

**MILWAUKEE PUBLIC LIBRARY
BOARD OF TRUSTEES
SPECIAL MEETING
MINUTES
Wednesday August 6, 2008
Central Library Meeting Room 1
814 W. Wisconsin Ave.**

PRESENT: Ald. Milele Coggs, Ald. Ashanti Hamilton, Dir. Charlene Hardin,
Art Harrington, Ald. Nik Kovac, David Riemer, Kathy Williams, Paula Kiely

EXCUSED: Sharon Cook, John Gurda, Joan Prince, Marty Schreiber

STAFF: Bruce Gay, Joan Johnson, Bill Lenski, Sandra Melcher, Crystal Sura,

PRESENT: Paul Wilant

OTHERS Mayor Tom Barrett, City of Milwaukee

PRESENT: Mark Nicolini, Budget and Policy Division
Jake Miller, Budget and Policy Division
Eric Pearson, Budget and Policy Division
Amy Hefter, Legislative Reference Bureau
Ken Baldwin, Baldwin Development Group
Martha Brown, Department of City Development
Beth Dufek, Local Initiatives Support Corporation
Christopher Laurent, Gorman & Company, Inc.
Sam McGovern-Rowen, Northwest Side Community Development Corporation
Howard Snyder, Northwest Side Community Development Corporation

President David Riemer called the meeting of the Milwaukee Public Library Board of Trustees to order at 8:10 a.m. on August 6, 2008 with a quorum present at 8:20 a.m. Trustee Harrington left at 10:00 a.m.

PUBLIC COMMENT None.

OLD BUSINESS

1. **MPL Budget.** President Riemer referred to several documents that were distributed: 2009 Budget Scenarios memo dated August 4, 2008; Scheduled maintenance-Neighborhood Libraries Version B; and, 2009 Budget Process and Scenarios Prepared August 1, 2008. All documents are attached at the end of these minutes. Library Director Paula Kiely was asked to summarize the options after which the Board had the opportunity to ask questions and discuss.

Mayor Tom Barrett was welcomed to the meeting. The Mayor stated that he requested the opportunity to come before the Board to talk about the library and the budget situation. He asked the Board to work with the library staff, the budget office, along with his office, to try to find a way to preserve and promote those elements of the library that are essential to the citizens of our city. Factors that contributed to a very difficult budget cycle include the price of gasoline increased more than expected, home foreclosures continue to rise, and the decreased interest rate affecting the city reserves. The State's

1. **MPL Budget.** (continued)

shared revenue program which is still the largest source of revenue for Milwaukee has been frozen since 1995. The State commitment of shared revenue has gone from \$850 million to \$815 million. Milwaukee's shared revenue was reduced by \$28 million. The library has been asked to reduce their 2009 budget by \$2 million or 9.1% from 2008. Paula Kiely has made some responsible recommendations to the budget office. Mayor Barrett asked the Board to think about what the City can do to make sure that we have as many libraries as we can to serve the patrons but at the same time recognize the reality of the difficult budget situation.

Trustee Hardin reported that she submitted a resolution to the Milwaukee Public School Board to do a feasibility study to look for avenues to partner with libraries.

Ms. Kiely summarized the considerations that were taken into account when evaluating the various options for cost cutting. Ms. Kiely stated that underlying all internal budget discussions was the assumption that the Library's budget reduction was not a one-time occurrence and that funding would not be restored in future years. Ms. Kiely reviewed public service reduction scenarios. Option B is the option that was submitted as the proposed requested budget. Option A is the only model that does not meet the \$2 million reduction. All the options demonstrate features, impact and obstacles. Option features may include closing libraries, reducing levels of service, sharing staff, decreasing hours open, reducing materials purchases and losing positions.

Trustee Harrington suggested that Mayor Barrett discuss the budget with the Milwaukee County Federated Library System (MCFLS) Board since whatever reductions Milwaukee libraries make will have an impact on the whole system.

Trustee Hardin stated that it is important to name the libraries that may be closed. President Riemer said that if the decision is made to close one or more libraries, information would be gathered about utilization, location, cost to maintain and renovate, etc.

