

**FREE LIBRARY OF PHILADELPHIA
FISCAL YEAR 2025 BUDGET TESTIMONY
APRIL 3, 2024**

INTRODUCTION

Good Morning, President Johnson and Members of City Council. I am Kelly Richards, President, and Director of the Free Library. Joining me today are Sade Olanipekun-Lewis, Chair of the Free Library's Board of Trustees and Priscilla Suero, First Deputy Director of the Free Library of Philadelphia. I am pleased to provide testimony on the Free Library's Fiscal Year 2025 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The Free Library of Philadelphia (FLP) advances literacy, guides learning, and inspires curiosity.

Plans for Fiscal Year 2025:

The Free Library appreciates significant investment received during FY23 and 24, which allowed us to stabilize five-day service, begin six-day service, and expand programmatic offerings to the residents of Philadelphia. The Free Library's FY25 Proposed Budget lets the Free Library continue to build upon recent progress, including the expansion of our environmental services capacity, which aligns with Mayor Parker's vision for a cleaner Philadelphia.

As we fully emerge from the pandemic, the Free Library will embark on a strategic planning process to capture feedback and guidance from diverse community stakeholders, including community partners, library staff, and residents. The responses and results will chart the Free Library's course for the next decade, positioning us to successfully support, enlighten, and empower our city.

Now that we are rolling out new computers for staff and public use, thanks to the budgetary support received in FY24, we can focus on enhancing services for residents. Technology upgrades will improve Internet speeds and bring wireless printing to our patrons.

The Free Library is the people's institution, and our priority is providing safe, accessible spaces for learning and engagement to all communities we serve. Currently, all libraries, with the exception of those closed for renovations, have stable five-day service and nearly half have six-day service. With continued support from Chief Deputy Managing Director Vanessa Garrett Harley and the Office of Children and Families, we look forward to working with City Council, Mayor Parker, our fellow City agencies, and community partners in service to our great city. Thank you.

PROPOSED BUDGET OVERVIEW

| General Fund Financial Summary by Class | | | | | | |
|---|------------------------------|-------------------------|------------------------------|----------------------------|------------------------------|-----------------------|
| | FY23 Original Appropriations | FY23 Actual Obligations | FY24 Original Appropriations | FY24 Estimated Obligations | FY25 Proposed Appropriations | Difference: FY25-FY24 |
| Class 100 - Employee Compensation | \$50,911,555 | \$39,779,422 | \$59,121,703 | \$59,121,703 | \$59,340,820 | \$219,117 |
| Class 200 - Purchase of Services | \$3,496,262 | \$2,835,081 | \$4,299,722 | \$4,299,722 | \$4,199,722 | (\$100,000) |
| Class 300/400 - Materials, Supplies & Equipment | \$4,042,128 | \$7,836,584 | \$7,513,098 | \$7,513,098 | \$8,163,098 | \$650,000 |
| Class 500 - Contributions | \$0 | \$82,500 | \$0 | \$0 | \$0 | \$0 |
| Total | \$58,449,945 | \$50,533,587 | \$70,934,523 | \$70,934,523 | \$71,703,640 | \$769,117 |

| Grants Fund Financial Summary by Class | | | | | | |
|---|------------------------------|-------------------------|------------------------------|----------------------------|------------------------------|-----------------------|
| | FY23 Original Appropriations | FY23 Actual Obligations | FY24 Original Appropriations | FY24 Estimated Obligations | FY25 Proposed Appropriations | Difference: FY25-FY24 |
| Class 100 - Employee Compensation | \$1,846,461 | \$466,503 | \$2,304,558 | \$631,631 | \$2,039,539 | \$1,407,908 |
| Class 200 - Purchase of Services | \$2,835,578 | \$4,803,401 | \$3,745,550 | \$2,329,289 | \$2,911,611 | \$582,322 |
| Class 300/400 - Materials, Supplies & Equipment | \$3,741,479 | \$4,278,380 | \$8,078,046 | \$6,735,155 | \$8,418,944 | \$1,683,789 |
| Total | \$8,423,518 | \$9,548,284 | \$14,128,154 | \$9,696,075 | \$13,370,094 | \$3,674,019 |

Proposed Funding Request:

The proposed Fiscal Year 2025 General Fund budget totals \$71,703,640, an increase of \$769,117 over Fiscal Year 2024 estimated obligation levels. This increase is primarily due to funding for the enhancement of environmental services to ensure measures are taken to clean and sanitize facilities.

The proposed budget includes:

- \$59,340,820 in Class 100, a \$219,117 increase from FY24. This funding will support six-day service year-round in neighborhood libraries.
- \$4,199,722 in Class 200, a \$100,000 decrease over FY24. This funding will provide the necessary services and contracts for the Free Library to operate.
- \$8,163,098 in Class 300/400, a \$650,000 increase over FY24. This funding will support supplies and equipment throughout the Free Library system and allow for enhancement of environmental health and sanitation services.

