

2013 ADOPTED BUDGET

Saint Paul Public Library Agency

Director, Kit Hadley



SAINT PAUL
PUBLIC
LIBRARY



Cover Photo

Community learning at the Saint Paul Public Library's Bookmobile, Westminster Bookmobile stop.

Saint Paul Library Agency
2013 Adopted Budget

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Saint Paul Public Library Agency

Board of Commissioners

	Term of Office	
	From	To
<hr/>		
<u>Commissioners</u>		
Amy Brendmoen	January 1, 2012	December 31, 2015
Daniel Bostrom	January 1, 2012	December 31, 2015
Malvin Carter	January 1, 2012	December 31, 2015
Kathy Lantry	January 1, 2012	December 31, 2015
Russ Stark	January 1, 2012	December 31, 2015
Dave Thune	January 1, 2012	December 31, 2015
Chris Tolbert	January 1, 2012	December 31, 2015

Officers

Chairperson – Russ Stark

Vice Chairperson – Chris Tolbert

Secretary/Treasurer – Amy Brendmoen

Budget Process

The budget process is designed to conform with Minnesota law, the City charter, and the legislative code. The process to develop the budget commences in February.

January - March

The budget for following year is finalized during this time. This includes preparing, printing and distributing books reflecting the adopted budget. The accounting section of the Office of Financial Services prepares the annual financial report for the previous year. During this time, the “base budget” for the upcoming year is identified.

April - June

The Library Director presents a needs and resource assessment to the Library Board with priorities, no later than April 1st. Forms, instructions, printouts and the Mayor’s guidelines are distributed. These tools are used to plan for and develop the operating budget. The department management and staff identify objectives, performance indicators and the resources needed to accomplish goals. Services are reviewed to determine purpose, need and cost-saving ideas.

The department request for the following year’s budget is submitted to the Office of Financial Services in June. After that, the department’s budget is analyzed by the OFS budget staff. The Mayor meets with the Director to discuss needs, and to ensure the budget meets the service level and taxing objectives that have been established for the City.

July - September

The budget staff finalizes the Mayor’s recommendation and the Mayor’s proposed budget is produced. The Mayor then presents the recommended budget to the Library Board within one week of the deadline for the City budget presentation, as required by the city charter.

In August, the Library Board begins reviewing the Mayor’s proposed budget. The Board will hold meetings with the Director, management and staff to obtain a clear understanding of the department’s goals, service priorities and objectives that are represented in the proposed budget. As required by state law, the Library Board sets the *maximum* property tax levy in September. Governmental units can adjust budgets, resulting in property taxes that are less than, but not more than, the maximum levy.

October - December

The Library Board holds public hearings on the budget. Ramsey County mails property tax statements to property owners indicating the *maximum* amount of property taxes that the owner will be required to pay. These statements also indicate when the budget and property tax public hearings will be held. State law requires a meeting be held to give residents the opportunity to comment on the information in their notices.

This meeting is held in early December. The Library Board then adopts a recommended budget and tax levy for the Library Agency. The adopted budget represents changes made by the Library Board to the Mayor’s proposed budget. The Mayor has veto authority over the Library Board-adopted budget.

Overview of Combined City, Library Agency and Debt Service Budgets

**Property Tax Levy and State Aid: City, Library Agency and Port Authority Combined
2012 Adopted vs. 2013 Adopted**

Property Tax Levy*

	<u>2012 Adopted</u>	<u>2013 Adopted</u>	<u>Amount Change</u>	<u>Pct. Change</u>	<u>Pct of City 12 Total</u>	<u>Pct of City 13 Total</u>
City of Saint Paul						
General Fund	71,078,611	72,077,597	998,986	1.4%	72.7%	72.5%
General Debt Service	9,671,043	10,050,902	379,859	3.9%	9.9%	10.1%
Saint Paul Public Library Agency	17,059,404	17,267,653	208,249	1.2%	17.4%	17.4%
Total (City and Library combined)	97,809,058	99,396,152	1,587,094	1.6%	100.0%	100.0%
Port Authority	1,511,700	1,811,700	300,000	19.8%		
Overall Levy (City, Library & Port)	99,320,758	101,207,852	1,887,094	1.9%		

* This is the total property tax levy used to determine tax rates. Actual financing available to support the budget is less, due to a 2.5% "shrinkage" allowance for delinquent taxes.

