

**Five-Year Financial Plan, FY2014 – FY2018, Executive Summary**

The Five-Year Financial Plan addresses Board priorities that require significant financial commitment. The Plan is to be included with the annual budget packet submitted to the Mayor and City Council to apprise them of library long-term goals. For FY 2013/2014 – FY 2017/2018, the Board has determined the following priorities.

In spring 2013, the library developed a new *Strategic Plan for Services*, with the assistance of a community committee representing a wide variety of constituencies and neighborhoods. The library service responses, in priority order, are: physical space, material collections, early childhood literacy, technology, creative content programming for teens and adults, and local history and genealogy. These service priorities are addressed in the financial priorities below.

**GENERAL FUND OPERATING EXPENSES**

➤ **Implement the 2008 wage and benefit survey.**

FY 2014 and continuing. Request additional annual appropriation for a phased implementation until library wages and benefits reach parity with city wages and benefits.

Library wages were budgeted at \$2,201,269 in FY2013. Each pay grade increase, if applied to all positions at once, would require an additional three percent in wages or \$66,038.

➤ **Increase materials expenditures as percent of budget.**

FY 2014 and continuing. Provide a materials increase of 8% annually until materials expenditures return to 12% to 15% of the overall library budget.

Library materials expenditures were budgeted at \$384,003 in FY 2013. An eight-percent increase would require an additional \$30,720 in the coming fiscal year.

➤ **Provide direct budget support for programming.**

FY 2014. Look for ways to accomplish this within the existing budget. Continue move from print promotion to electronic promotion, and shift printing budget to programming budget.

➤ **Increase teen and early childhood outreach, using the half-time position cut during FY 2011.**

FY 2014, or whenever funding is restored to other city departments for their frozen positions.

Paraprofessionals will assume cataloging tasks from both Adult and Children's Services, freeing librarians for teen and early childhood outreach. The restored half-time position will be assigned to paraprofessional staffing in Acquisitions, at a cost of \$18,862 in FY 2014. The half-time equivalent position eliminated in the FY 2011 budget was a mixture of professional and clerical staffing, at a FY 2011 cost of \$19,922.

## CAPITAL OR NON-RECURRING EXPENSES

### ➤ **Implement RFID for checkout, inventory, and security control of collection.**

FY 2013 or FY 2014. Conduct retrospective RFID tagging of the existing collection in spring 2013, using library FY 2013 general fund budget or existing library fund balance for staffing and tag costs. Use library set-aside in the city VRF for replacing security gates and equipment.

The estimated cost for retro conversion tags is \$50,000. The estimated staffing cost for retro conversion could be \$10,000 to \$20,000. The estimated cost for gates and equipment is dependent upon the quantity and type of equipment chosen; estimate \$100,000.

### ➤ **Plan for replacement of major building components.**

Request that the City schedule replacement. Among major projects remaining at the library, replacement of the 1975 air handler and the 1975 boiler are critical. Both components are long past life expectancy, and both are necessary for the library HVAC system to heat and cool the expanded building.

The estimated cost to replace the 1975 boiler is \$70,000. The estimated cost to replace the 1975 the air handler is \$225,000.

### ➤ **Plan for property acquisition and future expansion.**

An update of the *Library Master Plan* is in progress. The Urbana Free Library Foundation is preparing for a future capital campaign. The Foundation may require City support or loans as property opportunities arise.