



## Brown Deer Library Discussion

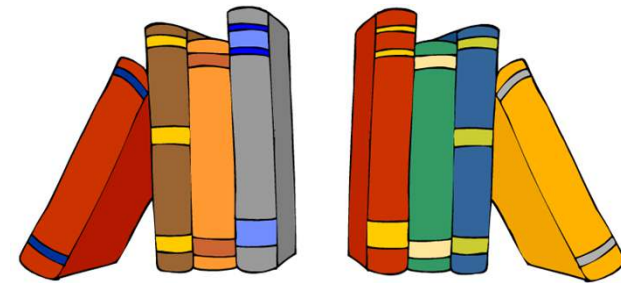
# Issues Facing the Library

## ▶ Operating Issues

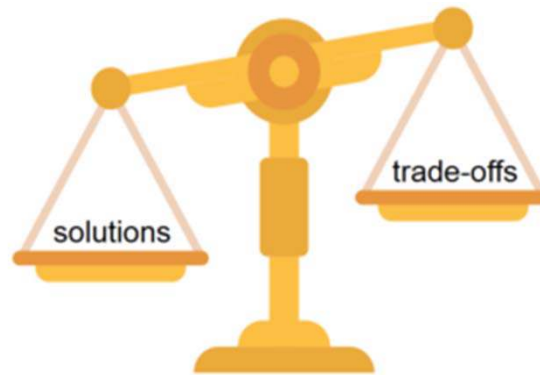
- Stagnant / declining revenues
- Expenditures exceeding revenues (Fund Balance is decreasing).

## ▶ Capital Issues

- Building maintenance needs (carpet, windows, paint, roof, etc.).
- Outdated equipment or nonexistent equipment (self-checkout).
  - Brown Deer is one of two libraries in Milwaukee County without a self-checkout machine.
- Not a modern day library / Building Layout / Community Desires.



# Potential Solutions and Trade-Offs



# What are the solutions to the issues?

- ▶ Operating Issues

- ▶ Increase revenues.
- ▶ Decrease expenditures.
- ▶ Hybrid of the two above.

- ▶ Capital Issues (these are estimates)

- ▶ Borrow money to fix maintenance issues (\$500,000).
- ▶ Borrow money to add new equipment (\$500,000 to \$700,000)
- ▶ New modern day library (\$2 to \$3 Million).



# Increase Revenues Ideas



# Library Revenue Sources

- ▶ Three highest sources of revenue
  - Levy – 71% – of the revenues (stagnate)
  - Reciprocal borrowing – 16% – (declined for the last 7 years) up slightly 2018
  - Cell tower rent – 6% – (fixed)
  - Remaining – 7% in multiple areas (fines, sales, donations, etc.)



# Why Can't We Just Increase the Levy?

- ▶ In 2011, the state froze the levy with four exceptions.
- ▶ Reasons levy can increase by state law:
  1. Net New Construction – (if a small increase it goes to the general fund).
  2. Debt – (can't borrow money for operations).
  3. Referendum – (one time fix and other areas may need in the future).
  4. Joint Fire Department – (only for fire department).

<b>Net New Construction</b>		
Year	% Change	Amount
2013	0.38%	\$ 20,686
2014	0.06%	\$ 4,741
2015	1.90%	\$ 70,324
2016	0.62%	\$ 52,505
2017	0.84%	\$ 66,331
2018	0%	\$ -

# Why Can't We Increase the Levy?

**Village of Brown Deer  
Tax Levy Statistics  
2018 Manager's Budget**

Taxing Fund	Actual 2014	Actual 2015	Actual 2016	Amended Budget 2017	Proposed Budget 2018	Change from 2017 Budget	Chg %
General Fund	\$ 6,177,920	\$ 6,246,057	\$ 6,294,673	\$ 6,330,287	\$ 6,459,887	\$ 129,600	2.05%
Library Fund	385,346	385,346	385,346	385,346	385,346	-	0.00%
Village Park and Pond Fund	47,500	47,500	47,500	47,500	47,500	-	0.00%
July 4th Program Fund	-	-	-	-	-	-	0.00%
Debt Service Fund	813,655	815,842	868,347	846,558	778,760	(67,798)	-8.01%
Capital Improvement Fund	372,000	372,000	372,000	372,000	372,000	-	0.00%
Equipment Replacement Fund	-	-	-	-	-	-	0.00%
<b>Total Village Tax Levy</b>	<b>\$ 7,796,421</b>	<b>\$ 7,866,745</b>	<b>\$ 7,967,866</b>	<b>\$ 7,981,691</b>	<b>\$ 8,043,493</b>	<b>\$ 61,802</b>	<b>0.77%</b>
Change from previous year	-	70,324	101,121	13,825	61,802		
% Change from previous year	0.32%	0.90%	1.29%	0.17%	0.77%		



# Revenue Increasing Ideas

- ▶ Eliminate services / personnel in the general fund.
  - **Not recommended.**
- ▶ Eliminate CIP levy money and borrow more money.
  - **Not recommended.**
- ▶ Referendum to increase the levy.
  - **Possible but risky (difficult to use again if needed in other areas).**
- ▶ Get other communities to join our library.
  - **Only if we build a new library (This is a gamble.)**



# Decrease Expenditure Ideas



# Decrease Expenditure Ideas

- ▶ Decrease the hours of the library (25 hours a week required).
  - Currently open 44 hours a week (public would like more hours).
  - **The easiest solution (but what does the public want?)**
- ▶ Explore joining another library
  - MCFLS appears to be more money
  - North Shore Library (they have capital issues and may cost us more).
  - Are there other libraries to join?
  - **Unknown (but what does the public want?)**



# Capital Ideas



# Capital Issues

(doesn't address operations issues directly)

- ▶ Borrow \$1 to \$1.2 million to update and add services to the current building.
  - New Mill Road Library in Milwaukee unknown factor.
  - Current building was built in the 70's (not a modern day library)
  - **Updates don't directly help operations (This is a gamble.)**
- ▶ Build Modern Day Library (\$200 to \$250 per square foot?)
  - New library approximately \$2 to \$3 million (Original Village?)
  - Wait another 10 to 15 years to make library part of new village hall
  - Will other communities join our library if new? This may help operations.
  - **New library doesn't help operations directly (This is a gamble.)**



# Big Questions

- ▶ What kind of library does the community want?
- ▶ Is the community willing to pay more for the library?

