



2025 Budget

**ADOPTED
NOVEMBER 25, 2024**

SNO-ISLE LIBRARIES

2025 Adopted Budget

NOVEMBER 25, 2024

Introduction

The 2025 adopted budget was developed in alignment with the goals presented at the September 2024 Board of Trustees meeting.

The yearly budget forecasting indicates the Library District is in a strong financial position through thoughtful management of expenditures, securing new funding streams, and using a holistic and strategic approach to managing the budget. *Appendix A*

Based upon the plan developed following the successful 2018 levy lid lift, we are on track with our adopted 2025 operating budget to build financial stability and manage the impact on library customers and staff.

2025 Budget Goals

Principles

- Equity
- Accessibility
- Organizational Sustainability

Strategies

- Focus on outcomes for customers and communities
- Evolving library services
- Conservative fiscal approach
- Redirecting funds based on community demographics

Sno-Isle Libraries Strategic Goals

- Enhance **library services** so that everyone can engage in experiences they value.
- Create **inspiring spaces** so that customers and staff experience spaces that are welcoming, inclusive, easy-to-use, and support current and emerging library use.
- Optimize **library funding** so that we can continue to be good stewards of our finances, ensure long-term financial stability, and work to secure additional private and state funds.
- **Invest in our people and organization** so that we are resilient, equitable and regenerative and our staff have the support and resources they need.



Sources of Funds

2025 Adopted Budget

NOVEMBER 25, 2024

Sources of Funds

	Adopted 2024 Budget	Adopted 2025 Budget	Increase/ (Decrease)
Beginning Cash	\$ 28,000,000	\$ 28,000,000	\$ -
Transfers from Reserves Funds	\$ 3,887,000		\$ (3,887,000)
Revenue			
Taxes			
Property Tax	\$ 65,441,650	\$ 67,230,900	\$ 1,789,250
Other taxes	\$ 550,000	\$ 627,000	\$ 77,000
	<u>\$ 65,991,650</u>	<u>\$ 67,857,900</u>	<u>\$ 1,866,250</u>
Grants			
Washington State Grants	\$ 6,529,000	\$ 5,400,000	\$ (1,129,000)
Federal Grants	\$ 638,000	\$ 2,000,000	\$ 1,362,000
General Grants	\$ 200,000	\$ -	\$ (200,000)
	<u>\$ 7,367,000</u>	<u>\$ 7,400,000</u>	<u>\$ 33,000</u>
Other			
Investments	\$ 1,000,000	\$ 1,300,000	\$ 300,000
Donations	\$ 425,000	\$ 553,700	\$ 128,700
E-Rate	\$ 300,000	\$ 300,000	\$ -
Miscellaneous	\$ 305,361	\$ 374,000	\$ 68,639
	<u>\$ 2,030,361</u>	<u>\$ 2,527,700</u>	<u>\$ 497,339</u>
Total Revenue	\$ 75,389,011	\$ 77,785,600	\$ 2,396,589
Total Sources of Funds	<u>\$ 107,276,011</u>	<u>\$ 105,785,600</u>	<u>\$ (1,490,411)</u>

2025 Adopted Budget

NOVEMBER 25, 2024

Sources of Funds Overview

Beginning Cash \$28 million

Beginning Cash is the target cash balance in the Library District's General Operating Fund at year end that carries forward into 2025. Levied property taxes are due on April 30 and October 31 each year. Ending each year with ample cash allows for the funding of library services until the receipt of first-half property taxes in April.

Transfers from Reserve Funds \$0

There are no planned transfers from reserve funds in 2025.

Total Revenue \$77.8 million

Total revenue includes taxes, grants, and other revenue.

Taxes \$67.9 million

Property Tax Revenue \$67.2 million

- The library is subject to a statutory levy growth limit of 101% or 100% plus the rate of annual inflation (implicit price deflator), whichever is less. This year the implicit price deflator is greater than 1%.

Other taxes \$627k

- Other taxes include timber and excise taxes, and a small increase is anticipated.

Grants \$7.4 million

Washington State grants \$5.4 million

- Grants for Lake Stevens and Mariner libraries.