Trustee Kovac asked about the layoff process and closing building process. Ms. Kiely responded that the union contract would be followed regarding staff positions. A plan would be followed to close library buildings which would take ninety days to implement. Budget Director Mark Nicolini stated that the budget office is planning to recommend a two year implementation of the security and inventory system, Radio Frequency Identification (RFID), which will offer service improvement.

Trustee Hardin would like to know what the cost savings would be with each option. Trustee Coggs agreed. Ms. Kiely said she will share the detailed budget documents.

Trustee Hamilton would prefer to keep libraries open.

Trustee Williams stated that whatever the decision, there will be a change and a certain amount of public education will be necessary.

Trustee Harrington stated that it is in the library's long-term interest to have the locations under control for possible use in the future by another option or funding source. He cautions that closing four libraries removes them from the future. He stated that closing four libraries will be destructive to the fabric of the city, pitting neighborhoods against neighborhoods. It is the Board's responsibility, along with the City, to act creatively to meet the needs of this budget and keep libraries open.

1. **MPL Budget.** (continued)

Mr. Nicolini stated that if the City can get more capitol investment into the library, it might be more feasible to look at some change in operations in some of the libraries. The assumption is that with roughly \$1 million that the library could, acknowledging service compromises, keep the entire neighborhood libraries operating.

Trustee Hamilton asked about position layoffs. Ms. Kiely stated that as of June, sixteen currently-filled positions would be cut in 2009.

President Reimer stated that the budget will be locked in by mid-September and the time to discuss the issue is now.

Informational item.

NEW BUSINESS

2. **Villard Avenue Library.** Mr. Christopher Laurent from Gorman & Company, Inc. presented a project called Villard Square. Villard Square is a mixed-use facility that addresses two strong needs of Northwest Milwaukee – relocation of a neighborhood library that's currently housed in a building that is failing, and housing for families where grandparents are the primary caregivers for the children. The facility would be located on 35th Street and Villard Avenue and house an 11,000 square foot library space in a new building. Gorman & Company is also planning to provide additional retail or commercial space should it determine a pressing need. Gorman & Company's intent is to provide a sustainably-designed library that better and more efficiently serves the neighborhood. Through strong design and focus on sustainable energy sources for its operation, the team has set a goal of reducing traditional energy consumption to one-half that of the current Villard Avenue library. Housing Credits are a critical source of capitol for building. The application deadline is September of 2009 with expected completion in July 2010.

Ms. Martha Brown from the Department of City Development gave the Board an overview of questions to help guide them during the evaluation process of this proposal.

Trustee Hardin expressed her displeasure at the timing of the opportunity – talking about closing libraries and building new ones in the same discussion. Ms. Kiely referred to the Scheduled Maintenance chart that indicates Villard Avenue was built in 1968 and is scheduled for HVAC renovation in 2010 and a new roof in 2011. Trustee Hamilton considers this proposal a look to the future of the library and may provide an exciting model. This could be the opportunity to have the mixed-use facility that is a vision in the MPL Strategic Plan and the MPL Facilities Report. Trustee Williams agreed that this is a very challenging time for the library but at the same time, the Board has a responsibility to maintain a vision for the future. She added that regardless what option the library pursues to address the budget; the library has to think about long-term growth and how to continue to have a robust, vibrant library system. Decisions revolving around the budget should not be made to keep the library system stagnant and that may mean innovative ways to provide service and improve facilities.

This item will be taken up at a Building and Development Committee meeting to make a recommendation to the full Board at its regular September 17 meeting.

Informational item.

ADDITIONAL NEW BUSINESS. A document regarding MPL Fines History for videos and DVD's was distributed. President Riemer stated that materials fines have not been increased since 2003. This item will be discussed at the regular Board meeting on September 17.

With no further business at hand, the Milwaukee Public Library Board of Trustees meeting of August 6, 2008 was adjourned at 10:40 a.m.



MEMO

To: Library Board of Trustees
From: Paula Kiely, Director
Re: 2009 Budget Scenarios
Date: August 4, 2008

Attached you will find a report documenting the process used by Library Administration in developing the requested budget. The request was submitted to the Budget Office in May and was developed to meet the allocation received in March. I hope this information will serve as background for the special board meeting that is scheduled for Wednesday, August 6th at 8:00 a.m.

