



Legislation Review

# Review of the Fiscal Year 2025 Proposed Current Expense Budget Department of Public Libraries

Report Date: May 12, 2024

Hearing Date: May 13, 2024

<b>Questions Sent to the Agency:</b>	<b>Wednesday, May 1, 2024</b>
<b>Responses Received from the Agency:</b>	<b>Friday, May 3, 2024</b>

**This analysis considers all agency responses.**

## Department of Public Libraries

### Department of Public Libraries Maintenance of Effort (MOE) History

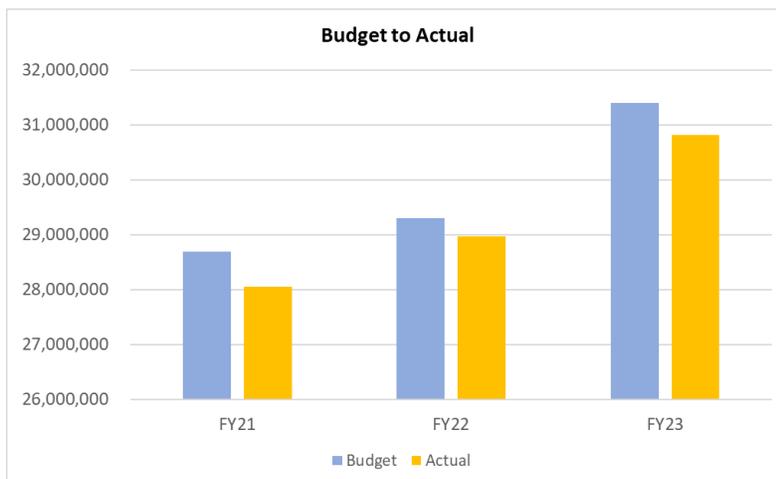
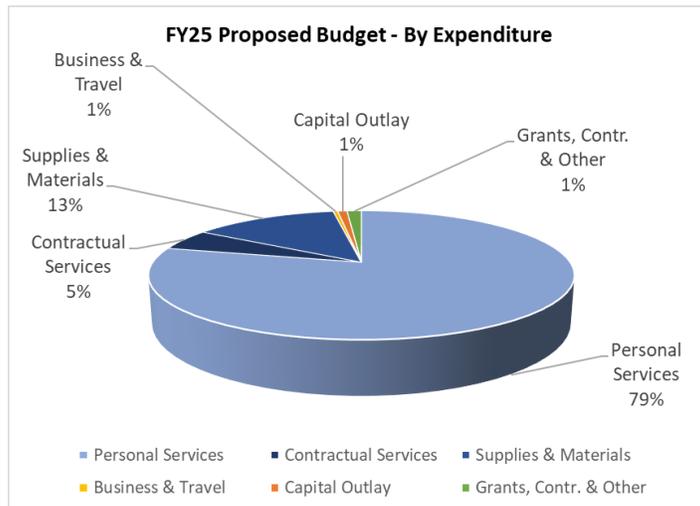
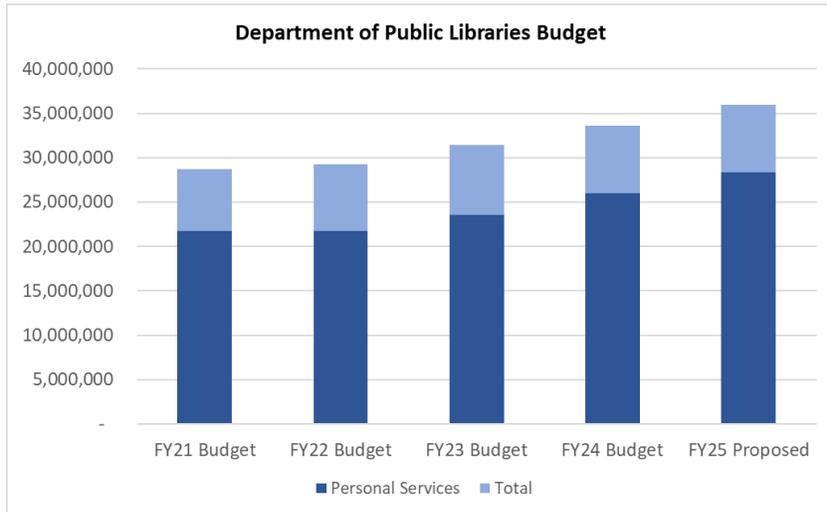
Fiscal Year	Budgeted Appropriation*	Appropriation Required*	Amount Over MOE
2020	\$26,804,800	\$5,652,182	\$21,152,618
2021	22,339,100	5,819,532	16,519,568
2022	23,538,700	6,074,454	17,464,246
2023	29,357,500	6,229,503	23,127,997
2024	33,818,200	6,371,892	27,446,308
2025 (Proposed)	61,101,900**	6,528,510	54,573,390

