

**LOS ANGELES PUBLIC LIBRARY
BOARD REPORT**

June 13, 2024

TO: Board of Library Commissioners

FROM: John F. Szabo, City Librarian

SUBJECT: ADOPTION OF THE FISCAL YEAR 2024-25 BUDGET

RECOMMENDATIONS

THAT the Board of Library Commissioners:

1. Adopt the Library Department's operating budget for Fiscal Year 2024-25 in the amount of \$265,177,905, as approved by the Mayor and City Council; and,
2. Adopt the attached Resolution regarding the Library Department's Fiscal Year 2024-25 Budget in the amount of \$265,177,905, as approved by the Mayor and City Council.

FINDINGS

1. The total operating Library Department Budget for 2024-25, as approved by the Mayor and City Council, is \$265,177,905. The Library's Charter-mandated appropriation increased by \$14,649,918 from the previous fiscal year.
2. The 2024-25 Adopted Budget for the Library has some adjustments from the budget the Board of Library Commissioners approved in November 2023. The following summarizes the changes:
 - a. In November 2023 the Board of Library Commissioners approved the Library's 2024-25 Budget Submission in the amount of \$256,501,930.
 - b. In the first quarter of 2024, the CAP (Cost Allocation Plan) 46 was released and new labor agreements (MOUs) were approved which altered the Library's 2024-25 Budget as follows:
 - i. Salary costs increased by \$5,466,496
 - ii. Indirect related costs increased by \$14,709,479
 - iii. These changes resulted in total increased costs of \$20,175,975.
 - c. Library staff identified the following to balance the Library's 2024-25 budget:
 - i. Decreased alterations and improvements by \$1,500,000.
 - ii. Decreased the direct cost contingency line item by \$5,500,000.
 - iii. Decreased the reserve funding line item by \$3,000,000; this line item was added to the budget to mitigate anticipated cost increases for the labor agreements which had not been officially approved prior to submission of the budget.

- iv. Decreased the allocation to the City Sidewalk Repair Program by \$1,500,000
 - v. Added revenue from the Unreserved and Undesignated Fund Balance by \$8,675,975.
- d. The Library's 2024-25 Adopted Budget is \$265,177,905, an increase of \$8,675,975 over the submitted budget.
- e. Library budget and accounting staff will monitor expenditures to ensure the reductions do not affect services.
3. The budget approved by the Mayor and City Council includes previously approved increases to library materials, funding and authority for 14 additional positions, funds for various alterations and improvement projects at Central and branch libraries, funding for programming and events, support for the Library Experience Office initiatives, and funds to maintain the current level of security at both Central Library and the branches.
4. The attached Various Special Account 9510 itemizes the direct and indirect costs, which comprise the Library's related costs. The total related costs for 2024-25 is \$97,539,766 and represents 36.78% of the total Library Budget.

Attachments

Prepared by: Heather Smith, Assistant Business Manager
Reviewed by: Madeleine M. Rackley, Business Manager

June 13, 2024

LIBRARY RESOLUTION NO. 2024-XX (C-XX)

WHEREAS, On November 9, 2023, the Board of Library Commissioners (Board) approved the Library Department Proposed Budget for Fiscal Year 2024-25 in the amount of \$256,501,930 to fund Library services and programs (Library Resolution Number 2023-44 [C-35]); and

WHEREAS, Staff recommends the adoption of the Library Department Budget for Fiscal Year 2024-25 as approved by the Mayor and City Council in the amount of \$265,177,905; and

THEREFORE, RESOLVED, That the Board of Library Commissioners hereby adopts and certifies the Adopted Library Department Budget for Fiscal Year 2024-25 in the amount of \$265,177,905, as approved by the Mayor and City Council.

This is a true copy:

