



CITY COUNCIL AGENDA ITEM

Date: November 23, 2011

To: Honorable Mayor and City Council

From: John Szerlag, City Manager
Mark F. Miller, Director of Economic & Community Development
Tom Darling, Interim Director of Finance & Administration
Cathleen Russ, Library Director

Subject: Possible change of hours of operation of Troy Public Library so as to keep it open on Saturday

Background

Fiscal year 2006-07 is the high point for funding and staffing of the Troy Public Library. The actual expenditures incurred were \$4,360,752, and included 17 full-time employees and 98 part-time employees. In fiscal year 2006-07, the library offered seven-day service and was open 65 hours per week. Beginning in fiscal year 2008-09, funding for the library began to decrease. In fiscal year 2010-11, the library's budget was decreased by \$1.4 million; the library was scheduled for closure on June 30, 2011. However, a millage proposal referendum was authorized for the ballot on August 3, 2011.

The passage of the dedicated millage of 0.7 mills for the Troy Public Library assured funding through June 30, 2016. Accordingly, the City Manager developed a one-year budget for the fiscal year ending June 30, 2012, and a three-year budget through the fiscal year ending June 30, 2014. These budget documents were developed in accordance with a declining revenue line. City Council adopted the budget amendment on September 26, 2011.

The adopted budgets provide a consistent level of service over the three-year time horizon. This is one of the reasons that the adopted three-year budget incorporates a fund balance. In other words, this method of budgeting smoothes out the level of service so that the library does not begin with a higher level of service and fall to a lower level of service throughout the budget cycle. The budget is subsidized by the general fund to cover city administrative indirect costs.

Current Status

The approved library budget is \$2,973,495. The operating budget is \$2,375,995; the capital budget, which includes the purchase of library materials, is \$597,500. The library provides 55 hours of service per week. The operating budget provides funds for six full-time employees and 63 part-time employees.

Fourteen of those positions (1 full-time; 13 part-time) are currently vacant. This equates to 300 hours of staff time. Library Director Russ expects to have most of these positions filled by the end of December.



CITY COUNCIL AGENDA ITEM

Possible Scenarios

See Attachment 1 for a detailed breakdown of costs and proposed scheduling scenarios.

Additional Information

Community groups meet at the library Monday-Friday. Technology programs for adults are generally scheduled in the afternoons and evenings; story times for children and parents generally occur in the mornings. Tours for school groups occur during the school day. Library book groups meet Tuesdays and Wednesdays, mornings and evenings.

An analysis of circulation and usage statistics, as well as the daily door count, demonstrate that Thursday and Friday are the slowest weekdays in terms of library usage. Circulation is consistent throughout each day, from the time the library opens until closing. In other words, there are no demonstrably slower times in library usage on any given day.

The Friends' Book Shop is currently open Fridays 10 am – 1 pm and Sundays 1 pm – 4 pm.

Survey Results

On Tuesday, November 15, 2011, the library posted a survey regarding library hours for the Troy community to provide feedback. The survey results as of Wednesday, November 23, 2011, at noon are:

Currently, the Troy City Council is discussing reopening the Library on Saturday, while keeping six days of Library service to the public. If the Library were to reopen on Saturday, on which day should it be closed?

Answer Options	Response Percent	Response Count
Sunday, 1 - 5 pm	35.7%	342
Monday, 10 am - 9 pm	25.2%	242
Friday, 10 am - 5 pm	18.8%	180
Wednesday, 10 am - 9 pm	8.3%	80
Tuesday, 10 am - 9 pm	5.1%	49
Thursday, 10 am - 9 pm	1.6%	15
Remain Closed Saturday (removed 11/18/2011)	5.3%	51
	<i>answered question</i>	959
	<i>skipped question</i>	0



CITY COUNCIL AGENDA ITEM

Recommendation

Attached for your consideration are four resolutions, all of which keep the Library open on Saturdays. The first resolution is cost neutral, and if that is adopted no further action is required by the city council.

Resolution two keeps the Library open on Saturday but closes the Library on Friday. The annual incremental cost is \$35,000. The three-year budget incremental cost is \$105,000, and the five-year cost is \$175,000. This can be accomplished without a General Fund subsidy.

Resolution three keeps the Library open on Saturday but closes on Sunday. The annual incremental cost is \$38,500. The three-year budget incremental cost is \$115,500, and the five-year cost is \$192,500. Again, no General Fund subsidy is required for this option.

Resolution four keeps the Library open seven days per week. The annual incremental cost is \$340,000. The three-year budgetary cost is \$1,020,000, and the five-year cost, which is the length of the dedicated millage, is \$1,700,000. As this cost is more than the dedicated millage, a General Fund subsidy of \$1,330,688 will be required.

Schedule of Implementation

As most of the library's open positions will be filled by the end of December, 2011, Library Director Russ will be able to implement changes to the library's six day schedule beginning January 1, 2012.

A seven day operation would require hiring and training additional staff. Library Director Cathy Russ expects that could be accomplished by March 1, 2012.