\* Budgeted Appropriation and Appropriation Required exclude the appropriation from the Video Lottery Terminal Impact Aid Fund. MOE for the Department of Public Libraries includes both operating and capital funding.

\*\* The increase in the proposed FY25 Budgeted Appropriation is mainly related to \$29 million in FY25 General County Bonds funding for the New Glen Burnie Library capital project (L576100).

NOTE: The Education Article, Section 23-503 of the Annotated Code of Maryland requires the State to provide approximately 40 percent of the total cost of the minimum program and not less than 20 percent of the cost of the minimum program in any county. Furthermore, counties participating in the program together are required to provide approximately 60 percent of the total statewide cost of the minimum program. This includes both operating and capital expenses.

## Operating Budget Summary



## Key Observations

---

1. The Department of Public Libraries (Library) is also receiving FY25 funding of \$550,000 in Video Lottery Terminal Impact Aid Funds consisting of \$500,000 for operating costs and \$50,000 for salary funding at the Severn Library.
2. We are still finishing our review of the Library Personal Services category to understand the assumptions and salary increases included in the FY25 Proposed Current Expense Budget.
3. **Notable Changes from prior year** – There was a \$310,400 decrease in the FY25 request from the FY24 appropriation for Data Processing Software (7605) as the Library changed to a web-based library management system, resulting in lower annual costs.
4. **New Programs or Projects** – Due to the projected expansion of Discoveries: The Library at the Mall (Annapolis), two new Library Associate positions are anticipated to be hired to work at this location during FY25 with salary, benefits, and ancillary costs of approximately \$137,000.

The Library has an estimated budgetary fund balance of \$912,500 as of June 30, 2024. A portion of these funds will be used for expansion costs of Discoveries: The Library at the Mall, including construction, furniture, fixtures, and equipment. Additionally, with the passage of House Bill 609 by the Maryland General Assembly during its 2024 legislative session, effective July 1, 2024, which allows for employees of the Library system to unionize. If any employee groups were to unionize, the Library would incur costs for negotiation services, a workload the Library does not currently undertake. The Library estimates \$475,000 of the estimated budgetary fund balance will be used for the collective costs of the Discoveries: The Library at the Mall expansion. The \$437,500 remainder of the estimated fund balance is expected to be used for union negotiation services.

## Appendix: Chart Data

### Department of Public Libraries Budget

	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget	FY25 Proposed
Personal Services	21,710,600	21,706,600	23,587,500	25,987,300	28,338,700
Contractual Services	1,633,500	1,837,700	2,022,600	2,205,400	1,904,300
Supplies & Materials	4,529,000	4,779,000	4,811,900	4,783,100	4,796,100
Business & Travel	146,500	146,500	146,500	141,500	146,500
Capital Outlay	239,000	399,000	390,700	451,600	309,300
Grants, Contr. & Other	433,000	433,000	433,000	-	475,000
<b>Total</b>	<b>28,691,600</b>	<b>29,301,800</b>	<b>31,392,200</b>	<b>33,568,900</b>	<b>35,969,900</b>

### FY25 Proposed Budget - By Expenditure

Object	FY25 Proposed
Personal Services	28,338,700
Contractual Services	1,904,300
Supplies & Materials	4,796,100
Business & Travel	146,500
Capital Outlay	309,300
Grants, Contr. & Other	475,000
<b>Total</b>	<b>35,969,900</b>

### Budget to Actual

	FY21	FY22	FY23
<b>Budget</b>	28,691,600	\$ 29,301,800	\$ 31,392,200
<b>Actual</b>	28,055,316	\$ 28,966,028	\$ 30,809,842