

Orange County
Library District

ANNUAL BUDGET

FISCAL YEAR 2023-2024

Budget in Brief

- 01** Director's Message
- 05** Budget Summary
- 06** Certificate of Achievement in Financial Reporting Award
- 07** Orange County Library District Governing Board
- 08** Orange County Library District Board of Trustees
- 09** Organizational Chart
- 10** Accomplishments
- 13** Statistics
- 16** Large Donations and Grants Received

Operating Fund Budget

- 17** Revenues Budget
- 18** Revenues Highlights
- 19** Expenditures Budget
- 21** Expenditures Highlights

Other Funds

- 28** Capital Projects Fund Budget
- 29** Sinking Fund Budget
- 30** Permanent Fund Budget



Director's Message

DATE: June 8, 2023
TO: Orange County Library District Governing Board, Board of Trustees, and Residents
FROM: Steven Powell, Library Director & Chief Executive Officer
SUBJECT: Budget for the Fiscal Year Ending September 30, 2024

As Orange County Library Director, I am pleased to present the fiscal year 2023-2024 budget. Chapter 80-555, as amended by Chapter 99-486, Laws of Florida, establishes the Orange County Library District as an independent special taxing district, for the purpose of providing library services and facilities in Orange County, Florida, except the incorporated areas of the cities of Winter Park and Maitland.

This budget builds on existing Library assets with branch expansion projects in the Horizon West and Lake Nona communities. It also brings attention to wages, increases staffing levels to meet library service and business needs, and addresses other short- and long-term library service and facility needs. Our staff endeavors to manage the financial resources the Library receives with discretion that exceeds the expectations of the residents, Trustees, and Governing Board.

The Orange County Library System is the best public library in Florida because of its staff. It is an honor to serve alongside such extraordinary people who are excellent at what they do, are committed to the community, and make every effort to fulfill the Library's mission, vision, and values.

Mission

Adding to quality of life by creating a learning environment and experiences that foster personal growth and development.

Vision

Where you engage in amazing experiences and opportunities to learn, explore, and create the best you.

Values

Promote learning to improve the lives of those in the community.

Empower and foster creativity and collaboration.

Deliver outstanding service to external and internal customers.

Demonstrate respect, integrity, and excellence.

A Year of Transition

On January 21, 2022, longtime Director/CEO Mary Anne Hodel retired after a successful and storied career leading the Library for 20 years.

The Library Board of Trustees named me its new Director/CEO on August 22, 2022. After an eight-month-long nationwide search led by executive search firm June Garcia, LLC, interviews by the Library's Director Search Committee in July, and final interviews on August 20, the Board agreed that I was the right choice to lead OCLS into the future.

System Initiatives

100 Years of Library Service

In 2023, the Orange County Library System celebrates 100 years of service to the community. The Albertson Public Library opened its doors for the first time on November 8, 1923, and over the years, that single library building evolved to become the library system we operate today. All year long, we'll be hosting special events and programs that illuminate our history and enhance our present.

Breaking Down Barriers to Service

In February 2022, Orange County Mayor Jerry Demings' office asked the library to connect with the Farmworkers Association of Florida and RCMA Zellwood Child Development Center, organizations that provide services to migrant workers in northwest Orange County. One of the problems this population faced is that they are not full-time residents of the county, and signing up for a library card required them to show ID with proof of local residency. To solve this problem, the Library began to accept Farmworkers Association of Florida membership cards for library card registration purposes, opening up a multitude of library services to this community.

We also looked at the impact that automatic renewals could have on making the library more user friendly. As a result of our efforts, we implemented automatic renewals of checked-out materials on May 2, 2022. Along with automatic renewals, the number of renewals permitted per item was increased from three to five, making it easier for people with busy lives to keep their accounts with us in good standing.

In June 2022, the Library introduced a new group home card for minors who live in shelters or group foster homes. Previously, kids in foster care faced challenges in accessing library resources because they might not have a designated parent/guardian who could take responsibility for their library account. Great Oaks Village foster home was the first recipient of a group home card.

On October 16, 2022, we removed the most significant barrier to service facing the people we serve: overdue fines. Studies show that overdue fines reduce library usage overall and disproportionately impact the people who need library services the most. We are proud to be among the many forward-thinking libraries in the state who have made the decision to eliminate them.

Diversity, Equity, Inclusion, and Accessibility

The Library's Diversity, Equity, Inclusion, and Accessibility Program kicked off with a staff committee meeting on May 26, 2022. The fiscal year 2022-2023 budget included one DEIA Specialist position, but after searching, the library decided to create two DEIA positions. Our two specialists started their work on April 9, 2023.

Branch Expansion

The Library officially finalized a lease with the City of Orlando on June 24, 2022, to build the Lake Nona Branch Library on the Southeast Government Services Campus along Dowden Road, west of Narcoossee Road.

The Horizon West Branch Library was made official on July 28, 2022, when Orange County executed its lease with the Library. The branch will be built in the Horizon West Regional Park along Hamlin Groves Road. This lease is a working example of local government collaboration between the City of Orlando, Orange County Parks and Recreation, and the Library.

Wi-Fi Hotspots

The library kicked off the new year on January 3, 2023, with 1,000 Wi-Fi hotspots, giving cardholders who don't have internet at home a way to connect for free. A hotspot can connect up to 10 tablets, laptops, or other Wi-Fi-enabled devices to the internet. The checkout period is 30 days, and if no one is waiting to borrow one, they can be renewed up to five times. The Library secured funds from the Emergency Connectivity Fund to establish its Wi-Fi hotspot lending program to provide wireless broadband internet to customers who do not have access to the internet and need this service to meet their educational needs.

Excel Adult High School

Excel Adult High School was made available to the community on February 6, 2023. The Library has 10 fully paid scholarships for adults residing within the local library service area who have successfully completed 8th grade and wish to earn their high school diploma. The Library now offers this service in addition to Career Online High School, which relies on legislative funding to operate.

Outreach and Community Engagement

As part of the FY2022-2023 budget, the Library added 13 new Branch Outreach Specialists positions. The Library understands that in a geographically broad and transportation-challenged community, it can be difficult for some people to make it to a physical library location. These new positions are charged with meeting the community where they are by providing classes and programming with community partners and in community partner spaces. As part of restructuring the Library in April 2023, a new department called Community Engagement was formed which will include the Branch Outreach Specialists, Community Outreach Coordinators, Social Workers, Storytellers, and Mobile Services staff.

In Closing

A strong library is "in the hearts and minds of the community." I want to see the Orange County Library System improve the lives of people who live here by offering educational, cultural, recreational, and informational services that create a stronger Orange County.

This might seem like a lofty goal, but rest assured that Library staff will do the work necessary to provide Orange County residents with the outstanding Library services and facilities they want, need, and deserve.

We truly appreciate the support and confidence we receive from the Governing Board, Trustees, Friends of the Library, and residents of Orange County.