STAFFING LEVELS

The department is requesting 1,017 budgeted positions for FY25, a decrease of 6 positions from FY24.

The decrease is attributed to thorough auditing, which led to the identification and removal of duplicate positions.

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| Employment Levels (as of December 2023) | | |
|--|---------------|----------------------------|
| | FY25 Budgeted | Filled as of December 2023 |
| Number of Full-Time Positions | 1,017 | 784 |
| Number of Part-Time Positions | 95 | 69 |
| Number of Exempt Positions | 9 | 9 |
| Number of Executive Positions (deputy level and above) | 5 | 5 |
| Average Salary of All Full-Time Positions | \$58,812 | \$55,543 |
| Median Salary of All Full-Time Positions | \$50,376 | \$45,540 |

NEW HIRES

| New Hires (from 7/1/2023 to December 2023) | | | | | | | | |
|--|---------------------------|----------|----------|----------|-----------------|-----------|----------|------------|
| | Total Number of New Hires | Arabic | French | Hindi | Other languages | Malayalam | Spanish | Vietnamese |
| Black or African American | 33 | | 1 | | | | 3 | |
| Asian | 8 | | | 2 | 4 | 3 | | 1 |
| Hispanic or Latino | 3 | | | | 2 | | 2 | |
| White | 30 | | | | 2 | | 1 | |
| Other | 7 | 1 | | | 1 | | | |
| Total | 81 | 1 | 1 | 2 | 9 | 3 | 6 | 1 |

Other languages include: Japanese, German, Cantonese, Mandarin, Portuguese, Russian, Creole, and Tajik
 Detail for new hires since December 2023, if applicable: 13 FT and 10 PT; Black or African American: 1 French and 1 German; Asian: 1 Malayalam; White: 2 French, 1 Greek, and 4 Spanish

PROGRAM BASED BUDGETING:

Program Name: Administration

Program Number: 52-10

FY25 Proposed General Fund: \$4,080,314

Program Description: This program includes all internal activities that guide the work of the library, such as executive and strategic planning functions, diversity, equity and inclusion initiatives, human resources, finance, and marketing.

FY25 Strategic Goals:

- Improve the overall safety of patrons and staff by developing and implementing policies, procedures, and training.
- Ensure a focus on DEI objectives during review of Free Library policies.
- Capture feedback and guidance from diverse community stakeholders for the strategic planning process.

FY25 Performance Measures:

| Measure | FY23 Actual | FY24 Target | FY25 Target |
|--|-------------|-------------|-------------|
| Social media usage: Facebook, Twitter, Instagram, YouTube* | 106,288 | 110,000 | 120,000 |
| Departmental M/W/DSBE participation rate** | 41% | 37% | 37% |
| Percentage of staff completing Customer Service training*** | 37.2% | 39.0% | 20.0% |
| Percentage of staff completing two sessions of Diversity, Equity, and Inclusion training | 28.8% | 25.0% | 25.0% |

*This is a point-in-time measure.

**This is an annual measure, and it is tabulated at year-end. Contracts are conformed throughout the year, and the rate may vary across quarters, depending on the value of contracts conformed to date. FLP exceeded the target in FY23 because of additional purchases with some special projects that significantly impacted the M/W/DSBE rate. Those projects are not continuing in FY24 and FY25.

***Due to anticipated increases in hiring, the FY25 percentage is expected to decrease.

Program Name: Customer Experience

Program Number: 52-11

FY25 Proposed General Fund: \$52,179,445

Program Description: This program encompasses the services that deal directly with the public, such as administration of the Parkway Central Library, all neighborhood libraries, and the Library of Accessible Media for Pennsylvanians (LAMP).

FY25 Strategic Goals: Following a successful Saturday Service rollout, the Free Library will continue to increase public service hours in all libraries across the city to add Sunday service in the Central Library, three regional Libraries, and up to five additional neighborhood libraries. Libraries will be chosen based on the Free Library’s Cluster Model. Branches that are not in a Cluster that have a Regional will be selected. We will also look at the proximity of one location to another to support as many community members as possible. This will provide access to some libraries seven days per week. Library collection offerings will expand to video games for all ages.

FY25 Performance Measures:

| Measure | FY23 Actual | FY24 Target | FY25 Target |
|---|-------------|-------------|-------------|
| In-person visits* | N/A | 2,300,000 | 2,300,000 |
| Percentage of Philadelphians who have Library cards** | 41% | 30% | 30% |
| Preschool Program Attendance | 111,815 | 115,000 | 115,000 |
| Children's Program Attendance | 218,009 | 220,000 | 200,000 |
| Teen Program Attendance*** | 48,332 | 50,000 | 50,000 |
| Adult Program Attendance**** | 106,288 | 110,000 | 120,000 |
| Senior Program Attendance***** | 2,100 | 5,000 | 5,000 |
| Hours of service***** | 106,288 | 110,000 | 120,000 |
| Program attendance***** | 472,277 | 476,000 | 450,000 |
| Circulation counts (collection use statistics)***** | 5,241,011 | 4,500,000 | 7,500,000 |

*Data collection for this measure was paused in FY23 to address problems with and upgrade visitor counting systems for the Free Library.

