



FAYETTEVILLE PUBLIC LIBRARY

Long-Term Revenue Committee
Appointed by FPL Board of Trustees
February 24, 3 pm
AGENDA
Regular Meeting Staff Training Room

Janine Parry, Chair
Maylon Rice
Jack Butt
George Faucette
Dan Ferritor

We inspire imagination and foster learning.

- I. Call to order
- II. Approval of minutes
 - A. February 10, 2015, page 2-3
- III. Results of staff research
 - A. Patron Library Card Usage by Year, page 4
 - B. Patron Library Card Usage by Age, page 5
 - C. Checkouts by Patron Location by Year, page 6
 - D. AG opinion, page 7
 - E. Benchmark Libraries % of revenue Spent on Salaries, Wages & Benefits, page 8
 - F. Cost per person for large events, page 9
 - G. Possible cost saving: cut hours, page 10
 - H. Forecast for real and personal property growth, page 11
 - I. Comment cards, page 12-14
- IV. Adjourn

Fayetteville Public Library
Long Term Revenue Committee - Organizational Meeting
February 10, 2015 2 pm
Minutes
Prepared by S. Daniel, Office Manager

Present: J. Parry, M. Rice, G. Faucette, J. Butt, and D. Ferritor. K. Agee, not a committee member, also present for a brief period at the beginning of the meeting.

Staff present: O. Johnson, S. Foley, S. Daniel, and S. Davis

Press: Dan Holtmeyer

- I. Call to order: J. Parry called the meeting to order at 2:00 pm.
- II. Approval of minutes: **M. Rice moved to approve minutes of January 13, 2015 and January 27, 2015. G. Faucette seconded. All voted aye.**
- III. Results of staff research
 - a. D. Johnson defined "library services" to include those identified by the Public Library Data Service (PLDS) as well as programs, program attendance, computer sessions, electronics resource use, and database use. Cardholders are purged after 3 years of inactivity. HOMEWORK: How many of the 74,000 card holders actually make a transaction in any given year? A mean population of 96,260 typically circs 864,498 items. Fayetteville with a pop of 80,697 circulated 1,271,021 items. Fayetteville's circs per capita are 15.8; the national mean is 9.0. HOMEWORK: How many cards are sold to nonresidents?
 - b. Programming supplies and services history: FPL started tracking these in 2006. The spreadsheet breaks out supplies and services, and subtracts restricted grants and endowment funding resulting in net spending from general revenues. Programming expenses are 10 times as high as 2006; net from library general revenues has increased about 5 times. The FINRA grant ends in February, 2015. In 2014, FPL hosted 1772 programs, which works out to \$48/program. Bottom line: FPL paid \$95,242 to get \$222,335 worth of programming. Part of the increase is that FPL took on the cost of the distinguished author series, a program formerly financed by the Foundation.
 - c. 10 year history of staff and hours paid: The number of staff reported for unemployment tax purposes has remained relatively constant since 2006. FTEs grow from 41.29 in 2006 to 48.48 in 2014. However, in response to auditors' concerns that PTO banks had gotten too high, FPL bought back PTO hours in 2013 and 2014 which makes the FTE numbers for those years artificially high. About 58% of FPL's budget goes to personnel, which is relatively low for a nonprofit. The UA spends about 72% of its budget on personnel costs. HOMEWORK: For our benchmark libraries, what % of their budgets go to personnel? Want to be able to compare FPL to our cohorts. As we go forward, the minimum wage increase will kick in, and will increase what we pay employees at the lower end of the wage scale. FPL staff have had very small raises over time - only cost of living and, in some cases, no raise at all.
 - d. PLDS Survey: FPL serves more people than our benchmarks and peers on almost every metric.
 - e. Benchmark libraries fee structure: Staff researched setting all our fees to the highest rate charged by benchmarks and peers to determine the revenue change. Renting meeting rooms has the potential to be a significant revenue generator, but it may reduce the use of the rooms. HOMEWORK: What revenue would result if we charged for each resident library card? This would be the biggest money raiser compared to other options considered. A user fee of this nature is regressive. And, we may not be able to charge a millage and then turn around and charge for the service. HOMEWORK: Determine if there is an AG opinion on this. Users' fees are an easier sell politically than a tax increase, but need to consider cost of administering the fee as well as the social cost. Would customer irritation lead to fewer cardholders?
 - f. Billed status for 2014: \$70,998.65 is the value of 3710 items in billed status. Blu-rays, DVDs, RNR-DVDs and RNR Blu-rays account for about half of all items in billed status. In 5 years, CDs and DVDs may give way to streaming. Right now, we allow up to 50 CDs and DVDs to be checked out; might want to drop this limit.
 - g. Cost of major events: Dave Barry size events cost about \$16,000 in facilities and human resources. Gala-size events cost about \$71,000. For both sizes you have to close at least part of the library which is a forgone opportunity cost. On the other hand, new people come to the events that wouldn't otherwise. As well, the events bring good will and good marketing. If you add the cost of the honorarium we pay speakers, the costs for both events are approximately 1/3 soft cost (personnel) and 2/3 hard cost (AV and facility costs). A Levon Helm event costs a lot per person, but there is a large benefit. HOMEWORK: Find the cost per person for this size event.
 - h. Library millage for AR communities: The column labeled "lib tax units" is the millage. In some cases, the millage covers a number of counties. So, for example, Southeast AR Regional Library gets 5 mills, one for each of the 5 counties.

