



San Francisco Public Library

SAN FRANCISCO PUBLIC LIBRARY












FYs 22 & 23 Budget

February 4, 2021

Heather Green, Chief Financial Officer

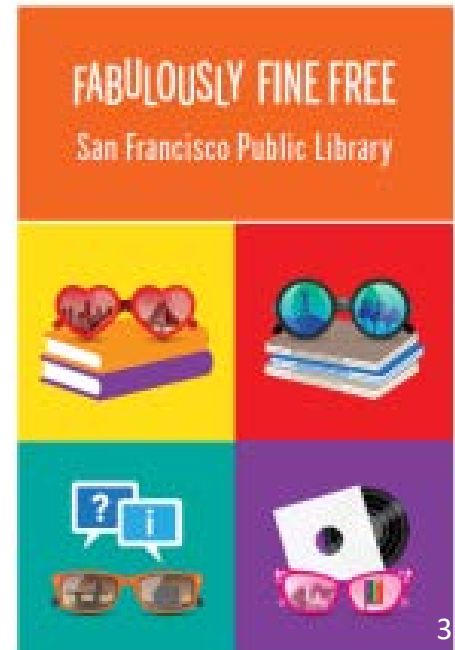


Budget Calendar: FY 22 & 23

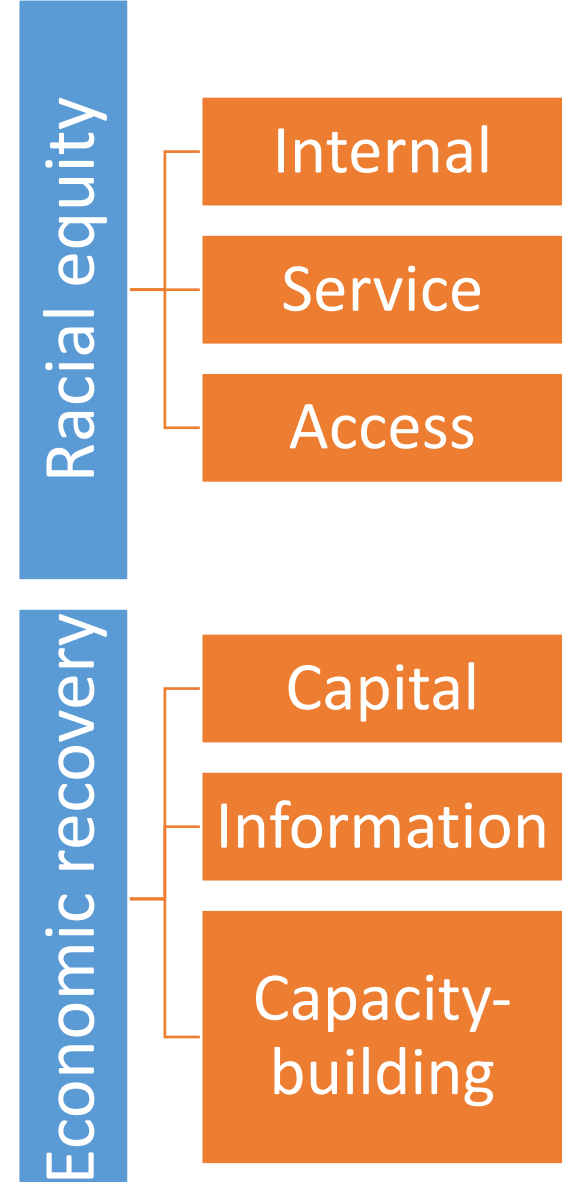
Tasks	October	November	December	January	February	March	April	May	June	July	August
Budget Development											
Departmental Budget Proposal Development											
Commission Budget Priority Discussion											
City Work Order Development											
Commission Budget Proposal Discussions											
Commission Budget Proposal Approval											
Budget Submittal to Controller											
Budget Negotiations											
Mayor's Budget Office Negotiations											
Board of Supervisors Budget Negotiations											
Budget Finalization											
Board of Supervisors Budget Adoption											
Mayor Signs Budget											
Fund Availability											

Budget Basics

- City budget shortfall estimate of \$653M
 - \$411M in FY22 and \$242M in FY23
- Library Preservation Fund (LPF) estimates
 - FY22: \$153.2M (\$3.4M less than FY22 adopted budget)
 - FY23: \$167.8M



