



HOUSTON PUBLIC LIBRARY

**FY2023 Proposed Budget
Workshop Presentation
May 16, 2022**

DR. RHEA BROWN LAWSON-DIRECTOR

Program Organizational Chart



General Fund
HOUSTON PUBLIC LIBRARY
Projected Budget \$50,342,327
FTEs: 478.4

Library Executive Oversight	Financial Services/Restricted Accts & Library Service and Contracts	Spaces	Digital Strategies, Library Material Services, Communication & FIDS	Community Education and Programs	Customer Experience
<p>FY22 Budget \$484,156 FTEs: 3.0</p>	<p>FY22 Budget \$6,481,306 FTEs: 11.1</p>	<p>FY22 Budget \$1,352,781 FTEs: 12.4</p>	<p>FY22 Budget \$15,933,487 FTEs: 90.9</p>	<p>FY22 Budget \$3,020,605 FTEs: 28.8</p>	<p>FY22 Budget \$23,069,992 FTEs: 332.2</p>
<p>The Director provides vision, oversight, and direction for the Houston Public Library Systems; Provides leadership in accordance with the Mayor's priorities and the department's strategic masterplan – One Houston One Library; Ensures the adherence and execution of COH policies and procedures; Provides leadership for all areas, including, Financial Services, Digital Strategy, Spaces, Community Education, and Customer Experience; Oversees governmental affairs and state and national library engagements.</p>	<p>Financial Services Division is a core HPL division with seasoned professionals in non-profit and governmental finance and accounting with focused in the following areas: Private Funds, Donations, Endowments, & Gifts, Cash Collections, Revenues, Library Fines, Grants, Fiscal Budgets, Purchasing & Procurements, Accounts Payable, Fixed Assets, Audits, and Financial Reporting and Analysis.</p>	<p>Responsible for property development, design, construction, security, and furniture, fixtures, and equipment in support of our One Houston One Library master plan. Major exhibits, civic art, and gallery spaces are curated, commissioned and managed, and public and private special events are planned, organized, and managed by the division. HPL's Continuity of Operations Plan and emergency staff communications are also a primary responsibility.</p>	<p>Provide technology access & support for all library public services including hotspots, laptops, tablets, WIFI and other technological resources. Online catalog, print and electronic materials, check-out system, customer accounts and records. State of the art technology makerspace (TECHLink), multi-media, audio & video recording studios, 3D scanning and printing technologies. Library books & materials, online database & material deliveries. Develops & implements marketing strategies, including system-wide communications & print services.</p>	<p>Develops, implements, and manages system-wide youth and adult programs, services and events for all library locations. Cultivates and manages strategic partnerships in support of special initiatives. Supports and coordinates staff recognition and professional development training for the system. Oversees volunteer coordination and placement for the system.</p>	<p>Through the delivery of exceptional customer service provide access to print and digital materials, information, computers, technology and meeting spaces to support lifelong learning for citizens of all ages at 38 library locations throughout the city. Provide access to technology, computers, and programming to underserved communities and schools through outreach mobile units. Provide passport services at five locations and key out of school time programs around the city.</p>

Department Programming



- **Major Services**
 - Access to technology, technology instruction and the internet
 - Resources for entrepreneurs and job seekers
 - Early Literacy, Out-of-School/summer Learning programs
 - Life-Long Learning tools and resources for all ages
 - Civic and cultural programs
 - International services and programs (Such as English language instruction)
- **Any statutory requirements of service delivery**
 - State Accreditation
- **Financial or societal impact of City service delivery**
 - According to the Texas State Library, for every \$1 invested in public libraries in Texas, the community sees a return of \$4.64 in access to programming, technology and resources.
- **Anticipated growth or reduction in populations served**
 - Increase and demand for digital services

Revenues by Funds



Category	FY21 Actual	FY22 Budget	FY22 Estimates	FY23 Proposed	Variance FY23 Prop/FY22 Estimates	% Change
General Fund	\$226,228	\$529,200	\$1,027,577	\$2,635,583	1,608,006	156.4%
Historic Preservation Fund	\$57,594	\$100,000	\$200,000	\$200,000	-	-
Special Revenue Fund	\$411,261	\$411,247	\$441,102	\$405,000	(36,102)	8.1%
Total	695,083	1,040,447	1,668,679	3,240,583	1,571,904	5.8%

FY2023 - Revenues Highlights



- **Passport Services Fees** -HPL is anticipating a return to return to normal operations in FY2023.
- **Facility Rental Fees** – increase is anticipated due to Frenchy’s restaurant rental for Smith Library parking.
- **Parking Revenue** – HPL is anticipating parking revenue to return to pre-pandemic levels in FY2023.
- **Transfer from Grant** – One time FEMA insurance processed to cover Kendall Library Books & Materials purchases.

Expenditures By Funds



Category	FY21 Actual	FY22 Budget	FY22 Estimates	FY23 Proposed	Variance FY23 Prop/FY22 Budget	% Change
General Fund	\$39,150,776	\$44,269,138	\$44,269,138	\$50,342,327	6,073,189	13.7%
Historic Perseveration Fund	\$51,583	\$379,100	\$324,800	\$324,800	-	-
Special Revenue Fund	\$336,936	\$376,365	\$358,162	\$435,000	76,838	21.4%
Total	\$39,539,295	45,024,603	\$44,952,100	51,102,127	6,150,027	13.7%

FY2023 - Expenditure Highlights



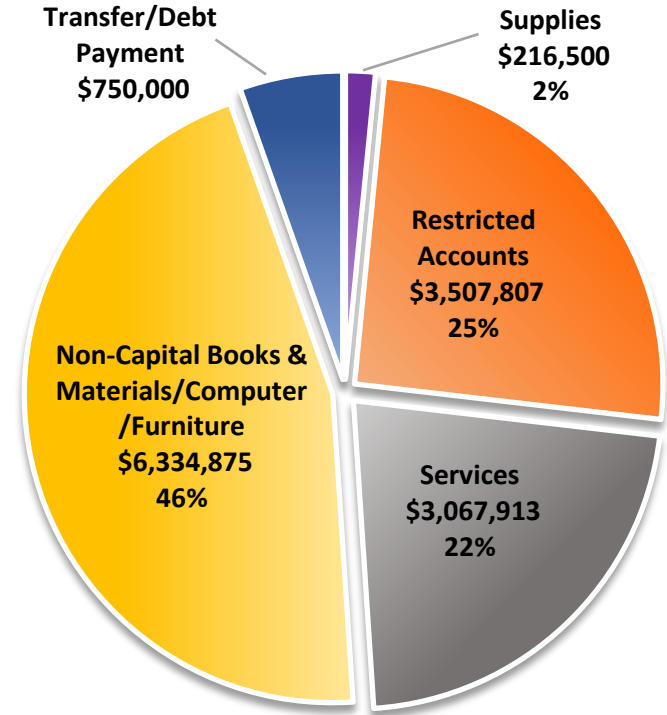
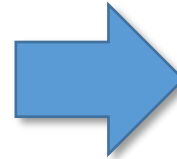
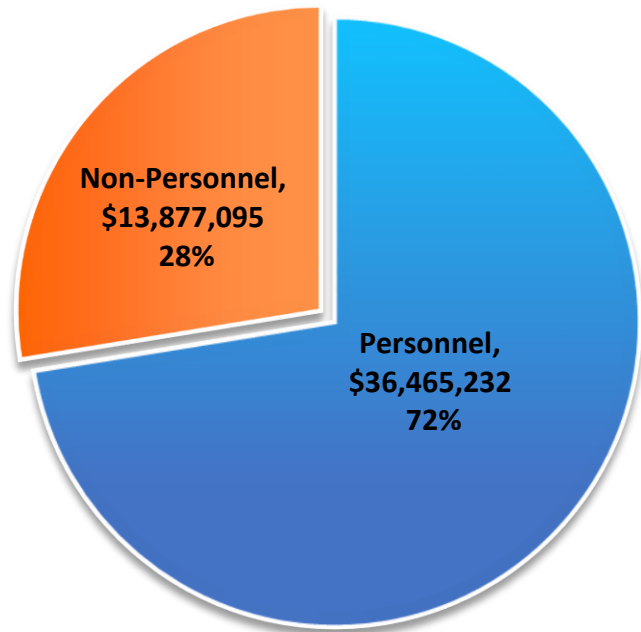
- **Personnel Services** - 3% HOPE increase, Fringe benefit increase, Minimum wage increase and additional 29 positions to staff two new libraries and one renovated library location (Kendall, Alief and Dr. Shannon Walker).
- **Supplies & Services** – Increase in this area is mainly due to restricted accounts and to fund supplies and contractual obligations for two new and one renovated library locations.
- **Books & Materials** – Increase is due to one time FEMA insurance allocations to cover Kendall Library books and materials purchases of \$1.7 million. In addition, HPL received an increase of \$1 million which allows the Library to meet the Texas State Library Accreditation Standards.

FY2023 Personnel vs Non-Personnel



FY2023 Proposed Budget \$50,342,327

■ Personnel ■ Non-Personnel

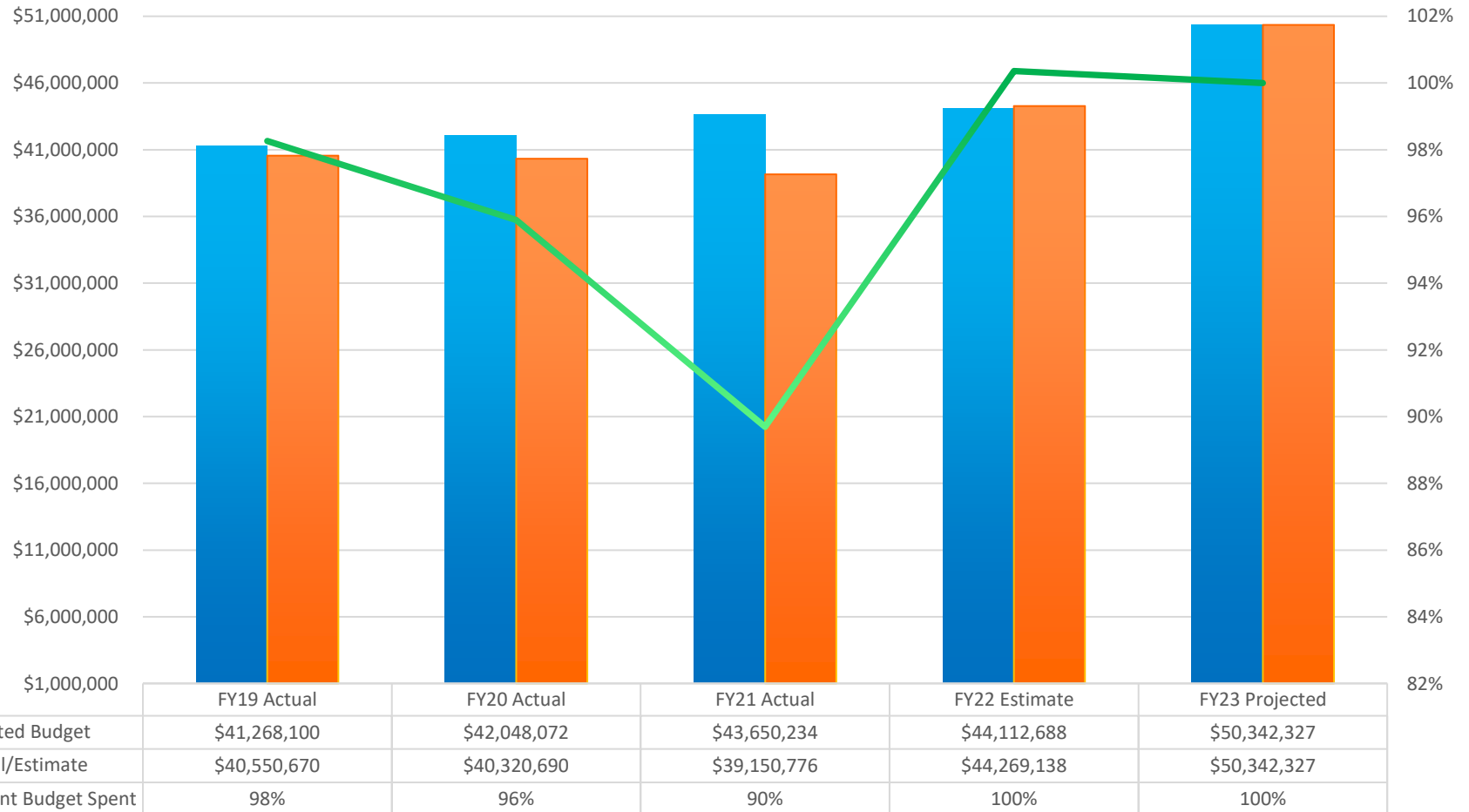


FY2023 Budget Expenditures Net Change (in thousands)



FY2023 General Fund Budget Expenditures Net Change to FY2022 Current Budget		
Finance Department		
\$ in Thousands		
FY2022 Current Budget		Notes
Operating Budget	\$ 30,446,697	
Restricted Budget	13,665,991	1
One-time Adjustments		
Restricted Budget	\$ (349,864)	1
HOPE Adjustment	\$ 589,947	2
Health Benefit Adjustment	\$ (113,051)	3
Council Surplus	\$ 29,418	4
One-time Adjustments	\$ 156,450	
FY2022 Current Budget less One-time Adjustments	\$ 44,269,138	
Explanation of FY2023 Incremental Increase/(Decrease)		
Operating Budget Adjustments		
Subtotal Operating Budget Adjustments	\$ -	
One-time Adjustments		
Library Books & Materials	\$ 2,712,158	
New-facility Kendall	\$ 783,288	
New-facility Walker	\$ 529,184	
New-facility Alief	\$ 493,177	
One-time Adjustments	\$ 4,517,807	
Total Operating Budget Changes	\$ 4,517,807	
% Change from FY22 Operating Budget (excluding one-time adj)	0.0%	
Contractual or Mandated Adjustments:		
Health Benefits Active Civilian	\$ 213,942	3
Pension Adjustment	(183,389)	
Council Surplus	(29,418)	4
HOPE Adjustment	1,004,073	2
Restricted Accounts	457,236	1
Minimum Wage Adjustment	92,938	
Subtotal Contractual/Mandated Increases	\$ 1,555,382	
FY2023 Proposed Budget		
Operating and Contractual Adjustments		
FY2023 Proposed Budget	\$ 50,342,327	
% Change from FY2022 Current Budget Excluding One-time Adj	14.1%	
% Change from FY2022 Current Budget	13.7%	
Notes:		
1. Restricted Budget includes service chargeback accounts for items such fuel, electricity, IT accounts, etc.		
2. One-time adjustment for HOPE		
3. Includes one-time adjustment for Health Benefits Return		
4. One-time adjustment for Council Surplus		

Budget History (\$Thousands)



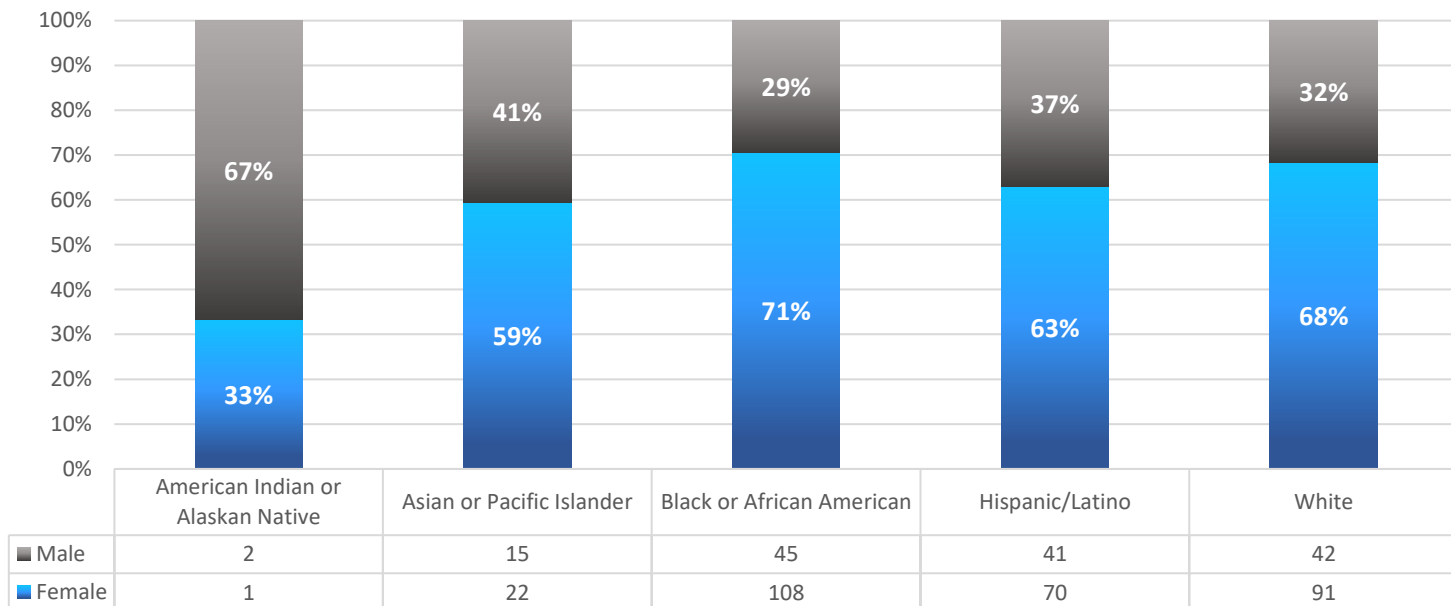
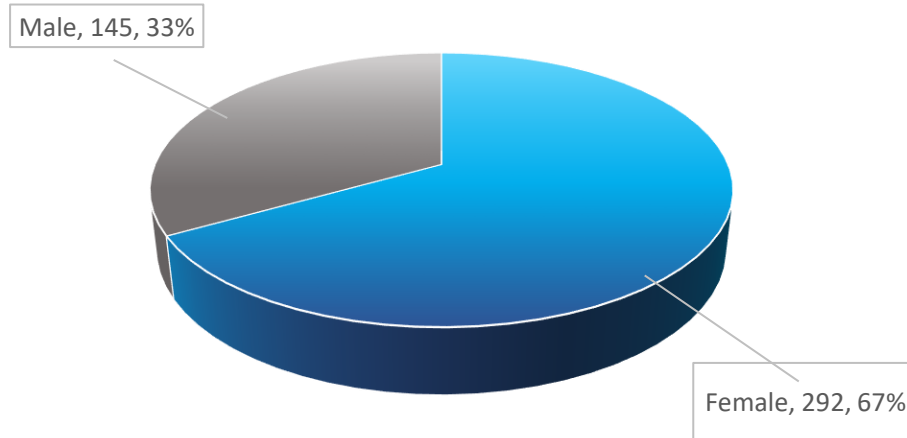


Questions



Appendix

Workplace Analysis Headcount & Percentages



	American Indian or Alaskan Native	Asian or Pacific Islander	Black or African American	Hispanic/Latino	White
Male	2	15	45	41	42
Female	1	22	108	70	91

Restricted Account Details



GL Description	Justification & Cost Drivers
Interfund Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
Interfund KRONOS Service Charge	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS).
Interfund Drainage Charge	Fee is based on impervious service.
Interfund Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature.
Interfund Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Interfund Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Interfund Wireless Services	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
Interfund Vehicle Accidents	Provides vehicle accidents repairs for all city departments' rolling stock equipment.
Interfund Permit Center Point of Sale	HPC Point of Sale chargeback.
Interfund Insurance Fees	Cost increase for property insurance premium.
Interfund GIS Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS).
Interfund Permit Center Rent Chargeback	HPC lease chargeback.
Interfund Vehicle Services - Tires	Tire purchases and services costs for City's rolling stock equipment.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Vehicle Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing.
Interfund Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.

Department FY2023 Accomplishments (OPTIONAL)



- Collection audit
- Reopened library locations
- Relunched passport services
- Reimagining of the Central Library
- Opened the Barbara Bush Literacy Plaza
- Relunched of in-person programming across the system
- Addition of Pasadena ISD Learning Link
- Emergency Connectivity Funding of hotspots and Chromebooks.