

**LOS ANGELES PUBLIC LIBRARY
BOARD REPORT**

June 10, 2021

TO: Board of Library Commissioners

FROM: John F. Szabo, City Librarian

SUBJECT: ADOPTION OF THE FISCAL YEAR 2021-22 BUDGET

A. RECOMMENDATIONS

THAT the Board of Library Commissioners:

1. Adopt the Library Department's operating budget for Fiscal Year (FY) 2021-22 in the amount of \$218,190,021, as approved by the Mayor and City Council; and,
2. Appropriate \$49,029 of non-designated funds in the Library budget to the Contractual Services Account 3040 for Library Experience Office social service outreach contracts; and,
3. Appropriate \$75,001 of non-designated funds in the Various Special Account 9510 to the Contractual Services Account 3040 for Branch Library Alterations and Improvements; and,
4. Adopt the attached Resolution regarding the Library Department's Adopted FY 2021-22 Budget in the amount of \$218,190,021, as approved by the Mayor.

B. FACTUAL SUMMARY

1. The total operating Library Department Budget for FY 2021-22, as approved by the Mayor, is \$218,190,021. The Library's Charter-mandated appropriation increased by \$13,055,658 in FY 2021-22 from the previous fiscal year.
2. The Library Budget for FY 2021-22 is comprised of \$218,190,021 in revenue and \$217,140,992 in expenditures, resulting in \$1,049,029 in undesignated funds. The proposed budget submitted by the Library included a request that \$1 million remain unappropriated to be used for Library Experience Office staffing during the fiscal year. Library staff requests that the additional amount of \$49,029 be appropriated in the Contractual Services Account 3040 for the Library Experience Office social service contracts.

3. The Library Budget for FY 2021-22 is comprised of a total of \$86,460,410 in appropriations and \$86,385,409 in expenditures in the Various Special Account 9510 for related costs, resulting in \$75,001 of undesignated funds. Library staff requests that this amount be appropriated to Contractual Services Account 3040 for Branch Libraries Alterations and Improvements.

4. The Library Budget for FY 2021-22 includes funds for the newly created Library Experience Office to provide an alternative to traditional law enforcement and provide assistance to the City's most vulnerable residents. This funding will provide, in part: nine (9) new positions, social service outreach contracts, staff training, and security cameras and badge access upgrades.

5. In addition, the Library Budget for FY 2021-22 includes funding for technology, improvements to Library facilities, and opportunities for civic engagement, as follows:

a. Strengthen and enhance the Library's growing information technology (IT) infrastructure, and provide new IT equipment for the benefit of Library patrons.

b. Add funds for alterations and improvements at branch library locations, including replacement of air conditioning units to provide more dependable cooling for the public during periods of extreme heat.

c. Continue the implementation of the Library's public relations and marketing plan.

6. The budget for library materials increased by \$1,792,755 from \$17,242,375 to \$19,035,130. Thus, the materials expenditures per capita will increase from \$4.30 to \$4.75.

7. The attached Adopted Library Budget itemizes the direct and indirect costs, which comprise the related costs. The total related costs for FY 2021-22 is \$86,385,409 and represents 39.6% of the total Library Budget.

Prepared by: Madeleine M. Rackley, Business Office Manager
Robert Morales, Senior Management Analyst (Retired)

Reviewed by: Susan Broman, Assistant City Librarian

Attachments

RESOLUTION (Next Page)

June 10, 2021

LIBRARY RESOLUTION NO. 2021-XX (C-XX)

WHEREAS, On November 12, 2020, the Board of Library Commissioners (Board) approved the Library Department Proposed Budget for Fiscal Year 2021-22 in the amount of \$218,190,022 to fund Library services and programs (Library Resolution Number 2020-37 [C-21]); and

WHEREAS, Staff recommends the adoption of the Library Department Budget for Fiscal Year 2021-22 as approved by the Mayor and City Council in the amount of \$218,190,021; and

WHEREAS, Staff recommends the appropriation of non-designated funds in the amount of \$49,029 included in the Fiscal Year 2021-22 Adopted Budget to Contractual Services Account 3040 for the Library Experience Office social service contracts; and

WHEREAS, Staff recommends the appropriation of non-designated funds in the amount of \$75,001 included in the Fiscal Year 2021-22 Adopted Budget from the Various Special Account 9510 to Contractual Services Account 3040 for Branch Libraries alterations and improvements:

THEREFORE, RESOLVED, That the Board of Library Commissioners hereby adopts and certifies the Adopted Library Department Budget for Fiscal Year 2021-22 in the amount of \$218,190,021, as approved by the Mayor and City Council; and

THEREFORE, FURTHER RESOLVED, That the Board of Library Commissioners hereby approves the appropriation of \$49,029 of non-designed funds included in the Fiscal Year 2021-22 Adopted Budget to the Contractual Services Account Library Experience Office social service contracts, Fund 300, Department 44, Account 3040; and

THEREFORE, FURTHER RESOLVED, That the Board of Library Commissioners hereby approves the appropriation of \$75,001 of non-designed funds included in the Fiscal Year 2021-22 Adopted Budget from the Various Special Account 9510 to the Contractual Services Account Branch Libraries alterations and improvements, Fund 300, Department 44, Account 3040.

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BUDGET - FINANCIAL SUMMARY (Next Page)

Exhibit A Cont.
Budget FY 2021_22
June 10, 2021

LIBRARY DEPARTMENT				
Adopted Budget - Financial Summary				
	Adopted Budget 2019-20	Adopted Budget 2020-21	FY 2021-22 Adjustments	Adopted Budget 2021-22
APPROPRIATIONS				
Mayor-Council Appropriation (Measure L)*.	\$ 191,531,086	\$ 204,934,363	\$ 13,055,658	\$ 217,990,021
Total Appropriations*.	\$ 191,531,086	\$ 204,934,363	\$ 13,055,658	\$ 217,990,021
OTHER REVENUE				
Fines and Fees*.	\$ 500,000	\$ --	\$ --	\$ --
Other Receipts*.	400,000	400,000	(200,000)	200,000
Unspent Prior Year Funds from UUFB*.	2,000,000	--	--	--
Total Other Revenue*.	\$ 2,900,000	\$ 400,000	\$ (200,000)	\$ 200,000
Total Revenue*.	\$ 194,431,086	\$ 205,334,363	\$ 12,855,658	\$ 218,190,021
	Adopted Budget 2019-20	Adopted Budget 2020-21	FY 2021-22 Adjustments	Adopted Budget 2021-22
EXPENDITURES				
SALARIES				
General*.	\$ 80,168,446	\$ 80,080,883	\$ 597,605	80,678,488
As Needed*.	3,396,682	4,036,023	150,901	4,186,924
Overtime*.	135,423	153,423	(8,000)	145,423
Total Salaries*.	\$ 83,700,551	\$ 84,270,329	\$ 740,506	\$ 85,010,835
EXPENSE				
Office Equipment *.	\$ 30,462	\$ 30,462	\$ --	\$ 30,462
Printing and Binding*.	372,000	372,000	--	372,000

Exhibit A Cont.
Budget FY 2021_22
June 10, 2021

Contractual Services*.	10,184,434	15,680,976	505,514	16,310,520
Transportation *.	97,463	97,463	--	97,463
Library Book Repairs*.	77,796	--	--	--
Office and Administrative *.	4,642,737	6,910,658	2,088,358	8,999,016
Operating Supplies*.	370,486	601,386	(86,200)	515,186
Total Expense*.	\$ 15,775,378	\$ 23,692,945	\$ 2,507,672	\$ 26,324,647
EQUIPMENT				
Transportation Equipment*.	\$ --	\$ 50,000	\$ 384,000	\$ 434,000
Other Operating Equipment*.	82,000	--	--	--
Total Equipment*.	\$ 82,000	\$ 50,000	\$ 384,000	\$ 434,000
SPECIAL				
Library Materials*.	\$ 16,242,375	\$ 17,242,375	\$ 1,792,755	\$ 19,035,130
Direct and Indirect Related Costs*.	78,630,782	79,799,897	6,660,513	86,385,409
Total Special*.	\$ 94,873,157	\$ 97,042,272	\$ 8,453,268	\$ 105,420,539
Total Library Expenditures*.	\$ 194,431,086	\$ 205,055,546	\$ 12,085,446	\$ 217,190,021
To Library UUFB - Non-Appropriated Funds	\$ --	\$ --	\$ --	\$ 1,000,000
Total Library Adopted Budget*.	\$ 194,431,086	\$ 205,055,546	\$ 12,085,446	\$ 218,190,021

BUDGET - RELATED COSTS (Next Page)

Exhibit A Cont.
 Budget FY 2021_22
 June 10, 2021

LOS ANGELES PUBLIC LIBRARY					
FY 2021-22 ADOPTED BUDGET					
ADJUSTMENTS TO RELATED COSTS					
Account 9510 / Various Special		FY 2020-21 Adopted		Adjustments	FY 2021-22 Adopted
Indirect Costs (CAP 42)					
Employee Retirement		\$ 22,494,720		\$ 869,770	\$ 23,364,490
Fringe Benefits		19,492,823		\$ (786,003)	18,706,820
Central Services		11,193,920		\$ 3,066,664	14,260,584
Reconciliation (FY 2019-20 Reimbursement)		(170,442)		(623,203)	(793,645)
Sub-Total:		\$ 53,011,021		\$ 2,527,228	\$ 55,538,249
		66.49%			64.29%
Direct Costs					
Water		\$ 457,000		\$ 30,000	\$ 487,000
Electricity		4,423,000		100,000	4,523,000
Natural Gas		239,224		-	239,224
Custodial / GSD		6,023,802		1,537,198	7,561,000
Parking Lot Operations / GSD		266,817		-	266,817
Parking Lot Sweeping / GSD		63,183		-	63,183

Exhibit A Cont.
 Budget FY 2021_22
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Mail / GSD		30,000	-	30,000
Building Maintenance / GSD		4,119,584	-	4,119,584
Fleet / GSD		220,000	-	220,000
Fuel / GSD		49,417	-	49,417
Security Services / LAPD		10,454,348	(4,566,990)	5,887,358
Refuse Collection / PW Sanitation		110,000	-	110,000
CAO / GO Bond Administration Fees		25,000	-	25,000
City Sidewalk Repair Program (Willits Settlement Act)		210,000	3,429,477	3,639,477
ITA / Human Resources Payroll Project		-	210,000	210,000
City Reimbursement Credit Card Fees		22,500	-	22,500
Direct Cost Contingency Funding		-	3,393,600	3,393,600
Unappropriated		-	-	-
Sub-Total:		\$ 26,713,875	\$ 4,133,285	\$ 30,847,160
		33.51%		35.71%
TOTAL ACCOUNT 9510 / VARIOUS SPECIAL:		\$ 79,724,896	\$ 6,660,513	\$ 86,385,409