Troy Public Library Schedule Scenarios

Scenario 1: Six Day Operation, Closed one weekday (Monday-Thursday) (51 hours per week)

Proposed Hours of Operation:

Monday-Thursday: 10 am – 9 pm (the library would be closed one day)
 Friday-Saturday: 10 am – 5 pm
 Sunday: 1 pm – 5 pm

Total Cost: \$0

Library Fund Balance/Impact on 5-year budget: \$369,342 at the end of 5 years (16% of operating costs)

Scenario 2: Six Day Operation, Closed Friday (55 hours per week)

Proposed Hours of Operation:

Monday-Thursday: 10 am – 9 pm
 Saturday: 10 am – 5 pm
 Sunday: 1 pm – 5 pm

Staff Costs: \$30,000

Utilities: \$ 5,000

Total: \$35,000 per year additional costs added to the library's operating budget

Library Fund Balance/Impact on 5-year budget: \$170,172 at the end of 5 years (7% of operating costs)

Scenario 3: Six Day Operation, Closed Sunday (58 hours per week)

Proposed Hours of Operation:

Monday-Thursday: 10 am – 9 pm
 Friday-Saturday: 10 am – 5 pm

Total Costs: \$38,500 (Staff only) per year additional costs added to the library's operating budget

Library Fund Balance/Impact on 5-year budget: \$152,672 at the end of 5 years (6% of operating costs)

Scenario 4: Seven Day Operation (62 hours per week)

Proposed Hours of Operation:

Monday-Thursday: 10 am – 9 pm
 Friday-Saturday: 10 am – 5 pm
 Sunday: 1 pm – 5 pm

Staff Costs: \$318,000

Custodial: \$ 5,000

Utilities: \$ 12,000

Supplies: \$ 5,000

Total: \$340,000 per year additional costs added to the library's operating budget

Library Fund Balance/Impact on 5-year budget: (\$1,330,688) negative fund balance after 5 years

a) **Proposed Resolution for Six-Day Operation of the Troy Public Library – Closure Day Monday or Tuesday or Wednesday or Thursday**

Resolution #2011-11-
Moved by
Seconded by

RESOLVED, That Troy City Council hereby **DIRECTS** City Management to continue six-day operation of the Troy Public Library with the day of closure being **(Monday/Tuesday/Wednesday/Thursday)** effective the week of January 1, 2012.

Yes:
No:

b) **Proposed Resolution for Six-Day Operation of the Troy Public Library – Closure Day Friday**

Resolution #2011-11-
Moved by
Seconded by

WHEREAS, The 2011/12 Troy Public Library Budget and the Troy Public Library 3-Year Budget were approved on September 26, 2011, and provide for Library service Monday through Friday and Sunday.

WHEREAS, In order to amend Library service days to include Saturday and close on Friday, an amendment of both budgets is required.

RESOLVED, That Troy City Council hereby **AMENDS** the 2011/12 Troy Public Library Budget and the Troy Public Library 3-Year Budget to reflect an additional \$35,000 in expenditures per year.

BE IT FURTHER RESOLVED, That Troy City Council hereby **DIRECTS** City Management to continue six-day operation of the Troy Public Library with the day of closure being Friday effective the week of January 1, 2012.

Yes:
No:

c) Proposed Resolution for Six-Day Operation of the Troy Public Library – Closure Day Sunday

Resolution #2011- 11 -

Moved by

Seconded by

WHEREAS, The 2011/12 Troy Public Library Budget and the Troy Public Library 3-Year Budget were approved on September 26, 2011, and provide for Library service Monday through Friday and Sunday.

WHEREAS, In order to amend Library service days to include Saturday and close on Sunday, an amendment of both budgets is required.

RESOLVED, That Troy City Council hereby **AMENDS** the 2011/12 Troy Public Library Budget and the Troy Public Library 3-Year Budget to reflect an additional \$38,500 in expenditures per year.

BE IT FURTHER RESOLVED, That Troy City Council hereby **DIRECTS** City Management to continue six-day operation of the Troy Public Library with the day of closure being Sunday effective the week of January 1, 2012.

Yes:

No:

d) Proposed Resolution for Seven-Day Operation of the Troy Public Library

Resolution #2011-11-

Moved by

Seconded by

WHEREAS, The 2011/12 Troy Public Library Budget and the Troy Public Library 3-Year Budget were approved on September 26, 2011, and provide for Library service Monday through Friday and Sunday, and

WHEREAS, A seven-day operation of Troy Public Library will expend more than the dedicated millage revenue will generate from Fiscal Year 2012/13 through the life of the millage and would create a financial deficit in the Library Fund Balance starting with Fiscal Year 2012/13, and

WHEREAS, An annual subsidy from the General Fund is necessary to prevent a deficit in the Library Fund Balance from Fiscal Year 2012/13 through the life of the millage.

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **AMENDS** the 2011/12 Troy Public Library budget and the Troy Public Library 3-Year Budget to reflect an additional \$340,000 in expenditures per year.

BE IT FURTHER RESOLVED, That Troy City Council hereby **AUTHORIZES** a budget amendment to reflect an annual subsidy from the General Fund in an amount to eliminate a deficit position in the Library Fund currently estimated to be \$1,330,688 through the life of the Library millage.

BE IT FINALLY RESOLVED, That Troy City Council hereby **DIRECTS** City Management to operate the Troy Public Library seven days per week, effective March 1, 2012.

Yes:

No: