$381
Maintenance	Building & Facility Support	\$1,947
Maintenance	Major Maintenance (CIP)	\$5,244
Technology	Major Maintenance (IT)	\$615
Administration	Administration	\$573
Total		\$31,053

**Amounts in \$1,000s*

Attachment 6
2024 Capital Improvement Projects

Project Description	Fund	2024 Budget
Seismic Retrofit/Unreinforced Masonry (Levy & REET) - continuing design and construction costs associated with the University and Columbia branch seismic retrofit projects. Levy portion includes dedicated seismic allocation plus carve out from the base major maintenance budget.	Levy	1,928,000
	REET	78,000
Mechanical & building systems, branches - mechanical system repair, replacement and/or electrification at priority branches (selection dependent upon pending federal grant funding decisions); also for emergent needs or as-needed branch repairs.	Levy	3,316,000
IT enterprise equipment upgrades - Wireless Access Point replacement at Central and branches	Levy	615,000
	Subtotal	Levy \$5,859,000
	Subtotal	REET \$78,000
	Total	\$5,937,000

**Personnel costs have been prorated*

Attachment 7
2024 to 2029 Capital Improvement Program Plan

Project	2024	2025	2026	2027	2028	2029
Library Major Maintenance (REET)	78,000	386,000	605,000	785,000	975,000	685,000
Library Major Maintenance (Levy)	4,316,000	4,489,000	4,669,000	-	-	-
Unreinforced Masonry/Seismic Retrofit (Dedicated Levy)	928,000	3,500,000	1,839,000	-	-	-
IT Enterprise Equipment (Levy)	615,000	-	474,000	-	-	-
Total	5,937,000	8,375,000	7,587,000	785,000	975,000	685,000

**Attachment 8
Interest Earnings and Gift Fund Budget**

Non-Labor Detail

	Budget
Robert C. Bunn Trust	
Hours & Access	
Content strategy & creation	100,250
Translation & language support	20,000
Targeted advertising & communication	52,000
Targeted Marketing	52,000
Promotional printing	15,000
SDOT Library Street Signage	6,000
Admin	
All Staff Day Event	102,000
CLO Speaker Series	20,000
Strategic Direction Support	20,000
Professional Board Training and Conferences	15,000
Board Consultant for CLO Review	4,500
CPGR Programming Support	700
Total	407,450

Interest Earnings

Hours & Access	
Marketing Outreach Giveaways	30,000
Intern stipends, refreshments, feminine hygiene, ha	11,000
Admin	
Mayoral/City-wide initiatives	20,000
Legal Services and Support	25,000
RSJI Change Team Budget	13,500
Employee Engagement Committee	5,000
CLO Dues and Memberships	35,000
Total	139,500

Misc Gifts

Providing Books & Materials	
Gustave J. Snelling Trust	8,000
Helen Snelling Trust	8,000
Halvor Holbeck Estate - Materials Distribution	25,000
Brown Estate - Special Collections	13,000
Dowse Bequest - Special Collections	7,000
Total	61,000

Labor Detail (A)

	Budget
Albert S. Balch Trust	
Providing Books & Materials	
Librn-A	65,000
Total	65,000
Robert C. Bunn Trust - Baseline	
Admin	
Com Prtnshps&GovRltnsPrgm Mgr	89,000
DigCommStrat	143,000
Strategy&Policy Advsr, CLO	163,000
Total	395,000
Robert C. Bunn Trust - 2-year Pilot	
Admin	
STA	18,000
Human Resources Manager	172,000
Procurement Support	137,000
Technology & Online Services	
SocMediaSpec	95,000
Total	422,000

Attachment 9
Library Organizational Chart

The Seattle Public Library

