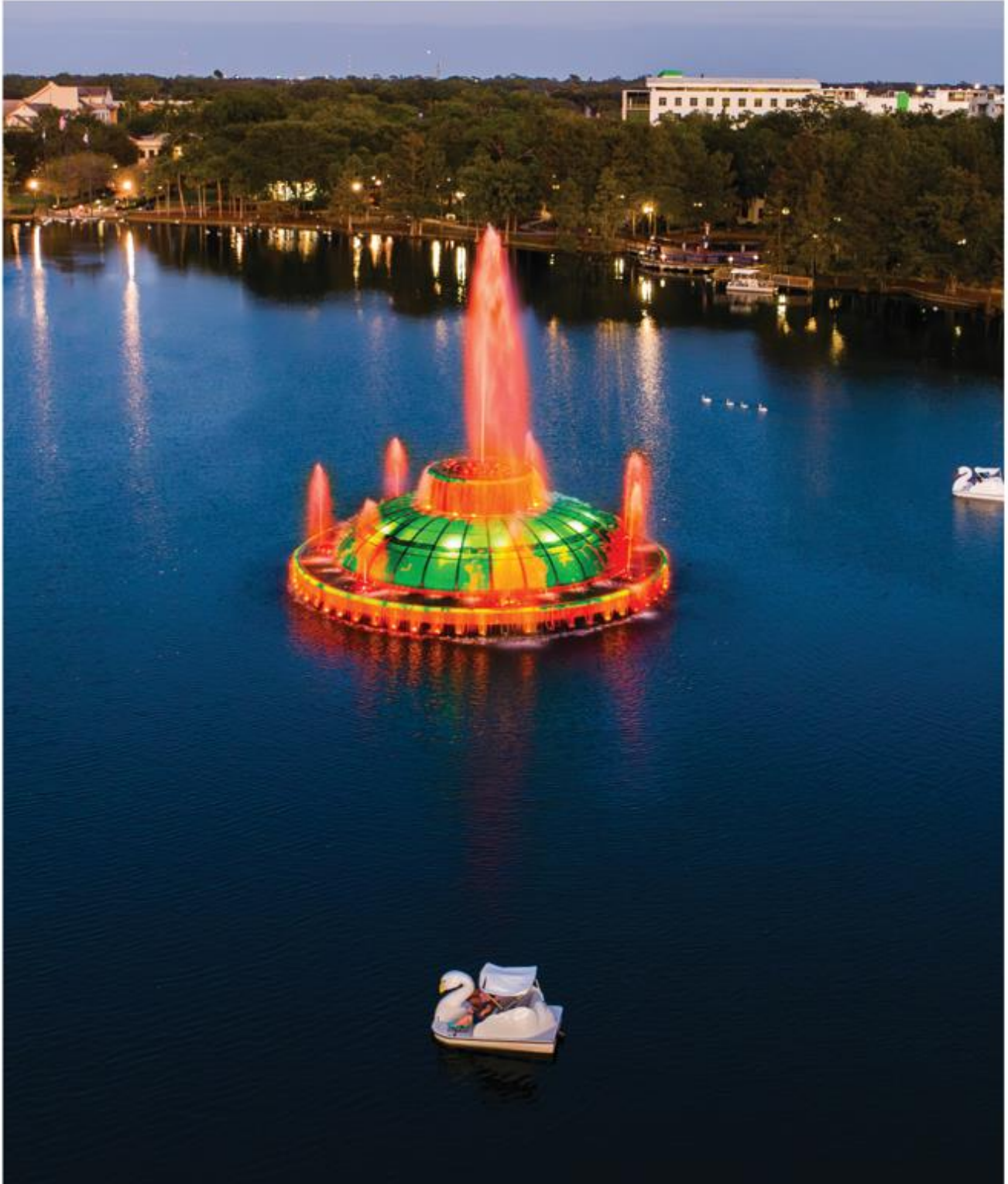


FINAL AUGUST 8, 2024

ORANGE COUNTY LIBRARY DISTRICT

ANNUAL BUDGET FY 2024-2025



Introduction to the Budget

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

Operating Fund Budget

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

Other Funds

- 26** Capital Projects Fund Budget
- 27** Sinking Fund Budget
- 28** Permanent Fund Budget



Director's Message

DATE: August 8, 2024

TO: Orange County Library District Governing Board, Board of Trustees, and Residents

FROM: Steven Powell, Library Director & Chief Executive Officer

SUBJECT: Final Budget for the Fiscal Year Ending September 30, 2025

As Orange County Library Director, I am pleased to present the fiscal year 2024-2025 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.

In the previous fiscal year, OCLS focused on reducing barriers to library service with the goal of making the library more accessible to everyone. After much research and consideration, we eliminated fines for overdue materials, to make it easier for families to maintain a card in good standing, as long as they return their borrowed items. This resulted in the immediate restoration of more than 30,000 cards to active status and the return of hundreds of thousands of dollars of overdue materials to the library. We also created a new Community Engagement Department that brings library programs into hospitals, senior centers, daycares, community centers and transportation-challenged communities. That department employs storytellers, community engagement specialists and social workers who take library experiences beyond our walls and directly to the places where people gather. We also made progress on new library construction projects in Horizon West and Lake Nona, and we look forward to groundbreaking at both sites soon.

Our efforts were well received by residents – library circulation, usage and card signups have been trending upward throughout 2023 and into 2024, with no sign of abating. That's excellent news for both OCLS and Orange County residents who rely on us for reading materials, learning opportunities, meeting spaces and more.

The FY 2024-2025 budget reflects a 9.5 percent increase over the previous fiscal year. While much of this is due to additional tax revenue, another contributing factor is related to an increase in our reserves, which are the result of strict fiscal oversight.

This budget also expands upon the accomplishments of the previous year by investing even more into our push to engage the community and our investment in the future of OCLS.

Systemwide Initiatives

Branch Expansion

During FY 2023-2024, progress was made on both the Horizon West and Lake Nona branch projects. In April 2024, the Library Board of Trustees approved the budget for Horizon West, and the project is currently in the final stages of permitting. In Lake Nona, the library is working through site and building details with the City of Orlando and GOAA. Borelli + Partners is the architect for both projects, and the Construction Manager is H.J. High.

Staffing Resources and Support

For FY 2024-2025, OCLS is budgeted for more than 500 staff – an all-time high for our organization – to allow us to meet the staffing needs we will incur when our two new branches open. The library is also investing in its staff by creating new opportunities for our employees to learn and develop their skills, so they feel invested and energized to provide stellar service to Orange County residents.

Continued Development of Local Wanderer and Library of Things Programs

OCLS is expanding and developing Local Wanderer, the library's program that allows residents to check out tickets to local arts and cultural programs just like they would check out a book. It is also expanding its Library of Things collection, which allows residents to check out non-traditional library materials, such as citizen science kits, blood pressure monitoring devices and knitting kits.

Bookmobile

In January 2023, OCLS received a \$100,000 donation from the Sorosis of Orlando Woman's Club to assist with the introduction of mobile services, including book bikes and a bookmobile to the community. Thanks to the Sorosis Club, as well as a donation from OUC, two book bikes hit the road in FY 2023-2024. They have been traveling to events and locations across the county to bring library card signup, library materials, storytimes and more to the community. In January 2024, the library Board of Trustees approved a motion to enter a contract with Matthews Specialty Vehicles to design and build a bookmobile that is expected to be completed in early 2026.

Strategic Planning

In 2023, OCLS began the process of overhauling and updating its strategic plan, which sets the stage for how the library will fulfill its duty to provide outstanding library service to Orange County. The strategic planning process consisted of focus groups, meetings with partner organizations, board and staff retreats, and community surveys asking people to share their thoughts about library service. That feedback has been gathered and evaluated by library leadership, and it will be presented to the Board of Trustees this summer. With the board's feedback and approval, we anticipate releasing a new strategic plan to the community at the beginning of the 2024-2025 fiscal year.

In Closing

During 2023, The Orange County Library System celebrated 100 years of service to the community by celebrating our proud past and looking ahead to our bright future. We used the milestone to renew our promise to our community to strive to be the best public library system in the state. We let people know that we envision a future where the library continues to be a vital hub for learning and opportunity that aspires to evolve and grow alongside the community we serve.

The proposed budget for FY 2024-2025 supports us in our effort to be more welcoming, more forward thinking, more connected and more empowered to be the best that we can be.

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.

As always, our staff manages the financial resources the library receives with discretion that aims to exceed the expectations of the residents, Trustees, and Governing Board.

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

CC: Jerry L. Demings, Orange County 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
Stephanie Herdocia, City Clerk, 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 2024-2025 budget of \$109,768,420 was developed utilizing the following considerations:

- Branch expansion is underway in the Horizon West and Lake Nona communities.
- 4% raises for all eligible full- and part-time staff.
- The addition of 29 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 FY 2024-2025, based on the increase in the number of properties and current property values, the library's millage of .3748 will generate \$73,425,000 in tax revenues. This is an increase of 7.3%, or \$5,025,000, more than FY 2023-2024.

