

SAN FRANCISCO PUBLIC LIBRARY

FYs 26 & 27 Budget

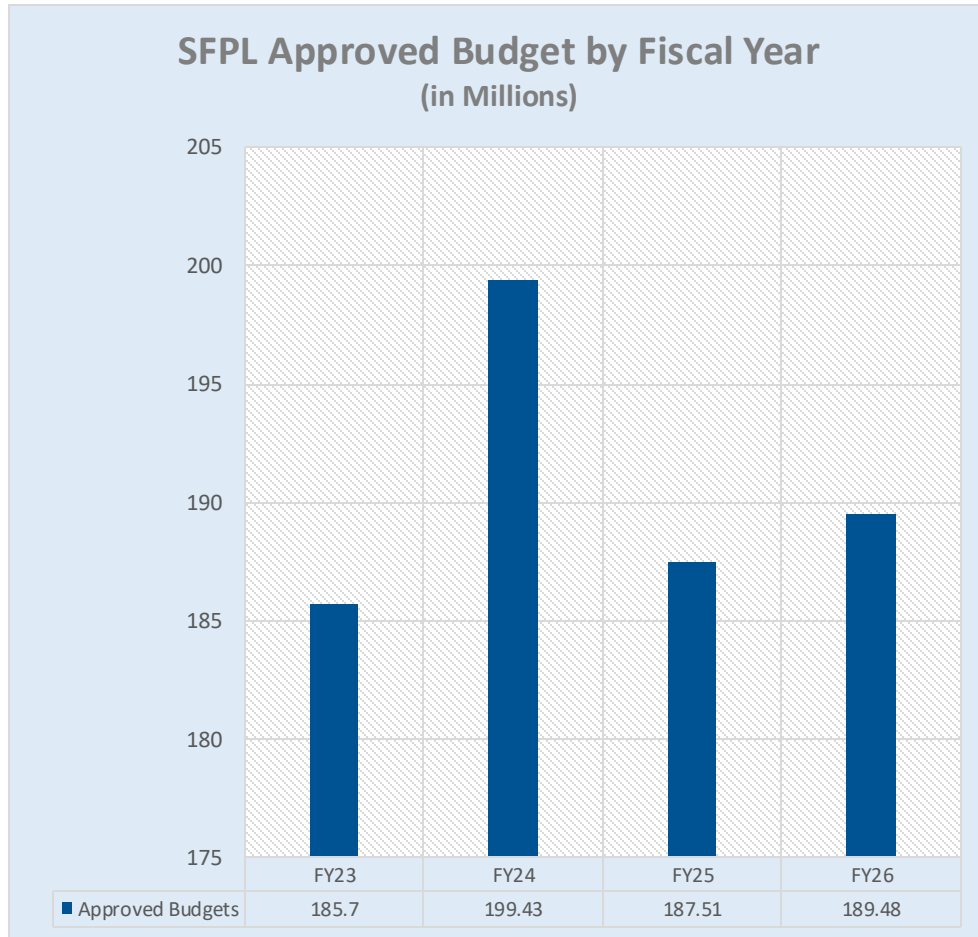
Mike Fernandez, CFO

San Francisco Public Library Commission

December 19, 2024



Budget 101



- **Base Budget**
 - Ongoing expenses
 - Salaries & benefits for employees
 - Current Collections, Programming and Software
 - Services provided by Other Departments
- **Cost of Doing Business**
 - Inflation on goods
 - Contract increases
- **Budget Proposals**
 - Proposals for new or re-aligning resources to carry out our Mission and Strategic Plan



San Francisco Public Library

Vision 2030



Vision

A democratic, equitable and vibrant San Francisco for everyone

Mission

Connect our diverse communities to learning, opportunities and each other

Values

Well-being • Community • Equity • Collaboration • Exploration

Strategic Priorities



Literacy Champion

Cultivate the critical understanding necessary for meaningful participation in society through immersive and varied learning activities.



Cultural Amplifier

Facilitate cultural experiences that celebrate and deepen understanding of the diverse communities of San Francisco.



Community Catalyzer

Foster experiences both within and beyond the Library that create and strengthen social connections.



Thoughtful Navigator

Serve as a caring and knowledgeable gateway, helping people find and use library, community and city resources to realize their goals.



Resource Provider

Offer experiences, guidance and resources that support basic needs, encourage personal growth and enrich life in San Francisco.



Read Our New Strategic Plan
on.sfpl.org/strategicplan



San Francisco Public Library



Library Preservation Fund – Charter Mandate



Spending priority:

“Such allocations as are necessary for the Library Department to operate the Main Library, which includes the Talking Books and Braille Center, no fewer than 27 neighborhood branch libraries, and an auxiliary technical services facility, at least 1,400 permanent service hours per week system-wide.”



FY26 & FY27 Budget Calendar

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 Background

- Rolling two-year budget:
 - FY26: July 1, 2025 – June 30, 2026
 - FY27: July 1, 2026 – June 30, 2027
- Mid-Year Instructions:
 - Large GF Reduction
 - Limit discretionary expenditures
 - Travel Restrictions
- LPF Fund Balance estimate
 - Expected late December
- Other budget unknowns:
 - Departmental Work Order Agreements
 - Capital project needs



Budget Uses by Division & Cost Center

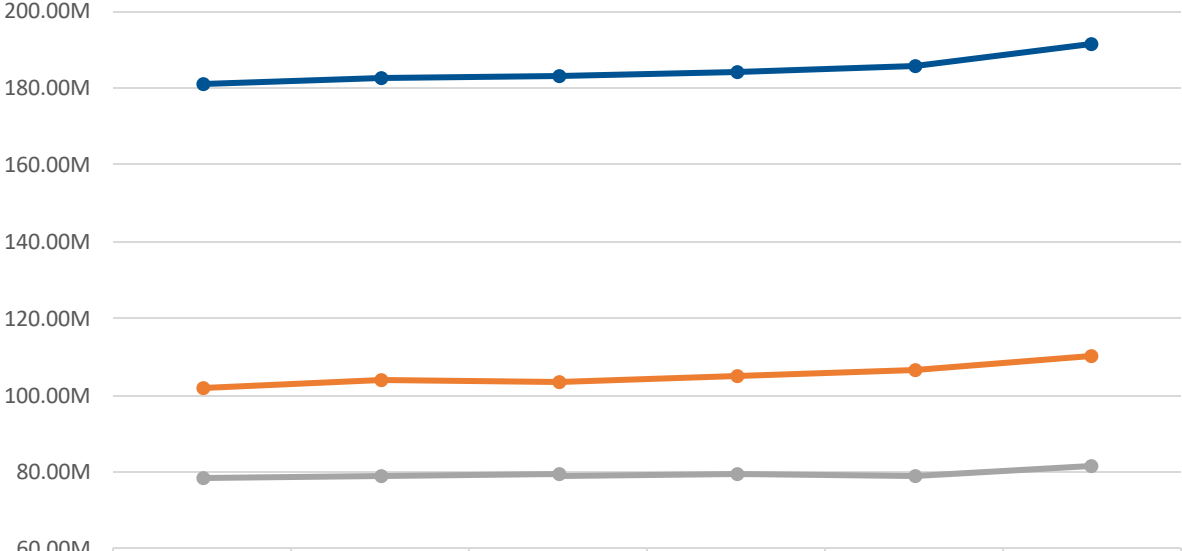
FY26 Division Budgets	FY26 Budget* (in millions)	FY26 Budget (as a % of Total)
Branches	\$42.28M	22.31%
Main	\$27.28M	14.40%
Collections & Technical Services (including Collections)	\$32.39M	17.09%
Community Programs & Partnerships	\$08.57M	4.52%
Facilities	\$32.27M	17.03%
Capital Projects	\$07.10M	3.75%
IT	\$16.50M	8.71%
Administration (including Debt Service)	\$23.09M	12.19%
Total	189.48M	100.00%

Uses by Type	FY26 Budget* (Budget in Millions)	FY26 Budget (as a % of Total)
Labor	\$126.85M	67.0%
Capital	\$7.10M	3.7%
Collections	\$22.49M	11.9%
Svcs. of Other Depts.	\$16.43M	8.7%
Non-Personnel Svcs.	\$10.58M	5.6%
Materials & Supplies	\$3.77M	2.0%
Equipment	\$0.85M	0.4%
City Grant to CBOs	\$0.85M	0.4%
Reserves	\$0.46M	0.2%
State Grants	\$0.11M	0.2%
Total	\$189.48M	100.0%