I've also enclosed the Library's scheduled maintenance plan which documents the needed investment in our current library buildings.

Finally, in late June all city departments were asked to identify current budget savings. These savings were requested to help the city with its current fiscal challenge due to snow removal and the spring storms and flooding. The Library identified \$50,000 in savings from the 2008 budget as follows:

\$ 10,000	Young Adult materials
\$ 25,000	Delay purchase of computer supplies and services
\$ 10,000	Cut-back on staff training funds
\$ 5,000	Miscellaneous equipment

Enclosures: 2009 Budget Process and Scenarios
Scheduled Maintenance Plan

Scheduled Maintenance – Neighborhood Libraries
(Version B)

	Atkinson	Zablocki	Capitol	Forest Home	East	Villard Ave.	Tippecanoe	Mill Road	ML King	Center St.	Bay View	Washington Park
	1961	1963	1964	1966	1968	1968	1969	1970	1971	1989	1993	2003
1993												
1994	Renovated	Renovated										
1995			Renovated									
1996												
1997									Renovated			
1998												
1999												
2000				Renovated								
2001												
2002												
2003												
2004										Carpet/Paint		
2005	HVAC										Carpet/Paint	
2006												
2007	Windows											
2008		HVAC										
2009		Carpet/Paint	HVAC				HVAC & Renovate	HVAC				
2010					HVAC/ Renovate	HVAC/ Renovate		Renovate				
2011	Carpet/Paint			HVAC	Re-Roof	Re-Roof			HVAC			
2012			Carpet/Paint						Carpet/Paint			
2013				Carpet/Paint						Re-Roof		
2014							Re-Roof					
2015				Re-Roof				Re-Roof		Renovate		
2016								Windows				

	Atkinson	Zablocki	Capitol	Forest Home	East	Villard Ave.	Tippecanoe	Mill Road	ML King	Center St.	Bay View	Washington Park
	1961	1963	1964	1966	1968	1968	1969	1970	1971	1989	1993	2003
2017		Re-Roof										
2018			Windows			Windows			Windows		Renovate	Carpet/Paint
2019	Renovate	Renovate	Re-Roof							HVAC	Re-Roof	
2020			Renovate							Windows		
2021												
2022									Re-Roof		Windows	
2023	Re-roof			Windows	Windows		Windows		Renovate		HVAC	
2024							Carpet/Paint					
2025				Renovate	Carpet/Paint	Carpet/Paint		Carpet/Paint				
2026												
2027												
2028												Elevator
2029												
2030		Windows								Carpet/Paint		Windows
2031												
2032	Windows											
2033											Carpet/Paint	HVAC
2034	Carpet/Paint	Carpet/Paint										Renovate
2035	HVAC		Carpet/Paint									Re-Roof
2036												
2037												
2038		HVAC							Carpet/Paint			
2039			HVAC				HVAC	HVAC				
2040				Carpet/Paint	HVAC	HVAC						
2041				HVAC	Re-Roof	Re-Roof			HVAC			



MILWAUKEE
PUBLIC LIBRARY

2009 Budget Process and Scenarios
Prepared August 1, 2008

Introduction

In March of this year, the Library received its 2009 budget allocation. Excluding benefits, the allocation was \$15,567,000, a 9.1% decrease from 2008. The first step in developing a budget that would meet this target was to create a cost to continue budget. This budget would tell us the cost of providing the same level of services. That cost was \$ 17,583,485. The difference between this figure and the allocation was \$2,016,485 (-11.1%). Savings in this amount were needed to meet the allocation.

	Total	Salaries	Positions	Operating	Equipment
2008 Adopted	17,130,992	12,986,992	396	2,234,679	1,909,321
2009 Cost to Continue	17,583,485	13,401,862	397	2,264,290	1,917,333
% Change	2.6%	3.2%	.3%	1.3%	.4%
2009 Requested Changes	(2,016,485)	(1,231,112)	(39)	(242,310)	(543,063)
2009 Requested Budget	15,567,000	12,170,750	358	2,021,980	1,374,270

Considerations

In identifying and evaluating various options for cost cutting, consideration was given to the following:

- Library Mission and Vision
- Public demand for services
- Strategic Plans
- Mayor's Goals
- Trends in library use
- Patron feedback from telephone survey
- Sustainability of changes to operations
- Impact on the fewest people
- Library Board goal of 12% funding for materials
- Director's goal of standardizing hours at all libraries
- Support of core programs such as reference, circulation of collections, and early literacy
- Facilities goals and issues
- Central Library's role as the Milwaukee County Federated Library System Resource Library
- Savings strategies from prior years

Further consideration was given to the budget itself. Nearly 80% of the budget was needed to cover salaries. The remaining \$ 4.1 million would be needed to pay for buildings, library books and other materials, staff training and development, supplies, equipment and services, utilities, and security.

