April 5, 2024

M E M O R A N D U M

TO: Sydney J. Harrison, Chair
Education and Workforce Development (EWD) Committee

THRU: Joseph R. Hamlin
Director of Budget & Policy Analysis

FROM: Arian Albear, Director
Education and Workforce Development Committee

RE: Prince George's County Memorial Library System
Fiscal Year 2025 Budget Review

Budget Overview

The FY 2025 Proposed Budget for the Prince George's County Memorial Library System is $37,536,000. This is a decrease of $574,500, or 1.5%, below the FY 2024 Approved Budget. The difference is driven by decreases in Compensation (due to salary lapse, partially offset by negotiated salary adjustments), Fringe Benefits (due to associated decreases in compensation, partially offset by increases for employer contributions to the Maryland Time to Care Act) and Operating (due to several smaller item adjustments).

Budget Comparison

Approved Fiscal Year 2023 to Proposed Fiscal Year 2024

Funding Source	FY 2023 Actual	FY 2024 Approved	FY 2024 Estimate	% Change - Est vs App	FY 2025 Proposed	$ Change	% Change
County Contribution	$25,598,100	$28,556,700	$27,756,700	-2.8%	$28,042,300	$(514,400)	-1.8%
State Aid	8,729,041	8,752,600	8,752,600	0%	8,692,000	$ (60,600)	-0.7%
Interest	3,237	1,200	1,200	0%	1,700	$ 500	41.7%
Miscellaneous	546,040	800,000	800,000	0%	800,000	$ -	0.0%
Fund Balance	400,000	-	(959,300)	N/A	-	$ -	N/A
Total	**$35,276,418**	**$38,110,500**	**$36,351,200**	**-4.6%**	**$37,536,000**	**$(574,500)**	**-1.5%**

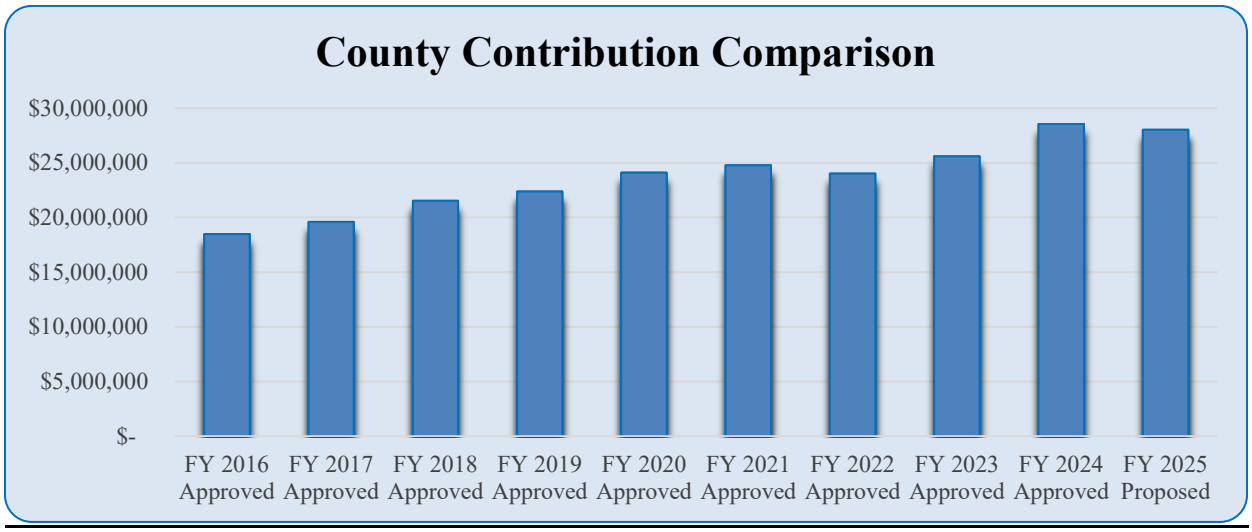
Authorized Staffing

	FY 2024 Approved	FY 2025 Proposed	Change Amount	Change Percentage
Full-Time	312	312	0	0%
Part-Time	29	29	0	0%
Total	**341**	**341**	**0**	**0%**

Budget Comparison – Revenues

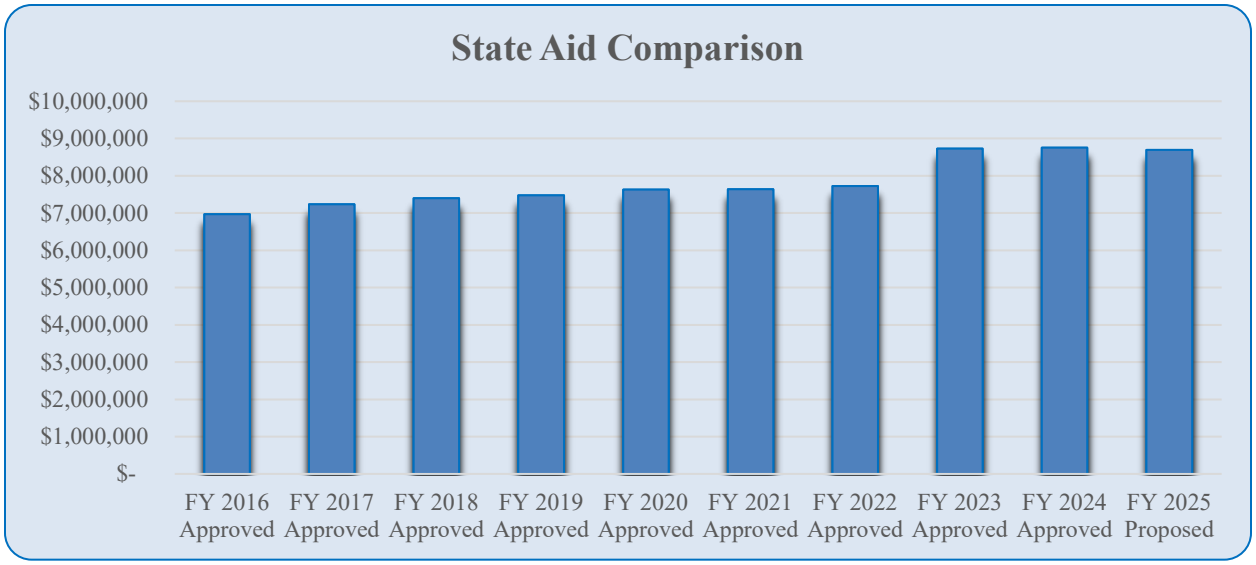
County Contribution

- The proposed FY 2025 County contribution to the Library is $28,042,300, a decrease of $514,400, or 1.8%, below the FY 2024 Approved Budget. The County's contribution comprises 74.7% of the Library's total proposed budget.



State Aid

- Proposed State Aid for FY 2025 is $8,692,000, a decrease of $60,600, or 0.7%, under the FY 2024 Approved Budget. State Aid comprises 23.2% of the Library's total proposed funding.



- HB489/SB434 – Education – State Library Resource Center – Funding
  - Bill would provide a modest increase in per capita funding for the Maryland State Library Resource Center (MSLRC), which provides information resources and public internet to Marylanders through their local public libraries.
  - Bill is currently in Committee in the original chamber and may not be passed this year.
- HB785/SB738 – Freedom to Read Act
  - Bill would codify Maryland's commitment to professional statewide library standards, including principles for curating a responsible library collection, maintenance policies, and reconsideration requests.
  - Bill has been passed as amended and sent to the Governor to sign.

Other Revenues

- Revenue from other funding sources within the FY 2025 Proposed Budget is $801,700, an increase of $500 over the FY 2024 Approved Budget. Other funding sources include revenues generated from interest, detention center costs, and various branch services, including selling books and materials, copier commissions, printing and account collections, meeting room rentals, and passport application fees. Other funding sources comprise 2.1% of the total proposed budget.