For the next meeting, all members agreed to have read the research and be ready to discuss.

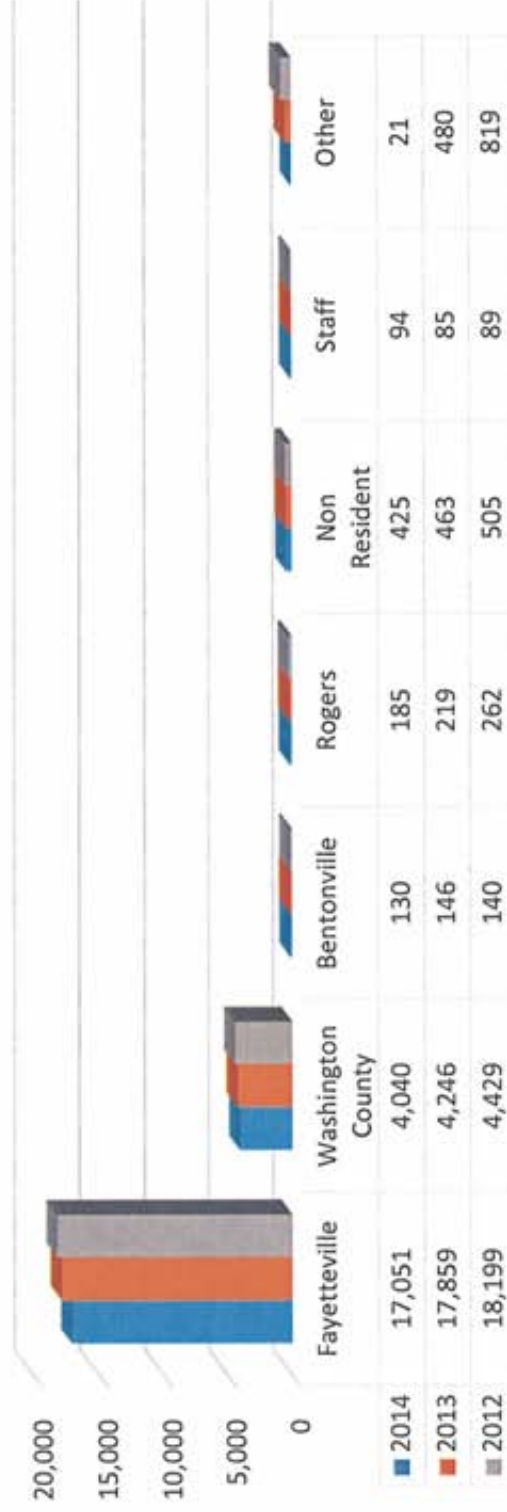
HOMEWORK: Invite the Mayor, or a representative of the Mayor's office to attend.

HOMEWORK: What about cutting hours? How about charging for parking?

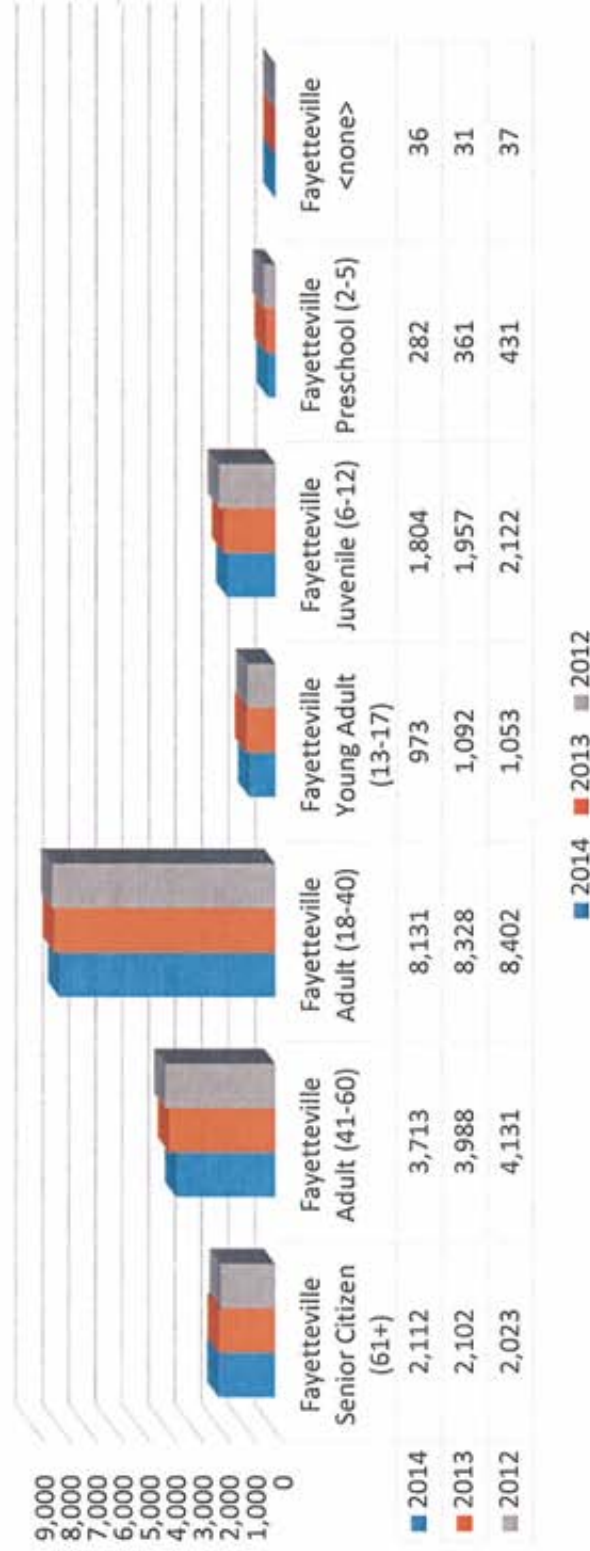
HOMEWORK: Send every committee member a copy of the Democrat Gazette editorial by John Wells.