Local Government Aid Financing

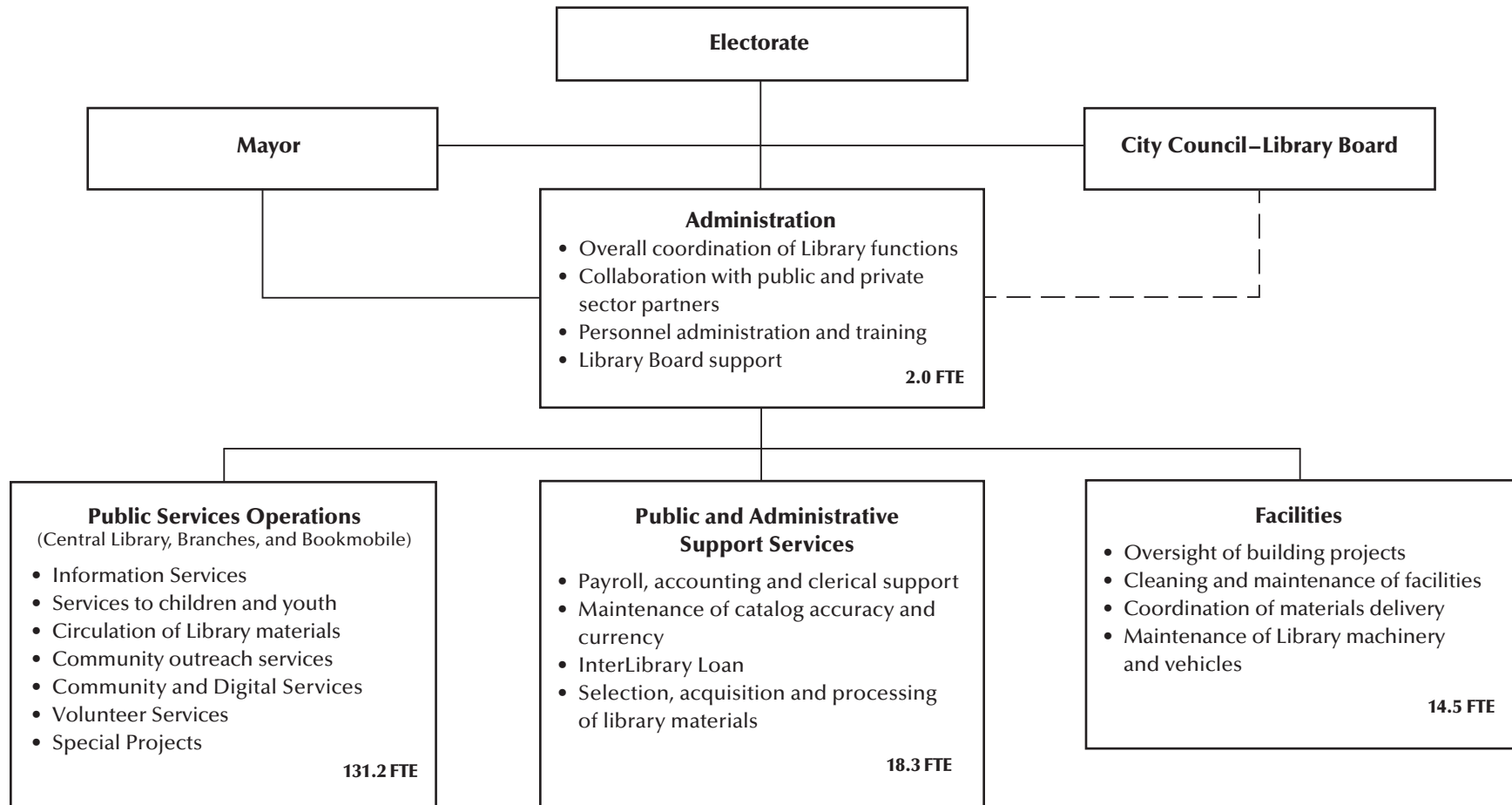
	<u>2012 Adopted</u>	<u>2013 Adopted</u>	<u>Amount Change</u>	<u>Pct. Change</u>	<u>Pct. of 12 Total</u>	<u>Pct. of 13 Total</u>
City of Saint Paul						
General Fund	50,320,488	50,320,488	(0)	0.0%	100.0%	100.0%
General Debt Service	-	-	-	N.A.	0.0%	0.0%
Saint Paul Public Library Agency*	-	-	-	N.A.	0.0%	0.0%
Total (City and Library combined)	50,320,488	50,320,488	(0)	0.0%	100.0%	100.0%

