

## Summary of Proposed Changes to MCFLS Agreements 2020-2024

The MCFLS Strategic Plan 2020-2024 identified several areas that will require additional funding to implement:

- Purchase of a new CountyCat Mobile app
  - Addresses strategic plan directive for technology to improve the user experience. Members currently pay \$16,000/year for the Boopsie for Libraries app. The replacement would provide an updated and modern app that provides better searching and features over the current obsolete version.
  - **Cost:** \$36,500/year for Communico. (Base cost split in half by member libraries and MCFLS)
  - **Value proposition:** MCFLS would pay half the base cost of the new app and any initial installation fees (@\$7,300 for Communico). Members together would pay roughly \$4,000 more each year to get a vastly improved mobile application. Provides a way to enhance buy-in and continuity of system resources for all Milwaukee County residents.
  
- MCFLS increases amount paid into the system electronic resources buying pool
  - Addresses strategic plan directive for technology to improve the user experience and shift financial resources to increase continuity of online resources across the system.
  - **Estimated cost:** Additional \$25,000-\$45,000/year from 2020-2024. Current funding is \$110,000.
  - **Value proposition:** The electronic resources buying pool is currently used to purchase popular streaming content through hoopla and needs additional funding to be sustainable. Libraries would save costs over providing these resources on their own and with hoopla only pay for those titles that their patrons use.
  
- Additional staff capacity and consulting services for data collection and marketing/advocacy plan development. Additional marketing and advocacy resources.
  - Addresses strategic plan directive for communication to provide improved and consistent marketing and advocacy for member libraries and system resources.
  - Additional assistance required through outside expertise for marketing and advocacy plan development and implementation, including data collection.  
**Estimated cost:** \$25,000/year for three years.
  - Recruit a half-time marketing intern to assist with implementation of the system marketing plan and library marketing support development.  
**Estimated cost:** \$16,793/year (20 hours/week at \$15/hour)
  - **Value proposition:** Member libraries expressed a strong desire during strategic plan discussions to get assistance with marketing for both resources shared by all libraries as well as help in developing their own marketing plans. Advocacy for libraries was also deemed a high priority.

## How to Pay for the New Services

The MCFLS Board is proposing changes to agreements over a five year period from 2020-2024 to support strategic planning initiatives over the same period. **Please note:** The MCFLS Board met in June and July and reached consensus on each of these three areas, but have not yet formally voted on the proposed changes to the MCFLS agreements.

- Cataloging Contract.
  - **Current contract:** MCFLS contributes 10% of state aid toward payment of the contract. Of the total remainder, each library pays 1%. The remaining 85% owed is billed back to members based on their percentage of titles added in the previous year.
  - **New contract:** MCFLS contributes **9.5%** of state aid in 2020 and **9%** in 2021-2024 toward payment of the contract. The remaining difference is paid by member libraries as in the current contract.
  
- Resource Library.
  - **Current agreement:** MCFLS pays **6.5%** of state aid toward resource contract in 2019.
  - **New agreement:** MCFLS will pay resource contract at a rate of **6.25%** of state aid for all five years. This is a 4% reduction compared to continuing the resource contract at the current level, or \$35,690 over five years.
  
- Reciprocal Borrowing.
  - **Current agreement:** MCFLS will pay **38%** of state aid toward reciprocal borrowing in 2020.
  - **New agreement:** Percentage of state aid will be **37%** (2021 and 2022), **36%** (2023 and 2024) and **35%** (2025).

State Aid Percentage	State Aid Year	Distribution
37%, estimated to be \$1,056,467	2020	Feb. 2021
37%, estimated to be \$1,056,467	2021	Feb. 2022
36%, estimated to be \$1,027,914	2022	Feb. 2023
36%, estimated to be \$1,027,914	2023	Feb. 2024
35%, estimated to be \$999,361	2024	Feb. 2025

The ILS, Resource Sharing and Technology agreement will include language to guarantee net lenders would not see a \$10,000 increase or decrease year to year to allow for more annual budget certainty. Members will see a 5% decrease over five years.

## Revised Timeline for Agreements

- August 1st LDAC—present budget changes to directors and the ILS agreement draft.
- August—MPL and MCFLS work on Resource agreement draft.
- August 19<sup>th</sup> MCFLS Board meeting—Board to approve ILS agreement to present to member libraries. Review Resource agreement draft.
- August/September—MCFLS Director attempts to meet individually with each member library director to explain context of agreement and cost benefit for their library.
- September 5th LDAC—continue presentation (as necessary) of ILS agreement and budget changes; present Resource agreement draft.
- September—MPL and MCFLS work on cataloging contract.
- September 16<sup>th</sup> MCFLS Board meeting—approve Resource agreement and cataloging contract.
- September through December—Member libraries present agreement(s) to their board for signatures.