J. Parry declared the meeting adjourned at 3:07 pm.

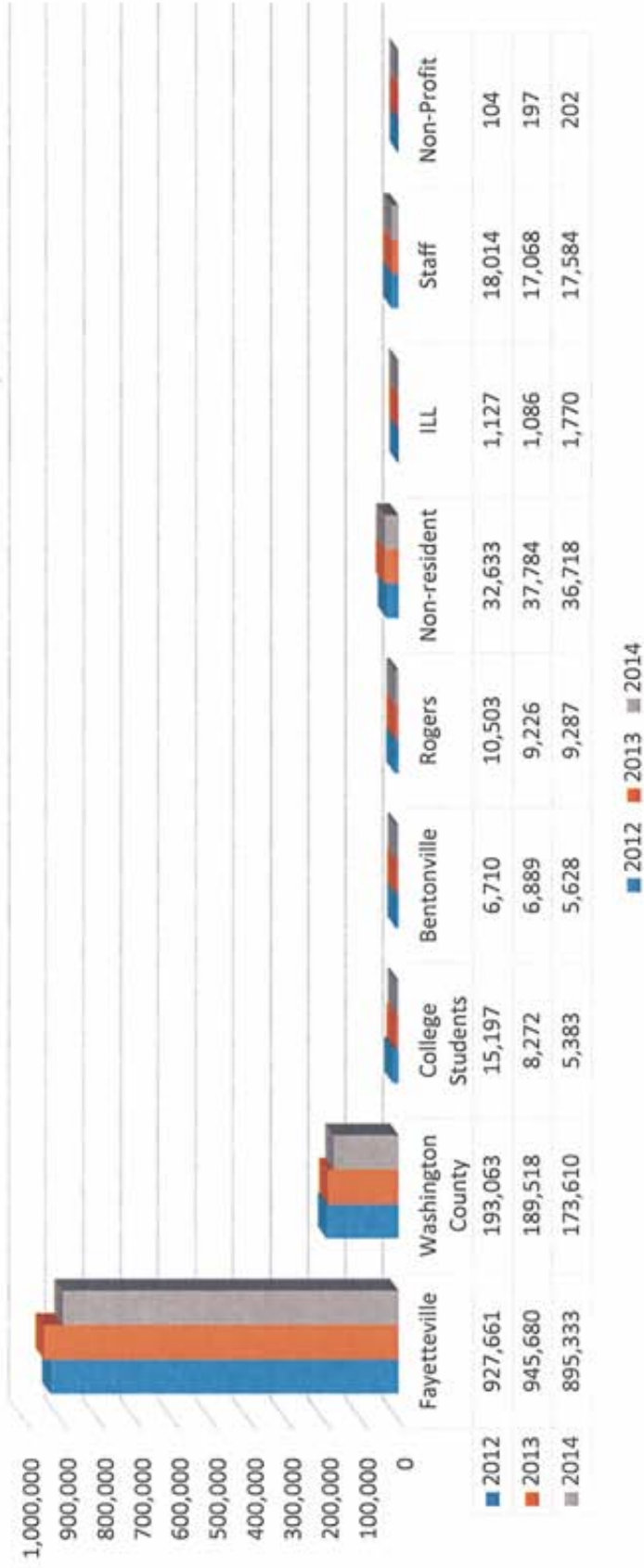
Patron Library Card Usage by Year (excludes ebook activity)



Fayetteville Patron Library Card Usage by Age (excludes ebook activity)



Checkouts by Patron Location by Year (does not include ebooks)



Sharon Daniel

From: David Johnson
Sent: Wednesday, February 18, 2015 9:23 AM
To: David Johnson; Maylon Rice; Jack Butt; George Faucette; Daniel Edward Ferritor
Cc: Sharon Daniel; Stephen Davis; Susan Foley; Brandi Holt
Subject: FW: Charging for library cards?

Here is Bobby Roberts's and Carolyn Ashcroft's response to my inquiry regarding the Attorney General having an opinion of charging for library cards. I'm waiting to hear back from Carolyn's follow up meeting with the new AG Liaison.:

From: Bobby Roberts [mailto:bobbyr@cals.lib.ar.us]
Sent: Sunday, February 15, 2015 2:43 PM
To: David Johnson
Subject: RE: Charging for library cards?

David,

Offhand I don't know of any AG's opinion about the library cards. To be sure you might check with Carolyn Ashcroft at the State Library.

