

**Carnegie Library of Pittsburgh Five Year Projection -  
Without Implementation of Action Plan**

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	2009 Projection	2010 Estimate Year 1	2011 Estimate Year 2	2012 Estimate Year 3	2013 Estimate Year 4	2014 Estimate Year 5
<b>REVENUES</b>						
1 Earned Income	813,000	840,000	840,000	856,800	856,800	856,800
2 Government Support	4,706,000	3,890,000	3,890,000	3,890,000	3,890,000	3,890,000
3 Private Support	500,000	500,000	525,000	575,000	625,000	675,000
4 ARAD, w/o eiN	17,600,000	17,600,000	17,600,000	17,600,000	17,600,000	17,600,000
<b>Total Revenues</b>	<b>23,619,000</b>	<b>22,830,000</b>	<b>22,855,000</b>	<b>22,921,800</b>	<b>22,971,800</b>	<b>23,021,800</b>
<b>EXPENSE</b>						
5 Salaries - Full Time	10,022,000	10,348,000	10,658,440	10,978,193	11,307,539	11,646,765
6 Salaries - Part Time	1,350,000	1,521,000	1,566,630	1,613,629	1,662,038	1,711,899
7 Fringe Benefits (incl taxes)	3,119,000	3,193,030	3,448,472	3,724,350	4,022,298	4,344,082
8 Library Collections	2,918,000	3,110,000	3,265,500	3,428,775	3,600,214	3,780,224
Other:						
9 <i>Computers, Copiers, IT &amp; Tech Services</i>	<i>835,000</i>	<i>865,000</i>	<i>882,300</i>	<i>926,415</i>	<i>972,736</i>	<i>1,021,373</i>
10 <i>Buildings, Grounds &amp; Security</i>	<i>833,000</i>	<i>883,000</i>	<i>900,660</i>	<i>945,693</i>	<i>992,978</i>	<i>1,042,627</i>
11 <i>Fundraising &amp; Communication</i>	<i>361,000</i>	<i>338,000</i>	<i>344,760</i>	<i>361,998</i>	<i>380,098</i>	<i>399,103</i>
12 <i>Supplies</i>	<i>333,000</i>	<i>332,000</i>	<i>338,640</i>	<i>355,572</i>	<i>373,351</i>	<i>392,018</i>
13 <i>Continuing Education &amp; Training</i>	<i>78,000</i>	<i>78,000</i>	<i>79,560</i>	<i>83,538</i>	<i>87,715</i>	<i>92,101</i>
14 <i>Fuel, Local mileage, In-state and Conference Travel</i>	<i>122,000</i>	<i>107,000</i>	<i>109,140</i>	<i>114,597</i>	<i>120,327</i>	<i>126,343</i>
15 <i>Pass-through to ACLA for District Services</i>	<i>139,000</i>	<i>140,000</i>	<i>142,800</i>	<i>149,940</i>	<i>157,437</i>	<i>165,309</i>
Total Other	2,701,000	2,743,000	2,797,860	2,937,753	3,084,641	3,238,873
16 Capital maintenance	250,000	250,000	275,000	300,000	325,000	350,000
17 Rent	275,000	260,000	260,000	260,000	260,000	260,000
18 Utilities	1,440,000	1,440,000	1,283,200	1,321,696	1,361,347	1,402,187
19 Insurance	229,000	218,000	228,900	240,345	252,362	264,980
20 Telephone	125,000	120,000	122,400	124,848	127,345	129,892
21 Legal	30,000	60,000	63,000	66,150	69,458	72,930
22 Audit	30,000	30,000	33,000	33,000	35,000	35,000
23 Debt Service	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
24 Vehicle leases	35,000	48,000	49,000	52,000	39,000	25,000
<b>TOTAL EXPENSE</b>	<b>\$ 23,524,000</b>	<b>\$ 24,341,030</b>	<b>\$ 25,051,402</b>	<b>\$ 26,080,739</b>	<b>\$ 27,146,241</b>	<b>\$ 28,261,833</b>
<b>Surplus/(Deficit), revised</b>	<b>95,000</b>	<b>(1,511,030)</b>	<b>(2,196,402)</b>	<b>(3,158,939)</b>	<b>(4,174,441)</b>	<b>(5,240,033)</b>