**2020 Member Agreements**

**Summary of Additional Service Costs**

<b>Additional Services</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
County/Cat Mobile app	\$ 16,500	\$ 17,000	\$ 17,750	\$ 18,500	\$ 19,250
Electronic resources	\$ 25,000	\$ 30,000	\$ 35,000	\$ 40,000	\$ 45,000
Marketing	\$ 45,100	\$ 50,600	\$ 50,600	\$ 30,600	\$ 30,600
ILS Capital Fund	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000
Staff 2% Increase	\$ 5,500	\$ 5,600	\$ 5,700	\$ 5,800	\$ 6,000
<b>Total increase over 2019</b>	<b>\$ 92,100</b>	<b>\$ 103,200</b>	<b>\$ 109,050</b>	<b>\$ 114,900</b>	<b>\$ 120,850</b>

**How to Pay for New Services**

<b>Additional Funding</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Resource Library	\$ 7,138	\$ 7,138	\$ 7,138	\$ 7,138	\$ 7,138
Reciprocal Borrowing	\$ -	\$ 28,553	\$ 28,553	\$ 57,106	\$ 57,106
Cataloging	\$ 14,277	\$ 28,553	\$ 28,553	\$ 28,553	\$ 28,553
Sierra server line	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Total increase over 2019</b>	<b>\$ 121,415</b>	<b>\$ 164,244</b>	<b>\$ 164,244</b>	<b>\$ 192,797</b>	<b>\$ 192,797</b>
Service cost increases	\$ 92,100	\$ 103,200	\$ 109,050	\$ 114,900	\$ 120,850

		2019				2020			
Library	Resource Library (paid to MPL)	Reciprocal Borrowing (paid to net lenders)	Cataloging Contract (paid to MCFLS)	2019 Total	Resource Library (paid to MPL)	Reciprocal Borrowing (paid to net lenders)	Cataloging Contract (paid to MCFLS)	2020 Total	
Milwaukee	\$ 185,595		\$ (33,660)	\$ 151,935	\$ 178,457		\$ (39,586)	\$ 138,871	
Brown Deer		\$ 84,988	\$ (5,900)	\$ 79,088	\$ 94,833	\$ (5,966)	\$ 88,867		
Cudahy		\$ 137,547	\$ (7,816)	\$ 129,731	\$ 151,784	\$ (7,779)	\$ 144,005		
Franklin		\$ 68,068	\$ (10,723)	\$ 57,345	\$ 48,136	\$ (11,267)	\$ 36,869		
Greendale		\$ 9,380	\$ (6,181)	\$ 3,199	\$ 7,928	\$ (6,942)	\$ 986		
Greenfield		\$ 40,705	\$ (7,973)	\$ 32,732	\$ 41,358	\$ (9,035)	\$ 32,323		
Hales Crns.		\$ 67,892	\$ (5,892)	\$ 62,000	\$ 74,510	\$ (6,105)	\$ 68,405		
North Shore			\$ (5,761)	\$ (5,761)		\$ (6,245)	\$ (6,245)		
Oak Creek		\$ 9,701	\$ (7,266)	\$ 2,435	\$ 29,294	\$ (8,058)	\$ 21,236		
St. Francis		\$ 36,707	\$ (6,264)	\$ 30,443	\$ 43,437	\$ (6,663)	\$ 36,774		
Shorewood		\$ 74,155	\$ (8,143)	\$ 66,012	\$ 86,657	\$ (8,337)	\$ 78,320		
South Milwaukee			\$ (6,435)	\$ (6,435)		\$ (7,082)	\$ (7,082)		
Wauwatosa		\$ 235,226	\$ (14,837)	\$ 220,389	\$ 236,824	\$ (17,684)	\$ 219,140		
West Allis		\$ 210,045	\$ (16,648)	\$ 193,397	\$ 206,132	\$ (17,126)	\$ 189,006		
Whitefish Bay		\$ 60,195	\$ (6,346)	\$ 53,849	\$ 64,127	\$ (6,245)	\$ 57,882		
<b>TOTAL:</b>	<b>\$ 185,595</b>	<b>\$ 1,034,609</b>	<b>\$ (149,846)</b>	<b>\$ 1,070,358</b>	<b>\$ 178,457</b>	<b>\$ 1,085,020</b>	<b>\$ (164,123)</b>	<b>\$ 1,099,354</b>	
					Resource library reduced from 6.5% to 6.25% of state aid				
					Reciprocal borrowing--38% of state aid				
					Cataloging Contract--MCFLS pays 9.5% of state aid.				