Federal grants \$2.0 million

- American Rescue Plan Act (ARPA) grants for HVAC and Digital Equity.
- Federal Emergency Management Agency (FEMA) grant for cybersecurity.

Other \$2.5 million

Investments \$1.3 million

- Increase of \$300k in investment revenue based on reserve funds balances and projected interest rates.

Donations \$554k

- Increase of \$129k in support from the Foundation. Most of the Foundation growth in 2025 will be offset by additional FTE costs.

E-Rate \$300k

- No change in the *Universal Service Administrative Company* (USAC) E-Rate.

Miscellaneous \$374k

- Increase of \$69k from rebates received from vendors, customers paying for lost materials, print and copier services, contract fees from cities, and other general revenue.



Use of Funds

2025 Adopted Budget

NOVEMBER 25, 2024

Use of Funds

	Adopted 2024 Budget	Adopted 2025 Budget	Increase/ <u>(Decrease)</u>
Operations			
Salaries and Benefits	\$ 44,579,160	\$ 48,700,000	\$ 4,120,840
Materials	\$ 6,702,520	\$ 6,912,000	\$ 209,480
Professional & Contract Services	\$ 3,732,018	\$ 3,530,900	\$ (201,118)
Software & Licensing Fees	\$ 1,754,650	\$ 1,704,900	\$ (49,750)
Office & Operating Supplies	\$ 645,800	\$ 639,350	\$ (6,450)
Equipment & Furnishings	\$ 1,430,500	\$ 603,500	\$ (827,000)
Strategic Initiatives	\$ 750,000	\$ 750,000	\$ -
Communications Equipment & Services	\$ 859,500	\$ 822,000	\$ (37,500)
Maintenance & Repairs	\$ 798,300	\$ 1,328,300	\$ 530,000
Utilities	\$ 532,800	\$ 547,000	\$ 14,200
Rentals & Leases	\$ 486,838	\$ 581,600	\$ 94,762
Training	\$ 270,000	\$ 242,000	\$ (28,000)
Insurance	\$ 239,600	\$ 271,100	\$ 31,500
Services & Programming	\$ 844,325	\$ 967,400	\$ 123,075
	<u>\$ 63,626,011</u>	<u>\$ 67,600,050</u>	<u>\$ 3,974,039</u>
Capital Outlay			
Architecture & Engineering Services	\$ 1,500,000	\$ 1,320,000	\$ (180,000)
Buildings & Improvements	\$ 8,100,000	\$ 10,490,550	\$ 2,390,550
Equipment & Furnishings	\$ 750,000	\$ 1,175,000	\$ 425,000
Land	\$ 3,000,000	\$ -	\$ (3,000,000)
Vehicles	\$ -	\$ -	\$ -
	<u>\$ 13,350,000</u>	<u>\$ 12,985,550</u>	<u>\$ (364,450)</u>
Total Expenditures	\$ 76,976,011	\$ 80,585,600	\$ 3,609,589
Transfer To Reserve Funds	\$ 1,300,000	\$ 4,900,000	\$ 3,600,000
Ending Cash	\$ 29,000,000	\$ 20,300,000	\$ (8,700,000)
Total Use of Funds	<u>\$ 107,276,011</u>	<u>\$ 105,785,600</u>	<u>\$ (1,490,411)</u>

2025 Adopted Budget

NOVEMBER 25, 2024

Use of Funds Overview

Total Expenditures \$80.6 million

Total expenditures include operations and capital outlay.

Operations \$67.6 million

Salaries and Benefits \$48.7 million

- Increase of \$4.1 million based on:
 - Total adopted full-time equivalents (FTE) of 394 including the adopted increase of 2.0 (FTE) for Sno-Isle Libraries Foundation.
 - 3.8% Cost of living increase for all staff.
 - Reflection of 4.6% increase for represented staff in 2024 not included in 2024 salaries and benefits.
 - Anniversary increases for staff within pay range. *Appendix B*
 - Employee Benefits. *Appendix C*
 - Increase of 20% for Premera medical coverage.
 - Increase of 10% for Kaiser Permanente medical coverage.
 - Increase of 4% for Delta Dental coverage.

Materials \$6.9 million

- Increase of \$125k for the opening day collection for the new Lake Stevens Library.
- Increase of \$75k to address some of the collection cost increases.