The Operating Fund Revenues for FY 2024-2025 reflect an 8.8% increase compared to the current year's budget. While most of this increase is due to additional tax revenues, the other contributing factor is related to the increase in reserves.

In June 2007, the Florida Legislature passed legislation that reduced the library's millage rate from .4325 to .3748 for FY 2007-2008. The library has not increased its millage rate since that time and for FY 2024-2025, 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, saving for future projects, and emergencies.

Operating Fund Reserves

The increases in reserves are due to FY 2022-2023 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.

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, 2022.

The Orange County Library District has received this award for 20 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



Venessa Tomlin
Trustee
County Appointee



Orange County Library District Organizational Chart

ORGANIZATIONAL CHART

DIRECTOR/CHIEF EXECUTIVE OFFICER

ASSISTANT DIRECTOR/CHIEF OPERATING OFFICER

LIFELONG LEARNING

Adult Services
Events & Programs
Melrose Center
Youth Services

NEIGHBORHOOD SERVICES

Community Engagment
Horizon West
Windermere
Winter Garden

Alafaya
Chickasaw
Eatonville
Fairview Shores
North Orange
Southeast

Hiawassee
Lake Nona
Southwest
South Creek
South Trail
Washington Park
West Oaks

IT Design & Development

Acquisitions Services

Orlando Public Library

BUSINESS OPERATIONS

Finance
Facilities & Operations
Construction
Custodial Maintenance

HUMAN RESOURCES

Employee Services
Training & Development

MARKETING & PUBLIC RELATIONS

Marketing & Public Relations
Development

INITIATIVES & INSIGHTS

Data & User Services

IT Services

Accomplishments

A TYPICAL DAY AT OCLS

4,657
LIBRARY VISITS

18,922
MATERIALS CHECKED OUT

756
COMPUTER SESSIONS

33,938
WEBPAGE VIEWS

20,000+
SOCIAL MEDIA VIEWS

THAT'S
788
CHECK-OUTS
AN HOUR!

Overall Increase in Library Use

During FY 2023-2024, the library has seen an increase in use in multiple areas. For example, there was an increase in new card signups, especially in September 2023 when the library saw more than 7,800 people sign up for a new card – the highest number since 2019. Overall, the library also saw a 19 percent increase in library usage in 2023, a trend that has continued well into 2024.

100 Year Celebration

The library's 100 Year Celebration, which marked 100 years of service to the community, concluded on November 8, 2023. Throughout 2023, the library hosted a wide range of special events, programs and speakers to highlight the milestone. Some standout events included: *Top Chef* contestant and author Kwame Onwuachi spoke at Orlando Public Library in February 2023; R.L. Stine, creator of the bestselling series *Goosebumps*, spoke at the Orlando Book Festival in April 2023; *Bridgerton* author Julia Quinn spoke at the library's Romance Wine and Chocolate event in September 2023; and in November 2023, the library hosted a 100 Year signature event with Neil Gaiman in conversation with Art Spiegelman at the Dr. Phillips Center's Steinmetz Hall. In total, the library hosted nearly 400 100 Year events, with a combined attendance of over 9,400 people.

Partnership with OUC

OCLS and Orlando Utilities Commission both turned 100 in 2023, so the two organizations partnered to show support for one another. The library hosted an OUC100 display at the Orlando Public Library and collaborated with OUC on social media posts about the shared milestone. OUC donated \$8,000 to OCLS to allow the library to purchase a co-branded book bike that operates in the OUC service area.

Golden Brick Award

In April 2024, the Downtown Orlando Partnership recognized OCLS with a Golden Brick Award of Excellence for its 100 Year Celebration.

Book Bikes Bring the Library to the People

Since its delivery in late 2023, the book bike supported by OUC has traveled to the OUC Half Marathon, the Lake Eola Farmers Market, Leu Gardens, the Orlando Science Center, and many more places and events. The bike has connected with more than 2,500 people, giving them the opportunity to sign up for a library card and check out items.

The book bike supported by Sorosis of Orlando Woman's Club is in the Winter Garden area and makes regular use of the bike trails to visit community partners such as Hyde Park Village, the LIFT Disability Network, Oakland Farmer's Market, and Healthy West Orange, to name a few. It has connected with over 1,600 people, giving them the opportunity to sign up for a library card and check out items.