* As of 2010, no LGA is allocated as a revenue source to the Saint Paul Public Library Agency.

Library Agency Overview

Saint Paul Public Library Agency

The mission of the Saint Paul Public Library Agency is to anticipate and respond to the community's need for information; to facilitate lifelong learning; to stimulate and nurture a desire to read in young people; to provide reading materials to meet the interest of all ages; and to enrich the quality of life in the community.



(Total 166.0 FTE)

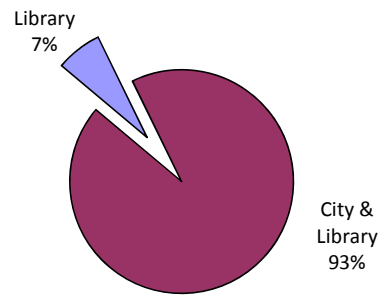
12/17/12

2013 Adopted Budget Public Library Agency

Department Description:

The third largest in the state, the Saint Paul Public Library delivers service in libraries, on-line and in the community. It has 13 libraries, a Bookmobile, a digital library, and community-based services providing access to e-resources and a collection of around 1 million items. In 2011, 2.4 million patrons visited the Saint Paul Public Library. We connect people in Saint Paul with the imperative and the joy of learning through a lifetime. We are the cornerstone of a thriving city: welcoming people of all ages and cultures; strengthening neighborhoods and learning networks; and inspiring all with the world of ideas.

Library Agency's Portion of total General Fund Spending



Department Facts

- Total General Fund Budget: \$15,802,961
- Total Special Fund Budget: \$1,931,902
- Total FTEs: 166

Annual Statistics By the Numbers:

- 1,000,219 items in Saint Paul's Collection
- 657 hours open weekly in 2012
- 468,334 info requests answered
- 19,192 Homework Center visits
- 91,559 cardholders checked out items
- 1,668,683 website visits
- 9,168 summer reading program participants
- 2,103 adult programs with 22,262 attendees
- 394 public access computers with 379,067 uses
- 2,545 children/teen programs attended by 55,197 people

Department Goals

- Sound stewardship of public and private funds
- Every child ready to read
- All youth ready to succeed in school and work
- All residents able to contribute to family and community prosperity
- Active centers for community and civic engagement

Recent Accomplishments

- Expansion of Mobile WORKplace to classes in 7 languages, funded by Knight Foundation, this will be part of ongoing library operations in 2013.
- Partnership between 3M and Sun Ray launched "Cloud Library" in April the first of 3M's national partners to go live with this new eBook project.
- Merriam Park and Rondo added automated materials handling as part of a small renovation. Merriam Park added a customer "living room" in space made available by combining circulation and reference into one service point.
- A generous grant from the Bremer Foundation increased the collection budget, made further building modifications possible at St. Anthony Park and Rice Street libraries, added languages to the Mobile WORKplace and increased the availability of Work Study students to assist in WORKplace locations.
- Summer meal program was expanded to Rice Street.
- Families participated in "Family Read Down" of fines & eliminated barriers to library use.
- The Library, with Parks, was one of twelve recipients to receive funding from IMLS and the MacArthur Foundation to create a Digital Learning Lab for teens.
- The Northstar Digital Literacy Project was launched, an initiative to provide free on-line assessments of basic digital literacy skills led by the Library and the Saint Paul Community Literacy Consortium.

2013 Adopted Budget

Library Agency

Fiscal Summary

	2011 Actual	2012 Adopted	2013 Adopted	Change	% Change	2012 Adopted FTE	2013 Adopted FTE
Spending							
2150: Library Agency	16,176,144	15,912,869	15,802,961	(109,908)	-0.7%	162.10	164.70
2500: Library Grants	1154491.56	1,539,249	1,931,902	392,653	25.5%	2.00	1.30
3200: Library Debt	705,050	995,050	1,350,800	355,750	35.8%		
Financing							
2150: Library Agency	16,557,587	15,912,869	15,802,961	(109,908)	-0.7%		
2500: Library Grants	1,321,586	1,539,249	1,505,411	(33,838)	-2.2%		
3200: Library Debt	697,514	995,050	1,350,800	355,750	35.8%		

Budget Changes Summary

The 2013 Adopted Library Agency budget includes a realignment of spending for staff, library materials, and utilities. This realignment allows the Library to more efficiently prioritize resources, including continuing to staff homework help centers and world language storytimes, while still maintaining current library hours. The adopted budget shifts some spending on Library materials to the Library special fund to better align spending with funding resources. A partnership with the Saint Paul Public Schools for parent academies is also included in the adopted budget.

Other changes are related to current service level adjustments, including the end of several grants and adjustments to debt spending.

2150: Library Agency**Library Agency**

Library Agency's general fund. This company is supported by property taxes.

		Change from 2012 Adopted		
		<u>Spending</u>	<u>Financing</u>	<u>FTE</u>
<u>Current Service Level Adjustments</u>		(109,100)	(109,908)	-
	Subtotal:	(109,100)	(109,908)	-
<u>Mayor's Proposed Changes</u>				
Preparing for new Locations				
The 2013 Proposed Library budget includes personnel costs for staffing the new Payne-Maryland facility for the last quarter of 2013.				
Staff adjustments		24,123	-	0.45
	Subtotal:	24,123	-	0.45
Library Materials Shift				
Library materials will shift to the Library special fund to better align spending with funding resources.				
Materials shift		(224,931)	-	-
	Subtotal:	(224,931)	-	-
Investing in Education				
In partnership with the Saint Paul Public Schools, the City of Saint Paul is supporting parent academies.				
Parent academies		200,000	-	-
	Subtotal:	200,000	-	-
<u>Adopted Changes</u>				
Delayed Payne-Maryland Library/Rec Center opening				
The new Payne-Maryland library/rec center was originally planned for a Fall 2013 opening, as noted in the Mayor's Proposed budget above. In the months between the Mayor's budget proposal and the adoption of the 2013 budget, the library revised the estimated opening date. The facility is now expected to open in early 2014, freeing up 2013 budget resources for other uses.				
Staff adjustments		(24,123)	-	(0.45)
		(24,123)	-	(0.45)

Central Library Hours

In the Mayor's proposed budget, a net neutral spending realignment allowed the library to more efficiently prioritize resources while slightly reducing service hours at the Central Library. These hours and staffing are being restored in the adopted budget.

Staff adjustments	205,104	-	2.60
Subtotal	<u>205,104</u>	<u>-</u>	<u>2.60</u>

Technology Infrastructure

Due to a delay in the timing of the City's wide area network (WAN) project, the full amount of funding planned in the Mayor's Proposed Budget will not be needed. This has provided resources for other needs on a one-time basis in 2013.

WAN upgrade	(112,893)	-	-
Subtotal	<u>(112,893)</u>	<u>-</u>	<u>-</u>

Fringe Benefits

The department realised savings in the General Fund due to reduced cost for employee and retiree health insurance.