If you want my two cents I would avoid that at all costs. It will make a lot of people mad & might not get you enough revenue to offset the ill-will. A safer bet would be to raise your fees and fines for over dues (especially for DVDs), lost materials replacement, etc. People won't like that either but you can always argue that they don't have to pay the fees unless they violate the rules. That is a better political position to defend than a blanket charge for cards.

Take care.

Bobby

From: Carolyn Ashcraft [mailto:carolyn@library.arkansas.gov]
Sent: Thursday, February 12, 2015 1:53 PM
To: David Johnson
Subject: RE: Charging for library cards?

David: I am not aware of any AG opinion on the legality of charging for a library card. Our new AG Liaison will be attending the board meeting tomorrow and I will ask for her assistance in searching through the AG opinions. I will also ask if there is any information she can provide to help with this question.

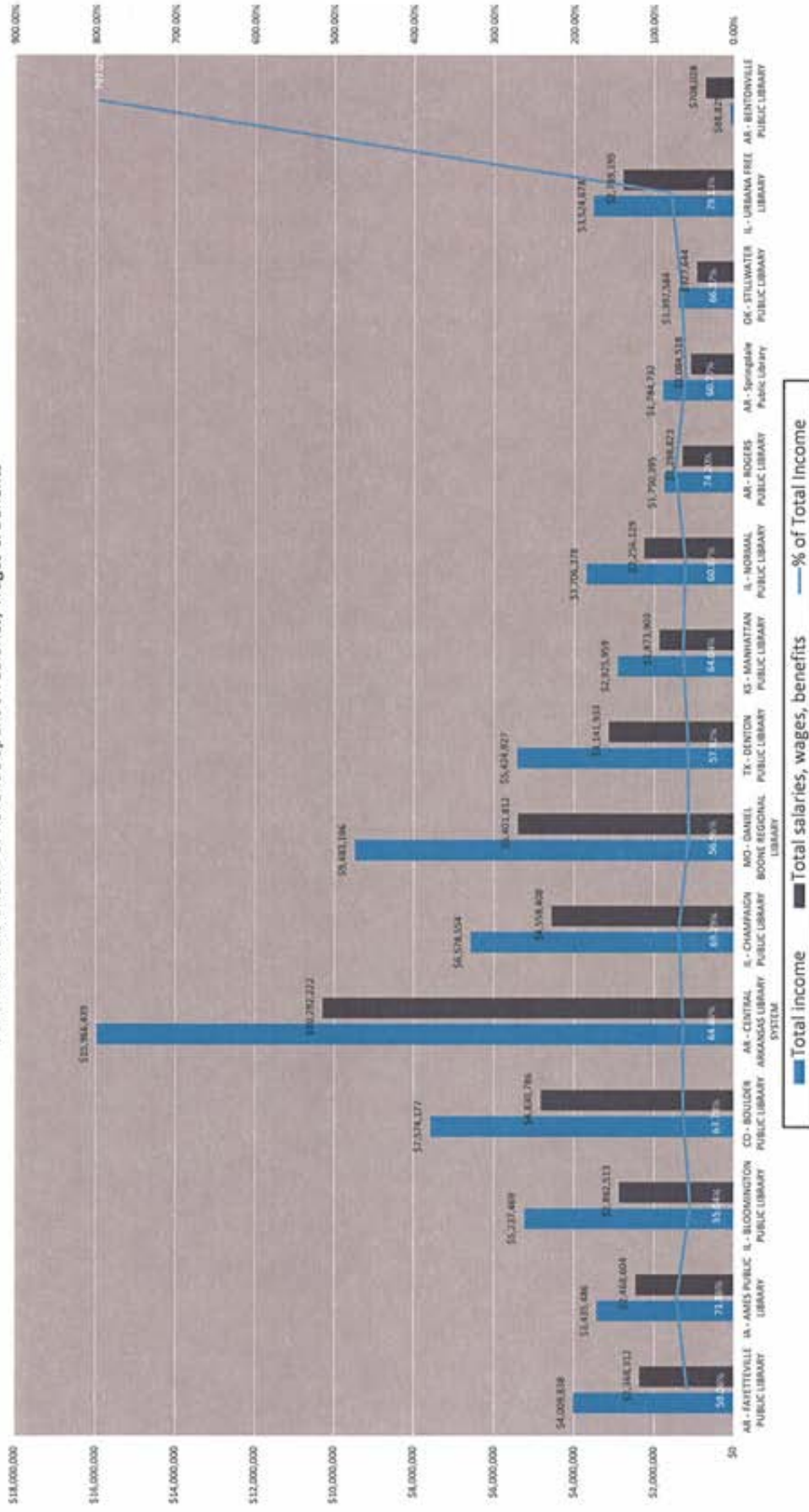
Do you charge for cards for those who do not reside in the city of Fayetteville? I know many libraries do charge a fee for those who are 'out of area' patrons.