New Opportunities for Children and Families

The library's Community Engagement Department has built relationships with the UCF Mighty Knights, which supports families with children who have complex communication and mobility needs. The library visits the Mighty Knights to offer storytimes and library card signup opportunities and hosts inclusive family storytimes for the Knights at the Chickasaw Branch.

Community Engagement is also working with Arnold Palmer Hospital to schedule Library Takeover Days, where the library brings storytimes and activities to families who have children in the hospital. Kids who can leave their rooms can gather to participate, but for children who are too ill, the activities are livestreamed to TVs in their rooms. Prepackaged, sterilized activity bags are brought to every room, so all children can participate. So far, the events have served nearly 600 families.

High School Opportunities for Adults

Excel Adult High School debuted at OCLS in 2023. This program offers library cardholders the potential to earn a scholarship to complete their high school credits online and receive an accredited high school diploma. The library committed to providing 30 paid scholarships at the launch of the program. Of these, 24 scholarships have been awarded. Three have earned their high school diplomas, and 21 students are currently enrolled and working toward graduation.

High School Opportunities for Adults

Excel Adult High School debuted at OCLS in 2023. This program offers library cardholders the potential to earn a scholarship to complete their high school credits online and receive an accredited high school diploma. The library committed to providing 30 paid scholarships at the launch of the program. Of these, 24 scholarships have been awarded. Three have earned their high school diplomas, and 21 students are currently enrolled and working toward graduation.

Partnership with Second Harvest Food Bank

During 2023, the library partnered with Second Harvest Food Bank to distribute shelf-stable boxes of food to families in need at four branches: Chickasaw, Fairview Shores, Hiwassee and South Trail. The effort makes it easier for families to get access to healthy food when they need it.

Summer at Your Library 2023

During the 2023 Summer at Your Library program, more than 3,400 kids logged more than two million minutes of reading time with OCLS. More than 56,000 people attended a Summer at Your Library event

during June and July 2023, and more than 8,200 free summer lunches were distributed through the Orange County Public Schools Mobile Lunch Program at a library location.

Social Workers at the Library

In the previous fiscal year, the library's social workers assisted 4,400 people, helping them connect with government assistance, housing, mental health resources and a wide variety of other needs.

Volunteers Provide a Vital Resource

During 2023, more than 1,091 teens and 42 adults volunteered at an OCLS library, working more than 14,000 volunteer hours in total. The library's volunteers serve for a variety of reasons – to fulfill the requirements for school scholarships, as part of a college degree program, or simply for the satisfaction of making a difference in the community.

***Orlando Business Journal's* 2023 Healthiest Employers**

American Heart Association 2023 Workplace Health Achievement – Gold Recognition

Best Workplaces for Commuters 2023

***Orlando Sentinel* Top Workplaces 2023**

FY 2022-2023 Statistics



Statistics represent the OCLS Fiscal Year 10/1/22 - 9/30/23

Large Donations and Grants Received

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

FY2022-2023: \$50,000

FY2023-2024: \$50,000 *fourth 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

FY2022-2023: \$75,538

Friends of the Orange County Library System for Books & Beyond Publication

FY2022-2023: \$36,000

Orlando Utilities Commission Book Bike

FY2022-2023: \$8,000

ALA & the FINRA Investor Education Foundation for financial literacy programming

FY2022-2023: \$49,929

Institute of Museum and Library Services and State of Florida Division of Library Services for Right Service at the Right Time