2020 Member Agreements							
Service Costs - By Member Library							
Library	2021			2022			
	Resource Library (paid to MPL)	Reciprocal Borrowing (paid to net lenders)	Cataloging Contract (paid to MCFLS)	Resource Library (paid to MPL)	Reciprocal Borrowing (paid to net lenders)	Cataloging Contract (paid to MCFLS)	
Millwaukee	\$ 178,457		\$ (43,030)	\$ 178,457		\$ (43,030)	
Brown Deer		\$ 92,337	\$ (6,485)		\$ 92,337	\$ (6,485)	
Cudahy		\$ 147,789	\$ (8,456)		\$ 147,789	\$ (8,456)	
Franklin		\$ 46,869	\$ (12,247)		\$ 46,869	\$ (12,247)	
Greendale		\$ 7,719	\$ (7,546)		\$ 7,719	\$ (7,546)	
Greenfield		\$ 40,269	\$ (9,821)		\$ 40,269	\$ (9,821)	
Hales Crns.		\$ 72,550	\$ (6,636)		\$ 72,550	\$ (6,636)	
North Shore			\$ (6,788)			\$ (6,788)	
Oak Creek		\$ 28,524	\$ (8,759)		\$ 28,524	\$ (8,759)	
St. Francis		\$ 42,294	\$ (7,243)		\$ 42,294	\$ (7,243)	
Shorewood		\$ 84,377	\$ (9,063)		\$ 84,377	\$ (9,063)	
South Milwaukee			\$ (7,698)			\$ (7,698)	
Wauwatosa		\$ 230,592	\$ (19,223)		\$ 230,592	\$ (19,223)	
West Allis		\$ 200,708	\$ (18,616)		\$ 200,708	\$ (18,616)	
Whitefish Bay		\$ 62,439	\$ (6,788)		\$ 62,439	\$ (6,788)	
<b>TOTAL:</b>	<b>\$ 178,457</b>	<b>\$ 1,056,467</b>	<b>\$ (178,399)</b>	<b>\$ 178,457</b>	<b>\$ 1,056,467</b>	<b>\$ (178,399)</b>	
	Reciprocal borrowing reduced to 37% of state aid				Resource library, cataloging and reciprocal borrowing remain at 2021 levels.		
	Cataloging Contract - MCFLS pays 9% of state aid						
	Resource library remains at 2020 levels.						

<b>2020 Member Agreements</b>								
<b>Service Costs - By Member Library</b>								
	2023			2024				
Library	Resource Library (paid to MPL)	Reciprocal Borrowing (paid to net lenders)	Cataloging Contract (paid to MCFLS)	2023 Total	Resource Library (paid to MPL)	Reciprocal Borrowing (paid to net lenders)	Cataloging Contract (paid to MCFLS)	2024 Total
Milwaukee	\$ 178,457		\$ (43,030)	\$ 135,427	\$ 178,457		\$ (43,030)	\$ 135,427
Brown Deer		\$ 89,842	\$ (6,485)	\$ 83,357		\$ 89,842	\$ (6,485)	\$ 83,357
Cudahy		\$ 143,795	\$ (8,456)	\$ 135,339		\$ 143,795	\$ (8,456)	\$ 135,339
Franklin		\$ 45,602	\$ (12,247)	\$ 33,355		\$ 45,602	\$ (12,247)	\$ 33,355
Greendale		\$ 7,511	\$ (7,546)	\$ (36)		\$ 7,511	\$ (7,546)	\$ (36)
Greenfield		\$ 39,181	\$ (9,821)	\$ 29,360		\$ 39,181	\$ (9,821)	\$ 29,360
Hales Crns.		\$ 70,589	\$ (6,636)	\$ 63,952		\$ 70,589	\$ (6,636)	\$ 63,952
North Shore			\$ (6,788)	\$ (6,788)			\$ (6,788)	\$ (6,788)
Oak Creek		\$ 27,753	\$ (8,759)	\$ 18,993		\$ 27,753	\$ (8,759)	\$ 18,993
St. Francis		\$ 41,151	\$ (7,243)	\$ 33,908		\$ 41,151	\$ (7,243)	\$ 33,908
Shorewood		\$ 82,097	\$ (9,063)	\$ 73,034		\$ 82,097	\$ (9,063)	\$ 73,034
South Milwaukee			\$ (7,698)	\$ (7,698)			\$ (7,698)	\$ (7,698)
Wauwatosa		\$ 224,360	\$ (19,223)	\$ 205,137		\$ 224,360	\$ (19,223)	\$ 205,137
West Allis		\$ 195,283	\$ (18,616)	\$ 176,667		\$ 195,283	\$ (18,616)	\$ 176,667
Whitefish Bay		\$ 60,752	\$ (6,788)	\$ 53,964		\$ 60,752	\$ (6,788)	\$ 53,964
<b>TOTAL:</b>	<b>\$ 178,457</b>	<b>\$ 1,027,914</b>	<b>\$ (178,399)</b>	<b>\$ 1,027,972</b>	<b>\$ 178,457</b>	<b>\$ 1,027,914</b>	<b>\$ (178,399)</b>	<b>\$ 1,027,972</b>
				Reciprocal borrowing reduced to 36% of state aid.				
				Resource library and cataloging remain at 2022 levels.				
				Resource library, cataloging and reciprocal borrowing remain at 2023 levels.				