THE CITY OF WATERTOWN

MEMO

(Library)

To: Library Board of Trustees

From: Mary Lopez

Date: 11/14/26

Subject: Ongoing Adjustments to 2027 budget and scenarios

Background

As we go through the budget process, we have had to make adjustments. We ran various scenarios based on funding levels. We created hypotheticals based on possible funding levels, including not filling a upcoming reference vacancy and potentially needing to adjust library hours. At present, the City's contribution sits at $785,000.

Budget Goal

Due to 2026 funding, our fund balance took a substantial hit, which cannot be absorbed for another year without a detrimental impact to our fund balance. Our goal is long term sustainability.

Financial Impact

If funding levels are not brought up, the board will need to make decisions about staffing, hours, material and services. We would face unsustainable impact to our fund balance if changes are not made.

Recommendation

The decision of what action or changes to be taken is at the discretion of the board, but we have provided information to help guide the decision making process.