The Library is both a service operation and a materials handling operation involving the continual movement of materials in and out of buildings. Both pieces of the operation rely on a high quality, well trained and well managed workforce. While the public service program is the most visible to residents, other parts of the Library are as critical in supporting the operation. Among these non-public service departments are human resources, marketing, security, business operations, technical services, buildings and grounds, delivery and administration.

Survey data was reviewed to identify patron preferences. Hours were most often cited as a barrier to library use (29.7%). Respondents said they were very likely to visit the library if it was closer to home (81.5%), if it was open in the evening (67.7%) and if it was open in the morning (49.5%). When asked to make a choice between a library that was closer to them or one that was open more hours of the day, 50.1% said open more hours, 45.2% said closer to home, and 4.7% did not know. 87% of patrons also reported using their personal cars to get to the library more than any other mode of transportation. When asked, 62.5% of patrons preferred fewer full-service libraries rather than many limited-service libraries (26.8%).

Trends in library use and patron demand were also considered including the decrease in circulation, the increase in use of library computers, availability of computers in households and access to online information over the Internet. Circulation has decreased along with funding for library hours and materials.

Strategy

Library administration's first step in developing the budget request was to brainstorm ways to save on operational costs. This included identifying programs and services, determining their costs and evaluating their impact on the community and staff. The impact on the budget was also considered. Examples of these programs and services were Sunday hours at Central, Capitol and Zablocki Libraries, Outreach Services to low-income seniors and daycare centers, automated circulation systems, marketing, staffing of reference desks, purchase of materials for library collections, and others. In most cases, the associated savings were small compared to the savings goal and did not substantially help reduce costs. For example, the Library's overtime budget, which pays for the very popular Sunday hours, is about \$100,000 or just 5% of the \$2 million reduction

Reduction Options by Unit

Central Library - Several options were evaluated for the Central Library operation including closing the Art and Humanities rooms for periods during the week, closing on Wednesday evening, closing one day per week, reducing to 1 shift, eliminating the Ditto document delivery service and eliminating outreach services. Closing of the Wells Street check-out desk was also discussed.

Neighborhood Libraries - Two approaches were considered for reducing costs of neighborhood services: 1) reduce hours throughout the neighborhood system, distributing cuts in hours as equally as possible; or 2) close some libraries and expand the hours at those remaining.

Administration – Program areas evaluated for savings included closing the print shop and/or the bindery, reducing the materials budget and associated technical staff, purchasing cataloging services, and reducing marketing efforts.

Strategies to increase revenues were also considered. Examples include selling paintings or other assets not integral to the library's mission, increasing the Library's Trust Fund, selling the bookmobile, charging other departments for use of Library meeting facilities, charging for computer classes or selling the curriculum that was developed by MPL, or raising fines and fees. Collection of outstanding fines and billings was also discussed and is currently being discussed.

For each idea, the potential savings was weighed against the factors listed above such as Mission and Vision, demand for services, Strategic Plans, Mayor's Goals, sustainability, impact on staff, etc.

Library Administration also considered how Express Centers, included in its capital request, could help meet the budget target. This new service model was developed by the Community Visioning Group, which was part of the facilities planning process. This new model was designed to augment current services, not to replace libraries. However, given the prospect of neighborhood libraries closing, these Centers could help mitigate the loss of service. Express Centers would be located in high-traffic areas, would ideally be co-located with an organization or agency with a similar audience, would be inexpensive to operate, and would offer quick access to materials and reference help using technology and telephones.