**(16,280,846)**

cumulative deficit

**Explanation and Assumptions for  
2009 – 2014 Budget Projections – WITHOUT Implementation of Action Plan  
Updated November 2009**

**REVENUES**

2010 assumes a net revenue budget decrease of \$800,000 vs. 2009 projections. The scenario is:

- a) Line 1, Earned Income: A small increase in earned income is anticipated related to interest earnings and fines and fees based on 2009 actual results.
- b) Line 2, Government Support: Although the State's decrease in library funding, based on their fiscal year, is 20.1%, the decrease in Government Support to the Library's 2010 budget, based on a calendar year, is 17.1 %, because of the difference in which fiscal year the revenues are recognized. This includes the fact that the State has also drastically cut a separate funding category that includes Access PA. From all information available at this time, it is reasonable to assume a \$0 budget allocation.
- c) Line 3, Private Support: Flat private contributions are assumed based upon the actual receipts of 2009 as well as the State budget impacts to the Educational Improvement Tax Credit (EITC) program, which will reduce the availability of tax credits for corporate donors.
- d) Line 4, RAD revenues are flat with 2009.

2011– 2014

- a) Line 1, Earned Income: Beginning in 2012, a 2% increase in either earned income from endowment distribution or interest earnings is projected.
- b) Line 2, Government Support: The State Budget support is projected to remain flat, but state allocations to libraries are not statutorily mandated and are subject to change.
- c) Line 3, Private Support: A net revenue budget increase is projected each year, reflective of the Strategic Plan commitment to enhanced fundraising.
- d) Line 4, RAD has made no commitment for increased funding in the Library's contract, therefore no increases are budgeted.

**EXPENSES**

- a) Lines 5 and 6, Full Time and Part Time Salaries: The budget assumes a flat staffing table and a 3% pool for salary increases each year through 2014. CLP believes the wage freeze implemented in 2009 is not sustainable.
- b) Line 7, Fringe Benefits: A 9.7% increase for medical benefits in 2010 and a 15% increase cap for 2011 is based on the actual renewal for 2010. Increase for total benefits for future years is calculated at 8%.
- c) Line 8, Library Collections: State Budget impacts have reduced funding for essential library collections. Carnegie Library of Pittsburgh's budget now reflects absorbing the cost for electronic resources, such as reference databases and full-text periodicals, that ensure continued access to important library resources.
- d) Lines 9 – 15, Other Expenses: These ancillary expenses are projected to increase with inflation, 2% for 2011; 5% for 2012 - 2014.

- e) Line 16, Capital maintenance: A \$25,000 increase is budgeted each year to cover ongoing projects related to the age of the system's infrastructure. This is not inclusive of major capital projects such as renovation or new construction.
- f) Line 17, Rent: CLP renegotiated its downtown lease and will achieve the following savings over the original contract rate: 12.6% 2010 and 2011, 3.4% savings 2012 to 2014.
- g) Line 18, Utilities: A 3% average increase is budgeted 2011 through 2014. In 2011, the assumption is that Allegheny Depository will be closed and its utilities will no longer be an expense.
- h) Line 19, Insurance: The 2010 renewal for property, liability, auto and D&O insurance is a 4.5% decrease. A 5% average increase is budgeted annually from 2011 – 2014.
- i) Line 20, Telephone: A 2% average increase is budgeted through 2014.
- j) Line 21, Legal: A 5% average increase is budgeted through 2014.
- k) Line 22, Audit: A \$3,000 increase is budgeted in 2011, based upon the current proposal, and a \$2,000 increase in 2013.
- l) Lines 23 and 24, Debt Service and Vehicle Leases: Projections are based on long term contractual commitments.