Professional & Contract Services \$3.5 million

- Overall decrease of \$201k in selected professional services based on anticipated need in 2025.
- Decrease in architectural services, bank service fees, financial audit services, Human Resources Information System (HRIS), consulting, and record storage & retrieval.
- Increase in catalog content tools, copier services, Human Resources consulting, Integrated Library System (ILS) support, landscaping, and legal consulting.

Software & Licensing Fees \$1.7 million

- Decrease of \$50k for Enterprise Resource Planning software to support work scheduled to be completed in 2026.

Office & Operating Supplies \$640k

- Overall decrease of \$6k.
- Increase of \$57k in custodial and building supplies, barcode labels, copier/printer paper and postage and shipping charges.
- Decrease of \$63k due to transferring costs for staff recognition to the Training (SILCON) budget.

Equipment & Furnishings \$604k

- Decrease in library furniture purchases based on 2025 anticipated costs.

Strategic Initiatives \$750k

- Support for emerging services expenditures including Mobile STEM, Tribal partnerships, Community partnerships, Teen Interns, and other emerging services.

2025 Adopted Budget

NOVEMBER 25, 2024

Communication Equipment and Services \$822k

- Reduction of \$38k based on updated data costs for public hotspots.

Maintenance & Repairs \$1.3 million

- Increase of \$530k for ongoing building maintenance and repair.

Utilities \$547k

- Increase of \$14k in electric, gas, and recycling costs.

Rentals & Leases \$582k

- Increase of \$95k in copier and printer leases and library facility leases.

Training \$242k

- The training budget originally showed an increase due to SILCON and training requests. Estimated actual costs are reduced for an overall decrease of \$28k.

Insurance \$271k

- Increase of \$32k in premiums for commercial, liability, and cybersecurity coverages.

Services and Programming \$967k

- Increase of \$123k for gas for library vehicles, association dues, Board retreats and travel, mileage and ferry expenditures, advertising, and community engagement.

Capital Outlay \$13 million

Architecture and Engineering \$1.3 million

- Decrease of \$180k based on anticipated requirements for 2025.

Building and Improvements \$10.5 million

- Increase of \$2.4 million for Langley and Lake Stevens

Equipment and Furnishings \$1.2 million

- Increase of \$425k for Langley and Lake Stevens

Land \$0

- Decrease of \$3 million following purchase of land in 2024.

Vehicles \$0

- No change from 2024

2025 Adopted Budget

NOVEMBER 25, 2024

Transfers to Reserve Funds \$4.9 million

Building Reserve Fund \$3 million

- Increase the Building Reserve Fund to support future capital projects including the Arlington Capital Project.

Equipment Technology Refresh \$300k

- Increase the Equipment Technology Refresh Fund to support future technology lifecycle replacement consistent with a four-year lifecycle strategy.

Levy Rate Stabilization \$1 million

- Increase the Levy Rate Stabilization Fund to support the long-range funding strategy.

Self-Insurance Reserve Fund \$300k

- Increase the Self-Insurance Reserve Fund to meet the policy target/objective.

Vacation and Sick Pay Liability Reserve Fund \$300k

- Increase the Vacation and Sick Pay Liability Reserve Fund to meet the policy target/objective.

Ending Cash \$20.3 million

Ending Cash is the balance in the Library District's General Operating Fund at year end. Decrease of \$8.7 million to more accurately reflect required 2026 Beginning Cash and to invest in Reserve Funds in 2025.



Reserves

2025 Adopted Budget

NOVEMBER 25, 2024

Unreserved and Reserve Funds

Unreserved Funds - Board Restricted - Balances and Transfers

Fund	Balance Actual 12/31/2023	Adopted Activity 2024	Projected Balance 12/31/2024	Adopted Activity 2025	Projected Balance 12/31/2025
Building	\$5,676,000	(\$3,500,000)	\$2,176,000	\$3,000,000	\$5,176,000
Equipment Technology Refresh	\$530,000	\$300,000	\$830,000	\$300,000	\$1,130,000
Land Acquisition	\$2,198,018	\$0	\$2,198,018	\$0	\$2,198,018
Levy Rate Stabilization	\$23,592,916	\$1,000,000	\$24,592,916	\$1,000,000	\$25,592,916
Unemployment Compensation	\$40,000	\$0	\$40,000	\$0	\$40,000
	\$32,036,934	(\$2,200,000)	\$29,836,934	\$4,300,000	\$34,136,934