Budget Outlook and Sustainability

Underlying all internal budget discussions was the assumption that the Library's budget reduction was not a one-time occurrence and that funding would not be restored in future years. With this in mind, our internal debate focused on how we could best maintain the high level of services that the public has come to expect and that support the Mayor's and the Library's strategic goals.

Scenarios – Public Service Reductions

OPTION A

REDUCE HOURS AT CENTRAL LIBRARY, ALL CITY-FUNDED NEIGHBORHOOD LIBRARIES AND MAINTAIN CURRENT PROGRAM LEVELS.

This option will allow the Library to continue the programs currently available to the public at all locations, but with reduced frequency due to a cut in hours necessitated by a loss of public service positions. Central Library eliminates reference service in the Media Room.

Features:

- Neighborhood Libraries Unit
 - 12 libraries remain open (1 funded by CDBG)
 - Staffing levels during open hours comparable to 2008
 - Service level remains steady, but with less frequency
 - 10 Neighborhood libraries open 21 hours per week, 2 have no change in hours
 - Neighborhood staff alternate between 2 worksites
 - Branch managers oversee 2 libraries

- Central Library Unit
 - Open 54 hours, a decrease of 6 hours
 - Self-service Media Room

- Administrative Unit
 - Reduction of \$111,842 for collection
 - Results in reduction of 1 technical services position

Impact:

- Patron confusion about time libraries are open
- Staff must work at 2 locations
- Expected loss in net circulation
- Expected loss in net patron counts
- Potential backlogs in shelving
- 47% reduction in hours
- Loss of 17 positions (layoffs TBD)

Obstacles:

- Residents in 10 communities dissatisfied
- Sustainability
- Ability to recruit and retain public service staff
- Major investments in neighborhood facilities required in 2009 and 2010

OPTION B

MAINTAIN FULL PROGRAM LEVELS AT FEWER LIBRARIES

This option permits the Library to offer the full range of programs currently available to the public. New materials would be available, each library would have consistent hours and be open 56 hours per week, reference service would be available during all open hours and programs for children and teens would continue. Outreach to children and to senior citizens continues. Central Library eliminates reference service in the Media Room

Features:

- Neighborhood Services Unit
 - 8 neighborhood libraries remain open with standardized hours (1 with CDBG funds)
 - 4 neighborhood libraries close
 - Staffing supports expected increase in patron visits
 - Service level remains steady, but at fewer locations
- Central Library Unit
 - Open 54 hours, a decrease of 6 hours
 - Self-service Media Room
- Administrative Unit
 - Reduction of \$111,842 for collection
 - Results in reduction of 1 technical services position

Impact:

- Patrons from 4 communities need to travel further for service; some may choose not to use a Milwaukee Public Library
- Expected loss in net circulation
- Expected loss in net patron counts
- Fails to meet goals of 12% for materials (\$ 2.47 million)
- 27% reduction in hours
- Loss of 39 positions (16 layoffs as of 6/25/08)

Obstacles:

- Residents of 4 communities highly dissatisfied
- May be difficult to gain support for this option

OPTION C

MAINTAIN CURRENT SCHEDULE AT ALL LIBRARIES AND LIMIT PROGRAM

This option keeps all libraries open with their current hours through the reduction of services including programs and staff.

Features:

- Neighborhood Libraries Unit
 - 12 libraries remain open (1 funded by CDBG)
 - 5 libraries open 43.5 hours/week; 6 libraries open 56 hours/week; 1 library open 51 hours/week (CDBG)
 - Librarians on duty in afternoon only
 - Adds \$ 837,351.66 to budget for facilities, delivery, IT and collections
 - Managers responsible for more than 1 library
- Central Library Unit
 - Open 60 hours
 - Self-service Media Room
- Administrative Unit
 - Reduction of \$484,475 for collection
 - Results in reduction of 1 technical services position
 - Increased security costs

Impact:

- Reduced reference and program services at all locations, excluding Center Street (CDBG)
- Early childhood service curtailed; available at Central Library and through outreach unit only
- No reference service available in Central Library Media Room
- Reduction of reference staff at Central not sustainable
- Limits progress on Mayor's and Library's strategic goals (e.g. jobs, economic development, literacy)
- Potential backlogs of materials needing to be re-shelved
- Added costs lead to additional loss of positions
- Modest increase in overtime
- 57 positions eliminated (Layoffs TBD)

Obstacles

- Sustainability – provides no cushion for emergencies, resignations, retirements
- Potential for breakdown in operations due to back-logs
- Patrons dissatisfied with level of service
- Ability to recruit and retain public service staff

OPTION D

OFFER FULL PROGRAM LEVELS AT 4 BRANCHES WITH DECREASES AT THE REMAINING 8

Four neighborhood libraries would provide full service and be open 56 hours per week, while the remaining 8 libraries would have reduced hours and program services available.

Features:

- Neighborhood Libraries Unit
 - 4 libraries remain open 56 hours/week (1 funded by CDBG)
 - 8 libraries open 5 rather than 6 days per week
 - 8 libraries open 21 hours per week
 - 4 Managers each responsible for 2 libraries
 - Staff assigned to 2 libraries
 - Adds \$ 837,351.66 to budget for facilities, delivery, IT and collections
- Central Library Unit
 - Open 54 hours
 - Self-service Media Room
- Administrative Unit
 - Reduction of \$111,842 for collection
 - Results in reduction of 1 technical services positions

Impact:

- Reduced reference and program services at 8 locations
- Early childhood service curtailed at 8 locations; available at Central Library, 4 full-service libraries and through outreach unit only
- Few to no programs and outreach to schools
- No reference service available in Central Library Media Room
- Limits progress on Mayor's and Library's strategic goals (e.g. jobs, economic development, literacy)
- Patrons confused about open hours at 8 neighborhood libraries
- Potential backlogs of materials needing to be re-shelved
- 48 positions eliminated (Layoffs TBD)

Obstacles

- Potential for breakdown in operations due to back-logs
- Some patrons dissatisfied with level of service
- Ability to recruit and retain public service staff

**OPTION E –\$1 MILLION ADDED TO ALLOCATION
MAINTAIN CURRENT NEIGHBORHOOD SCHEDULE, REDUCE HOURS AT CENTRAL AND LIMIT
PROGRAM**

Features:

- Neighborhood Libraries Unit
 - Current hours maintain:
 - 6 libraries remain open 56 hours/week
 - 5 libraries remain open 43.5 hours/week
 - Center Street library remains open 51 hours/week (CDBG)
- Central Library Unit
 - Open 54 hours
 - Self-service Media Room
- Administrative Unit
 - Reduction of \$111,842 for collection
 - Results in reduction of 1 technical services position

Impact:

- Reduced reference and program services at 8 locations
- Early childhood service curtailed at 8 locations; available at Central Library, 4 full-service libraries and through outreach unit only
- No reference service available in Central Library Media Room
- Limits progress on Mayor's and Library's strategic goals (e.g. jobs, economic development, literacy)
- Potential backlogs of materials needing to be re-shelved
- 22 positions eliminated (Layoffs TBD)

Obstacles

- Potential for breakdown in operations due to back-logs
- Some patrons dissatisfied with level of service
- Ability to recruit and retain public service staff

OPTION F - \$1 MILLION ADDED TO ALLOCATION

UNIFORM SCHEDULE AT ALL NEIGHBORHOOD LIBRARIES, REDUCE HOURS AT CENTRAL AND LIMIT PROGRAM

Features:

- Neighborhood Libraries Unit
 - All libraries open 48 hours per week
 - Open 6 days per week year round
 - Center Street library remains open 51 hours/week (CDBG)
- Central Library Unit
 - Open 54 hours
 - Self-service Media Room
- Administrative Unit
 - Reduction of \$111,842 for collection
 - Results in reduction of 1 technical services positions

Impact:

- Reduced reference and program services at 8 locations
- Challenge to cover Saturdays
- Early childhood service curtailed at 8 locations; available at Central Library, 4 full-service libraries and through outreach unit only
- No reference service available in Central Library Media Room
- Limits progress on Mayor's and Library's strategic goals (e.g. jobs, economic development, literacy)
- Potential backlogs of materials needing to be re-shelved
- 22 positions eliminated (Layoffs TBD)

Obstacles

- Potential for breakdown in operations due to back-logs
- Some patrons dissatisfied with level of service
- Ability to recruit and retain public service staff