Strategic Budget Priorities



Budget Planning during COVID-19



Major budget variables:

- FY21 revenue revisions
- Departmental work order agreements
- COVID-related response and recovery developments
- Capital investments in major projects

Library Hub Piloting Approach

Self-contained book vending machines with curated library collections and patron holds

Commission expressed preference for a piloting approach with attention to equity considerations

FY22: \$460K already budgeted in base, proposing \$500K to right-size per-unit cost and add a second pilot site at Hunters View at equal scale

FY23: Proposing \$260K for a third base unit for Treasure Island, can consider additional modules next budget or reassign modules if demand in pilot sites is low, plus \$60K for annual service agreement (\$30K/machine)

Premier Urban Library & Literacy

Proposal	Ongoing/ One-Time	FY22 Original Budget (\$)	FY22 Proposed Investment (\$)	FY22 Proposed Budget (\$)	FY23 Proposed Budget (\$)
Hub book vending machines in underserved areas; SE locations in FY22 and Treasure Island in FY23; impact dependent on usage; currently hundreds of active patrons in each of the 2 proposed expansion areas	One-Time and Ongoing	460,000	500,000 (Additional site)	960,000	320,000 (3 rd base module + annual service)
YELL (Youth Engaged in Library Leadership); expansion to 80 more youth (in addition to 60 served through the original budget)	Ongoing	30,000	40,000	70,000	70,000
Restore Collections supplies budget after one-time cut; impact to basic ops/state of good repair	Ongoing	50,000	50,000	100,000	100,000
Bookmobile supplies; impact to basic ops/state of good repair	Ongoing	N/A	10,000	10,000	10,000
Fleet end-of-life replacements: Engineering truck and Delivery Services van; impact to basic ops/state of good repair	One-Time	N/A	90,000	90,000	N/A
Resilience investments in facilities; scalable impact, basic life/safety investment	One-Time	29,000	262,000	291,000	N/A

Note: The proposed investments are additive to the baseline budget or new one-time investments.

Racial Equity

Proposal	Ongoing/ One-Time	FY22 Original Budget (\$)	FY22 Proposed Investment (\$)	FY22 Proposed Budget (\$)	FY23 Proposed Budget (\$)
DHR racial equity and diversity training initiative for LIB staff; department-wide impact	One-Time	60,000	240,000	300,000	N/A – ongoing staff training
Outreach to immigrant communities near the Main; 63,000 households in Main service area, 25,000 active	One-Time	N/A	N/A	N/A	\$100,000
Increase technology lending for Career Online High School (COHS) and Project Read; last year annual enrollment for COHS was 102 and 64 for Project Read	One-Time	30,000	27,000	57,000	N/A – occasional tech need
Teen Racial Equity Project: 6-part engagement, facilitated by the SF Human Rights Commission; small cohorts of teen participants and their communities, exact # TBD	One-Time	N/A	35,000	35,000	N/A
SFPL Scholars at Home initiative to seed home libraries and encourage library use in low-income families; 10,000 children served annually	Ongoing	100,000	700,000	800,000	800,000

SFPL will also use existing temp salaries to support a temporary hire in support of internal RE work and promote Libraries for All. Racial Equity Action Plan Phase 1 recently submitted, and that work will continue.



Strategic Priorities: Economic Recovery

Proposal	Ongoing/ One-Time	FY22 Original Budget (\$)	FY22 Proposed Investment (\$)	FY22 Proposed Budget (\$)	FY23 Proposed Budget (\$)
Capital investment to reconfigure workspaces at the Main; impact to regular ops	One-Time	N/A	350,000	350,000	N/A
Capital allocations for state of good repair and emergency projects needed at Branch and Civic Center locations to deliver HVAC, roof, flooring, and other basic subsystem renewals; impact to basic ops/state of good repair	One-Time	\$500,000	\$1,000,000	\$1,500,000	\$1,500,000

SFPL also supports San Francisco's economic recovery with ongoing jobs and skills programs such as Work It and Tech Time, as well as ongoing literacy programs for youth and adults. SFPL has also engaged with DCYF to improve the Youth Works program to contribute to the City's Opportunities for All initiative, TTX to support financial coaching, and ARTS to support local writers through Writers Corps.



SFPL & Local Economic Recovery



Policy Recommendations	26
1. Local Economic Stimulus	27
2. Job Connections	35
3. Promote Safe Reopening	40
4. Preserve Operations and Lessen Regulatory Burdens	45
5. Pursue Economic Justice	50
6. Invest in Housing	55
7. Meet the Basic Needs of the Vulnerable	59
8. Imagine and Build Stronger Neighborhoods	64
Policy Recommendations Summary Table	67

Local Economic Stimulus

- 1. Local Economic Stimulus:** explore policies and investments that encourage economic development and activity in San Francisco, such as funding public infrastructure projects, streamlining permitting processes, advocacy for state and federal resources, and more

1.1 Support the local construction sector with public infrastructure investments and continued focus on major projects.

Construction jobs multiplier:
4.48 jobs per \$1 million in
construction spending



Major Capital Projects

1. Local Economic Stimulus: explore policies and investments that encourage economic development and activity in San Francisco, such as funding public infrastructure projects, streamlining permitting processes, advocacy for state and federal resources, and more

- Ocean View (new construction)
 - Estimated budget: \$47M
 - \$13M appropriated so far
- Chinatown (renovation)
 - Estimated budget: \$29M
 - \$9.5M appropriated so far



- Difficult to self-fund in current climate, pursuing Citywide debt support through the 10-Year Capital Plan
- Meanwhile propose \$1M additional in FY22 and \$2.5M or \$4M in FY23 for each site

Job Supports & Stronger Neighborhoods

2. Job Connections: facilitate and improve connections to jobs and explore programs that hire local workers

2.4 Expand subsidized employment and hiring

” “Let’s put our talented community to work.” *Task Force member*

8. Imagine and Build Stronger Neighborhoods: activate and draw upon San Francisco’s unique neighborhood and cultural assets

8.2 Catalyze neighborhood recovery through the arts

8.3 Identify new revenue sources and support grant applications for arts funding



Work Orders

2. Job Connections: facilitate and improve connections to jobs and explore programs that hire local workers

8. Imagine and Build Stronger Neighborhoods: activate and draw upon San Francisco's unique neighborhood and cultural assets

- Work orders are budget lines that enable SFPL to receive and pay for the services of other City departments

SFPL Programmatic Work Orders

Dept.	Services	FY21 Budget (\$)
Arts Commission (ARTS)	Writers Corps	199,430
Treasurer & Tax Collector (TTX)	Financial Coaching	145,000
Children, Youth & Families (DCYF)	Youth Works	156,800

Proposed Work Order Increases

Dept.	Services	Proposed Increase (\$)
ARTS	Stipends/Grants for 125 local writers COVID Community Archive commissions	287,500
	Stipends/Grants for 10 local media artists COVID Community Archive commissions	138,000
	10 artists-in-residence (virtual if needed) for SFPL branches	138,000
	100 summer readings in the park	57,500
TTX	Double financial coaching level of service with focus on low-income neighborhoods	146,000
DCYF	Increase the # of Youth Works slots supported by SFPL (~40 school-year slots)	204,000

Summary of Proposed Investments

Strategic Priority	One-time/ Ongoing	FY22 Original Budget	FY22 Proposed Investment Amount	FY22 Proposed Budget Amount	FY23 Proposed Investment Amount	FY23 Proposed Budget Amount
Economic Recovery	Capital	500,000	3,350,000	3,850,000	6,500,000	6,500,000
	Work Orders	504,727	998,200	1,502,927	-	1,502,927
Economic Recovery Total		1,004,727	4,348,200	5,352,927	6,500,000	8,002,927
Literacy & Learning	One-Time	460,000	500,000	960,000	260,000	260,000
	Ongoing	119,001	42,670	161,671	62,750	224,421
Literacy & Learning Total		579,001	542,670	1,121,671	322,750	484,421
Premier Urban Library	One-Time - FAC	29,000	352,000	381,000	-	29,000
	Ongoing	65,000	60,000	125,000	-	125,000
Premier Urban Library Total		94,000	412,000	506,000	-	154,000
Racial Equity	One-Time	90,000	302,000	392,000	100,000	190,000
	Ongoing	100,000	700,000	800,000	-	800,000
Racial Equity Total		190,000	1,002,000	1,192,000	100,000	990,000
Grand Total		1,867,728	6,304,870	8,172,598	6,922,750	9,631,348

One-Time Investment Totals by FY:

- FY 22: \$4,504,000
- FY 23: \$6,860,000

Ongoing Investment Totals by FY:

- FY 22: \$1,800,870
- FY 23: \$62,750

Budget Variables High-Level Overview

Proposed Uses	Option 1 (\$M)		Option 2 (\$M)	
	FY22	FY23	FY22	FY23
Chinatown Capital	1.0	2.5	1.0	4.0
Ocean View Capital	1.0	2.5	1.0	4.0
Work Orders Increase	1.0	1.0	1.0	1.0
Revenue “Reserve”	-	4.85	-	1.85
Proposed Uses Total	3.0	10.85	3.0	10.85

FY22 & FY23 Proposed Budget Option 1

Item	FY21 Approved Budget	FY22 Base Budget	FY22 Proposed Budget (Jan 28, 2021)	FY22 Proposed vs. FY21	FY22 Proposed vs. FY22 Base	FY23 Proposed Budget (Jan 28, 2021)	FY23 Proposed vs. FY22 Proposed
<i>All numbers in \$M</i>							
SOURCES							
Property Tax Set-Aside	67.36	67.50	67.50	0.14	-	71.01	3.51
General Fund Baseline	79.70	85.66	85.66	5.96	-	96.79	11.13
Total LPF	147.06	153.16	153.16	6.10	-	167.80	14.64
Misc. Annual Sources	0.57	0.57	0.57	-	-	0.57	-
Library Fees	0.17	0.18	0.18	0.00	-	0.18	-
Fuhrman Trust	0.10	0.10	0.10	-	-	0.10	-
LPF Fund Balance	3.80	-	5.30	1.50	5.30	-	(5.30)
Total Other Fund Sources	4.64	0.84	6.14	1.50	5.30	0.84	(5.30)
Grand Total Sources	151.70	154.00	159.31	7.60	5.30	168.64	9.34
USES							
Salaries	62.04	65.34	65.40	3.37	0.06	68.56	3.16
Benefits	31.27	32.46	32.47	1.20	0.01	32.66	0.19
Health Svc-Retiree Subsidy	6.41	6.77	6.77	0.36	-	7.11	0.34
Total Labor	99.71	104.56	104.64	4.93	0.08	108.33	3.69
Collections	19.71	21.56	20.91	1.20	(0.65)	21.76	0.85
Services of Other Depts.	11.95	11.97	13.21	1.26	1.24	13.01	(0.20)
Non-Personnel Services	7.23	7.36	7.51	0.28	0.15	7.57	0.06
BLIP Debt Service	1.76	1.75	1.75	(0.00)	-	1.75	-
Community Based Organization Svcs	0.50	0.50	0.50	-	-	0.50	-
Materials & Supplies	3.28	3.50	3.84	0.56	0.34	3.56	(0.28)
Capital	6.85	2.00	5.35	(1.50)	3.35	6.50	1.15
Equipment	0.71	1.00	1.59	0.88	0.59	0.80	(0.79)
“Reserve”	-	6.74	-	-	(6.74)	4.85	1.85
Total Non-Labor	51.99	56.39	54.67	2.68	(1.72)	60.31	5.64
Grand Total Uses	151.70	160.95	159.31	7.60	(1.64)	168.64	9.33
Surplus/ (Shortfall)	-	(6.95)	-	-	-	-	-

FY22 & FY23 Proposed Budget Option 2

Item	FY21 Approved Budget	FY22 Base Budget	FY22 Proposed Budget (Jan 28, 2021)	FY22 Proposed vs. FY21	FY22 Proposed vs. FY22 Base	FY23 Proposed Budget (Jan 28, 2021)	FY23 Proposed vs. FY22 Proposed
<i>All numbers in \$M</i>							
SOURCES							
Property Tax Set-Aside	67.36	67.50	67.50	0.14	-	71.01	3.51
General Fund Baseline	79.70	85.66	85.66	5.96	-	96.79	11.13
Total LPF	147.06	153.16	153.16	6.10	-	167.80	14.64
Misc. Annual Sources	0.57	0.57	0.57	-	-	0.57	-
Library Fees	0.17	0.18	0.18	0.00	-	0.18	-
Fuhrman Trust	0.10	0.10	0.10	-	-	0.10	-
LPF Fund Balance	3.80		5.30	1.50	5.30	-	(5.30)
Total Other Fund Sources	4.64	0.84	6.14	1.50	5.30	0.84	(5.30)
Grand Total Sources	151.70	154.00	159.31	7.60	5.30	168.64	9.34
USES							
Salaries	62.04	65.34	65.40	3.37	0.06	68.56	3.16
Benefits	31.27	32.46	32.47	1.20	0.01	32.66	0.19
Health Svc-Retiree Subsidy	6.41	6.77	6.77	0.36	-	7.11	0.34
Total Labor	99.71	104.56	104.64	4.93	0.08	108.33	3.69
Collections	19.71	21.56	20.91	1.20	(0.65)	21.76	0.85
Services of Other Depts.	11.95	11.97	13.21	1.26	1.24	13.01	(0.20)
Non-Personnel Services	7.23	7.36	7.51	0.28	0.15	7.57	0.06
BLIP Debt Service	1.76	1.75	1.75	(0.00)	-	1.75	-
Community Based Organization Svcs	0.50	0.50	0.50	-	-	0.50	-
Materials & Supplies	3.28	3.50	3.84	0.56	0.34	3.56	(0.28)
Capital	6.85	2.00	5.35	(1.50)	3.35	9.50	4.15
Equipment	0.71	1.00	1.59	0.88	0.59	0.80	(0.79)
“Reserve”	-	6.74	-	-	(6.74)	1.85	1.85
Total Non-Labor	51.99	56.39	54.67	2.68	(1.72)	60.31	5.64
Grand Total Uses	151.70	160.95	159.31	7.60	(1.64)	168.64	9.33
Surplus/ (Shortfall)	-	(6.95)	-	-	-	-	-

Budget Variables Recap and Context

Proposed Uses	Option 1 (\$M)		Option 2 (\$M)	
	FY22	FY23	FY22	FY23
Chinatown Capital	1.0	2.5	1.0	4.0
Ocean View Capital	1.0	2.5	1.0	4.0
Work Orders Increase	1.0	1.0	1.0	1.0
Revenue “Reserve”	-	4.85	-	1.85
Proposed Uses Total	3.0	10.85	3.0	10.85
Projected Year-End Fund Bal.	13.9	13.9	13.9	13.9
<i>Recommend Fund Balance remain at not less than \$10M</i>				
Available to Program Next Cycle without Reappropriating and Preserving \$10M Fund Bal	4.85 + 3.9 = 8.75		1.85 + 3.9 = 5.75	

Next Steps

- February:
 - Library Commission budget approval
 - Updates in budget system
 - Budget submittal to Controller & Mayor by 2/22



Questions?



Collections Detail

Proposed LPF Library Collections Budget Allocations

Item	FY22 Base Budget	FY22 Proposed Investment	FY22 Proposed Budget	Annual Growth FY22 Proposed vs FY22 Base	FY23 Proposed Investment	FY23 Proposed Budget	Annual Growth Proposed FY23 vs. Proposed FY22
Adult Physical Budget	\$ 7,213,054	\$ (550,000)	\$ 6,663,054	-8%	\$ 550,000	\$ 7,213,054	8%
Youth Physical Budget	\$ 3,116,474	\$ (300,000)	\$ 2,816,474	-10%	\$ 300,000	\$ 3,116,474	11%
Scholars at Home	\$ 100,000	\$ 700,000	\$ 800,000	700%	\$ 700,000	\$ 800,000	0%
eCollections All Ages	\$ 10,964,976	\$ (500,000)	\$ 10,464,976	-5%	\$ -	\$ 10,464,976	0%
Digitization	\$ 50,000	\$ -	\$ 50,000	0%	\$ -	\$ 50,000	0%
Total	\$ 21,444,504	\$ (650,000)	\$ 20,794,504	-3%	\$ 1,550,000	\$ 21,644,504	4%

FY22

- Reductions of \$550K in Adult and \$300K in Youth to realign with Mission opening schedule
- Increase of \$700K in Youth to support Scholars at Home ongoing
- Reduction of \$500K in eCollections anticipating return to in-person service in FY22

FY23

- Restores Mission opening collection funds
- Continues Scholars at Home

Note:

The budget above is only LPF monies and does not include \$0.10M in Fuhrman or \$0.02M in other gift monies for the Collections budget.

5-Year Collections View

Collection Budget FY19 - FY23