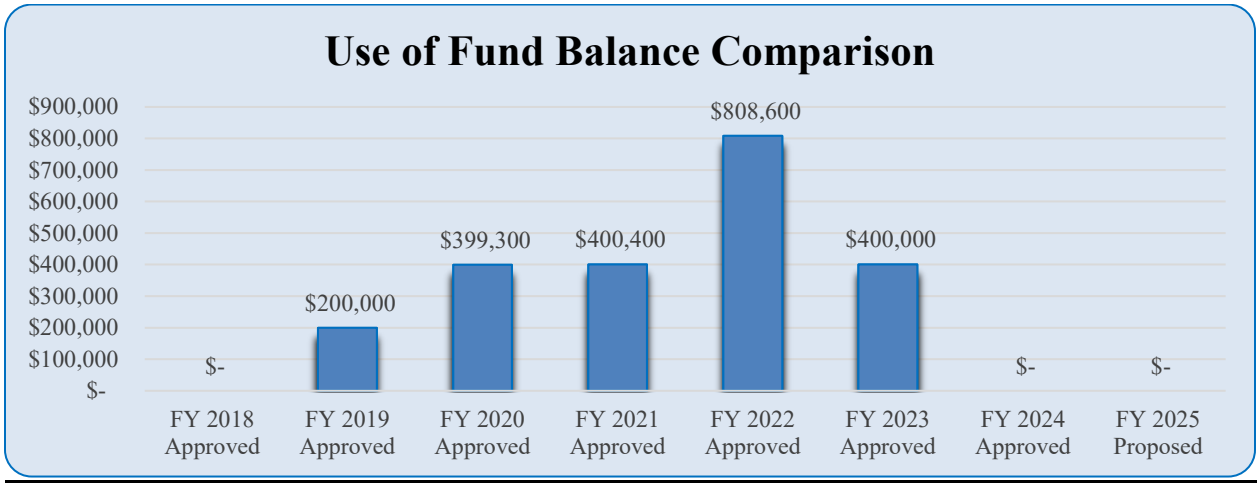
- In FY 2024, the Library received several grants:

  - Federal: Department of Labor – Community Project Funding/Congressionally Directed Spending (FY 2024-2027): $2,200,000; Federal Communications Commission – Affordable Connectivity Program Outreach.
  - State: Maryland State Library – LSTA – Staff Development Grant (FY 2024): $45,490; Maryland State Library – LSTA-Ask A Librarian Reimagined (FY 2024): $21,000; Preservation Maryland – Digital Archiving (FY 2024): $3,000.
  - Local: City of Laurel (ARPA) – Digital Access and Equity (FY 2022-2024): $345,000; City of Greenbelt Nonprofit Recovery (ARPA) – StoryWalk (FY 2024): $20,000.

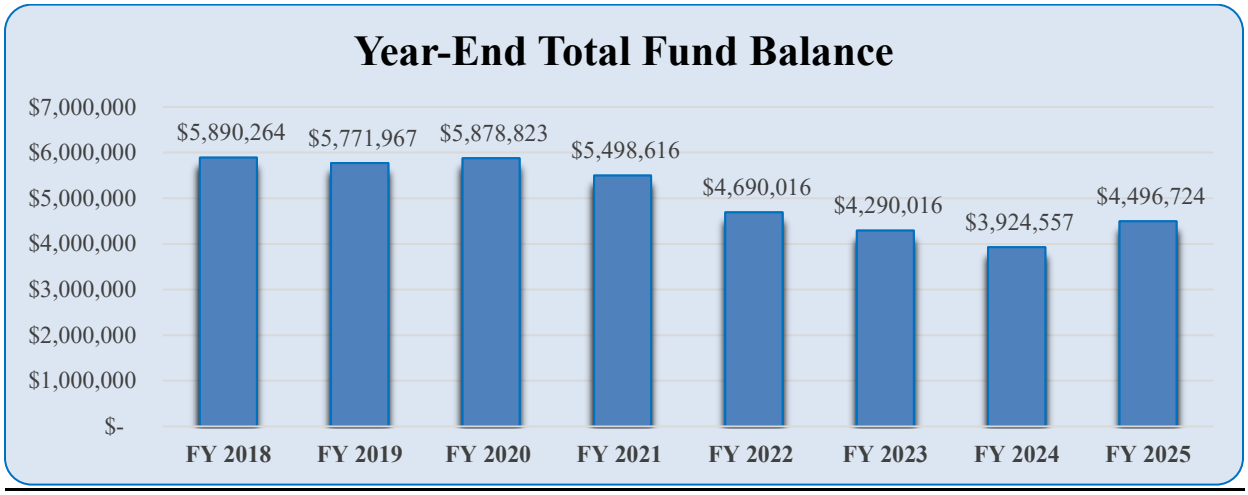
- Total grant awards total $3,134,490.