Respectfully submitted,

Steven Powell
Library Director/CEO

Crockett Bohannon, President
Library Board of Trustees

C: Jerry L. Demings, Library District Governing Board Mayor
Nicole Wilson, Orange County Commissioner District 1
Christine Moore, Orange County Commissioner District 2
Mayra Uribe, Orange County Commissioner District 3
Maribel Gomez Cordero, Orange County Commissioner District 4
Emily Bonilla, Orange County Commissioner District 5
Michael Scott, Orange County Commissioner District 6
Ana Palenzuela, Human Resources Director, City of Orlando
Byron Brooks, County Administrator
Kurt Petersen, Director, Office of Management & Budget
Phil Diamond, Orange County Comptroller

Budget Summary

Orange County Library District's fiscal year 2023-2024 (FY2023-2024) budget of \$100,253,000 was developed utilizing the following considerations:

- Branch expansion is underway in the Horizon West and Lake Nona communities.
- 5% raises for all full- and part-time staff.
- The addition of 27 positions to meet Library service and business needs.
- Capital projects were prioritized based on necessity and available funding.

Operating Fund Revenues

The Library is primarily funded through property tax revenues. For FY2023-2024, based on the increase in the number of properties and current property values, the Library's millage of .3748 will generate \$68,400,000 in tax revenues. This is an increase of 12.4%, or \$7,550,000, more than FY2022-2023.

In June 2007, the Florida Legislature passed legislation that reduced the Library's millage rate from .4325 to .3748 for FY2007-2008. The Library has not increased its millage rate since that time and for FY2023-2024, staff recommend that the millage be maintained at .3748.

Operating Fund Expenditures

Salaries and Benefits make up just over half of the Library's expenses. The remaining funds are used for physical and digital resources, operating costs, technology hardware and software, building improvements, equipment, furniture, and saving for future projects, emergencies, and other unexpected expenses.

Operating Fund Reserves

The Operating Fund Budget for FY2023-2024 reflects a 15.7% increase compared to the current year's budget. While the majority of this increase is due to additional tax revenues, the other contributing factor is related to increases in reserves.

The increases in reserves are due to FY2021-2022 actual revenues exceeding actual expenditures. The bulk of the excess revenue was allocated to the Capital Projects and Sinking Funds. This permits the Library to address current and future branch expansion and to immediately address emergency repairs due to natural disasters or catastrophic failures.

The Library is committed to ensuring that the Sinking Fund equals 4% of the Library's property plant and equipment value. Additionally, the Horizon West Branch Land Lease with Orange County requires that \$1 million are set aside in the Sinking Fund to provide for immediate repairs to the Horizon West Branch while waiting on insurance proceeds.

Certificate of Achievement in Financial Reporting Award



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Certificate of Achievement for Excellence in Financial Reporting to the Orange County Library District, Orlando, Florida for its annual budget for the fiscal year ending September 30, 2021.

The Orange County Library District has received this award for 19 consecutive years.

Orange County Library District Governing Board



Orange County Mayor
Jerry Demings



Orange County Commissioner
Nicole Wilson



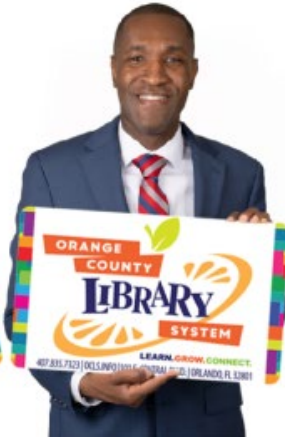
Orange County Commissioner
Emily Bonilla



Orange County Commissioner
Christine Moore



Orange County Commissioner
Mayra Uribe



Orange County Commissioner
Michael Scott



Orange County Commissioner
Maribel Gomez Cordero

City of Orlando City Clerk
Stephanie Herdocia

Orange County Library District Board of Trustees

Crockett Bohannon,
President
County Appointee



Nicole Benjamin,
Vice President
City Appointee



Ashley Cisneros Mejia,
Trustee
City Appointee



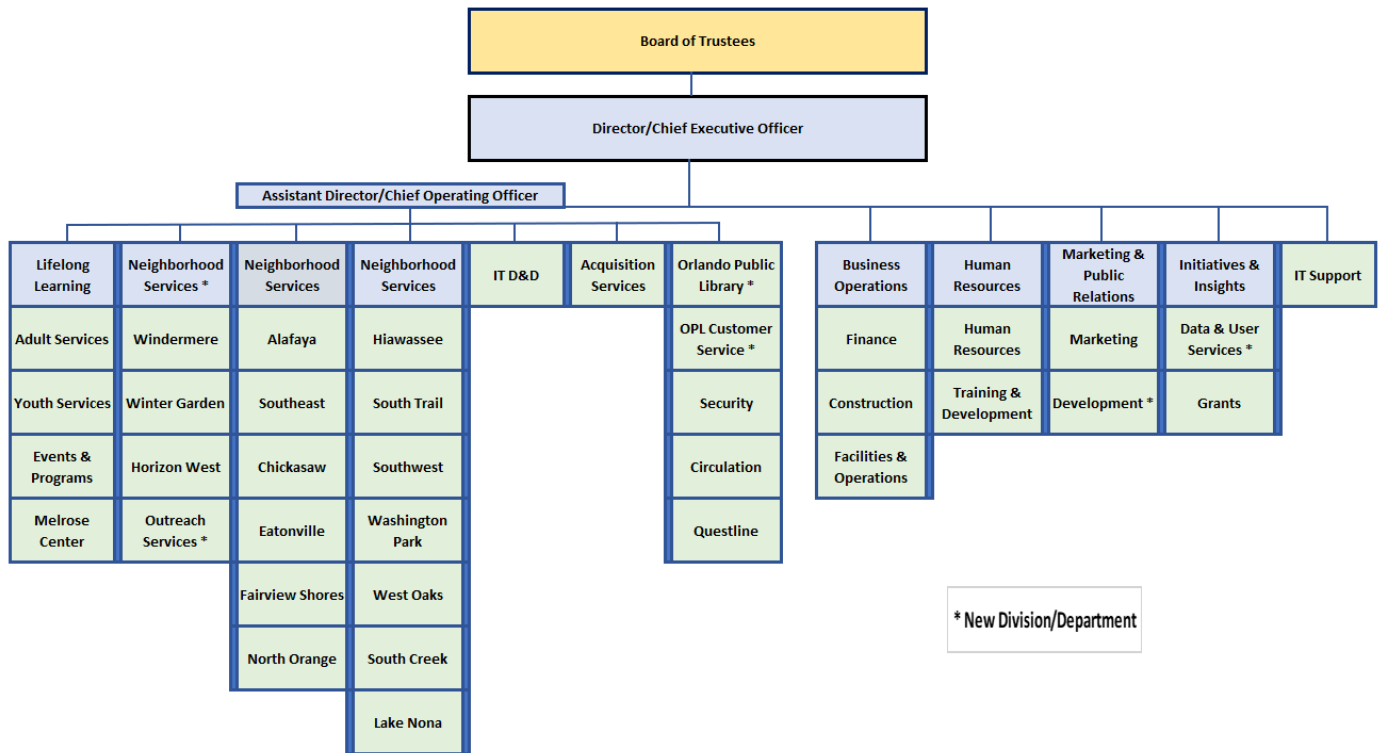
Sharon Smoley
Trustee
County Appointee



Lizannette Tam
Trustee
County Appointee



Orange County Library District Organizational Chart



Accomplishments



100 Year Celebration

The Library kicked off its 100 Year Celebration on January 7, 2023. Orange County Mayor Jerry Demings, City of Orlando Mayor Buddy Dyer, City Commissioner Patty Sheehan, County Commissioner Nicole Wilson, and State Representative Anna Eskamani participated in the festivities, helping us rededicate the library to the community for the next 100 years. Adding to the celebration was the Sorosis of Orlando Woman's Club, which pledged \$100,000 to help the library bring new mobile services, including two book bikes and a bookmobile, to Orange County.