Yes, the situation of funding revenue not meeting expectations is all too familiar. I hope your committee can find some solutions.

I will send you an email after the board meeting concludes tomorrow! Carolyn

Carolyn Ashcraft, Director/State Librarian

Benchmark Libraries % of Revenue Spent on Salaries, Wages & Benefits



Memorial/Speaker Level Event (Harrison Memorial used as baseline)

# Staff	Qty	Unit Cost (midpoint) (includes benefits)	Total
1	80	\$23.93	\$1,914.00
1	35	\$42.09	\$1,473.06
1	35	\$27.86	\$975.10
1	25	\$42.09	\$1,052.25
1	25	\$27.86	\$696.50
4	25	\$15.20	\$1,520.00
1	8	\$47.58	\$380.60
1	8	\$29.25	\$234.00
1	8	\$47.58	\$380.60
1	8	\$29.25	\$234.00
2	10	\$19.89	\$397.75
1	11	\$27.73	\$304.98
1	11	\$19.20	\$211.20
6	4	\$30.00	\$720.00

Cost Center

Staff Time - unit hours
Volunteer Manager - coordination of volunteers
Facilities Director - dept event pre-planning
Building Manager - dept event pre-planning
Facilities Director - event & post setup/tear down
Building Manager - event & post setup/tear down
Facilities Staff - setup and tear down/cleanup (4 @ 25 hours each)
IT Director - dept event pre-planning
IT Manager - dept event pre-planning
IT Director - event setup/tear down
IT Manager - event setup/tear down
IT Support Technician - event setup/tear down
Marketing Manager - dept event pre-planning
Marketing Support - dept event pre-planning
*Event Committee Planning Meetings

Staff \$10,494.13

AV Equipment

PA Rental - Media mag
PA Rental - Reading Room
Video Projection, projector, screen, LCD
Lights

AV \$1,300.00

Facility Costs
Building wear, re-work cork, painting, repairs, etc.
Stage rental
Chair rental
Pipe & drape rental
Table rental
Food
Drink
**Specialty AV production

Facility \$4,500.00

\$16,294.13

Estimated FPL cost before speaker fees

Estimated FPL Out-of-pocket cost before speaker fees

Speaker Fee Range

Estimated FPL out of pocket cost including speaker fees

of participants

Out of pocket cost/participant

400	\$55.80	\$68.30	\$80.80	\$93.30	\$105.80
500	\$44.64	\$54.64	\$64.64	\$74.64	\$84.64
600	\$37.20	\$45.53	\$53.87	\$62.20	\$70.53

* Assumes average 6 person event committee for typical event with reception and 4 meetings; NEH Gala committee had 11 volunteer staff members and 19 meetings.
** Event may or may not include a 3rd party AV company for large production, if not subtract Specialty AV line item from total projection.