LIBRARY DEPARTMENT
Adopted Budget - Financial Summary

	Adopted Budget 2022-23	Adopted Budget 2023-24	2024-25 Adjustments	Adopted Budget 2024-25
APPROPRIATIONS				
Mayor-Council Appropriation (Measure L).....	\$ 227,048,611	\$ 241,852,012	\$ 14,649,918	\$ 256,501,930
Total Appropriations.....	\$ 227,048,611	\$ 241,852,012	\$ 14,649,918	\$ 256,501,930
OTHER REVENUE				
Fines and Fees.....	\$ --	\$ --	\$ --	\$ --
Other Receipts.....	--	--	--	--
Unspent Prior Year Funds from UUFB.....	--	--	\$ 8,675,975	8,675,975
Total Other Revenue.....	\$ --	\$ --	\$ 8,675,975	\$ 8,675,975
Total Revenue.....	\$ 227,048,611	\$ 241,852,012	\$ 23,325,893	\$ 265,177,905
	Adopted Budget 2022-23	Adopted Budget 2023-24	2024-25 Adjustments	Adopted Budget 2024-25
EXPENDITURES				
SALARIES				
General.....	\$ 87,924,354	\$ 93,343,812	\$ 3,033,791	\$ 96,377,603
As Needed.....	4,186,924	4,286,924	(100,000)	4,186,924
Overtime.....	145,423	145,423	--	145,423
Total Salaries.....	\$ 92,256,701	\$ 97,776,159	\$ 2,933,791	\$ 100,709,950
EXPENSE				
Office Equipment	\$ 30,462	\$ 30,462	\$ --	\$ 30,462
Printing and Binding.....	372,000	372,000	--	372,000
Contractual Services.....	17,393,415	27,043,872	4,713,252	31,757,124
Transportation	97,463	97,463	--	97,463
Office and Administrative	10,715,011	11,700,864	(325,740)	11,375,124
Operating Supplies.....	500,886	400,886	--	400,886
Total Expense.....	\$ 29,109,237	\$ 39,645,547	\$ 4,387,512	\$ 44,033,059
EQUIPMENT				
Furniture, Office and Technical Equipment.....	\$ 320,000	\$ 820,000	\$ (360,000)	\$ 460,000
Transportation Equipment.....	\$ --	\$ --	\$ 400,000	\$ 400,000
Total Equipment.....	\$ 320,000	\$ 820,000	\$ 40,000	\$ 860,000
SPECIAL				
Library Materials.....	\$ 20,035,130	\$ 21,035,130	\$ 1,000,000	\$ 22,035,130
Direct and Indirect Related Costs.....	85,327,543	82,575,176	14,964,590	97,539,766
Total Special.....	\$ 105,362,673	\$ 103,610,306	\$ 15,964,590	\$ 119,574,896
Total Library Expenditures.....	\$ 227,048,611	\$ 241,852,012	\$ 23,325,893	\$ 265,177,905
To Library UUFB - Non-Appropriated Funds	\$ --	\$ --	\$ --	\$ --
Total Library Budget.....	\$ 227,048,611	\$ 241,852,012	\$ 23,325,893	\$ 265,177,905

**LOS ANGELES PUBLIC LIBRARY
2024-25 ADOPTED BUDGET
VARIOUS SPECIAL ACCOUNT 9510**

Account 9510 / Various Special	2023-24 Adopted	Adjustments	2024-25 Proposed
<u>Indirect Costs (CAP 45)</u>			
Employee Retirement	\$ 26,864,366	\$ 2,087,466	\$ 28,951,832
Fringe Benefits	15,143,536	5,031,248	20,174,784
Central Services	9,534,237	7,452,071	16,986,308
Reconciliation (2021-22 Reimbursement)	(1,097,431)		
Reconciliation (2022-23 Reimbursement)		(870,727)	(1,968,158)
Sub-Total:	\$ 50,444,708 61.09%	\$ 13,700,058	\$ 64,144,766 65.76%
<u>Direct Costs</u>			
Water	\$ 544,000	\$ -	\$ 544,000
Electricity	5,721,000	-	5,721,000
Natural Gas	361,000	269,000	630,000
Custodial / GSD	9,034,793	385,207	9,420,000
Parking Lot Operations / GSD	545,000	-	545,000
Parking Lot Sweeping / GSD	63,000	-	63,000
Mail / GSD	30,000	-	30,000
Building Maintenance / GSD	4,164,191	160,809	4,325,000
Fleet / GSD	240,000	-	240,000
Fuel / GSD	72,000	-	72,000
Refuse Collection / PW Sanitation	120,000	10,000	130,000
City Reimbursement Credit Card Fees	18,000	-	18,000
Security Services / LAPD and Contract Security	7,683,762	3,473,238	11,157,000
City Sidewalk Repair Program (Willits Act)	1,500,000	(1,000,000)	500,000
Direct Cost Contingency Funding	2,003,722	(2,003,722)	-
Menstrual Hygiene Pilot Program / GSD	30,000	(30,000)	-
Reserve Fund	-	-	-
Sub-Total:	\$ 32,130,468 38.91%	\$ 1,264,532	\$ 33,395,000 34.24%
TOTAL ACCOUNT 9510 / VARIOUS SPECIAL:	\$ 82,575,176	\$ 14,964,590	\$ 97,539,766

ONE-TIME

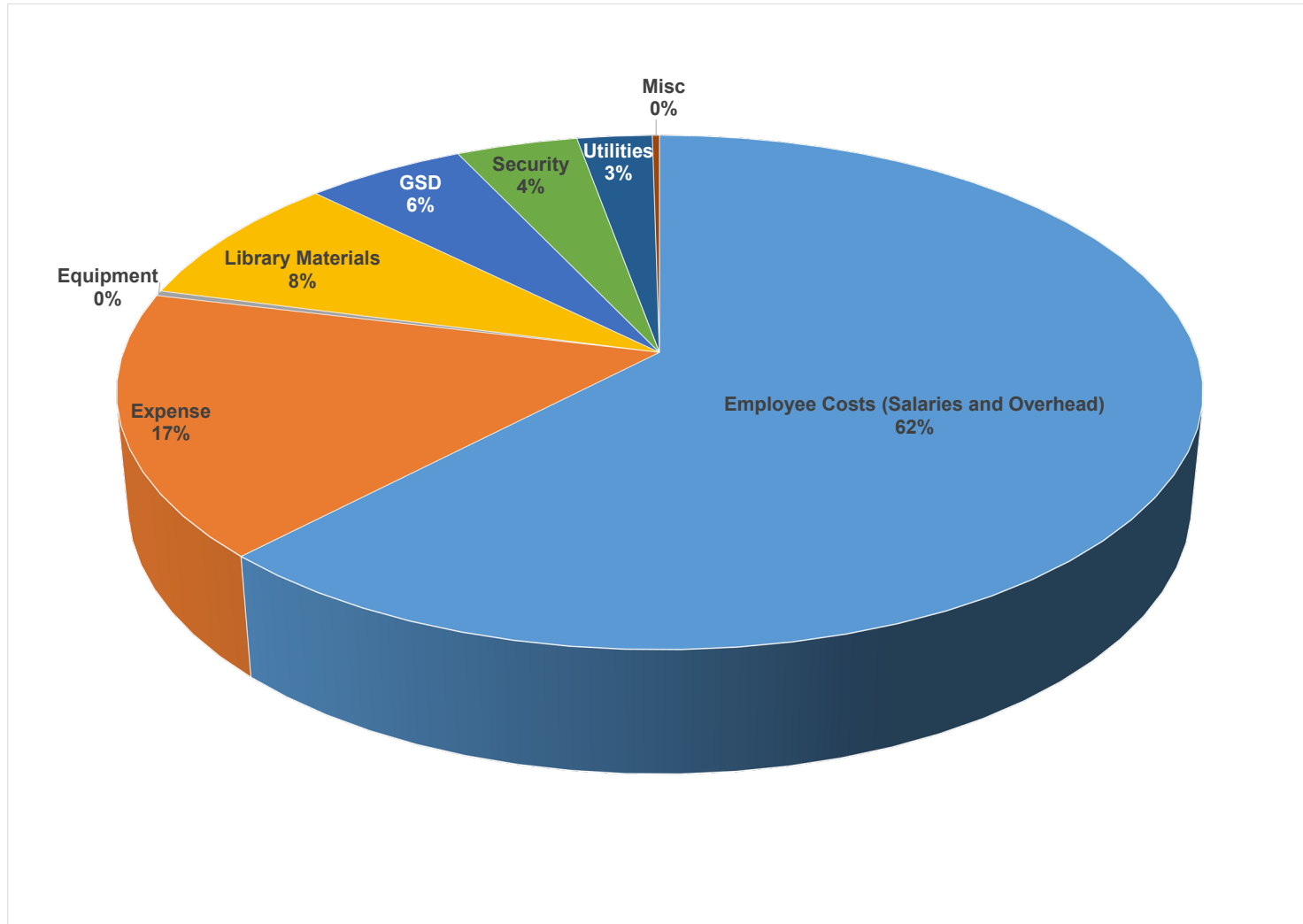
\$ 3,533,722

ONE-TIME

\$ 500,000

**LOS ANGELES PUBLIC LIBRARY
2024-25 ADOPTED BUDGET**

Operating Costs				Related Costs (Direct)			
Salaries & Employee Overhead (Retirement, Fringe Benefits and Central Services)	Expense	Equipment	Library Materials	GSD	Security	Utilities	Misc
\$ 164,854,716	\$ 44,033,059	\$ 860,000	\$ 22,035,130	\$ 14,695,000	\$ 11,157,000	\$ 6,895,000	\$ 648,000
62.17%	16.61%	0.32%	8.31%	5.54%	4.21%	2.60%	0.24%



TOTAL 2024-25 ADOPTED LIBRARY BUDGET \$265,177,905