Florida Library Association Award

OCLS's 2022-2023 Employee of the Year, Niurka Olivera de Ojeda (South Trail Circulation Clerk), was awarded the Florida Library Association's *Outstanding Paraprofessional* award in 2022. Niurka has taught the library's Citizenship Inspired class over 160 times to more than 3,000 students. She has conducted over 67 one-on-one mock interviews and at least 74 students have passed the Naturalization Test under her tutelage. Niurka's passion for helping immigrant residents prepare for the Naturalization Interview and Test extends beyond the classroom. She promotes Citizenship Inspired through various media, provides guidance and assistance to other instructors, and has presented at a regional library conference.

Horizon West Community Meeting

On March 27 2023, we hosted a public meeting at the Waterleigh Community Center to introduce residents of Horizon West to the architectural concepts and plans for the new Horizon West Branch.

Women in the Arts

March is Women's History Month, and one of our annual celebrations is the Women in the Arts competition and awards. We partner with local arts nonprofit Women in the Arts to host this juried art show, which features work from local, national and international artists on display at the Orlando Public Library. During the most recent Women in the Arts competition, artists from Florida, Texas, New York, Spain Germany and Iran were included in the exhibition.

National Library Week

During National Library Week, which took place April 3-9 2023, we partnered with WonderWorks to give people who signed up for new library cards, or renewed existing ones, a free ticket to the venue. This popular giveaway, which we have partnered with WonderWorks to offer for several years now, was a success as 1,117 tickets were given away during National Library Week.

Latino Leadership

In September and October 2022, we partnered with Latino Leadership to host a moving photo display called *Por Siempre María*, which showcased the photography of Janel Norton, who documented the immediate aftermath of Hurricane María in Puerto Rico. Latino Leadership held an opening reception for the show where several presenters spoke on the resilience of the Puerto Rican community. Special guests included Orange County Commissioner Maribel Gomez Cordero and former Florida Rep. Daisy Morales.

Local Wanderer

At the end of 2021, OCLS was the recipient of a \$50,000 matching grant from the Institute of Museum and Library Services (IMLS) to support our Local Wanderer program, which allows people to check out tickets to various local cultural organizations for free using a library card. The funds were earmarked to purchase tickets to new venues that have not participated in Local Wanderer in the past, and to purchase additional tickets from key partners that have proven to be popular with our audience. Thanks to the grant, we were able to add new partners to the program, including Orlando Science Center, Audubon Center for Birds of Prey, the Dr. Phillips Center for the Performing Arts and the Orlando Ballet. Other partners include Art and History Museums of Maitland, the Orlando Museum of Art, Central Florida Zoo and Botanical Gardens, Mennello Museum of American Art, Orange County Regional History Center, Central Florida Community Arts and Orlando Philharmonic. Although the grant has run out, the Library intends to continue to fund this popular program.

Prime Time

In 2022, after a two-year hiatus, the Library relaunched Prime Time Family Reading, a six-week family reading and discussion program. The program uses award-winning children's books to spark thought and conversation among children and families. The program's goals are to increase family bonding and reading time, provide a space for families to practice critical thinking skills, build a stronger connection to the community and encourage library use. With underwriting assistance from The Friends of the Orange County Library System, program attendees were able to enjoy a meal together as part of each session. Since the relaunch, the program has reached 29 families and served 359 attendees.

Melrose Center

Our *Melrose in the Mix* series is in its fourth season on WUCF TV. *Melrose in the Mix* is the library's live in-studio recording series, which brings local musicians to the library to share their music through live performance and intimate conversation.

Zora Neale Hurston: The Storyteller and Her Town

Eatonville Branch hosted a very successful series January 27-29, 2022, called *Zora Neale Hurston: The Storyteller and Her Town*. The series, which was originally scheduled to coincide with the Zora! Festival, featured presentations by Zora Neale Hurston scholar Rae Chesney. The series was funded in part through a Florida Humanities Community Project grant, and over the course of three days, 264 people attended one of four events. On Saturday, January 29, Chesney led a walking tour of historic Eatonville that attracted 107 participants, despite the fact that the temperature was only 46 degrees. We were very happy with the turnout, especially since the Zora! Festival was postponed until June.

Community Legal Services

On April 28, 2022, Washington Park Branch hosted an event in partnership with Housd, Community Legal Services of Mid-Florida, and the Lila Mitchell-Ivey Lane Neighborhood Center for Families. Attendees were able to receive no-cost legal consultation, help completing rental assistance applications, and information on services from Catholic Charities. Many attendees expressed gratitude that an event was held in such a centrally located part of Orange County and asked if another would be happening at this location. During the event, an attendee was heard telling other people who were waiting how her mother received legal and rental assistance at a prior event that helped her prevent an eviction that was already in process. A total of 51 community members attended the event with a total of 30 receiving legal assistance.

Orlando Book Festival

On April 30, 2022, the Orlando Public Library hosted the annual Orlando Book Festival. It was the first time since the pandemic that the event was held in person, and it attracted more than 200 people who enjoyed a day of panels, writing workshops, book signings and keynote speaker Tim Dorsey. The Orlando Book Festival returned even stronger in April 2023, drawing more than 700 attendees and featuring keynote speaker R.L. Stine, author of the acclaimed *Goosebumps* series.

Real Florida Reader

In May 2022, the Florida State Parks Department partnered with libraries across the state for the Real Florida Reader program, which gives library cardholders a chance to check out a free pass to visit state parks over the summer. Orange County Library System received 30 passes to check out to customers from May 21 through September 12.