Net change from fringe benefit savings	(68,088)	-	-
Subtotal	<u>(68,088)</u>	<u>-</u>	<u>-</u>

Fund 2150 Budget Changes Total

<u>(109,908)</u>	<u>(109,908)</u>	<u>2.60</u>
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2500: Library Grants**Library Agency**

Budget for grants and contributions from outside agencies, such as the Friends of the Saint Paul Public Library; also includes all fine revenues.

		Change from 2012 Adopted		
		<u>Spending</u>	<u>Financing</u>	<u>FTE</u>
<u>Current Service Level Adjustments</u>		(291,038)	(33,838)	(0.70)
	Subtotal:	(291,038)	(33,838)	(0.70)
<u>Mayor's Proposed Changes</u>				
Library Materials Shift				
Spending on library materials shifted to the special fund to better align with funding resources.				
	Library materials	257,200	-	-
	Subtotal:	257,200	-	-
<u>Adopted Changes</u>				
Revenue Adjustment				
Recognize revenue from outside sources, including MELSA funding, as well as a grant from the Friends of the Saint Paul Public Library.				
	New MELSA funding- Self check-in at Rice Street and Saint Anthony	176,491	176,491	-
	New Bremer grant - Central Library meeting room remodeling	250,000	250,000	-
		426,491	426,491	-
Fund 2500 Budget Changes Total		392,653	392,653	(0.70)

3200: Library Debt**Library Agency**

Library Agency debt budget.

		Change from 2012 Adopted		
		<u>Spending</u>	<u>Financing</u>	<u>FTE</u>
<u>Current Service Level Adjustments</u>				
Note: current service level adjustments include an increase in debt service due to new projects financed by Library bonds and the structure of debt service funds.				
		355,750	355,750	-
	Subtotal:	355,750	355,750	-
Fund 3200 Budget Changes Total		355,750	355,750	-

CITY OF SAINT PAUL
Department Budget Summary
(Spending and Financing)

Budget Year: 2013

Department: PUBLIC LIBRARY AGENCY

	2010 Actuals	2011 Actuals	2012 Adopted	2013 Adopted	Change From 2012 Adopted
Spending by Fund					
2150 LIBRARY AGENCY	15,419,810	16,176,144	15,912,869	15,802,962	(109,907)
2500 LIBRARY AGENCY GRANTS	1,527,038	1,154,492	1,539,249	1,931,902	392,653
3200 LIBRARY AGENCY DEBT	711,050	705,050	995,050	1,350,800	355,750
TOTAL SPENDING BY FUND	17,657,898	18,035,686	18,447,167	19,085,664	638,496
Spending by Major Account					
EMPLOYEE EXPENSE	10,712,995	10,834,692	11,290,102	11,267,632	(22,470)
SERVICES	2,073,204	2,492,611	2,496,100	3,261,677	765,577
MATERIALS AND SUPPLIES	2,486,591	2,367,569	2,387,780	2,362,537	(25,243)
CAPITAL OUTLAY	100,194	110,168	294,800	292,800	(2,000)
DEBT SERVICE	711,050	705,050	995,050	1,350,800	355,750
TRANSFER OUT AND OTHER SPEND	1,573,864	1,525,596	983,336	550,218	(433,118)
TOTAL SPENDING BY MAJOR ACCOUNT	17,657,898	18,035,686	18,447,167	19,085,664	638,496
Financing by Major Account					
GENERAL FUND REVENUES	371				
SPECIAL FUND REVENUES					
BUDGET ADJUSTMENTS			117,475	76,645	(40,830)
TAXES	16,041,201	17,032,199	16,732,919	16,935,962	203,043
INTERGOVERNMENTAL REVENUE	155,261	305,025	153,955	363,705	209,750
FEES SALES AND SERVICES	74,017	84,124	86,900	108,750	21,850
FINE AND FORFEITURE	307,289	286,131	376,224	317,350	(58,874)
INTEREST EARNINGS	16,373	31,033	20,016	20,016	
DEBT FINANCING				300,000	300,000
TRANSFERS IN OTHER FINANCING	912,547	838,176	959,679	963,236	3,557
TOTAL FINANCING BY MAJOR ACCOUNT	17,507,059	18,576,687	18,447,168	19,085,664	638,496

Glossary

Account Code. A five-digit code assigned to a specific type of receipt or expenditure. A major account code is a grouping of expenditures or receipts on the basis of the types of goods or services purchased or rendered. For example, personal services, materials, supplies, and equipment are major account codes.