FY2022-2023: \$59,928

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

FY2022-2023: \$17,500

FY2023-2024: \$14,500

Florida Humanities: Orlando Book Festival Funding

FY2022-2023: \$10,000

FY2023-2024: \$10,000

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

FY2022-2023: \$25,000

FY2023-2024: \$25,000

Florida Municipal Insurance Trust: Safety Grant

FY2022-2023: \$3,112

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

FY2022-2023: \$5,000

National Endowment for the Arts Big Read Grant

FY2022-2023: \$19,000

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

FY2022-2023: \$59,928

City of Orlando Mayor's Matching Grant

FY2022-2023: \$8,000

FY2023-2024: \$6,000

Public Library Association and AT&T Digital Literacy Workshop Training

FY2022-2023: \$7,000

Operating Fund Revenues

	FY 2023-2024 Budget	Increase (Decrease)	% Change	FY 2024-2025 Budget
AD VALOREM TAXES	68,400,000	5,025,000	7.3%	73,425,000
INTERGOVERNMENTAL				
Federal Admin. by State Grant	525,000	0	0.0%	525,000
Federal Agencies Grants	50,000	(30,000)	-60.0%	20,000
State Grants	100,000	(50,000)	-50.0%	50,000
State Aid	200,000	0	0.0%	200,000
County Grants	0	0	0.0%	0
Total Intergovernmental	875,000	(80,000)	-9.1%	795,000
CHARGES FOR SERVICES				
Fee Cards	75,000	25,000	33.3%	100,000
PC Pass	1,000	(1,000)	-100.0%	0
PC Express	500	200	40.0%	700
Classes	1,000	(1,000)	-100.0%	0
Meeting Rooms	30,000	0	0.0%	30,000
Faxes	10,000	5,000	50.0%	15,000
Ear Buds, Jump Drives	1,500	1,000	66.7%	2,500
Bag Sales	1,000	2,000	200.0%	3,000
Copy & Print	75,000	105,000	140.0%	180,000
Passport Facility Fee	12,000	0	0.0%	12,000
Other	500	6,500	1300.0%	7,000
Total Charges for Services	207,500	142,700	68.8%	350,200
LOST MATERIALS	25,000	23,000	92.0%	48,000
MISCELLANEOUS				
Investment Earnings	163,000	1,003,500	615.6%	1,166,500
Sale Surplus Property	2,000	3,000	150.0%	5,000
Contributions - FOL	85,000	(35,000)	-41.2%	50,000
Contributions - Other	50,000	0	0.0%	50,000
Internet Rebate	75,000	3,720	5.0%	78,720
Grants & Awards	20,000	(5,000)	-25.0%	15,000
Miscellaneous (New FY 21)	75,000	(40,000)	-53.3%	35,000
Total Miscellaneous	470,000	930,220	197.9%	1,400,220
TRANSFERS				
TRANSFER FROM PROPERTY APPRAISER	32,000	18,000	56.3%	50,000
TRANSFER FROM TAX COLLECTOR	546,500	35,500	6.5%	582,000
Total Transfers	578,500	53,500	9.2%	632,000
Total Revenues Before Reserves	70,556,000	6,094,420	8.6%	76,650,420
Reserves/Fund Balances	29,697,000	3,421,000	11.5%	33,118,000
TOTAL REVENUES	\$100,253,000	\$9,515,420	9.5%	\$109,768,420

Operating Fund Revenues Highlights

Ad Valorem Taxes (\$73,425,000)

Based on the information provided by Orange County's Office of Management and Budget, property values are up 7.3%. With this increase and no change in the millage rate of .3748, gross tax revenues are \$77,205,865. However, per state budgeting regulations the library must reduce the ad valorem taxes by 5% or \$3,780,865 (rounded).

After the required 5% deduction, budgeted ad valorem tax revenues are up \$5,025,000 to \$73,425,000.

Intergovernmental (\$795,000)

The library's practice is to be very conservative with these line items and projects a reduction of \$80,000 in next year's budget.

Charges For Services (\$350,200)

The \$142,700 increase is mostly due to projected increases of \$25,000 due to higher-than-average Fee Card subscriptions, \$5,000 in Faxes, and \$105,000 in Copy & Print Revenue. In late 2022, the library reduced the price of faxes, copies, and prints, and due to the lower prices, more people are using those services.

Lost Materials (\$48,000)

The \$23,000 increase is based on current revenue trends. Although the library stopped overdue fines in October 2022, customers are responsible for lost or damaged materials.

Miscellaneous (\$1,400,220)

Miscellaneous revenue is going up \$930,220 to \$1,400,220. The bulk of this increase, \$1,003,500, is investment interest earnings that continue to be volatile and unpredictable.

Transfers (\$632,000)

The Transfers are revenue paid to the library by the property appraiser and tax collector based on over-payments to them in the previous fiscal year. Because revenue continues to go up, we are estimating that the transfers will increase by \$53,500.

Reserves (\$33,118,000)

This is the total of Reserves that are eligible for spending. Reserves will see an increase of \$3,421,000 next year. This figure represents approximately five months of expenses, which is in line with industry standards.

Overall, revenue for FY 2024-2025 reflects a \$9,515,420, or 9.5%, 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

	<u>FY 2023-2024 Budget</u>	<u>Increase (Decrease)</u>	<u>% Change</u>	<u>FY 2024-2025 Budget</u>
SALARIES & BENEFITS				
Salaries	26,175,000	2,300,000	8.8%	28,475,000
Medicare Taxes	400,000	25,000	6.3%	425,000
Defined Contribution Pension Plan	1,975,000	175,000	8.9%	2,150,000
Defined Benefit Pension Plan	1,925,000	(25,000)	-1.3%	1,900,000
Money Purchase Pension Plan	1,675,000	175,000	10.4%	1,850,000
Life & Health Insurance (Employees)	4,350,000	525,000	12.1%	4,875,000
Retiree Health Care (OPEB)	675,000	(25,000)	-3.7%	650,000
Worker's Compensation	130,000	20,000	15.4%	150,000
Unemployment Compensation	50,000	10,000	20.0%	60,000
Parking & Bus Passes	275,000	25,000	9.1%	300,000
Total Salaries & Benefits	37,630,000	3,205,000	8.5%	40,835,000
OPERATING				
Professional Services	450,000	100,000	22.2%	550,000
Other Contractual Services	2,585,700	414,300	16.0%	3,000,000
Other Contract. Serv.- Janitorial	460,000	60,000	13.0%	520,000
Training & Travel	150,000	100,000	66.7%	250,000
Telecommunication	612,800	37,200	6.1%	650,000
Delivery & Postage	1,500,000	100,000	6.7%	1,600,000
Utilities	1,050,000	100,000	9.5%	1,150,000
Rentals & Leases	1,570,000	90,000	5.7%	1,660,000
Insurance	750,000	175,000	23.3%	925,000
Repair & Maintenance	1,775,000	150,000	8.5%	1,925,000
Repair & Maint. - Hardware/Software	1,625,000	230,000	14.2%	1,855,000
Copying/Printing	355,000	45,000	12.7%	400,000
Promotional Activities	500,000	0	0.0%	500,000
Property Appraiser's Fee	715,000	26,000	3.6%	741,000
Tax Collector's Fee	1,380,000	120,000	8.7%	1,500,000
Supplies	1,246,500	153,500	12.3%	1,400,000
Supplies-Hardware/Software	700,000	150,000	21.4%	850,000
Memberships	17,500	2,500	14.3%	20,000
Total Operating	17,442,500	2,053,500	11.8%	19,496,000
CAPITAL OUTLAY				
Building & Improvements	3,250,000	5,750,000	176.9%	9,000,000
Equipment & Furniture	844,500	155,500	18.4%	1,000,000
Hardware/Software	1,275,000	600,000	47.1%	1,875,000
Total Capital Outlay	5,369,500	6,505,500	121.2%	11,875,000
LIBRARY MATERIALS				
Materials - Rest. Contributions	14,000	1,000	7.1%	15,000
Materials - Other	5,100,000	1,256,400	24.6%	6,356,400
Total Materials	5,114,000	1,257,400	24.6%	6,371,400
TRANSFERS				
TRANSFER TO CAPITAL PROJECTS	4,500,000	500,000	11.1%	5,000,000
TRANSFER TO SINKING/EARR FUND	500,000	0	0.0%	500,000
Total Transfers	5,000,000	500,000	10.0%	5,500,000
Total Expenditures Before Reserves	70,556,000	13,521,400	17.7%	84,077,400
Reserves	29,697,000	(4,005,980)	-13.5%	25,691,020
TOTAL EXPENDITURES	\$100,253,000	\$9,515,420	9.5%	\$109,768,420

Operating Fund Expenditures Highlights

Salaries & Benefits (\$40,835,000)

Salaries and Benefits will increase by \$3,205,000 next year due to adding more staff and increased wages.

The FY 2024-2025 budget brings staffing levels to 376 full-time and 157 part-time positions, included are 29 positions for the upcoming year, 22 of which are slated for the new Horizon West Branch.

The FY 2024-2025 Budget Guidelines from Mayor Demings include a 4% salary increase for all non-bargaining unit employees. The library consistently follows Orange County Budget Guidelines and plans to provide all eligible staff with a 4% raise.

Defined Contribution Pension Plan (\$2,150,000)

Library employees have not participated in Social Security since shortly after the library 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 \$175,000 increase in this account is due to increased projected salaries.

Defined Benefit Pension Plan (\$1,900,000)

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-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, 2024, 46 active employees were participants in this Plan.

Contributions to the Plan are actuarially determined at the beginning of each calendar year. The \$25,000 decrease in projected contributions for the next fiscal year is due to the anticipated investment valuation as of December 31, 2024.

Money Purchase Pension Plan (\$1,850,000)

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 \$175,000 increase is due to new positions and increased salaries.

Life and Health Insurance (\$4,875,000)

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 \$525,000 is a combination of the projected number of full and part-time employees eligible for the coverage and premium increases.

Retiree Health Care (\$650,000)

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 FY 2024-2025 funding for this account is primarily based on the actuarial report.

The \$25,000 decrease in projected contributions for the next fiscal year is due to the anticipated investment valuation as of December 31, 2024.

Parking and Bus Passes (\$300,000)

For Orlando Public Library employees, the library anticipates leasing approximately 200 parking spaces in the City of Orlando garage across from the Orlando Public 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 \$25,000 increase, based on increased staffing.

Overall, salaries and benefits for FY 2024-2025 are up \$3,205,000 or 8.5%.

Operating (\$19,496,000)

Professional Services (\$550,000)

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 \$100,000 increase in the budget for this account is related to architectural and consultant fees for ongoing and upcoming projects.

Other Contractual Services (\$3,000,000)

Services charged to this account include the following:

- Off-duty police officer coverage and security guards
- Bibliographic records
- Branch deliveries
- Bank/credit card fees
- Armored car pickup service for all locations
- Pre-employment background checks
- Compensation and strategic plan consultants

The \$414,300 increase in the budget is primarily due to off-duty officer charges, security guards, consulting services, banking fees, and overall inflation for these services.

Other Contractual Services – Janitorial (\$520,000)

At the Orlando Public Library, the custodians are library employees, but at branches the library contracts with a private vendor for janitorial cleaning services, pressure washing, and carpet and window cleaning.

The \$60,000 increase in the budget for this account is primarily due to contractual cost increases.

Training and Travel (\$250,000)

Charges to this account include:

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

The \$100,000 increase is related to additional training and development for staff.

Telecommunication (\$650,000)

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

The \$37,200 increase is due to contractual increases.

Delivery and Postage (\$1,600,000)

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 \$100,000 due to contractual obligations for home delivery services.

Utilities (\$1,150,000)

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

The \$100,000 increase is based on increased utility charges.

Rentals and Leases (\$1,660,000)

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

The \$90,000 increase is primarily due to contractual increases.

Insurance (\$925,000)

Insurance coverage charged to this account includes the following:

- General Liability
- Property

- Public officials
- Flood
- Employment practices
- Fiduciary (pensions)

The \$175,000 increase in this account is based on estimates provided by our insurance broker.

Repairs and Maintenance (\$1,925,000)

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

- Plumbing, electrical, and heating, ventilation, and air conditioning
- Elevator maintenance
- Painters and handyman
- Landscaping
- Fire alarms and sprinkler systems
- Building security and camera systems
- 3M self-check systems

The cost to maintain our facilities and equipment is partly a function of size. Additionally, facilities and equipment are well maintained with the goal to keep them that way. The \$150,000 increase in the budget for this account is due to overall cost increases.

Repairs and Maintenance – Hardware/Software (\$1,855,000)

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

- Library automation system
- Antivirus and Internet filtering software
- Technology and network equipment
- Accounting, payroll, and time and attendance software
- Human resources software
- Applicant tracking and performance evaluation software

The library pays maintenance and service contracts for over 50 software applications. The budget for this account increasing by \$230,000.

Copying/Printing (\$400,000)

The library contracts with a vendor to provide printers and all-in-one machines (fax, scan, print, copy) throughout the system. The library pays for each copy made and the vendor is 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 \$45,000 increase is due to upgraded equipment and cost increases on paper and printing supplies.

Promotional Activities (\$500,000)

The costs in this account include television, social media, print, and radio advertisements. There is no projected increase to this account for the upcoming year.

Property Appraiser’s Fee (\$741,000)

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 its estimated FY 2024-2025 cost of \$741,000, which is a \$26,000 increase compared to last year’s budget.

Tax Collector’s Fee (\$1,500,000)

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 \$120,000.

Supplies (\$1,400,000)

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

- Office and janitorial supplies
- Local Wanderer access passes
- Library of Things materials
- Paper and program supplies
- Furniture and equipment items with a unit cost of less than \$1,000

The \$153,500 increase is due to the development and expansion of Local Wanderer, the library’s culture pass program, and Library of Things collection. Additionally, the cost of janitorial supplies, program supplies, and paper continues to rise.

Supplies – Hardware/Software (\$850,000)

This account includes technology items with a unit cost of less than \$1,000. The \$150,000 increase is due to the increased number and cost of computers.