Orlando Business Journal's 2022 Healthiest Employers

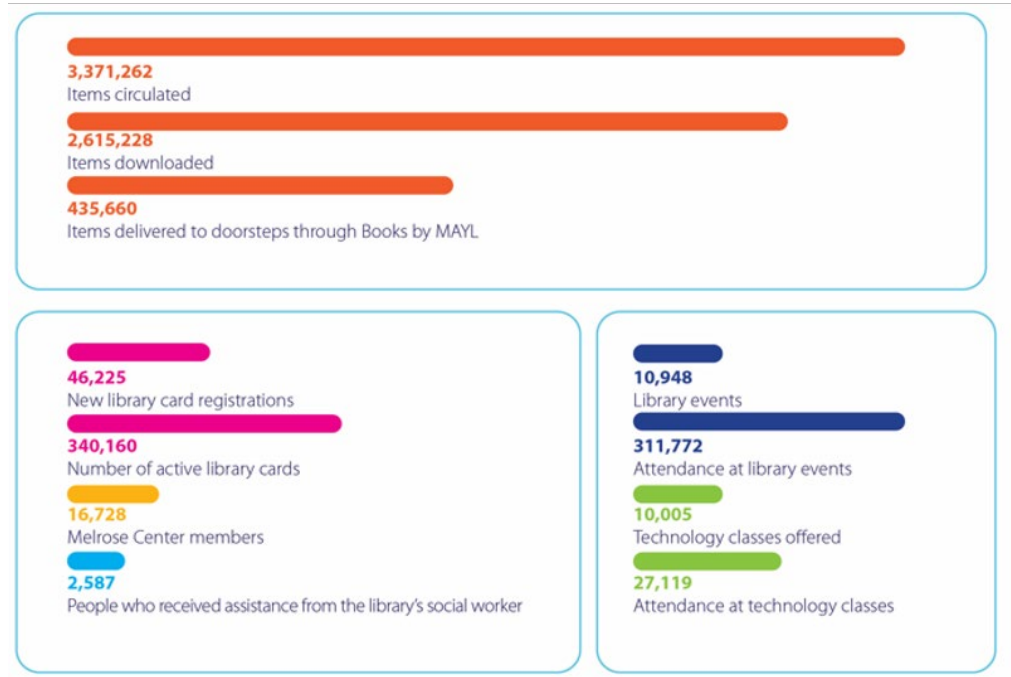
American Heart Association 2022 Workplace Health Achievement – Gold Recognition

Best Workplaces for Commuters 2022

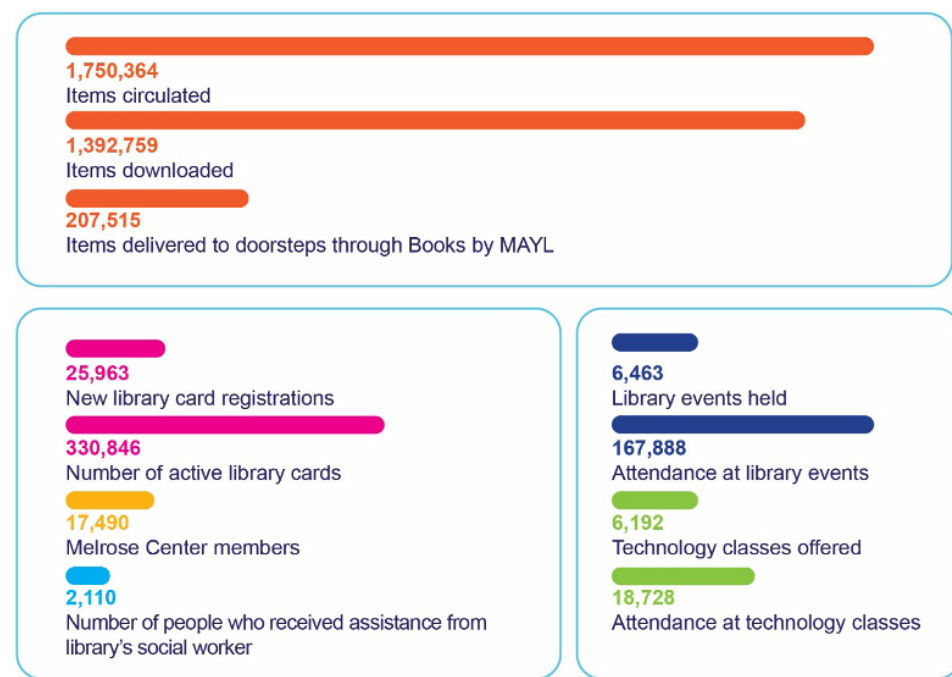
Orlando Sentinel Top Workplaces 2022

Statistics

FY 2021-2022



FY 2022-2023 (October 2022 through March 2023)



Orange County Library System continues to enhance its reputation as a leader in education and learning for children and adults. The following statistics are evidence that we are a results-based organization that is having a positive impact on our community.

Active Cards

For FY2021-2022, the Library averaged 338,000 active library cards per month and registered 47,000 new cards for the year. So far this year, there are 331,000 active cards and almost 26,000 new registrations through March. Additionally, there are almost 249,000 virtual library cards issued to students and teachers in Orange County Public Schools, and several charter and private schools in Orange County.

Wi-Fi Hotspots

As of May 1, 2023, 796 out of 1,000 Wi-Fi hotspots, which are issued to library cardholders who do not have internet access at home, were checked out.

Social Workers

Our social workers assisted more than 2,500 people in connecting with government and social services resources during FY2021-2022. During our current fiscal year, their impact continues to grow – they have helped more than 2,100 people between October 1, 2022, and May 1, 2023.

Biz Kids Club

In FY2021-2022, 218 children put in more than 1,016 BizKids Club hours, during which they learned the basics of running a small business. This initiative was funded by Orange County Citizen Review Panel.

Language Learning

During FY2021-2022, the Library offered 2,047 language learning classes, serving 31,255 students. The majority of those in attendance were taught English as a Second Language or Spanish. So far in the current fiscal year, we have offered 1,403 classes to 20,036 students.

Citizenship Inspired

The Library offered 163 sessions of Citizenship Inspired in FY2021-2022, helping 2,080 customers prepare for the U.S. Naturalization (Citizenship) Test and Interview. During the current fiscal year, 949 people have participated in a Citizenship Inspired class.

Kindergarten Readiness

Our Countdown to Kindergarten series held 42 sessions, serving 766 participants in 2021-2022. During the current fiscal year, it has held 28 sessions, serving 252 children.

Every Child Ready to Read workshops were offered 11 times in the 2021-2022 fiscal year, with 43 participants. During the current fiscal year, these workshops have been held 5 times with 41 participants.

Summer Reading Program

During our 2022 Summer Reading Program, more than 27,000 individuals attended or participated in a virtual, in-person or self-directed event. We also conducted a Summer Reading Challenge for children and set a community-wide goal of 2 million minutes read between June 4 to July 23. We far exceeded that goal, with 3,235 kids logging more than 2,173,000 reading minutes.

OCPS Summer Lunch Program

During Summer 2022, 10,840 lunches were served to children 18 and under at six library branches as part of the OCPS Summer Lunch Program. Since 2015, the library has worked with OCPS to bring Summer Lunch to library locations to make sure that kids have access to healthy food when school is not in session. Since 2015, more than 167,000 meals have been served at libraries through this program.

Genealogy

Our popular Genealogy program, which is based at our West Oaks Branch and Genealogy Center in Ocoee, held 155 classes in 2021-2022 for 2,962 people. This fiscal year to date, it has hosted 75 classes for 1,104 people.

Passport Services

Since 2019, Orlando Public Library has been authorized by the U.S. Department of State to issue passports. During fiscal year 2021-2022, we issued 120 passports. This fiscal year, we have already issued 378 passports.

African American Read-In

Every year, Orlando Public Library hosts an annual African American Read-In in February, in conjunction with the Annual National African American Read-In, which highlights the work of African American authors, poets, musicians and artists. During the pandemic, the event was held virtually, but it returned to an in-person format in 2022, drawing 62 attendees. The most recent African American Read-In, held on February 5, 2023, was a resounding success, bringing 247 people to celebrate African American literature, music and art in person at Orlando Public Library.

Library Pop Ups

To remain engaged with the Horizon West and Lake Nona communities while they wait for their new library branches to be constructed, we hosted numerous Library Pop Up events in partnership with the Waterleigh Community Center and Dockside Lake Nona, reaching more than 4,500 residents.

Large Donations and Grants Received

Window World of Central Florida - \$50,000 to support the Summer Reading Program.

FY2021-2022: \$50,000

FY2022-2023: \$50,000 *third consecutive year.

Sorosis of Orlando Woman's Club to implement mobile services via book bikes and a bookmobile.

FY2022-2023: \$100,000

Friends of the Orange County Library for scholarships, staff development, and program support.

FY2021-2022: \$79,000 *rounded

Carol Coble Estate to support Book by MAYL, the Library's home delivery service.

FY2021-2022: \$213,201

Duke Energy Foundation to support Summer Reading Program at targeted branches.

FY2021-2022: \$5,000

ALA & the FINRA Investor Education Foundation for financial literacy programming.

FY2022-2023: \$49,929

Florida Humanities: Community Project Grant to provide programming that strengthens the Eatonville community through workshops related to the literary works of Zora Neale Hurston.

FY2021-2022: \$5,000

Florida Humanities: Florida Talks to host two virtual speakers on Native American History.

FY2021-2022: \$800

Florida Humanities: Family Literacy Programs Prime Time Family Reading and English for Families.

FY2021-2022: \$10,250

FY2022-2023: \$17,500

Florida Humanities: Orlando Book Festival Funding

FY2022-2023: \$10,000

Florida Division of Cultural Affairs for the Sunshine State Author series to bring children and young adult authors to Orange County.

FY2021-2022: \$25,000

FY2022-2023: \$25,000

Florida Municipal Insurance Trust: Safety Grant

FY2022-2023: \$3,112

IMLS Rescue Plan to support the Local Wanderer program, which allows library cardholders to check out passes to museums and other cultural experiences.

FY2021-2022: \$49,983

DLIS Florida American Rescue Plan to hire two social workers for various library locations.

FY2021-2022: \$125,541

Winter Park Health Foundation for non-profit resiliency and well-being support.

FY2021-2022: \$9,500

FY2022-2023: \$5,000

National Endowment for the Arts Big Read Grant

FY2021-2022: \$20,000

FY2022-2023: \$21,500

Library Services and Technology Act for the Right Service at the Right Time.

FY2021-2022: \$60,797

FY2022-2023: \$59,928

City of Orlando Mayor's Matching Grant for Robot Rampage Camps and Clubs introduces upper elementary, middle, and high school students to electronics, engineering, and robotics principles through the practical application of building battle robots.

FY2022-2023: \$8,000

Public Library Association for Digital Literacy Workshop Training

FY2022-2023: \$7,000

Operating Fund Revenues – PROPOSED August 11, 2023

	<u>FY2022-23</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Change</u>	<u>FY2023-24</u> <u>Budget</u>
AD VALOREM TAXES	\$60,850,000	\$7,550,000	12.4%	\$68,400,000
INTERGOVERNMENTAL				
State and Federal Grants	635,000	40,000	6.3%	675,000
State Aid	150,000	50,000	33.3%	200,000
County Grants	-	-	0.0%	-
Total Intergovernmental	\$785,000	\$90,000	11.5%	\$875,000
CHARGES FOR SERVICES				
Fee Cards	20,000	55,000	275.0%	75,000
PC Pass	1,500	(500)	-33.3%	1,000
PC Express	2,000	(1,500)	-75.0%	500
Classes	3,000	(2,000)	-66.7%	1,000
Copy & Prints	150,000	(75,000)	-50.0%	75,000
Meeting Rooms	30,000	-	-	30,000
Faxes	35,000	(25,000)	-71.4%	10,000
Scans	11,400	(11,400)	-100.0%	-
Ear Buds/Jump Drives	1,600	(100)	-6.3%	1,500
Bag Sales	1,500	(500)	-33.3%	1,000
Passport Facility & Photo Fees	12,000	-	-	12,000
Library Card Replacement	7,000	(7,000)	-100.0%	-
Other	500	-	-	500
Total Charges For Services	\$275,500	(\$68,000)	-24.7%	\$207,500
LOST MATERIALS	\$320,000	(\$295,000)	-92.2%	\$25,000
MISCELLANEOUS				
Investment Earnings	125,000	38,000	30.4%	163,000
Sales of Surplus Property	5,000	(3,000)	-60.0%	2,000
Contributions - Friends of Library	35,000	50,000	142.9%	85,000
Contributions - Others	14,000	36,000	257.1%	50,000
Miscellaneous	50,000	25,000	50.0%	75,000
Internet Rebate	75,000	-	-	75,000
Grants & Awards	25,000	(5,000)	-20.0%	20,000
Total Miscellaneous	\$329,000	\$141,000	42.9%	\$470,000
TRANSFER FM PROP APPRAISER	25,000	\$7,000	28.0%	32,000
TRANSFER FM TAX COLLECTOR	470,000	\$76,500	16.3%	546,500
Total Transfers	\$495,000	\$83,500	16.9%	\$578,500
Reserves/Fund Balance	\$23,622,000	\$6,075,000	25.7%	\$29,697,000
TOTAL REVENUES	\$86,676,500	\$13,576,500	15.7%	\$100,253,000

Operating Fund Revenues Highlights

Ad Valorem Taxes (\$68,400,000)

Based on the information provided by the Property Appraiser's Office, property values are up 12.4%. With this increase and no change in the millage rate of .3748, **gross tax revenues are \$71,891,098**. However, per state budgeting regulations the Library must reduce the ad valorem taxes by 5% or \$3,491,098 (rounded).

After the required 5% deduction, budgeted ad valorem tax revenues are up \$7,550,000 to \$68,400,000.

Federal/State Grants (\$675,000) and State Aid (\$200,000)

The library's practice is to use the previous year's actual receipts as the next year's budget. Thus, the conservative increase of \$90,000 to this account.

Charges For Services (\$207,500)

The \$68,000 decrease is based on an average of the last five fiscal years. Also, charges for PC Pass, PC Express, printing, copying, scanning, faxing, and Library Card Replacement charges have been reduced or eliminated through policy updates.

Lost Materials (\$25,000)

The \$295,000 decrease is due to the elimination of overdue fines in October 2022. Customers are still responsible for lost or damaged materials.

Investment Earnings (\$163,000)

Rates continue to be volatile and that is reflected in the lower investment earnings over the last several years. The budget for this account was increased by \$38,000 from the FY2022-23 budget based on current interest earnings.

Internet Rebate (\$75,000)

The Federal Communications Commission's E-Rate program makes telecommunications and information services more affordable for schools and libraries. With funding from the Universal Service Fund, E-Rate provides discounts for telecommunications, Internet access, and internal connections to eligible schools and libraries. The Library received rebates on Internet and Metro-Ethernet network services. The budget for next year is the same as the FY2022-2023 budget.

Reserves (\$29,697,000)

This is the total of Reserves that are eligible for spending. This figure represents approximately five months of expenses which is in line with industry standards.

Overall, revenue for FY2023-2024 reflects a \$13,576,500, or 15.7%, increase.

All Revenues except for non-operating revenues, internal service funds, and grant funds include the 5% statutory reduction required by Florida Statute Chapter 129.01.

Operating Fund Expenditures – PROPOSED August 13, 2023

	<u>FY2022-23</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Change</u>	<u>FY2023-24</u> <u>Budget</u>
SALARIES & BENEFITS				
Salaries	21,866,000	4,309,000	19.7%	26,175,000
Medicare Taxes	310,000	90,000	29.0%	400,000
Defined Contribution Pension Plan	1,600,000	375,000	23.4%	1,975,000
Defined Benefit Pension Plan	1,750,000	175,000	10.0%	1,925,000
Money Purchase Pension Plan	1,250,000	425,000	34.0%	1,675,000
Life & Health Insurance (Employee)	3,775,000	575,000	15.2%	4,350,000
Retiree Health Care (OPEB)	500,000	175,000	35.0%	675,000
Worker's Compensation	100,000	30,000	30.0%	130,000
Unemployment Compensation	40,000	10,000	25.0%	50,000
Parking & Bus Passes	225,000	50,000	22.2%	275,000
Total Salaries & Benefits	\$31,416,000	\$6,214,000	19.8%	\$37,630,000
OPERATING				
Professional Services	280,000	170,000	60.7%	450,000
Other Contractual Services	2,005,000	580,700	29.0%	2,585,700
Other Contract. Serv.- Janitorial	400,500	59,500	14.9%	460,000
Training & Travel	90,000	60,000	66.7%	150,000
Telecommunication	255,000	357,800	140.3%	612,800
Delivery & Postage	1,347,000	153,000	11.4%	1,500,000
Utilities	960,000	90,000	9.4%	1,050,000
Rentals & Leases	1,295,000	275,000	21.2%	1,570,000
Insurance	600,000	150,000	25.0%	750,000
Repair & Maintenance	1,587,000	188,000	11.8%	1,775,000
Repair & Maint. - Hardware/Software	1,522,000	103,000	6.8%	1,625,000
Copying/Printing	341,000	14,000	4.1%	355,000
Promotional Activities	425,000	75,000	17.6%	500,000
Property Appraiser's Fee	547,000	168,000	30.7%	715,000
Tax Collector's Fee	1,215,000	165,000	13.6%	1,380,000
Supplies	900,000	346,500	38.5%	1,246,500
Supplies-Hardware/Software	600,000	100,000	16.7%	700,000
Memberships	15,000	2,500	16.7%	17,500
Total Operating	\$14,384,500	\$3,058,000	21.3%	\$17,442,500

Operating Fund Expenditures - PROPOSED

CAPITAL OUTLAY

Building & Improvements	2,350,000	900,000	38.3%	3,250,000
Equipment & Furniture	350,000	494,500	141.3%	844,500
Hardware/Software	1,225,000	50,000	4.1%	1,275,000
Total Capital Outlay	\$3,925,000	\$1,444,500	36.8%	\$5,369,500

LIBRARY MATERIALS

Materials - Rest. Contributions	14,000	-	0.0%	14,000
Materials - Other	4,600,000	500,000	10.9%	5,100,000
Total Materials	\$4,614,000	\$500,000	10.9%	\$5,114,000

TRANSFER TO CAPITAL PROJECTS

4,000,000	500,000	12.5%	4,500,000
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TRANSFER TO SINKING FUND

500,000	-	0.0%	500,000
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Total Transfers	\$4,500,000	\$500,000	11.1%	\$5,000,000
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Sub-Total Expenditures	\$58,839,500	\$11,716,500	19.9%	\$70,556,000
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Reserves	\$27,837,000	\$1,860,000	6.7%	\$29,697,000
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Total Expenditures	\$86,676,500	\$13,576,500	15.7%	\$100,253,000
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Operating Fund Expenditure Highlights

Salaries & Benefits (\$37,630,000)

The FY2023-2024 budget includes 338 full-time and 153 part-time positions. Due to organizational restructuring, 27 positions are being added for the upcoming year. The library will be implementing the following new departments: Data & Users Services, Development, Outreach Services, and Main Library Public Service.

The FY2023-2024 Budget Guidelines from Mayor Demings include a 5.0% salary increase for County staff. The library consistently follows Orange County Budget Guidelines and plans to provide all staff with a 5% raise. Again this year, the Library will provide a merit component to high performers through additional paid time off or part-time leave. Staff have the option of cashing out this leave at the time of their annual performance evaluation.

Note: The Library achieved the \$15.00 minimum wage goal on October 1, 2022.

Defined Contribution Pension Plan (\$1,975,000)

Library employees have not participated in Social Security since shortly after the District was formed in September 1980. Instead, a defined contribution pension plan was established for all staff. The Plan requires that the Library contribute 7.5% of each employee's bi-weekly salary. Vesting is immediate and benefits are payable in a lump sum at termination/retirement.

The \$375,000 increase in this account is due to increased projected salaries.

Defined Benefit Pension Plan (\$1,925,000)

This Plan is a traditional retirement plan covering full-time employees hired prior to January 1, 2007. The normal retirement benefit (2% of an employee's final five (5) year average earnings multiplied by years of service minus one year) is calculated at age 65. Employees who are vested and have at least 10 years of service may retire as early as 55. However, there is a 5% reduction for each year under age 65. As of January 1, 2023, 47 active employees were participants in this Plan.

Contributions to the Plan are actuarially determined at the beginning of each calendar year. The \$175,000 increase in projected contributions for the next fiscal year is due to the anticipated investment valuation as of December 31, 2023.

Money Purchase Pension Plan (\$1,675,000)

Effective January 1, 2007, new full-time employees are enrolled in this Plan. The Plan requires that the Library contribute 9% of each employee's bi-weekly salary. The vesting period is one year and benefits are payable in a variety of forms, including lump sum and installments after retirement or departure.

The \$425,000 increase is due to new positions and increased salaries.

Life and Health Insurance (\$4,350,000)

The Library pays the medical and dental premiums for full-time employees and the employee is responsible for the cost of any dependent coverage: spouse, children, or family. Under the Affordable Care Act (ACA), the Library also provides separate healthcare coverage to part-time employees who are paid, on average, 30 hours or more per week.

The projected increase of \$575,000 is a combination of the projected number of full and part-time employees eligible for the coverage and premium increases.

Retiree Health Care (\$675,000)

Local governments are required to reflect the true cost of retiree healthcare during the employee's tenure rather than the "Pay as You Go" system that was common up until 2007. A trust fund was established in 2007 and the Library has since been funding this benefit in a fashion similar to a pension. Contributions to the Plan are actuarially determined.

In April 2019, the Board approved a new, limited benefit for employees hired after that date. The FY2023-2024 funding for this account is primarily based on the actuarial report.

The \$175,000 increase is primarily due to increased healthcare costs.

Parking and Bus Passes (\$275,000)

For Main Library employees, the Library anticipates leasing approximately 170 parking spaces in the City of Orlando garage across from the Main Library. The Library also offers LYNX bus passes in place of parking, at the employee's choice. Branches have free parking. The budget for this account reflects a \$50,000 increase based on new personnel positions.

Overall, salaries and benefits for FY2023-2024 are up \$6,214,000 or 19.8%.

Operating (\$17,442,500)

Professional Services (\$450,000)

Examples of services charged to this account include the following:

- Actuaries (pension, health insurance, retiree health care)
- Auditors
- Attorneys (general counsel, labor, construction, pension)
- Insurance broker
- Architect and engineering services

The \$170,000 increase in the budget for this account is related to architectural and consultant fees for upcoming projects.

Other Contractual Services (\$2,585,700)

Services charged to this account include the following:

- Off-duty police officer coverage (Main Library, South Trail, Fairview Shores, Hiawassee, and Washington Park Branches) and security guards (pilot underway at the Main Library)
- Bibliographic records
- Programming
- Branch deliveries
- Bank/credit card fees
- Advertising for legal notices
- Armored car pickup service for all locations
- Pre-employment background checks
- Exterminating services
- Digitization services
- Compensation and strategic plan consultants

The \$580,700 increase in the budget is primarily due to off-duty officer charges, the addition of security guards, consulting services, banking fees, funding the 100 year anniversary author event, and overall inflationary pressure.

Other Contractual Services – Janitorial (\$460,000)

At the Main Library, the custodians are Library employees but in the branches, we contract with a private vendor, 3-H Services, for janitorial cleaning services. The Library also contracts with vendors to pressure clean the exteriors and carpets of the branches, and the windows in all of our facilities.

The \$59,500 increase in the budget for this account is primarily due to contractual cost increases due to the increase in minimum wage effective October 1, 2023.

Training and Travel (\$150,000)

Charges to this account include:

- Mileage, parking, tolls, and travel reimbursements
- Training, seminars, and conferences

The \$60,000 increase is related to additional training and staff development offerings to staff.

Telecommunication (\$612,800)

Telecommunication services include Internet connections, Metro-Ethernet branch connections, and Voice-Over Internet Protocol.

The \$357,800 increase is due to contractual obligations regarding the Wi-Fi hot-spot lending program.

Delivery and Postage (\$1,500,000)

The following are charged to this account:

- Payments to Priority Express Parcel for home delivery services
- Payments to the Post Office for general mail service and some home delivery items
- Federal Express charges

The budget for this account was increased by \$153,000 primarily as the result of the estimated amount being paid to Priority Express Parcel and the increased use of USPS for material delivery.

Utilities (\$1,050,000)

Included in this account are charges for water, sewer, trash, and electricity for all of our facilities. The Library continues to implement energy-saving changes, such as LED lighting, programable thermostats, and motion-activated lights in offices to name a few.

The \$90,000 increase is based on increased utility charges, especially electricity.

Rentals and Leases (\$1,570,000)

This account reflects the leasing costs of the South Trail, Fairview Shores, Hiawassee, Southeast, Southwest, and Eatonville Branches. We also lease Washington Park and Windermere, but there are no lease charges for those facilities.

The \$275,000 increase is primarily due to contractual increases.

Insurance (\$750,000)

Insurance coverage charged to this account includes the following:

- General liability
- Property
- Public officials
- Flood
- Employment practices
- Fiduciary (pensions)

The \$150,000 increase in this account is based on estimates provided by our insurance broker.

Repairs and Maintenance (\$1,775,000)

The Library System consists of the Main Library and 14 branches for a total of approximately 460,000 square feet. Repairs and routine maintenance include the following services:

- Plumbers, electricians, and heating, ventilating, and air conditioning
- Locksmiths
- Elevators
- Painters and handyman
- Landscaping
- Roofers
- Fire alarms, sprinkler systems
- Building security and camera systems
- 3M self check out systems

The cost to maintain our facilities and equipment is partly a function of our size. Additionally, our facilities and equipment are well maintained and our goal is to keep them in that condition. The \$188,000 increase in the budget for this account is due to overall cost increases.

Repairs and Maintenance – Hardware/Software (\$1,625,000)

Examples of items charged to this account include IT-related subscriptions, licenses, maintenance contracts, application service contracts wherein the vendor supplies the hardware and software, and technology repairs for the following:

- Library automation system
- Antivirus and Internet filtering software
- Technology backbone (routers, switches, and firewall)
- Accounting, payroll, and time and attendance software
- Employee evaluation software
- Vocera (hands-free communication system)
- Applicant tracking
- Adobe Cloud Connect
- Analytics Software
- Zoom Software

The Library pays maintenance and service contracts for over 50 software applications. The budget for this account increased by \$103,000.

Copying/Printing (\$355,000)

The Library contracts with a vendor, EGP, to provide printers and all-in-one machines (fax, scan, print, copy) throughout the system. The Library pays EGP for each copy made and they are responsible for providing the machines, service, and supplies excluding the paper. Additionally, large print jobs sent to external printers are charged to this account.

The \$14,000 increase is due to the inflationary pressure on paper and printing supplies.

Promotional Activities (\$500,000)

The costs in this account include television, social media, print, and radio advertisements. The \$75,000 increase is related to increased costs for services.

Property Appraiser's Fee (\$715,000)

The Orange County Property Appraiser determines the value of all property for each taxing agency in the County for ad valorem tax purposes. In exchange for providing this service, each taxing agency is charged for a portion of the Appraiser's budget.

The Property Appraiser's Office provided their estimated FY2023-2024 cost of \$715,000, which is a \$168,000 increase over FY2022-2023 budget and a \$78,179 increase over FY 2022-23 actual cost.

Tax Collector's Fee (\$1,380,000)

The Orange County Tax Collector collects taxes from property owners in the County and distributes the tax revenues to the appropriate taxing agencies. The Collector's fee has historically been 2% of the taxes collected.

Due to the increase in property tax revenues, the budget for this account is increasing by \$165,000.

Supplies (\$1,246,500)

Examples of supplies used throughout the system and charged to this account include the following:

- Office supplies
- Janitorial supplies
- Paper
- RFID tags for self-check materials
- Program supplies
- Furniture and equipment items with a unit cost of less than \$1,000
- Local Wanderer access passes
- Library of Things materials

Of the \$346,500 increase, \$25,000 is related to the Library's 100 year anniversary promotional campaign; \$60,000 to establish a The Library of Things collection; \$60,000 to support the Local Wanderer Program and the balance of the increase is due mainly to increased costs for janitorial supplies, program supplies, and paper.

Supplies – Hardware/Software (\$700,000)

This account includes technology items with a unit cost of less than \$1,000. The proposed budget consists of the following:

- | | |
|--|-----------|
| • Replace out-of-warranty PCs | \$300,000 |
| • Purchase tablets, software, and other supplies | \$200,000 |
| • Replace printers, barcode scanners, and monitors | \$100,000 |
| • Other | \$100,000 |

The funding for this account increased by \$100,000 over FY 022-2023. The increase is due to the increased cost of computers.

Overall, operating expenditures for FY2023-2024 are up \$3,058,000 or 21.3%.

Capital Outlay (\$5,369,500)

Building and Improvements (\$3,250,000)

The proposed budget includes the following:

- | | |
|---|-------------|
| • Materials for Main Library Roof Replacement | \$1,250,000 |
| • Upgrade HVAC Controls at Main | \$700,000 |
| • Refresh Palm, Magnolia, and Cypress Rooms | \$500,000 |
| • HVAC Replacement at Southwest | \$375,000 |
| • Main Outdoor Lighting Upgrade | \$200,000 |
| • Other | \$225,000 |

Equipment and Furniture (\$844,500)

The following are included in the budget for this account:

- Furniture, fixtures, and equipment
- Book Mobile
- Other projects

Hardware/Software (\$1,275,000)

This account includes technology items with a unit cost of more than \$1,000. The proposed budget includes the following:

- | | |
|---|-----------|
| • Computer Replacement | \$375,000 |
| • Servers/cloud storage & Network | \$175,000 |
| • Web Site Enhancements | \$150,000 |
| • Laptops | \$125,000 |
| • Digital content enhancement | \$100,000 |
| • Melrose Center iMac and Windows computers | \$100,000 |
| • Early Technology AWE Stations | \$75,000 |
| • Summer At Your Library Technology | \$50,000 |
| • Video equipment | \$25,000 |
| • Other projects | \$100,000 |

Overall, capital outlay expenditures for FY2023-2024 are up \$1,444,500 or 36.8%

Library Materials – Other (\$5,114,000)

The budget for this account covers the purchase of all electronic and physical materials. The \$500,000 increase is due to the increased use and cost of digital materials.

Transfer to Capital Projects Fund (\$4,500,000)

To support future branch development, \$4,500,000 is being transferred to the Capital Projects Fund. The budget for this account is \$500,000 higher than the FY2022-2023 budget.

Transfer to Sinking Fund (\$500,000)

The Sinking Fund allows the Library to set aside funds for future repairs/replacements to both facilities and technology. The Library has maintained its technology purchases through the annual budgeting process in those particular line items and uses the Sinking Fund to focus on future facility needs.

The Horizon West Branch Land Lease with Orange County requires a \$1 million set aside in this Fund to provide for immediate repairs to the Horizon West Branch while waiting on insurance proceeds and a \$250,000 Demolition Fund to assist in the removal of the building when the 85-year lease ends.

The target value for this Fund is 4% of the Library's property plant and equipment value, plus the \$1.25 Million required by Horizon West Branch Land Lease requirement

Reserves (\$29,697,000)

The Operating Reserves are a result of careful planning, conservative spending, and continuous oversight. Operating reserves will increase by \$1,860,000 next fiscal year. This amount of Reserves is appropriate so that the Library can address any unexpected circumstances.

Overall, total expenditures for FY2023-2024 reflect a \$13,576,500, or 15.7%, increase.

Other Funds - PROPOSED

Capital Projects Fund

	<u>FY2022- 2023 Budget</u>	<u>Increase (Decrease)</u>	<u>% Change</u>	<u>FY2023- 2024 Budget</u>
REVENUES				
Investment Earnings	58,000	17,000	29.30%	75,000
Transfer From Operating	4,000,000	500,000	12.50%	4,500,000
Reserves/Fund Balance	<u>27,170,000</u>	<u>8,080,000</u>	<u>29.70%</u>	<u>35,250,000</u>
Total Revenues	\$31,228,000	\$8,597,000	27.50%	\$39,825,000
EXPENDITURES				
New Branch Design / Build	6,145,000	6,355,000	103.40%	12,500,000
New Branch FFE	-	1,000,000	0.00%	1,000,000
New Branch Materials	-	1,000,000	0.00%	1,000,000
Reserves	<u>25,083,000</u>	<u>242,000</u>	<u>1.00%</u>	<u>25,325,000</u>
Total Expenditures	\$31,228,000	\$8,597,000	27.50%	\$39,825,000

The purpose of the Capital Projects Fund is to fund future branch development. The Library finalized leases for branches in Horizon West and Lake Nona areas in the Summer of 2022. The Library is currently in the design phase of the Horizon West Branch with a tentative opening in April/May 2025. Additionally, site planning is underway for the Lake Nona Branch.

For this year's budget, \$4,500,000 is included as a Transfer to the Capital Projects Fund, which is \$500,000 more than the FY2022-2023 budget.

Sinking Fund

	<u>FY2022- 2023 Budget</u>	<u>Increase (Decrease)</u>	<u>% Change</u>	<u>FY2023- 2024 Budget</u>
REVENUES				
Investment Earnings	10,000	15,000	150.0%	25,000
Transfer From Operating	500,000	-	0.0%	500,000
Reserves/Fund Balance	<u>3,520,000</u>	<u>1,087,000</u>	<u>30.9%</u>	<u>4,607,000</u>
Total Revenues	\$4,030,000	\$1,102,000	27.3%	\$5,132,000
EXPENDITURES				
Reserves - Building & Improvements	2,530,000	852,000	33.7%	3,382,000
Reserves - Horizon West Contract	1,000,000	-	0.0%	1,000,000
Reserves - Horizon West Demo	-	250,000	0.0%	250,000
Reserves - Technology	<u>500,000</u>	<u>-</u>	<u>0.0%</u>	<u>500,000</u>
Total Expenditures	\$4,030,000	\$1,102,000	27.3%	\$5,132,000

The Sinking Fund was created to address capital maintenance repairs or replacements for facilities and technology. The Library makes every effort to fund it annually.

The Horizon West Branch Land Lease with Orange County requires that \$1 million be set aside in this Fund to provide for immediate repairs to the Horizon West Branch while waiting on insurance proceeds. The Lease Also requires a \$250,000 Demolition Fund to be established to offset the cost of removing the facility when the 85-year contract is completed.

The Library's target value for this Fund is 4% of the Library's property plant and equipment value, plus the \$1.25 Million required by Horizon West Branch Land Lease. Included in the FY2023-2024 budget is \$500,000, which is the same amount we budgeted in last year's budget.

The \$1,086,732 increase in Reserves/Fund Balance is related to funding from FY2021-22 and balances to the anticipated amount in the FY2022-23 Annual Comprehensive Financial Report.

Permanent Fund

	<u>FY2022- 2023 Budget</u>	<u>Increase (Decrease)</u>	<u>% Change</u>	<u>FY2023- 2024 Budget</u>
REVENUES				
Investment Earnings	20,000	-	0.0%	20,000
Reserves/Fund Balance	<u>1,448,000</u>	<u>(372,000)</u>	<u>-25.7%</u>	<u>1,076,000</u>
Total Revenues	\$1,468,000	(\$372,000)	-25.3%	\$1,096,000
EXPENDITURES				
Equipment	125,000	(50,000)	-40.0%	75,000
Reserves	<u>1,343,000</u>	<u>(322,000)</u>	<u>-24.0%</u>	<u>1,021,000</u>
Total Expenditures	\$1,468,000	(\$372,000)	-25.3%	\$1,096,000

The Permanent Fund was established due to a generous donation by Mr. Kendrick Melrose. Mr. Melrose's \$1 million principal must stay intact and any interest earned can be used to upgrade and enhance the Melrose Center's technology.