Accounting Unit (AU): An accounting unit is a subunit of a fund. Each fund contains one or more activities, a specific and distinguishable budgetary unit of work or service. Activities are detailed levels of budget spending authority created to accomplish the approved objectives of the fund.

Accounting Unit Number: A seven (7)-digit number which uniquely identifies the accounting unit. The first digit indicates the fund type, while the second digit indicates the department.

ALA: The American Library Association is a national organization for library staff.

Allocation: A portion of a lump-sum appropriation which is designated for expenditure by specific organizational units or for special purposes. See *Appropriation*.

Appropriation: An expenditure authorized by the city council for a specified amount and time.

Assessed Valuation: The value that is established for real estate or other property by a government for use as a basis for levying property taxes.

Bond: A written promise to pay a specific sum of money (called the principal amount or face value) at a specified future date (called the maturity date) along with periodic interest at a specified rate.

Budget Document: The written record of the comprehensive financial plan the mayor presents to the city council for review, revision if deemed appropriate, and adoption.

Capital Allocation: Assignment of available capital (dollars) to specific uses.

Capital Expenditure: Actual spending of capital (dollars) for capital improvement projects.

Capital Improvement: The purchase or construction of durable/fixed assets. Examples include streets, bridges, parks or buildings.

Capital Outlay: Equipment, machinery, vehicles or furniture items included in the operating budget. See *Capital Improvement Budget*.

Capital Projects Fund: A fund established to account for all financial resources used for the construction or acquisition of major capital facilities, except those financed by special assessment, proprietary or fiduciary funds.

Debt Service Fund: A fund established to account for the financial resources used for the payment of long-term general obligation debt principal, interest, and related costs.

Division: An organizational subunit of a department. Each department has one or more divisions, which are responsible for one or more activities.

Encumbrances: Legal commitment of appropriated funds (in the form of purchase orders or contracts) to purchase goods or services to be delivered or performed at a future date. They cease to be encumbrances when paid or when the actual liability is created.

Expenditures: Total charges incurred, whether paid or unpaid, including the provision for retirement of debt not reported as a liability of the fund from which it will be retired, and capital outlays (for governmental funds and fiduciary funds, except non-expendable trust funds) .

Expenses. Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges which benefit the current fiscal period (for proprietary funds and non-expendable trust funds). See *Expenditures*.

Financing Plan: Identifies sources of revenues that support the spending plan.

Full Time Equivalent (FTE): A personnel position which is financed for the equivalent of 80 hours per pay period, for 26.1 pay periods (a typical year), or 2,088 hours in a year. This is roughly equivalent to 40 hours per week for 52 weeks. For example, a .5 FTE would represent 20 hours per week for 52 weeks, or 40 hours per week for 26 weeks. A 1.0 FTE is a general reference to a position normally working for a year.

Fund (Company): Each individual fund is a separate accounting entity having its own assets, liabilities, revenues and expenditures or expenses. City financial resources are allocated to, and accounted for, in individual funds based on legal, donor, or administrative restrictions or requirements. In the City's new ERP software, the system term "Company" is used. For the purposes of the City of Saint Paul, "Company" is equivalent to Fund.

Fund Balance: An equity account reflecting the excess of accumulated assets over accumulated liabilities and reserves (monies set aside for specific purposes).