Overall, operating expenditures for FY 2024-2025 are up \$2,053,500 or 11.8%.

Capital Outlay (\$11,875,000)

Building and Improvements (\$9,000,000)

- The proposed budget includes the following:
- Orlando Public Library Roof Replacement \$3,500,000
- Orlando Public Library Exterior Lighting Upgrade \$2,000,000
- Orlando Public Library First Floor Renovation Design \$1,600,000
- Orlando Public Library Front Entrance Improvements \$650,000
- Winter Garden Branch Refresh \$550,000
- Other Building Improvements \$375,000
- West Oaks Branch HVAC Replacement \$325,000

Equipment and Furniture (\$1,000,000)

The following are included in the budget for this account:

- Furniture, fixtures, and equipment
- Bookmobile
- Other projects

Hardware/Software (\$1,875,000)

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

• Computer Replacements	\$375,000
• Human Resources Software Replacement	\$300,000
• Finance Software Replacement	\$300,000
• 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 FY 2024-2025 are up \$6,505,000 or 121.2%.

Library Materials (\$6,371,400)

The budget for this account covers the purchase of all electronic and physical materials. The \$1,257,400 increase is due to the increased use and cost of digital materials.

Transfer to Capital Projects Fund (\$5,000,000)

To support future branch development, \$5,000,000 is being transferred to the Capital Projects Fund. The budget for this account is \$500,000 higher than last year's 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 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 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.

Reserves (\$25,691,020)

The Operating Reserves are a result of careful planning, conservative spending, and continuous oversight. The library plans to use \$4,005,980 of Reserves for Building and Improvements. Staff feel that the remaining balance in Reserves is appropriate so that the library can address any unexpected circumstances.

Overall, total expenditures for FY 2024-2025 reflect a \$9,515,420, or 9.5%, increase.

Other Funds

Capital Projects Fund

	FY 2023-2024 Budget	Increase (Decrease)	FY 2024-2025 Budget
REVENUES			
State Construction Grant	0	0	0
Investment Earnings	75,000	50,000	125,000
Transfer from Operating Fund	4,500,000	500,000	5,000,000
Reserves	<u>35,250,000</u>	<u>8,350,000</u>	<u>43,600,000</u>
TOTAL REVENUES	\$39,825,000	8,900,000	\$48,725,000
EXPENDITURES			
New Horizon West Branch	14,500,000	12,225,000	26,725,000
New Lake Nona Branch	0	1,500,000	1,500,000
Reserves	<u>25,325,000</u>	<u>(4,825,000)</u>	<u>20,500,000</u>
TOTAL EXPENDITURES	39,825,000	8,900,000	48,725,000

The purpose of the Capital Projects Fund is to fund future branch development.

Sinking Fund

	<u>FY 2023-2024 Budget</u>	<u>Increase (Decrease)</u>	<u>FY 2024-2025 Budget</u>
REVENUES			
Reserves-Technology	0	0	0
Investment Earnings	25,000	25,000	50,000
Transfer from Operating Fund	500,000	0	500,000
Reserves	<u>4,607,000</u>	<u>750,000</u>	<u>5,357,000</u>
TOTAL REVENUES	\$5,132,000	\$775,000	\$5,907,000
EXPENDITURES			
Reserves-Building and Improvements	3,382,000	775,000	4,157,000
Reserves-Horizon West Contract	1,000,000	0	1,000,000
Reserves-Horizon West Demo	250,000	0	250,000
Reserves-Technology	<u>500,000</u>	<u>0</u>	<u>500,000</u>
TOTAL EXPENDITURES	\$5,132,000	\$775,000	\$5,907,000

The Sinking Fund was created to address capital maintenance repairs or replacements for facilities and technology.

Permanent Fund

	<u>FY 2023-2024 Budget</u>	<u>Increase (Decrease)</u>	<u>FY 2024-2025 Budget</u>
REVENUES			
Investment Earnings	20,000	5,000	25,000
Investment Fair Value			0
Reserves	<u>1,076,000</u>	<u>20,000</u>	<u>1,096,000</u>
TOTAL REVENUES	\$1,096,000	\$25,000	\$1,121,000
EXPENDITURES			
Equipment	75,000	0	75,000
Reserves	<u>1,021,000</u>	<u>25,000</u>	<u>1,046,000</u>
TOTAL EXPENDITURES	\$1,096,000	\$25,000	\$1,121,000

The Permanent Fund was established to upgrade and enhance the Melrose Center's technology.