Reserved Funds – Board Policy Restricted with Required Sufficiency – Overview

Fund	Policy Target/Objective	2024 Approved	2025 Approved
Emergency	60-90 days of operating expense (excluding materials).	64 days	60 days
Self-Insurance	At least 16 weeks of program expenditures.	19 weeks	17 weeks
Vacation & Sick Pay Liability	At least 60% of the year-end Vacation & Sick Pay liability.	66%	61%

Reserved Funds – Board Policy Restricted with Required Sufficiency – Balances and Transfers

Fund	Balance Actual 12/31/2023	Adopted Activity 2024	Projected Balance 12/31/2024	Adopted Activity 2025	Projected Balance 12/31/2025
Emergency	\$10,000,000	\$0	\$10,000,000	\$0	\$10,000,000
Self-Insurance	\$1,500,000	\$0	\$1,500,000	\$300,000	\$1,800,000
Vacation & Sick Pay Liability	\$1,300,000	\$0	\$1,300,000	\$300,000	\$1,600,000
	\$12,800,000	\$0	\$12,800,000	\$600,000	\$13,400,000

2025 Adopted Budget

NOVEMBER 25, 2024

Reserved Funds – Board and Entity Restricted – Transfers and Balances

Fund	Balance Actual 12/31/2023	Adopted Activity 2024	Forecasted 2024 interest	Projected Balance 12/31/2024	Adopted Activity 2025	Projected Balance** 12/31/2025
Darrington Rural Partial County Library District	\$149,506		13,245	\$162,750	\$0	\$162,750
Edmonds Building	\$102,416	(\$61,209)	5,354	\$46,561	\$0	\$46,561
Lake Stevens Building	\$1,483	(\$1,483)	-	\$0	\$0	\$0
Lynnwood Building	\$1,227,873		67,014	\$1,294,888	\$0	\$1,294,888
Mill Creek Building*	\$340,646	(\$324,308)	(\$16,338)	\$0	\$0	\$0
	\$1,821,925	(387,000)	69,275	1,504,199	-	\$1,504,199

*Interest gain for Mill Creek Building moved to operating account for Mill Creek Library.

**The Projected Balance does not include forecasted interest revenue.



2025 Adopted Budget

NOVEMBER 25, 2024

2025 Adopted Budget Summary

Source of Funds

	2024 Adopted	2025 Adopted
Beginning Cash	\$ 28,000,000	\$ 28,000,000
Transfer from Reserves	\$ 3,887,000	\$ -
<i>Total Beginning Cash and Transfer from Reserves</i>	<i>\$ 31,887,000</i>	<i>\$ 28,000,000</i>
Total Revenue	\$ 75,389,011	\$ 77,785,600
Total	\$ 107,276,011	\$ 105,785,600

Use of Funds

	2024 Adopted	2025 Adopted
Operations	\$ 63,626,011	\$ 67,600,050
Capital Outlay	\$ 13,350,000	\$ 12,985,550
Total Expenditures	\$ 76,976,011	\$ 80,585,600
Transfer to Reserves	\$ 1,300,000	\$ 4,900,000
Ending Cash	\$ 29,000,000	\$ 20,300,000
Total	\$ 107,276,011	\$ 105,785,600



