

**LOS ANGELES PUBLIC LIBRARY
BOARD REPORT**

September 22, 2022

TO: Board of Library Commissioners

FROM: John F. Szabo, City Librarian

SUBJECT: **APPROVAL TO APPROPRIATE FUNDS FROM THE UNRESERVED AND UNDESIGNATED FUND BALANCE (UUFB) FOR THE FISCAL YEAR 2022-23 LIBRARY OPERATING BUDGET AND THE LIBRARY BUDGET RESERVE FUND AND TRANSFER OF APPROPRIATIONS WITHIN FUND 300 IN THE LIBRARY DEPARTMENT**

A. RECOMMENDATIONS:

THAT the Board of Library Commissioners ("Board"):

1. Approve an appropriation of \$11,962,900 from the Library's Unreserved and Undesignated Fund Balance (UUFB), Fund 300, Department 44, Account 2539, to the accounts listed below in Fund 300, Department 44:

<u>Account</u>	<u>Amount</u>
From: Fund 300; UUFB, Account 2539	\$ 11,962,900
To: 1090 – Salaries Overtime	\$ 250,000
3040 – Contractual Services	10,946,001
6010 – Office and Administrative	<u>766,899</u>
TOTAL:	<u>\$ 11,962,900</u>

2. Approve an appropriation of \$3,000,000 from the Unreserved and Undesignated Fund Balance (UUFB), Fund 300, Department 44, Account 2539, to the Library Budget Reserve Fund (LBRF), Department 44, Fund Number 58N.

<u>Account</u>	<u>Amount</u>
From: Fund 300; UUFB, Account 2539	\$ 3,000,000
To: Fund 58N; LBRF	\$ 3,000,000

3. Approve the transfer of funds in the amount of \$150,000 from Account 6010 Office and Administrative to Account 3040 Contractual Services within the Library's Fiscal Year 2022-23 Budget, Fund 300, Department 44.

From:	<u>Acct. No.</u>	<u>Account Name</u>	<u>Amount</u>
	6010	Office and Administrative	\$ 150,000
To:	<u>Acct. No.</u>	<u>Account Name</u>	<u>Amount</u>
	3040	Contractual Services	\$ 150,000

4. Authorize the City Librarian or Library Business Office Manager to approve transfers of funds between Accounts within the Library's Fiscal Year 2022-23 Budget, Fund 300, Department 44 for amounts that are \$50,000 or less.
5. Authorize the City Librarian and City Attorney to make technical corrections as deemed necessary.
6. Adopt the attached Resolution regarding the appropriations from the UUFB, the transfer of funds, and the authority to approve transfers.

B. FACTUAL SUMMARY:

1. The Unreserved and Undesignated Fund Balance (UUFB) consists of prior year funds that were unappropriated and disencumbered funds at the end of the fiscal year. Funds in the UUFB are used for current year appropriations, unplanned events and for projects previously funded which could not be completed in the prior fiscal year.
2. The funds are a result of projects that were delayed and services which could not be completed due to the COVID-19 Pandemic and also salary savings from vacant positions which could not be filled.
3. Funds in the amount of \$11,962,900 are requested to be appropriated from the UUFB for the Library 's FY 2022-23 operating budget as follows:
 - a. Library Salaries Overtime (\$250,000) to use for staff to fill vacancies when there are staff shortages due to employee illness, vacation or jury duty. The Library is still experience staffing challenges as we seek to re-engage on-call staff and work to fill vacancies; therefore, full-time staff have been working overtime to provide services to patrons.
 - b. Library Contractual Services Account (\$10,946,001) to fund alteration, improvement, and repair projects for at the Central Library and Branch Libraries, website redesign, a strategic plan consultant, and leadership development and training.
 - c. Library Office and Administrative Account (\$766,899) to fund closed captioning services to meet ADA requirements and IT upgrades and maintenance projects.

4. Funds in the amount of \$3,000,000 are requested to be appropriated for the Library Budget Reserve Fund (LBRF). The LBRF was established by the Board on September 24, 2015, to set aside funds to be drawn upon to stabilize revenue during economic downturns, address unforeseen circumstances, and provide for any necessary capital improvements.
5. Library staff requests the approval to transfer \$150,000 from the Office and Administrative Account (6010) to the Contractual Services Account (3040) to fund the contract for e-rate consultant service.
6. Sufficient funds are available in Account 6010 Office and Administrative for this transfer.
7. Library staff is requesting authority for the City Librarian or designee to approve transfers between Library accounts in an amount not to exceed \$50,000 per transfer. Transfers of amounts higher than this amount will be brought to the Board of Library Commissioners.

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

Reviewed by: Susan Broman, Assistant City Librarian

RESOLUTION

September 22, 2022

LIBRARY RESOLUTION NO. 2022-XX (C-XX)

WHEREAS, Funds are available in the Library's Unreserved and Undesignated Fund Balance (UUFB) at the end of Fiscal Year 2021-2022 as a result of projects that were delayed and services which could not be completed due to the COVID-19 Pandemic and also salary savings from vacant positions which could not be filled; and

WHEREAS, Library staff requested that the Board of Library Commissioners (Board) approve an appropriation of \$11,962,900 from the UUFB, Fund 300, Department 44, Account 2539, to the accounts in Fund 300, Department 44, as listed in the City Librarian's Board Report; and

WHEREAS, Library Staff requested that the Board approve an appropriation in the amount of \$3,000,000 from the UUFB, Fund 300, Department 44, Account 2530, to the Library Budget Reserve Fund (LBRF), Department 44, Fund Number 58N; and,

WHEREAS, Library Staff requested the transfer of \$150,000 from Account 6010 Office and Administrative to Account 3040 Contractual Services within the Library's Fiscal Year 2022-23 Budget; and,

WHEREAS, Library Staff requested that the City Librarian or Library Business Office Manager have authority to transfer amounts of \$50,000 or less between Accounts within the Library's Fiscal Year 2022-23 Budget, Fund 300, Department 44:

THEREFORE, RESOLVED, That the Board of Library Commissioners hereby adopts the recommendations and findings in the City Librarian's Board Report and approves the appropriation of funds from the Unreserved and Undesignated Fund Balance (UUFB) and grants authority to the City Librarian or Library Business Office Manager to transfer amounts of \$50,000 or less between Accounts within the Library's Fiscal Year 2022-23 Budget;

THEREFORE, FURTHER RESOLVED, That the Board hereby authorizes the City Librarian and City Attorney to make technical corrections as deemed necessary.

This is a true copy:

Raquel M. Borden
Board Executive Assistant

Adopted by the following votes:

AYES:

NOES:

ABSENT: