

PORTLAND PUBLIC LIBRARY

FY 19 Budget Proposal

The Portland Public Library is requesting an overall increase of 2.79%, or \$131,000 over FY 18. Of the \$131,000 total increase in expenditures, \$117,000 is contractually obligated salaries and health insurance cost. We have worked to keep increases in all other expense areas to a minimum. We have also worked to maximize non-City revenue wherever possible. The result of these efforts is our request for \$125,275 from the City, a 3.18% increase over last year.

Expenses

The biggest change in our budget is a 2.38% increase, or \$62,700, in staff salaries and wages. This results from a 2.25% increase agreed to in our collective bargaining agreement and a small additional increase resulting from a reorganization affecting a number of positions. We have worked hard to only increase our staffing levels by redefining existing positions. In the face of an increasingly complex and challenging service environment, we have made changes in staffing that have shifted resources toward direct public service that result in a .5 FTE increase, but only a \$3,300 salary cost increase.

The other major cost component in our request is in our health insurance cost, which is projected to increase by 12% or \$55,000 next year.

These two items represent 90% of our requested increase. Other non-staff and non-collections-related expenses have been reduced or held unchanged in an effort to offset the increase in health insurance cost.

The final area of increase is in our collections spending, of \$19,000. This is the first material increase in our collections spending in three years. Because of continuing budget pressures, we have had to severely limit spending in this area over the recent past. Inflation in the very popular online media segment is about 5 percent per year, and failure of the library to respond to this has started to affect the quality of our service to patrons.

Revenues

As part of a change in how patrons use the library we have been experiencing a downward trend in fees collection. We expect an additional \$13,000 decline in fee revenue in FY 19. Despite this decrease in one area of our revenues, we are committing to increase the overall private contributions to our budget. We are working to increase income in the other operating areas of conference room fees and sales in our bookstore and from our book sale to offset this reduction. We also expect to continue the success we have had over the past few years in growing our annual fund. This year we are planning on an additional 4% increase.