Fund Manager: Fund managers are accountable to and receive authority from their department director and division manager, and ultimately from the mayor, the city council, and city residents/taxpayers. Each fund manager is responsible for correctly preparing and submitting the portion of the city's financial plan that is provided by their fund. This includes a properly completed budget request consisting of performance, spending and financing plans. Fund managers are responsible for monitoring the collection of receipts, authorizing spending payments, cash flow planning, and service delivery in accordance with the adopted plan. Fund managers are also responsible for forecasting significant performance, spending or financing variances, determining their cause, creating a solution, and reporting such information to their department director and the director of the office of financial services. See *Performance Plan*, *Spending Plan*, and *Financing Plan*.

Fund (Company) Number: A four-digit number which uniquely identifies the fund. For example, the general fund is fund number 2150. See *Activity Number*.

Glossary – Continued

Fund Type: A classification of funds by similar purpose. The fund types are: governmental (general, special revenue, debt service, capital project, special assessment), proprietary (enterprise, internal service), and fiduciary (trust and agency funds). Although the city hall annex operating fund and the public works engineering fund are separate funds, they are the same fund type (internal service). See each fund type for its definition. Also see *Fund*.

General Fund: The fund used to account for all financial resources not specifically earmarked for other purposes. The general fund is the primary operating fund for the Public Library Agency.

IMLS: The Institute of Museum and Library Services is a federal grant-making agency supporting the nation's museums and libraries. It was created by the Museum and Library Services Act of 1996.

LGA: Acronym for local government aid. See *State Aids*.

LSTA: Library Services and Technology Act of 1996, a section of the federal Museum and Library Services Act, promotes access to library services for people of all ages. The funds are distributed to State Library Agencies according to a formula based on population. The state agencies may further distribute the funds to individual libraries through a series of sub-grants.

MELSA: The Metropolitan Library Services Agency, serving the nine public library systems in the metropolitan area, is one of twelve Regional Public Library Systems in Minnesota. The Regional Public Library Systems are multi-county public library service agencies that provide free access to all residents of the region without discrimination and are organized under the provisions of Minnesota Statutes 134.317 or 471.59.

MINITEX: The MINITEX Library Information Network is a publicly supported network of academic, public, state government, and special libraries working cooperatively to improve library service for their users. The MINITEX program is funded by the Minnesota Legislature through the Minnesota Higher Education Services Office (MHESO). Programs for Minnesota public libraries are funded through a contract with the Minnesota Office of Library Development and Services.

MLS: The Master of Library Science is the primary professional degree for librarians.

Operating Budget: The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.

Operating Transfer In/Out: Interfund transfers are legally authorized transfers between a fund receiving revenue and a fund where resources are expended.

PJ: Perrie Jones, a former Saint Public Library director, made a bequest of her estate to the Library to be used for staff training and development and outreach

services. The fund is administered through the Friends of the Saint Paul Public Library and the Perrie Jones Library Fund Advisory Board.

Special Revenue Fund: A fund established to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, and capital projects) that are legally restricted to expenditures for specified functions or activities.

Spending Plan: Provides a unit or subunit of an organization with spending authority to pay for the resources required to effectively accomplish the performance plan.

State Aids: The following are the major types of intergovernmental revenues received by the City of Saint Paul from the State of Minnesota:

Local Government Aid (LGA): Begun in 1971, this program was designed to provide indirect property tax relief through the redistribution of income tax and sales tax revenues collected at the state level to local units of government. The amount of funding received by local units of government is based on a distribution formula determined by the Minnesota State Legislature. The distribution formula is based on "need" as well as "capacity". The 2001 State Legislature rolled the Homestead and Agricultural Credit Aid into Local Government Aid.

Municipal State Aids (MSA). This program is financed by motor vehicle related taxes collected at the state level. The state gasoline tax is the largest revenue source and the dollars collected are constitutionally dedicated for expenses related to MSA routes. The revenues are redistributed back to municipalities of 5,000 or more residents to be used for construction and maintenance of their MSA designated routes.

VISTA: Volunteers in Service to America are college age individuals who work for a nominal salary in public service locations.