Note: FY26 Budget refers to the Budget Approved by the Annual Appropriate Ordinance Adopted July 2024

FY26 – FY28 Revenue Outlook

LPF Projected Revenue FY25 - 28

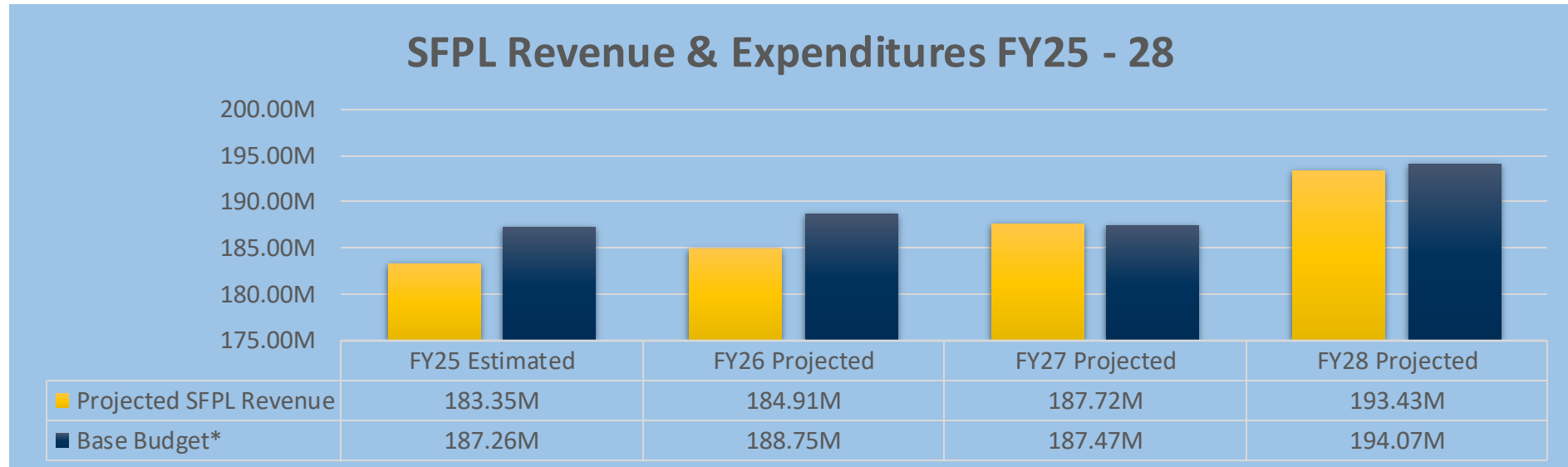


	FY23 Actual	FY24 Actual	FY25 Estimated	FY26 Projected	FY27 Projected	FY28 Projected
Library Preservation Fund (LPF)	180.80M	182.67M	182.93M	184.37M	185.82M	191.54M
LPF - General Fund	102.10M	103.80M	103.60M	104.85M	106.81M	110.10M
LPF - Property Tax	78.70M	78.87M	79.33M	79.52M	79.01M	81.44M

Note: LPF is made up in a combination of General Fund and Property tax. LPF revenue projections per Controller’s Office, October 2024, adjusted by Mayor’s Office Figures provided December 2024 for budget planning purposes only. Revenue projection updates are anticipated in late December 2024.



FY26 & FY27 Investment Strategies



Budget Environment

- Projected Revenue revised down \$2.3M in FY26
- Rising Construction Costs \$7.0M in FY26

Maintaining current service levels

- Labor Increases Projected FY26 \$4.9M FY 27 \$5.5M
- Rising Software costs: FY26 & FY27 \$0.8M

Opportunities for Change

- Implement Strategic Plan
- Adjust capital planning
- Emphasize leveraging existing resources



*Base Budget includes prior investments and recurring cost obligations only. Projected SFPL Revenue is all sources including LPF.

Next Steps

- December:
 - Controller's revenue & expenditure baseline data
 - Refine budget proposals
- January:
 - Continue refining budget proposals
 - Library Commission budget review
- February:
 - Library Commission budget approval
 - Budget submittal to Controller & Mayor





THANK YOU

