

Agenda Item 1.0
Requested Action: Approval

Library Advisory Committee
November 9, 2006
Hosmer Community Library, 347 E. 36th Street
MINUTES

Members in attendance: Roger Hale (Chair), Alfred Babington-Johnson, Carol Berde, Carol Flynn, Peter Heegaard, Betsy Hodges, Jay Kiedrowski, Laura King, Dan Miller, Mark Murphy, Arthur Rolnick, Hussein Samatar, and Jim Ufer.

Staff in attendance: Library Director Kit Hadley, Friends Director Colin Hamilton, Library Finance Manager Laura Dahlen, Friends Staff Adam Olson.

Others in attendance: Library Board of Trustees President Anita Duckor, Minneapolis City Council Member Sandra Colvin-Roy.

Convened

The meeting was convened at 5:05 pm by R. Hale.

Proceedings

- 1.1 **Acceptance of October 17 minutes.** Minutes were accepted unanimously without discussion.
- 2.0 **Follow up on specific requests for information from the October 17 meeting.**
- 2.1 C. Hamilton reported that questions regarding union structure, the impact of the 2007 budget on long-term forecasts, library governance and funding models would be addressed by K. Hadley in her presentation today. Questions regarding a qualitative assessment of comparative data will be addressed at the November 21 meeting.
- 2.2 K. Hadley provided a brief update on the Committee on the Future of Libraries in Hennepin County (*hereinafter* County Committee) formed by the County Commissioners. A draft of the formal resolution was circulated. The fundamental difference is that the County Committee is to focus solely on a MPL/HCL merger, while LAC is empowered to consider all possible solutions. The County Committee is expected to make a recommendation in February; the LAC in March or April.
- 2.3 C. Hamilton reported that the City Council's Ways & Means Committee has asked the city attorney to explore making MPL a city department. S. Colvin-Roy added that she had asked for the city attorney's report to be transmitted to the LAC.

3.0 MPL financial overview presentation.

3.1 Summary. Hardcopies of K. Hadley's presentation slides and budget spreadsheets were provided to members. **Themes included governance and revenue structures; a MPL budget overview; unions; and unique features of MPL governance and expenditures.**

3.2 Discussion items. Major discussion items included union structure and contracts, budget projection issues, health care costs, and the potential effect of the next state legislature, budget projection issues, and labor unions. Some specific points included:

- a. R. Hale asked for a breakout of union FTEs. K. Hadley answered that 59% of MPL employees belong to AFSCME; 27% belong to the Professional Library Union of MN (PLUM); 7% belong to a middle management union; classified employees, 2%, belong to LACE; 1% belong to the union for operating engineers; 9 employees are unrepresented by unions.
- b. K. Hadley reported that MPL's unionized workers work 37.5 hour weeks. To the best of Hadley's knowledge, most peer systems have 40 hour work weeks, including the Hennepin County Library. Increasing the work week to 40 hours would enable MPL to potentially expand services by 6% without adding new costs.
- c. J. Kiedrowski questioned the revenue projections used in MPL's forecasts, which may understate potential growth of property tax revenue. R. Hale asked J. Kiedrowski to write memo on alternative projection models.
- d. Both P. Heegaard and B. Johnson asked questions about articulating the value of public libraries and identifying those individuals most at risk when library services are cut.
- e. There was extensive discussion about MPL's health care costs, which are the fastest growing item on MPL's expenses. Current projections show them increasing by 20% annually. K. Hadley reported that the city has renegotiated health care services, and as a result increases will be somewhat less than originally forecast, but still in double-digits for the foreseeable future.
- f. J. Ufer asked if the projected deficit is a cash deficit. K. Hadley answered that it is.
- g. Several committee members asked for variations on the currently prepared spreadsheets. L. King asked what a truly health budget would look like. This is partially answered by the second spreadsheet, which shows six day service at all 15 libraries, but only eight hours per day. To achieve this level of service in 2007, MPL would require an additional \$6.5 million. A. Rolnick asked what would need to be cut in 2010 if there is no additional funding. As a partial answer, K. Hadley offered that in 2007 we would need to close 10 libraries for the remaining five to be open six or seven days a week. A. Rolnick added that a firm answer who help clarify what is at risk.

4.0 Summary of preliminary funding explorations by Library Trustees.

4.1 Because time was running short, H. Samatar very briefly presented five categories of funding strategies originally explored by the Library Trustees. These include city level strategies, county/regional strategies, state strategies, private funding strategies, and internal savings strategies. Each of these concepts will be explored in greater depth at subsequent meetings.

5.0 Other business.

5.1 R. Hale asked K. Hadley to describe the effect of Mayor Rybak's proposal for an additional \$1.1 million in one-time funding for MPL in 2007. K. Hadley answered that these funds would allow MPL to "shutter" Roosevelt, Southeast, and Webber Park Libraries rather than sell them immediately. It would also provide \$250,000 in currently undesignated funds for 2007.

Adjournment

Chairperson Hale adjourned the committee at 6:30pm.

Next Meeting

The LAC's next meeting is on Tuesday, November 21, 2006 at 5:00pm, held at Sumner Library, 611 Van White Memorial Blvd.