**The target for this measure has dropped due to FLP purging old and inactive accounts.

***Program attendance is down slightly due to closures of libraries for major building renovations.

****The Library's Central Senior Center was under renovation last year and has since reopened and is again providing programming.

*****While FLP is open more hours per location this fiscal year, there are five locations completely closed due to renovations at this time, decreasing overall hours significantly. Those locations are projected to reopen in FY25.

*****Program attendance is down slightly due to closures of libraries for major building renovations.

*****Early FY24 data shows FLP significantly ahead of pace to meet the FY24 target, so the FY25 target is being raised to 7,500,000.

Program Name: Performance Management and Technology

Program Number: 52-12

FY25 Proposed General Fund: \$4,621,234

Program Description: This program is responsible for performance management and technology functions, which include the maintenance of Library computer systems (hardware and software), the website, research, and data analytics, digital and network services, and security.

FY25 Strategic Goals:

- The Free Library will upgrade its network and network switches and routers, and the core switch infrastructure in its data center, which will improve ISP speeds. Plans to implement wireless printing in all libraries for public use are underway. Enhanced network security protocols will be a core focus for the department in FY25. Software and hardware will be audited and upgraded in all locations to improve the efficiency of staff performance.
- The data and analysis team will work with the strategic planning team to evaluate FLP's metrics and goals. This will identify process improvements for collecting, measuring, and evaluating data and demonstrating the impact of the FLP's services on residents of Philadelphia. The audio-visual and telecom team will be integrated into this department to better support the expansion of AV services and migration of telecom to VOIP networked telephones.

FY25 Performance Measures:

| Measure | FY23 Actual | FY24 Target | FY25 Target |
|---------------------------------|-------------|-------------|-------------|
| Virtual visits via FLP website* | N/A | N/A | 4,000,000 |
| Digital access** | 4,844,645 | 4,900,000 | 4,900,000 |

*In July 2023, Google Analytics updated their analytics platform to GA4 and disabled their previous software. It appears that there is a known issue with the new platform. Significant individual website metrics are all up from the previous FY, but sessions went down as of July 2023. The session results for GA4 are reportedly more precise and provide more accurate insights to user behavior.

**This measure includes digital reach and activities, including Wi-Fi usage, eBook circulation, electronic resource/database use and public PC use. This measure counts every login.

Program Name: Property Management

Program Number: 52-13

FY25 Proposed General Fund: \$6,749,973

Program Description: This program is responsible for building maintenance, security, and environmental services for the library’s 54 facilities, with an emphasis on life safety best practices.

FY25 Strategic Goals:

- Improve the overall safety for patrons and staff by developing and implementing policies, procedures and training.
- Ensure a focus on DEI objectives during review of Free Library policies.
- Capture feedback and guidance from diverse community stakeholders for the strategic planning process.

FY25 Performance Measures:

| Measure | FY23 Actual | FY24 Target | FY25 Target |
|---|-------------|-------------|-------------|
| Building Service Requests (totals)* | 2,856 | 3,700 | 3,700 |
| Median turnaround time (days to completion) for building service requests** | 6 | 12 | 12 |
| Number of events supported by property management*** | 4,363 | 2,000 | 2,000 |

*This is a measure of internal maintenance.

**While FLP exceeded the target in FY23, it is remaining static in FY24 and FY25. In addition to service requests, the property management team is also managing 5 major building renovation projects as well as other major projects that impact service time.

***Free Library staff do not manage event bookings and do not have any internal goals, but this is an important measure to show the quantity of events supported throughout the year. The targets express the anticipated volume.

Program Name: Communications and Civic Engagement

Program Number: 52-14

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FY25 Proposed General Fund: \$4,072,674

Program Description: This program will build awareness and usage of library resources through public relations, digital marketing, publications, outreach, events, promotions, and community partnerships. In addition, this program will develop, implement, support, and assess adult, youth and special collection exhibitions and initiatives.

FY25 Strategic Goals:

- Increase marketing reach and frequency to achieve growth in branch visits, resource usage, library card signups, and event attendance.
- Expand programming to reach and engage with community members.
- Strengthen FLP's brand to continue building awareness of the Free Library as a welcoming and safe space to access resources for learning and entertainment.

FY25 Performance Measures: *No measures associated with this program.*

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

In FY24, the Library received approximately \$9.7 million in state funding. Most of these funds are allocated for library materials and some Property Management projects.