Fund Balance

- The Library does not propose to use any Fund Balance during FY 2025. This is consistent with the previous year. The Library's FY 2024 estimated General Fund Balance is $4,496,724. Of the total balance, $834,040 is assigned for emergency capital repairs, $106,856 is for leave payout, $500,000 is assigned for legal fees, and $3,055,828 remains unassigned.



- As a best practice, the Library stated during last year's budget review that it tries to maintain the following minimum standards:
  - Operating Cash Flow: One and one half (preferably two) months of operations for daily activities.
  - Capital Improvement Program: Enough cash flow to pay for the upfront costs of CIP projects.
  - Capital Renewal Reserve: 5% of the previous year's approved budget.
  - Accrued Compensated Leave: Enough cash flow to pay for Accrued Compensated Leave.



Budget Comparison – Expenditures

Approved Fiscal Year 2024 to Proposed Fiscal Year 2025

Expenditures	FY 2023 Actual	FY 2024 Approved	FY 2024 Estimate	% Change - Est vs App	FY 2025 Proposed	$ Change	% Change
Compensation	$ 19,443,493	$ 22,596,100	$21,601,900	-4.4%	$ 22,184,900	$ (411,200)	-1.8%
Fringe Benefits	4,933,113	5,762,000	5,400,500	-6.3%	5,626,100	(135,900)	-2.4%
Operating Expenses	9,864,795	9,652,400	9,248,800	-4.2%	9,625,000	(27,400)	-0.3%
Capital Outlay	50,288	100,000	100,000	0%	100,000	-	0%
Total	**$ 34,291,689**	**$ 38,110,500**	**$36,351,200**	**-4.6%**	**$ 37,536,000**	**$ (574,500)**	**-1.5%**

Budget, by Division

Category	FY 2023 Actual	FY 2024 Approved	FY 2024 Estimate	% Change - Est vs App	FY 2025 Proposed	$ Change	% Change
Public Services	$24,973,862	$26,681,200	$26,307,500	-1.4%	$26,886,800	$ 205,600	0.8%
Administration	1,899,211	2,318,400	2,069,300	-10.7%	2,155,900	(162,500)	-7.0%
Support Services	5,481,997	6,126,500	5,843,400	-4.6%	6,178,700	52,200	0.9%
Communication & Outreach	1,936,619	2,984,400	2,131,000	0.0%	2,314,600	(669,800)	-22.4%
Total	**$34,291,689**	**$38,110,500**	**$36,351,200**	**-4.6%**	**$37,536,000**	**$ (574,500)**	**-1.5%**

Compensation and Staffing Changes

Category	FY 2024 Approved		FY 2025 Proposed		Change Amount		Change Percentage	
	FT	PT	FT	PT	FT	PT	FT	PT
Public Services	217	15	216	16	-1	1	-0.5%	6.7%
Administration	12	3	12	2	0	-1	0.0%	-33.3%
Support Services	68	11	69	11	1	0	1.5%	0%
Communication & Outreach	15	0	15	0	0	0	100%	0%
Total	**312**	**29**	**312**	**29**	**0**	**0**	**0%**	**0%**

- Proposed Compensation for FY 2025 is $22,184,900, a decrease of $411,200, or 1.8%, under the FY 2024 amount. The decrease is due to salary lapse and attrition, partially offset by negotiated salary adjustments. Anticipated compensation costs include funding for 307 of the 312 full-time and all (29) part-time positions. Under agreements with the union, UFCW Local 1994 MCGEO, the Library provided a 3% adjustment on July 1, 2023, and a 2% adjustment on February 1, 2024. A 3.5% merit increase was provided for employees with a satisfactory performance evaluation on July 1, 2023. Employees employed during FY 2022 and eligible also received a 1% merit increase on December 1, 2023. Compensation increases totaled $2,043,658.

- The Library noted the following critical issues over the next three (3) years:
    - Digital Equity Efforts – PGCMLS will no longer be able to circulate Chromebooks due to a lack of grant funding.
    - Cybersecurity and aging technology infrastructure.

- As of 29 February 2024, the Library has 19 full-time and 3 part-time vacancies, including the COO for Communication and Outreach (unfunded). This amounts to a 6.5% vacancy rate.

- By June 30, 2024, 49 employees will be eligible for retirement –14% of total personnel. Of the four sectors, 17% of Public Services employees and 13% of Support Services employees are eligible for retirement.

- The Library has budgeted $150,037 for overtime expenditures in FY 2025.

Year	Approved Overtime Budget	Overtime Expenditures		Actual vs. Approved Variance ($)	Actual vs. Approved Variance (%)
FY 2020	$ 95,400	Actual	$ 120,400	$ 25,000	26.2%
FY 2021	$ 99,300	Actual	$ 88,900	$ (10,400)	-10.5%
FY 2022	$ 99,300	Actual	$ 94,172	$ (5,128)	-5.2%
FY 2023	$ 89,100	Actual	$124,446	$ 35,346	39.7%
FY 2024	$101,249	Actual YTD	$100,894	$ (355)	-0.4%
	$101,249	Projected	$140,000	$ 38,751	38.3%

Fringe Benefits

- The proposed FY 2025 Fringe Benefit expenditure is $5,626,100, a decrease of $135,900, or 2.4%, under the FY 2024 approved level of funding due to decreases in compensation.

Fringe Benefits - Historical Trend					
	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Approved
Fringe Benefits	$ 4,864,460	$ 4,953,300	$ 4,864,460	$ 5,422,500	$ 5,762,000
Compensation	$19,511,510	$19,684,200	$19,511,510	$21,261,300	$22,596,100
As % of Compensation	24.9%	25.2%	24.9%	25.5%	25.5%
Annual % Change	8.8%	1.8%	-1.8%	11.5%	6.3%

Operating Expenses

- Proposed funding for FY 2025 Operating Expenditures is $9,625,000 and is comprised of the following major items:
  - Periodicals $2,971,700
  - Utilities $1,400,000
  - Office Automation $1,184,000
  - Building Repair & Maintenance $1,100,000
  - General and Administrative Contracts $ 879,800
  - Insurance Premiums $ 870,000

- Operating expenses are proposed to decrease by $27,400, or 0.3%, below the FY 2024 approved level. Proposed operating expenditures are comprised of the following major items:

Operating Objects	FY 2023 Actual	FY 2024 Budget	FY 2025 Proposed	FY 2024 - FY2025	
				$ Change	% Change
Telephone	$ 303,065	$ 314,300	$ 330,000	$ 15,700	5.0%
Utilities	1,439,214	1,001,500	1,400,000	398,500	39.8%
Printing	14,675	20,000	15,000	(5,000)	-25.0%
Periodicals	2,744,599	3,718,800	2,971,700	(747,100)	-20.1%
Office Automation	1,210,757	1,154,840	1,184,000	29,160	2.5%
Training	30,754	80,330	50,000	(30,330)	-37.8%
Advertising	134,471	147,600	125,000	(22,600)	-15.3%
Membership Fees	26,817	31,200	31,200	-	0%
Mileage Reimbursement	9,690	12,900	12,400	(500)	-3.9%
Insurance Premiums	860,345	544,150	870,000	325,850	59.9%
General & Administrative Contracts	1,122,689	912,630	879,800	(32,830)	-3.6%
General Office Supplies	263,498	209,800	205,600	(4,200)	-2.0%
Office and Operating Equipment Repair/Maintenance	306,403	207,900	300,000	92,100	44.3%
Vehicle Equipment Repair/Maintenance	87,464	70,280	70,300	20	0%
Gas and Oil	81,911	60,700	70,000	9,300	15.3%
Equipment Lease	5,813	20,000	10,000	(10,000)	-50.0%
Building Repair/Maintenance	1,222,630	1,145,470	1,100,000	(45,470)	-4.0%
TOTAL	**$9,864,795**	**$9,652,400**	**$9,625,000**	**$(27,400)**	**-0.3%**

- Insurance Premiums increase to align with historical average.
- Utilities increase due to recent actuals.
- Periodicals decrease due to budget constraints.

- Further information on Operating Expenses as well as a list of Contracts can be found in the *First Round Budget Review Questions,* as attachments provided to questions 12 and 13.

Capital Outlay

- Capital Outlay expenditures are proposed to remain constant at $100,000 for FY 2025. The Library anticipates continuing to replace the fleet vehicles.

INFORMATION AND PROGRAMMATIC SECTION

Information Technology (IT) and other Equipment

- The Library noted the following IT Initiatives for FY 2025:

  - 10 Gig Cisco Switch Upgrades for Branches ($130,500)
  - Public PC Upgrades ($447,084)

- IT-related challenges expected in the near future include funding cybersecurity, IT hardware and software costs, IT modernization/infrastructure upgrades, and digital literacy/equity initiatives.

Initiatives/Programs

- A list of PGCMLS programs and program statistics can be found in response to *First Round Budget Review Questions* 20 – 21.

- In collaboration with PGCPS, the Library provides the following non-exhaustive list of services:
  - Outreach to individual schools and classrooms to inform students, teachers, and families about library resources available.
  - Annual training for PGCPS media center specialists on PGCMLS resources.
  - Class visits to neighborhood branch libraries.
  - LINK card access allows students to use school IDs as library cards to access the collections and internet service.
  - Working with all five (5) Judy Centers.
  - Infants and Toddlers Program staff present regular Play and Grow playgrounds at branches.
  - Service-learning opportunities for students via Teen Action Groups, VolunTEEN, and volunteer opportunities.
  - Engagement with summer and winter reading challenges.
  - Providing summer meals at eight (8) branch locations in 2023.
  - Programs and services for English Language Learners (ELLs), including Leamos (Spanish-literacy), Kids Achieve Club (tutoring for ELL students grades 1-3), and online language learning resources.
  - Live online tutoring for K-12 students via Brainfuse HelpNow.
  - Special partnerships with individual schools and departments.
  - Bilingual tutoring for K-12 students.
  - Immigrant and citizenship services to support family needs.
  - Co-location of the Baden Branch Library and Baden Elementary School.

- PGCMLS notes delays in receiving student data from PGCPS to create LINK cards as a barrier to access and expansion.

- In collaboration with PGCC, the Library provides the following non-exhaustive list of services:

- ❖ Financial Empowerment Center @ PGCC - Joint financial literacy programs and promotion of small business and tax preparation services.
- ❖ Class visits to neighborhood branch libraries.
- ❖ Digital resources and literacy workshops at PGCC and the library.
- ❖ Voxy Egen registration (career-focused English language learning platform) and workshop.
- ❖ Scholarships and FAFSA information sessions.

- The Library is developing the Beltsville Career Center, a designated site for career development and support with funding from the Foundation and partnering with Employ Prince George's (EPG). Completion is expected in FY 2024. EPG will also plan regular service hours at Hyattsville and support the mobile library focused on workforce development.

- A list of some of the Library's more impactful strategic partnerships can be found in the *First Round Budget Review Questions* in response to question 19.

CAPITAL IMPROVEMENT PROGRAM (CIP)

The Memorial Library System comprises nineteen (19) branch locations and one (1) library facility at the County Correctional Center for use by inmates.

- Eight (8) branches are located inside the Beltway: Fairmount Heights, Hyattsville, Bladensburg, Mount Rainier, New Carrollton, Spauldings, Hillcrest Heights, and Glenarden.
- Seven (7) outer branches are in the southern portion of the County: Accokeek, Largo-Kettering, Oxon Hill, Upper Marlboro, Baden, South Bowie, and Surratts-Clinton.
- Four (4) outer branches are in the northern portion of the County: Bowie, Greenbelt, Beltsville, and Laurel.

New libraries are programmed for underserved areas of the County. Existing library facilities are over 25 years old and require regular inspections, comprehensive repairs, and preventive maintenance. Capital needs are identified and prioritized, with special attention given to addressing safety issues and preserving or preventing further deterioration of libraries. Libraries are used heavily and thus require frequent updating and maintenance.

***Funding Source*:**

- General Obligation Bonds – $3,195,000; or 100%

Capital Improvement Budget Overview

The Proposed FY 2025 Capital Budget expenditures are $3,195,000. This is $10,603,000, or 76.8%, under the Approved FY 2024 Capital Budget of $13,798,000. Total project costs are $163,071,000, a decrease of $35,161,000, or 17.7%.

The Baden Branch Library project, the Hyattsville Branch Replacement, and the Surratts-Clinton Branch renovation were completed and removed from the FY 2025 Proposed CIP budget book.

Project Name	Est. Comp.	Approved FY 2024-2029 CIP	Proposed FY 2025-2030 CIP		Change in Fiscal Year Budget	
		Total Approved Project Funding	Estimated Expenditure thru FY24	Proposed FY25 Capital Budget	$ Change	% Change
Brandywine Library	TBD	-	-	-	-	0%
Glenn Dale Branch Library	TBD	-	-	-	-	0%
Hillcrest Heights Branch Library	TBD	-	201,000	-	-	0%
Langley Park Branch	FY 2028	9,116,000	10,853,000	-	-9,116,000	-100%
Library Branch Renovations 2	Ongoing	2,600,000	34,874,000	3,195,000	595,000	23%
TOTAL		**$11,716,000**	**$45,928,000**	**$3,195,000**	**($8,521,000)**	**-72.70%**

Project Name	Est. Comp.	Approved FY 2024-2025 Budget	Proposed FY 2025-2030 Budget	Change in Total Project Cost	
		Approved Total Project Cost	Proposed Total Project Cost	$ Change	% Change
Brandywine Library	TBD	21,995,000	25,960,000	3,965,000	18%
Glenn Dale Branch Library	TBD	21,910,000	27,200,000	5,290,000	24.10%
Hillcrest Heights Branch Library	TBD	22,111,000	27,401,000	5,290,000	23.90%
Langley Park Branch	FY 2028	26,501,000	27,741,000	1,240,000	5%
Library Branch Renovations 2	Ongoing	48,569,000	54,769,000	6,200,000	12.80%
TOTAL		**$141,086,000**	**$163,071,000**	**$21,985,000**	**15.60%**

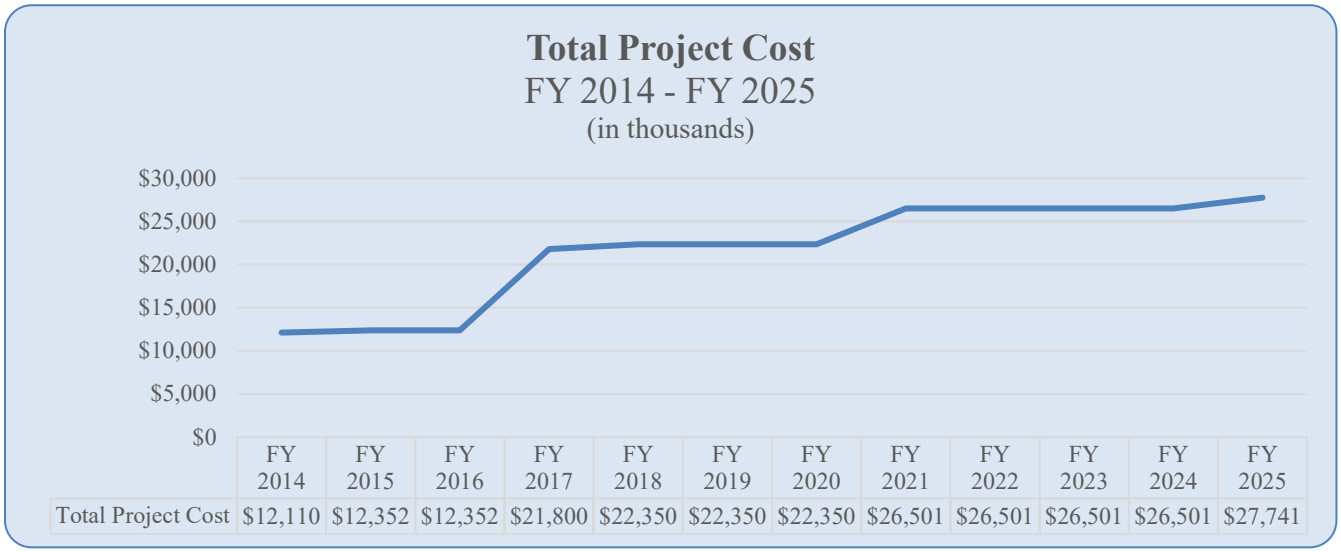
The Memorial Library System has five (5) renovation and construction projects that are ongoing and/or planned for FY 2025. All projects have total project cost increases over FY 2024 in addition to the Library Branch Renovations 2, which is an ongoing project. Details and funding requests are discussed below:

- *Brandywine Library (No FY 2025 Funding Request)*
  - Project for a new 25,000-square-foot library in the Brandywine area.
  - Project design and construction schedules have not been set.
  - Project cost increases from FY 2024 are due to inflation. The initial project cost calculation was from FY 2016.

- *Glenn Dale Branch Library (No FY 2025 Funding Request)*
  - Project for a new 25,000-square-foot library in the Glenn Dale area.
  - Location not yet determined.
  - Library will be co-located with a M-NCPPC community center or recreation center.
  - Project design and construction schedules have not been set.
  - Project cost increases from FY 2024 are due to inflation. The initial project cost calculation was from FY 2008.

- *Hillcrest Heights Branch Replacement (No FY 2025 Funding Request)*
  - Project for a new 25,000-square-foot library to replace the existing one.
  - Location not yet determined.
  - Project design and construction schedules have not been set.
  - Project cost increases from FY 2024 are due to inflation. The initial project cost calculation was from FY 2006.

- *Langley Park Branch (No FY 2025 Funding Request)*
  - Project to construct a new 25,000-square-foot library in the Langley Park area to include office and meeting space for local community organizations. The project size has been scaled down from the proposed in the FY 2024 Approved CIP budget book.
  - The location of the project has not been determined.
  - Design completion has been pushed back to FY 2026 (from FY 2023), and construction is expected to begin in FY 2026 (from 2024). Project Completion is expected in FY 2028 (from FY 2025).
  - The project may become a long-term lease rather than a County-owned facility, depending on the availability of real estate.
  - Project cost increases from FY 2024 are due to inflation. The initial project cost calculation was from FY 2009.
  - The "Total Project Cost" provided in past approved budget books is found in the chart below:



	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Project Cost	$12,110	$12,352	$12,352	$21,800	$22,350	$22,350	$22,350	$26,501	$26,501	$26,501	$26,501	$27,741

- *Library Branch Renovations 2 (FY 2025 Funding Request: $3,195,000)*
  - This project includes updating and renovating branch libraries, replacing carpeting, roofs, and HVAC systems, installing Americans with Disabilities Act (ADA) compliant entrances, fences, walkways, and parking lots, and renovating public restrooms.
  - This project also provides funding for unanticipated and/or emergency library renovation projects.
  - FY 2025 funding includes HVAC repair and replacement and core and network/fiber infrastructure upgrades at various branches. Restroom renovations are planned for the Beltsville and Oxon Hill branches. Exterior painting for the Upper Marlboro branch and roof replacement at the Spauldings branch are also planned. CCTV cameras, environmental controls, and ADA sliding doors are to be upgraded as needed systemwide.
  - Renovations undertaken in FY 2024 and planned for FY 2025 are found in the *First Round Budget Review Questions*, # 33.