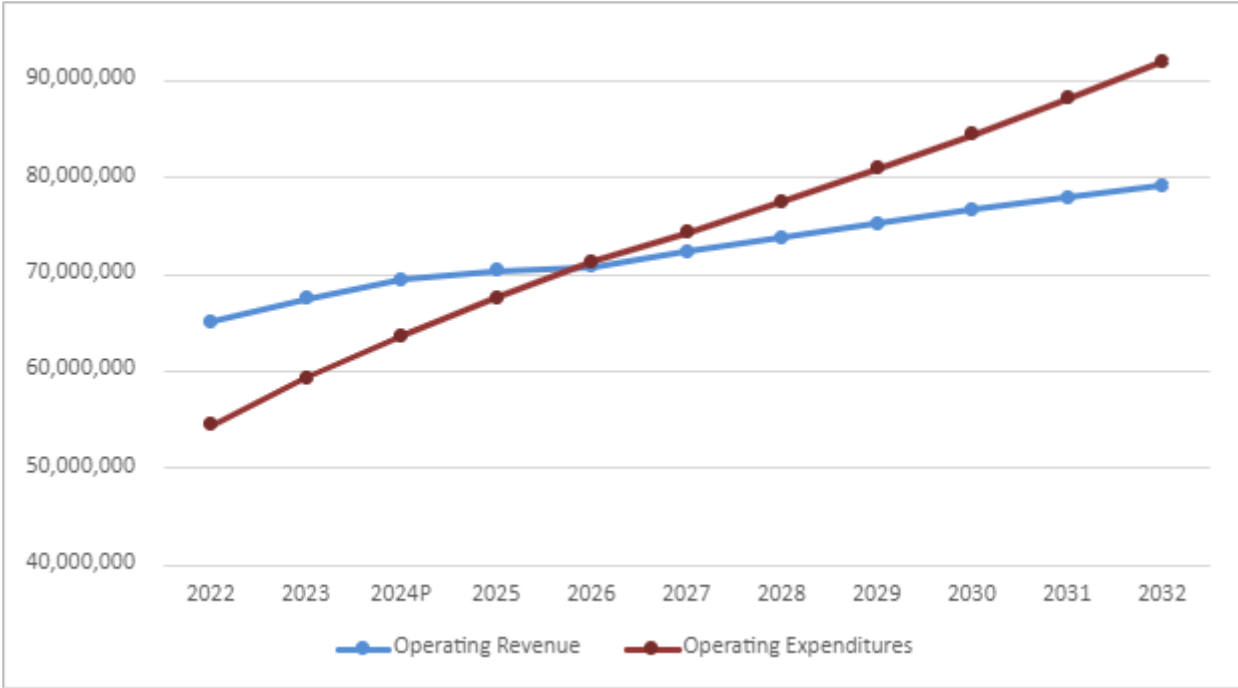
Appendix

2025 Adopted Budget

NOVEMBER 25, 2024

Appendix A

Operating Revenue and Expenditures – Ten-year estimate*



*The ten-year estimate does not reflect state and federal grant revenue.



2025 Adopted Budget

NOVEMBER 25, 2024

Appendix B

2025 Anniversary Increases – Overview

	First third of range	Second third of range	Top third of range	Maximum of range	Total
	6%	4%	2%		
Represented	123	58	98	107	386
Non-Represented	15	24	43	6	88
Total*	138	82	141	113	474

*Table does not include vacant FTE



2025 Adopted Budget

NOVEMBER 25, 2024

Appendix C

2025 Employee Benefits

Health and Wellness

- Medical, Vision, and Prescription coverage.
 - 100% of the cost paid for employee coverage (20+ hours/week).
 - 50% of the cost paid for dependent coverage (20+ hours/week).
- Dental coverage.
 - 100% paid dental coverage for all employees.
 - 50% paid dental coverage for dependents (20+ hours/week).
- Employee Assistance Program.
 - Includes ten free counseling sessions.
- Medical Reimbursement Arrangement (MRA) & Health Reimbursement Arrangement (HRA)
 - \$1,000 per calendar year for Premera covered employees.
- Health Care and Daycare Flexible Spending Accounts.
- Wellness and financial resources and coaching.

Financial Security

- Pension plans for qualified employees.
- Social security.
- 457 Deferred Compensation Plan.
- Long-Term Disability (40 hours/week).
- Life and AD&D Insurance (20+ hours/week).
- ORCA Passport.
- Workers Compensation Insurance.
- Retirement resources.

Time off

- Paid vacation and sick leave for all employees.
- Eleven paid holidays and two floating holidays. *New in 2025 – Christmas Eve.*
- One paid day for inclement weather. *New in 2025*
- Medical Leaves of Absence.
- Non-Medical Leaves of Absence (Bereavement, Discretionary, Jury Duty, Military, Military Spouse/Domestic Partner)
- Washington Paid Family and Medical Leave.
 - Sno-Isle Libraries has chosen to pay the employee portion.