Gala Level Event

(2012 NEH Gala used as baseline)

# Staff	Qty	Unit Cost	Total
1	160	\$23.93	\$3,828.80
1	75	\$42.09	\$3,156.75
1	75	\$27.86	\$2,089.50
1	25	\$42.09	\$1,052.25
1	25	\$27.86	\$696.50
4	25	\$15.20	\$1,520.00
1	40	\$47.58	\$1,903.20
1	40	\$29.25	\$1,170.00
1	8	\$47.58	\$380.64
1	8	\$29.25	\$234.00
2	12	\$19.89	\$238.68
1	11	\$27.73	\$305.03
1	11	\$19.20	\$211.20
11	19	\$30.00	\$6,270.00

Staff \$ 23,295.23

1	1	\$350.00	\$350.00
1	1	\$250.00	\$250.00
1	2	\$300.00	\$600.00
1	1	\$400.00	\$400.00

AV \$1,600.00

1	1	\$2,500.00	\$2,500.00
1	1	\$1,000.00	\$1,000.00
1	500	\$1.00	\$500.00
1	1	\$1,000.00	\$1,000.00
1	50	\$10.00	\$500.00
1	500	\$20.00	\$10,000.00
1	1	\$1,000.00	\$1,000.00
1	1	\$30,000.00	\$30,000.00

Facility \$ 46,500.00

\$ 71,395.23

\$49,620.00

0

\$49,620.00

400

500

600

\$124.05

\$99.24

\$82.70

Sunday or Monday Impacted	Programs w/ costs	Programs w/o costs	Attendance	Description
Sunday	Mountain Street Stage (9 concerts)	Tim Evers Narrative Photography Auction Talk	755 (average 84/concert) 145	Now in 7th year, Mountain Street Stage has at top, most anticipated annual program which received positive patron feedbacks. Reaches varied and diverse populations in community
Sunday	Lanesville Kona Festival		1264	In 9th year, this annual event is highly attended and recognized by 2nd year as a local community stage; allows patrons and community members free access to the festival, local businesses live from library
Sunday		Andrew Kligo's First Premier & ATTY (PH) November 2014	287	Opportunity events are a foundation events typically are scheduled on Sundays. These often create new partnerships and foster library support from attendees.
On Sunday afternoons in 2014, 2,199 people attended 34 adult programs, 22% of adult program attendance in 2014				
Monday	Boys Clubs (2 meetings monthly)		562	Core library program w/ long standing attendees, some dating back to 2005. Staff has made \$25,500 for books only, which are additional circulation benefit by patrons and outside bookshelves
Monday		Xbox 360 PH	3004 (average 31/week)	In 2nd year, volunteer-led & minimal staff time. New way to think about the library resulting in a total group of librarians. So great, it has been extended into this summer in 2015
Monday		Chinese Language and Culture Class (weekly Jan-Jun)	148	Opportunity classes and meetings as available. Usually volunteer led
On Mondays in 2014, 1,751 people attended 88 adult programs, 18% of adult program attendance in 2014				
Sunday or Monday Impacted	Services w/ costs	Services w/o costs	Patron use	Description
Sunday		Reference room	4,032	Average of 84 reference questions on Sundays. Many students, especially students, rely on this day for homework. If we closed on Sunday, we would certainly lose many students and researchers who required a weekend to use our library
Monday		Reference inquiries	7,943	Average of 188 reference questions on Mondays. Daughters of the Revolution volunteer research assistance each Monday night. They have been running on Monday since 2005, with a fixed meeting schedule. Library staff, 2,280s going on Mondays would result in significant cost
Sunday		Computer studies Computer sessions	340 sessions each Sunday 300 sessions each Monday	In 2014, room was not booked, but in 2015, open study room (closed) has been installed, rooms completion is averaging 12 checkouts/day
Sunday/Monday		Study rooms	15 checkouts/day	
Sunday		Library study	4,460	Even though we're only open 4 hours on Sundays, we're seeing over half of the visitors we see on an 11 hour day.
Monday		Library study	7,634	

Sharon Daniel

From: Gwyneth Jelinek
Sent: Thursday, February 12, 2015 5:31 PM
To: Leah Frieden
Cc: David Johnson
Subject: RE: Patron comment about budget

Awesome, Leah!

Thank you so much for the feedback. I am copying David and Stephen on this because this is exactly the kind of feedback that we need to know.

Much thanks,
Gwyneth

Gwyneth G Jelinek, Manager Circulation Services
Fayetteville Public Library
401 W. Mountain St., Fayetteville, AR 72701

direct phone - 479.856.7114 | library phone - 479.856.7000

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From: Leah Frieden
Sent: Thursday, February 12, 2015 3:22 PM
To: Gwyneth Jelinek
Subject: Patron comment about budget

Hello Gwyneth,

I just spoke with Frank Sharp, who had some comments about the library's budget issues. He mentioned that he hoped would not increase fees, charge for library cards, or cut our hours because that would "hurt those who need the library the most". He also said he was glad that the library planned to "take care of things over here" before we start the expansions, which will be a big project. I am not sure if this is something that we should pass on David or not, so I decided to send it to you first.

Thank you,
Leah

Stephen Davis

From: Russell Hill <rhill@co.washington.ar.us>
Sent: Tuesday, February 17, 2015 9:18 AM
To: Stephen Davis
Subject: Assesed valuatuiions within the City of Fayetteville

Mr. Davis,

"Identifying a trend is difficult because of the nature of ad valorem appraisal methods. We collect data during a state mandated 5 year cycle and finalize values in the last year using current market data. Our data is adjusted accordingly at this time. We only know changes in assessments from year to year when we compare our final abstract to previous years. Comparing 2011, 2012, 2013 and 2014 abstracts there is an overall increase in real estate assessments of approximately 2.5%, and looking at total assessment values with personal property and utilities included the change is similar. However, this is looking at previous year's data, not future year. These changes in assessments are also influenced by new construction and changes in existing values and not based purely on the current market activity."

I hope this helps you in your future planning.

Russell Hill

Washington County Assessor

Washington County, Arkansas

(479) 444-1519

(479) 444-1518 (fax)

rhill@co.washington.ar.us



Sharon Daniel

From: GEORGE ZHANG <sxz6173@gmail.com>
Sent: Wednesday, February 11, 2015 7:58 PM
To: David Johnson
Subject: Raising money from library users should be the last resort

Mr Johnson,

My name is Shuai Zhang, I recently moving to Fayetteville attending grad school . It is super upset that a fast growing town's only library need to charge annual fee to users to cover their budget. I attended my college at Lafayette, LA, they seem never think about raising money from users. By the way, there is no "committee members" over there speaking "If you're going to use the library, five bucks a year is nothing." They seem have no problem with budget.

People in Fayetteville has already paid high sales tax and property tax, If library demanding money from people, that should be another horrible solution to solve the problem.

There are numerous ways to solve this problem. Those options I listed below should work and generate enough revenue to cover the library budget gap.

Tradition ways can be adding corporate sponsors. With the largest company on earth just locate 30 miles away, pay a visit or talking with Wal-Mart executives should be the first idea to raise money. I think Wal-Mart foundation should be glad to receive a proposal from library.

There are Innovative ways to resolve this issue as well. With over 70,000 library hard holders, this should be a largest resources for library to raise money. I would trade for continuing use library for free with my address information. If every library users sign a disclosure, library can sell address information to third party for advertising propose. I believe that credit card companies, bookstores, or local businesses will love this.

With numerous young talents here in Fayetteville, it should be extremely easy to think about more ideas than those. Please put the charge fee to the last option you have, not first one.

Also, if possible, I will be glad to present some ideas with library revenue committee members with those ideas, or I would love to join a meeting as a visitor.

Thank you,

Shuai Zhang
sxz6173@gmail.com

Sharon Daniel

From: David Johnson
Sent: Friday, February 20, 2015 8:59 AM
To: David Johnson
Subject: patron comment card on revenue

"Suggest you limit how many movies may be checked out by one individual."