

# **Management Models for Library Facilities and Operations**

**City Manager's Committee on Library  
and Parks & Community Services**



City of Fort Worth, Texas  
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## I. Work Team Liaison and Team members

**Liaison:** Gleniece Robinson, City of Fort Worth, Library Department

### **Team Members:**

Wayne Corum, City of Fort Worth, Equipment Services Department

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Jay Singleton, Tarrant County

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## II. The Charge:

- Determine the feasibility of alternative management models for the Fort Worth Public Library system in whole or in part,
- Examine various operations of library service delivery to determine sustainability, efficiencies and cost effectiveness

## III. Definitions

**Benchmarking:** The process of measuring products, services, and practices against the toughest competitors or those companies recognized as industry leaders.

**Best Practices:** The process of seeking out and studying the best internal and external practice that produce superior performance.

**Managed Competition:** The process by which a public sector organization competes with a private company to provide a service.

**Outsourcing:** The purchase of products or services from outside suppliers rather than by supplying them internally.

**Partnership:** A relationship of individuals or groups marked by mutual cooperation and responsibility.

**Privatization:** Transferring responsibility for public services from government to the private sector. It can also mean removing responsibility for a service entirely through the sale of a public asset to a private company.

#### IV. Summary of Existing Library Resources and Assets

The services of the Library are delivered through sixteen locations, 222 employees and a material collection of over one million items in varying formats and a number of public computers that allow customers access both to library materials and information as well as the Web via the Internet. The chart below highlights facilities, collections, and computers along with their associated cost per location.

Facility	Date opened	Square Foot	Most Recent Renovation	Number of Library Materials	Public PCs	Public Laptops	Public Seating	Meeting Room Seating	FY2011 Operating Budget
BOLD	1997	1,400		5,032	9		47		\$178,592
Central	1978	243,777	2000	399,735	127		439	173	\$7,684,297
COOL	1994	915		4,741	9		23		\$137,312
Diamond Hill/Jarvis	1989	8,121		43,088	17	10	57	46	\$609,006
East Berry	1967	7,527	2005	31,052	17	10	62		\$507,136
East Regional	1996	23,990		98,751	37	10	154	112	\$1,416,614
Meadowbrook	1964	5,045	2011	30,280	20	20	36		\$385,657
Northside	1967	7,072	2005	37,564	25	5	52		\$459,449
Northwest	2010	13,037		35,176	44	24	72	80	\$1,777,904
Ridglea	1967	9,585		67,409	23	5	47		\$672,394
Riverside	1967	6,313	2007	34,672	21	5	47		\$589,313
Seminary South	1967	6,834	2006	39,349	25	10	61		\$625,351
E. M. Shamblee	2008	13,445		28,213	33	10	61	156	\$722,057
Southwest Regional	1987	25,661		131,453	39	10	106	65	\$1,876,839
Summerglen	2000	11,069		63,780	46	10	63	34	\$1,109,334
Wedgwood	1962	4,962	2010	31,061	26	2	56		\$819,335
TOTAL									\$19,570,590

Note: Adjusted budget includes mid-year restorations via Council adoption on March 22, 2011.

The chart below summarizes the Library's general fund (operating) budget.

SALARIES/SHIFT DIFFERENTIAL/OVERTIME	\$9,321,110	WORKSHOPS/RETREATS	\$3,755
SCHEDULED TEMPORARY EMPLOYEES	\$541,988	TEMPORARY LABOR SERVICES	\$87,282
LONGEVITY/ACTING PAY/BILINGUAL PAY/BUY BACK	\$215,869	IT SERVICES/LEASES/MAINTENANCE	\$1,581,131
MEDICARE/WORKER'S COMPENSATION	\$215,928	MILEAGE REIMBURSEMENT/AUTO ALLOW	\$19,300
GROUP HEALTH INSURANCE	\$1,151,118	ADVERTISING	\$2,075
CONTRB TO EMPLOYEE RETIREMENT	\$1,867,464	PRINTING AND GRAPHIC CHARGES	\$20,867
SALARY SAVINGS BUDGETED	(\$360,422)	COPIERS	\$76,768
<b>CHARACTER 01</b>	<b>\$12,953,055</b>	GAS	\$52,226
		WATER & WASTE DISPOSAL SERVICE	\$43,746
OFFICE SUPPLIES	\$259,857	TELEPHONE	\$205,545
POSTAGE	\$23,320	CELL PHONES/RADIO SYSTEM CHARGES	\$12,260
LIBRARY MATERIALS	\$2,449,248	INSIDE REPAIR & MAINTENANCE	\$85,265
OPERATING SUPPLIES	\$56,743	MACHINERY/EQUIP RENTAL/ESD CHARGES	\$19,273
VEHICLE FUELS/MOTOR REPAIR	\$32,278	MESSENGER AND MAIL SERVICES	\$420
RECEPTION/RECOGNITION SUPPLIES	\$907	OTHER CONTRACTUAL SERVICES	\$1,399,027
MINOR EQUIPMENT/IT PURCHASES	\$92,242	<b>CHARACTER 03</b>	<b>\$3,608,940</b>
<b>CHARACTER 02</b>	<b>\$2,914,595</b>		
		<b>CHARACTER 04 - MOTOR VEHICLES</b>	<b>\$94,000</b>
		<b>GRAND TOTAL</b>	<b>\$19,570,590</b>

When benchmarking Fort Worth Library's expenditures per service to comparable libraries, the standard used is per capita based on population of the governing community rather than cost per service, as there is no standard unit cost per service. The table below provides per capita cost for three primary library services: visits, materials circulated and cardholders. The cities chosen are Index Cities used most often by the City of Fort Worth for benchmarking. FY 2009 data is used because it is the most recent data available from the clearinghouse of public library statistics. Of note in the chart below is the difference between total visits and circulation per capita. The number of service points usually has a correlation to the number of visit: Jacksonville has 21 locations compared to Fort Worth's 15 locations at that time. Also, Jacksonville's budget per capita was twice as much as Fort Worth as was its materials budget and its collection size. Jacksonville spent \$3.9M for materials compared to Fort Worth's \$2.4 million. And, Jacksonville's collection contains over 3.1 million items compared to Fort Worth's 1 million.

	<b>Fort Worth, TX</b>	<b>Austin, TX</b>	<b>Jacksonville, FL</b>
Population	720,250	765,957	891,192
FY2009 Budget	\$17,271,572	\$26,536,339	\$39,960,155
Budget per capita	\$23.98	\$34.64	\$44.84
Total Visits	2,085,716	3,682,744	5,357,939
Visits per Capita	2.90	4.81	7.09
Total Materials Circulated	4,190,958	4,197,963	9,156,597
Circulation per Capita	5.82	5.48	8.19
Total Cardholders	191,581	662,393	660,435
Cardholders as % of Population	26.6%	73.3%	84.80%

Of note is "total cardholders". Fort Worth Library purges its cardholder data base every year of inactive borrower cards over a three year period.

## V. Results of Recent Resource Adjustments

In FY2009, budget cuts resulted in a 15% reduction in service hours and the loss of 44.7 FTE positions. The largest hours reductions were at some of the busiest locations: Central lost 26% of its hours with the loss of two evenings, and Southwest and East Regional each lost 38% of their hours with the loss of two evenings and Sundays.

The hours and staff reductions continued in FY2010. Eight city-wide furlough days in FY2010 added to the overall service hour loss. In anticipation of further reductions, over 40 positions were held vacant throughout FY2010, with temporary employees filling critical positions. In spite of the FY2009 and FY2010 reductions, the Library continued to provide quality service to its customers, with an 80% customer satisfaction rating according to the last (2009) City of Fort Worth.

With the recent economic challenges the country has faced over the last few years, the public has turned to their libraries in record numbers for help finding jobs, learning new skills, accessing the Internet, and locating information and materials to improve their quality of life. It has been the same story in Fort Worth. While most FY2010 performance measures were down from FY2009, the decrease was low compared to the reduction in service hours.

The chart below shows the Library's measured performance during FY 2010 prior to the reduction in hours in comparison with FY2009.

<b>Measure</b>	<b>FY2009</b>	<b>FY2010</b>	<b>% change</b>
Number of items checked out	4,190,958	4,074,670	-2.8%
Number of visitors	2,085,716	1,926,379	-7.6%
*Number of public computer logins	418,589	420,552	+0.5%
Number of workforce development classes	28	403	+1339%
Customer Satisfaction Survey	80%	No survey	

In an effort to further optimize use of tax dollars, the Library also continues to outsource and contract for various tasks, functions and responsibilities. Currently, the Library outsources nine percent of its total operating budget for a total of \$1.8 million. Categories of outsourcing include Building Maintenance, Revenue Handling, Material Collection Management, Information Technology, Local History and Genealogy, marketing, Equipment Services and Temporary labor. For an itemized list, see page15.

Becoming even more responsive to community needs, the Library also continues to adjust to resource reductions by seeking out alternative ways to deliver

services including through joint venture partnerships. The most recent effort is the creation of e-Skills, a re-purposed Meadowbrook Branch Library and Workforce Center. Responding to community needs and based on the demographics, the Library will offer a limited level of basic library services, with a focus on workforce development. The initiative is co-sponsored by Workforce Solutions of Tarrant County and the City of Fort Worth. Partial funding is provided also by the Friends of the Fort Worth Public Library, Inc, with in-kind support provided by the Fort Worth Chamber of Commerce.

During the FY2011 budget deliberations, the City contemplated the closure of three branch libraries---Meadowbrook, Ridglea, and Northside. Significant public outcry ensued. The Meadowbrook Branch was identified for re-purposing via a joint venture. The Fort Worth Public Library Foundation attempted to save the two remaining branch libraries from closure by offering to assume management and operation with the City handling basic building issues such as maintenance, security, insurance, and utilities. Under the Library Foundation's effort, both libraries would be open five days and provide at least 20 hours of service weekly, staffed by Library Foundation employees and a large number of volunteers. After much discussion, it was determined by the Texas State Library and Archives Commission that should those two branch libraries be removed from the management of the City, they would no longer be considered a part of the Fort Worth Public Library System. In essence, the City would have two public library systems---one managed by the City and one managed by a non-profit organization. Another major impact was that the two branch libraries, because they would no longer be a part of the Fort Worth System, would not benefit from the services and funding from the State. Ultimately, the City chose to fully fund the two branch libraries slated for closure and to keep them as a part of the larger Fort Worth Public Library system. For more information on privatization of public libraries, see pages 11-14.

## **VI. Existing Library Department Responsibilities and Management Structure**

The Fort Worth Public Library was established by ordinance as a City Department in 1975. “A department of public libraries is hereby established, which department shall be under the supervision of a librarian, who shall be subject to appointment and removal by the city manager.” (Code 1964, § 40-1; Ord. No. 7207, § 1, 8-11-75)

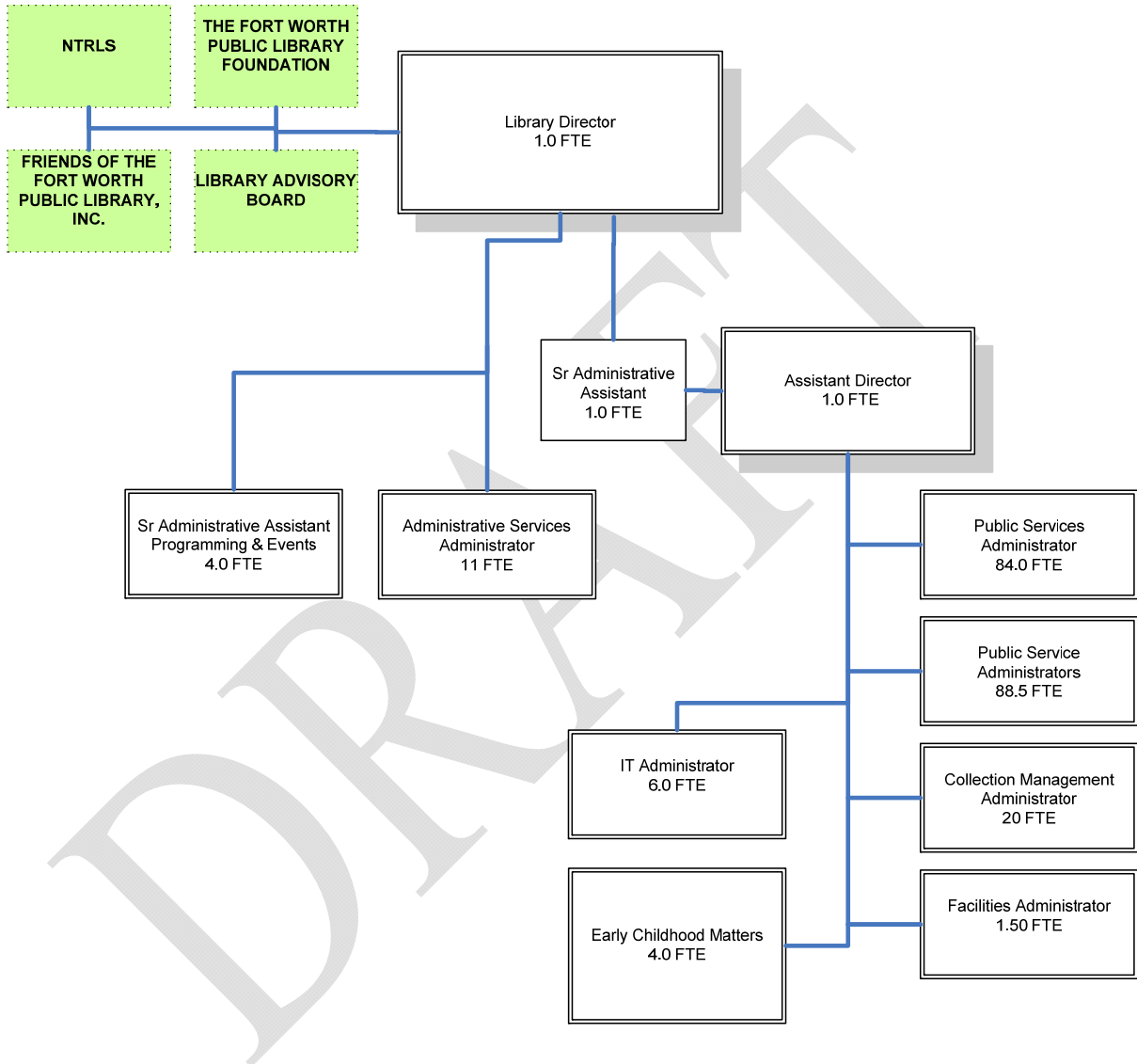
The librarian shall have charge of the central library and all branch libraries and reading rooms, and shall be responsible for the care of the books and other library property, classify and arrange all books and literature, and keep same catalogued and indexed consistent with approved library techniques and practices. The librarian shall promptly report any delinquencies, keep exact account of all moneys from all fines and other amounts collected by the department, and deposit the amounts with the city treasurer, and perform and discharge such other duties as may be prescribed by the city manager. The librarian shall be responsible to the city manager for administration and implementation of the policies established by the city council for the operation of the department of public libraries. (Code 1964, § 40-2; Ord. No. 7207, § 1, 8-11-75)

The services of the Library are delivered through sixteen locations, 222 employees, and a material collection of over one million items in varying formats and a number of computers that allow customers access both to library materials and information as well as the Web via the Internet. An inter-local agreement between the City of Fort Worth and six area cities allow resident’s access to a broader collection of materials and services. Inter-library Loan, a state funded, national service allows residents access to materials world-wide, usually without a fee, from any type of library, public, university, community college, special, and or school.

The Library’s management structure is aligned primarily with its core services and responsibilities. When developing its annual business plan, the Library conducts a SWOT analysis that allows it to determine strengths, weaknesses, opportunities, and threats. Such a process results in the ability to define both core and complementary services. Such a defining process also allows the department to determine the technical and support functions needed to delivery overall services to its customers.

Below is the current organization chart for the Library Department.

## LIBRARY – 222.0 A.P.



Presently, the Library is conducting an overall organizational review with the objective of re-allocating and re-assigning staff based on service needs and departmental functions, addressing classification disparities, salary inequities, and span of control issues. The department anticipates completion of the re-organization plan early fall with a fiscal year 2012 implementation. The goal is to reduce administrative costs and use any savings to restore services that have been reduced in recent years.

## **VII. Review Process**

- Reviewed library literature
- Reviewed select Library documents
- Conferred with staff of other libraries based on informational need
- Benchmarked comparable libraries related to specific need

## **VIII. Considerations for Public Library Management Models**

Through the research, five public library management and funding models were identified for Texas based on their legal foundation. Below is a description of those management models: Appendix A provides a chart of management models with advantages and disadvantages.

1. Non-profit organization or Foundation (92) – organizations that are chartered to provide public library services. In most cases, these organizations have a contract with a funding source (city, county) to provide free library services. This model was proposed by the Fort Worth Public Library Foundation for two Fort Worth library branches.

2. School Districts (1) – public library that is administered by the school district. While the City of Fort Worth has not pursued the idea of governance of its public library by a school district, discussions continue about joint ventures related to facilities.

3. Taxing Districts (14) – a multi-jurisdictional district established to provide library services funded by a portion of sales tax as approved by voters (Texas Local Government Code, Chapter 326). The City of Fort Worth studied the creation of a special taxing district for the Library, but concluded that Fort Worth has reached its sales tax cap. An opinion from the Attorney General would be necessary to allow the use of property taxes to support a taxing district.

4. City (316)

5. County (113)

A county library existed for Tarrant County until ca 1985 when the county eliminated its funding. At that time, most libraries that comprised the county system began charging non-user fees. Under the county library system, via an inter-local agreement, the City of Fort Worth received an annual fee to provide free access to library services and facilities for residents of Tarrant County. The last amount paid to the City of Fort Worth for library service to Tarrant County residents was \$269,848. While providing this service, the Library remained a Department of the City of Fort Worth, reporting to the City Manager.

**Privatization:** The Texas State Library and Archive Commission (TSLAC), the agency with responsibility for libraries in Texas does not distinguish privatized/outsourced libraries. They only look at the legal authority under which a library operates. Farmer's Branch, for example, has privatized operations but is established under a city charter. It is therefore identified as a city library.

However, because of the concerns raised during the deliberations to save the two Fort Worth branch libraries from closure and the corresponding decision of the TSLAC regarding status of the two branch libraries, it is necessary to elaborate on the concept of privatization of public libraries.

In the Guideline for Texas Library Boards When Non-Taxing Entities Provide Library Management paper prepared by the staff at North Texas Library Partners, the top issues to consider when deciding if the library should be managed by a taxing, a non-profit or a for-profit entity are:

- Provision of appropriately educated personnel who receive frequent continued professional training
- Assurance that the library is always responsive to community wants and needs
- Attainment and retention of state accreditation (critical to state and federal funding)
- Continuation and expansion of all services in place at the time the management changed
- Monitoring of staffing, hours and related concerns to assure high quality customer service.

In this same guideline, regarding paid staff, the report recommends that a City:

- Require that the number of professional librarians remain the same as the pre-changeover number
- Require that the number of professional librarians on duty at any particular time remain the same as the pre-changeover number
- Ensure that cost-cutting measures such as employing mostly part-time employees who do not receive benefits and/or using volunteers for work which should be done by paid staff are not detrimental to the quality and quantity of library services and activities nor to staff morale.

Privatization of government service management has been a prominent topic during difficult budget times. It is commonly held that a competitive environment for tasks will result in lower costs and greater efficiencies. If a pool of qualified management companies exist, then managed competition provides a good environment for an evaluation of the best value provider, whether government or private. The literature led us to conclude that the third party market place for full service public library management and operations is not mature and not proven as a realistic alternative to library systems as advanced as the Fort Worth Library system.

Only one company in the United States has been identified as a vendor for management and operation of a public library for a fee---Library Systems and Services, LLC (LSSI). LSSI has been in business since 1982 and currently manages 15 library systems, with populations ranging from a little over 2000 to just over a million.

The Library Systems and Services, LLC web site identifies the following 15 Library systems which it manages, most of which serve populations under 75,000.

<b>Library</b>	<b>City</b>	<b>2009 Population</b>
Sam T. Wilson Public Library	Arlington, TN	2,569
Red Oak Public Library	Red Oak, TX	4,301
Leander Public Library	Leander, TX	7,596
Millington Public Library	Millington, TN	10,922
Farmers Branch Manske Library	Farmers Branch, TX	26,742
San Juan Public Library	San Juan, TX	34,534
Moorpark City Library	Moorpark, CA	36,695
Lucious E. and Elsie C. Burch Jr.	Collierville, TN	39,646
Germantown Community Library and Genealogy Center	Germantown, TN	41,102
Finney County Library	Garden City, KS	49,000
Jackson-Madison County Library	Jackson-Madison County, TN	63,732
Camarillo Public Library	Camarillo, CA	63,948
Shasta Public Libraries	Redding/Shasta County, CA	130,897
Jackson County Library Services	Jackson, County, Oregon (16 locations)	357,981
<b>Fort Worth Library</b>	<b>Fort Worth, TX (16 locations)</b>	<b>720,250</b>
Riverside County Library System	Riverside County, CA (33 locations)	1,094,681

Based on FY2009 data available in the 2010 Public Library Data Service report, Riverside County Library System is the only one even remotely comparable to the Fort Worth Library. In most cases Fort Worth's performance measures exceeded those of Riverside County during Fiscal Year 2009.

	<b>Fort Worth</b>	<b>Riverside County</b>
Population	720,250	1,094,681
Income	\$17,271,572	\$20,041,210
Number of Facilities	15	33
Total Staff (FTE)	207.75	215
Visitors per capita	2.90	2.90
Reference transactions conducted per capita	1.36	.35
Circulations per capita	5.82	3.16
Circulations per registered borrower	21.84	4.41

Use of materials inside library per capita	.70	.21
Collection turnover rate	3.84	2.23
Collection holdings	1,090,581	1,550,173
Collection holdings per capita	1.51	1.42
Library Card Registrations	191,851	784,722
Registrations as a % of population	26.60	71.70

When privatizing the management of a public library, there is an inherent level of risk. For purpose of this report, the level of risk was determined by the cost of available service options and the impact to the public library system should that item be discontinued. Issues with high long term costs and/or significant impact to library services were ranked High. Issues with temporary costs and minimal service impact were ranked Medium. Issues that can be avoided with good contract negotiation and/or management were ranked Low.

*(Since LSSI is the only privatized vendor in the marketplace, references in the risk assessment are made to their company, but could apply to other privatized vendors, if they existed.)*

#### High Risk

- LSSI is dependent on one contract that supports ½ of their operation (Riverside County, CA)
  - If Riverside contract is not renewed, then LSSI could become financially unstable
  - Risk high because options are to:
    - Pay long term higher costs, or
    - Take management responsibilities back within the city at significant cost
- Private vendor controls day to day operations
  - Decisions will be based on bottom line, not city/community interests
  - Risk high because:
    - The long term needs of public may not be met
    - Existing services to community may be discontinued
    - Materials unique to Fort Worth may not be acquired
    - Underserved areas could increase, with some areas having no services at all based on budget

#### Medium Risk

- City required to maintain facilities operated by private vendor
  - Control of maintenance costs would have to be negotiated at contract renewals
  - Risk medium because:
    - Additional costs would be temporary, and
    - Maintenance costs are a small proportion of annual budget
- Terminal leave costs of current city staff
  - One time cost of terminal leave for staff leaving city employment

- Risk medium because
  - The first year costs would be substantial (approximately \$1.5 million)
  - No additional costs in future years
- Loss of experienced staff
  - Reduction in service delivery
  - Risk medium because
    - Some staff members may be hired by private company
    - Better staff members may move to other opportunities

#### Low Risk

- Performance measures not outlined in most LSSI contracts
  - Expected service delivery may not be achieved
  - Risk low because
    - Additional time and effort is needed to manage the contract
    - Performance measures can be negotiated into the contract

#### Potential Benefits of Privatization

- New and innovative staff
- Synergy of ideas from various contracted libraries (best practice)
- Personnel issues handled by private vendor
- Personnel costs transferred to private vendor (generally higher salaries and lower benefits)

The risk assessment leads to the following summary conclusions.

- A complete study can only be realized by hiring an outside consultant to review the Fort Worth Public Library operations. This additional cost adds to the risk of privatization.
- Consideration for privatizing government services should be driven by efficiencies. If a library system is found to be inefficient, then a Managed Competition process can identify cost savings to benefit the organization. In this case, the Fort Worth Public Library (FWPL) system is not found to be inefficient. In fact, FWPL operates with some industry best practices in place.
- No competitive environment can be created through Managed Competition since LSSI has a monopoly on the market.

**Outsourcing:** Outsourcing and contracting tasks, functions and responsibilities is viewed differently than privatizing full managements and operations of public libraries. There is an unlimited number of vendor markets for outsourcing various tasks and functions. For example there are several publications such as “yellow page” of services and “resources guides” that offer librarians a full spectrum of opportunities to contract or outsource. The table below highlights functions and tasks currently outsourced by the Fort Worth Library.

<b>Building Maintenance</b>	
▪ Security	\$211,529
▪ Janitorial	\$336,504
▪ Pest Control	\$3,645
▪ Alarm Monitoring	\$23,982
▪ Fire Extinguisher & Automatic Door Maintenance	\$10,825
▪ Theft Prevention Equipment Maintenance	\$7,407
▪ Dumpster and Mat Services	\$16,130
<b>Revenue Handling</b>	
▪ Collection Agency	\$82,260
▪ Armored Car Revenue Pick-ups	\$21,318
<b>Material Collection Management</b>	
▪ Selection/Web	\$108,800
▪ Catalog/Material Processing	\$215,736
<b>IT Services</b>	
▪ ILS and Peripherals /Server Hosting/Maintenance	\$8,000
▪ IT Services	\$419,749
▪ Public Internet Access	\$19,160
<b>Local History, Archives and Genealogy</b>	
▪ Exhibit Installation	\$3,000
▪ Photography Manipulation	\$3,000
▪ Framing/Matting Services	\$500
▪ Binding	\$16,000
▪ Digitization	\$99,500
▪ Programming	\$5,000
▪ Off-site Storage (negotiations in progress)	TBD
<b>Outside Marketing</b>	\$25,000
<b>Equipment Repairs</b>	\$29,917
<b>Temporary Labor (City)</b>	\$157,920

<b>TOTAL</b>	<b>\$1,824,882</b>
	<b>9.3% of Budget</b>

The Library's Adopted FY2011 Budget plus the mid-year Restoration totals \$19,570,590.

The following is a sampling of the types of services outsourced by the City of Fort Worth through various city departments:

- Air Traffic Control
- Alliance Airport Operations
- Counseling and Employee Assistance
- Custodial Services
- Demolition
- Election Administration
- Graffiti Abatement
- Mowing and Grounds Maintenance
- Professional Services
- Residential Disposal

**Trends and Best Practices:** A review of the literature illustrated the need to also look at trends and best practices in public libraries while also looking at management models and operations. Best practices enable us to identify successful, innovative programs and services that meet specific public service needs, provide services more efficiently, leverage cooperative relationships with community partners, and/or reduce costs. The following programs are samples from public libraries across the country.

Indianapolis Marion County Public Library – Indianapolis, Indiana - Glendale Branch

The Broad Ripple Library faced the need to grow but with no feasible way of expanding on its two-acre tract. The Kite Development Corp. approached library officials with a lease proposal offering over 33,000 square feet of space to the library as an anchor store in Glendale Mall . After careful consideration of what the facility could offer in terms of expanded programming, book and media collections, technology, meeting rooms, study space, and parking, IMCPL accepted the mall's proposal.

<http://www.imcpl.org/about/locations/glendale.html>

Wake County Public Libraries – Wake County, North Carolina - Express Library  
This express library is housed in the Wake County Office Building. It is currently closed for renovations, but the 2,350-square-foot Express Library will still be considered a specialized library. New services will include one self-checkout station, self-service hold shelving, four stand-up Internet stations, two sit-down catalog and research stations, and meeting space.

<http://www.wakegov.com/libraries/locations/elf/default.htm>

King County Library System – Seattle, Washington – Redmond Ridge Express Library

In partnership with the [Redmond Ridge Residential Owners Association](#) (ROA), KCLS converted about 300-square-feet inside the ROA's management office into a Library Express. Inside, patrons can find their holds shelved under their last name and use Self-Check Out to check their items out. In addition, a computer station with access to the library catalog is provided. The browsing collection at Library Express is limited to a display of Choice Reads — a selection of popular paperback books. <http://www.kcls.org/locations/index.cfm>

King County also has two small locations in shopping centers: [The Library Connection @ Southcenter](#) and [The Library Connection @ Crossroads](#). Library Connections are staffed by library assistants (not librarians) and all the materials are shelved by popular subject: fiction, mysteries, non-fiction, children, etc. Cardholders cannot place holds on any of the Library Connections materials; if they see a title they would like to read they need to personally go to the shopping center, select the material and check it out. King County Library System (WA): <http://www.kcls.org/locations/index.cfm>

Washington County Library – Washington County, Minnesota – Library Express  
The computer kiosk is located inside the Hugo City Hall and is available during regular business hours. Customers can pick up or return their items any time day or night since the lockers and book return are located outside the City Hall. [http://www.co.washington.mn.us/info\\_for\\_residents/library/hours\\_and\\_locations/library\\_express\\_hugo\\_city\\_hall/](http://www.co.washington.mn.us/info_for_residents/library/hours_and_locations/library_express_hugo_city_hall/)

Carver County Library (Victoria, MN) - Victoria Express Library  
Carver County Library has brought a new community asset to the City of Victoria with the introduction of the Victoria Express Library, funded by a federal grant. "Victoria is a great community which is seeing substantial growth. We want to make sure access to library services is a benefit which can contribute to that growth," said Carver County Commissioner Randy Maluchnik in a press release. Located in the Victoria Recreation Center, the Victoria Express Library offers a place where patrons can order, pick up and return library materials, using a self-service kiosk, locker system, and book return. Service began in late July 2010. <http://www.hjblogs.com/carver-co-to-offer-express-library-in-victoria/>

### Milwaukee Public Library Express Centers (WI)

In 2008 the library was considering the idea of placing kiosks in different locations as Express Centers. The PDF document explains that the implementation should start with the 2011 Capital and Operating Budgets.

[http://www.mpl.org/file/community\\_resolution.pdf](http://www.mpl.org/file/community_resolution.pdf)

### Houston Public Library - Houston, Texas - Express Library

HPL Express is a unique library service that can be installed within existing buildings, multi-service centers, office buildings, shopping malls, airports, and more. Even better is the bottom-line: Houston Public Library anticipates it will be able to open the doors to a full-size HPL Express facility and operate it for one-quarter the cost of a new traditional library, while providing complete service to the same number of customers as a traditional library. HPL Express customers have full access to the services, data, and collections of the entire library system. While the most popular and relevant materials will be kept on-site, customers may request that materials from any Houston Public Library location be delivered to any HPL Express for pick-up or use. The Library staff is specially-trained and committed to help customers navigate HPL's vast technology resources and collections now right at their fingertips. <http://www.houstonlibrary.org/central-library>

### Dallas Public Library – Dallas, Texas – Bookmarks

The Dallas Public Library opened a children's library, Bookmarks, in NorthPark Center in June 2008. NorthPark, the largest shopping center in North Texas, provides the space at not cost to the City. Finish-out was paid almost entirely with donated funds. Programs are funded by a grant from ATMOS and the City pays for staffing. This prototype, or "limited edition," site has materials and services geared specifically for children ages birth to 14, as well as a parenting collection. <http://www.dallaslibrary2.org/branch/bookmarks.php>

Recommendations in the pending Library System Master Plan include opening a number of "alternative service points" that are very similar to the various models described above. These would be small (under 5,000 square feet), leased spaces in retail centers, office developments, or perhaps Fort Worth's Cultural District. These would extend library services to parts of the city that do not have convenient library service, and would provide collections and services targeted to the community being served. Community market segmentation data from the System Master Plan would be used to identify the best service mix. For example, a new alternative service point might be in an area populated by tech-savvy singles. Children's services would not be needed, but download stations, browsing collection of high-interest books and magazines, materials pick-up and return, and an Internet Café would provide the library services this demographic were most interested in. Within the last few years, stand-alone vending machines that can be stocked with books, DVDs, and CDs and operated with a

library card have become available for public libraries. This type of service kiosk is ideal for high-traffic areas.

The Fort Worth Library has operated two libraries in cooperation with the City's Housing and Economic Development Department for a number of years: COOL (Cavile Outreach Opportunity Library) opened in the Cavile Housing Community in 1994. BOLD (Butler Outreach Library Division) opening in the Butler Housing Community in 1997. The facilities are provided and maintained by Housing, and services and staff are provided by the Library. These "satellite" libraries have limited services and collections targeted to these special communities, but serve as the residents' gateway to the entire realm of services offered by the Fort Worth Library.

After a second series of stakeholder and public meetings, the Library anticipates presenting a revised to the City Council for approval. The Library also anticipates that future facilities will be included in the City's five-year capital plan with identified and allocated funding sources, such as bond program, private, sector, or grants. Adoption of the Plan will allow the Library to provide 21<sup>st</sup> Century services, resources, and facilities in inviting environments.

## **IX. Findings and Recommendations**

### **Findings**

- The Texas State Library and Archive Commission (TSLAC) identifies five management models based on their legal foundation--taxing districts, management by a non-profit or Foundation, school districts, city and county libraries.
- TSLAC does not distinguish privatized/outsourced public library management. They only look at the legal authority, usually established and chartered by a city, therefore considered a city library.
- There is only one company in the United States that manages public libraries and their operations for a fee---Library Systems Services LLC (LSSI).
- LSSI only manages one public library system comparable to Fort Worth Public Library.
- Public library management is generally privatized to address dissatisfaction with management or to reduce cost.
- Public libraries continue to outsource various responsibilities, tasks and functions in an effort to be more fiscally responsible.

- To be more responsive to customers and to address constrained resources, public libraries are creating non-traditional service outlets through joint ventures, totally self service centers or automated material vending kiosks.

#### Recommendations

1. Compile “cost per service” data for comparative analysis with other management models such as privatized, county, or some other agency.
2. Fort Worth Library should remain as a city management public library model until such time that an independent assessment recommends otherwise.
3. Privatized management of the Fort Worth Library should not be considered
4. Explore outsourcing opportunities in the areas of Courier Services, Mailing Overdue Notices, and select areas of Material Selection (2012)
5. Work with area libraries to achieve economies of scale on existing contracts for operations and services, including Genealogy and Local History (future)
6. Examine all City of Fort Worth Departments seeking opportunities for outsourcing operations such as facilities management, infrastructure, and information technology (future)
7. Investigate opportunities to generate revenue by offering fee-based operations and services to other libraries (future)
8. Request developers to provide space in new developments (residential, shopping, mixed used) for library services in lieu of other tax incentives and abatements
9. Request the Library to continue examining its organizational structure aimed towards improved alignment of structure with function and attention to other compensation issues as well as savings that might be re-directed towards city or departmental needs.
10. Seek additional public comment and input about the Library’s pending Master Services Plan, which recommends alternative service delivery options as well as partnerships and joint ventures for facilities use, all which could result in permanent savings (2012)

## X. Resources

1. Annual Privatization Report 2010: Local Government Privatization, Leonard Gilroy and et al, Reason Foundation, 2011
2. City of Fort Worth Code, Chapter 19
3. City of Fort Worth Library Documents
  - i. Business Plan, 2011
  - ii. Core/Complementary Services
  - iii. Long Range Services Plan, 2004
  - iv. SWOT Analysis
4. Competition and Privatization Strategies to Reduce Government Costs, Cal – Tax Digest, California Taxpayer's Association, July 1997
5. Future of the Library Taskforce, Final Report, Mecklenburg County, North Carolina, March 2011, <http://charmec.org/mecklenburg/county/CountyManagersOffice/OpenMeck/change/libraryfuture/Documents/FUTURE%20OF%20THE%20LIBRARY%20TASK%20FORCE%20-%20FULL%20REPORT%20WITH%20APPENDICES%20-%20MARCH%202011,%202011.pdf>
6. Guidelines for Texas Library boards When Non-Taxing Entities provide Library Management, North Texas Regional Library System, 2011
7. Institute of Museum and Library Services, [www.imls.gov](http://www.imls.gov)
8. International City/County Management Association, [www.icma.org](http://www.icma.org)
9. Impact of Outsourcing and Privatization on Library Services and Management, American Library Association, June 2000
10. LSSI finds More Resistance to Its Library – Management Bids, Gordon Flagg, American Libraries Magazine, April 2011
11. Librarian's Yellow Pages: Industry's Largest Directory of Vendors, 2009
12. Library Resources Guide: Catalog of Services and Suppliers, Ebsco, 2010 - 2011
13. Local Government Contracting, Research Brief on America's Cities, National League of cities, February 2011
14. Outsourcing Methods & Case Studies, City of Colorado Springs Sustainable Funding Committee, Public Financial Management, Inc, April, 10, 2010
15. Public Libraries, Private Company: the Outsourcing Compromise, Norman Oder, Library Journal, October 1, 2004
16. Public Library Data Service Statistical Report, 2010

## XI. Appendix A

### Library Model Management Comparison

Model	Non-Profit/ Foundation	School District	Taxing District	City	County
<b>Description</b>	Organizations that are chartered to provide public library services. In most cases, these organizations have a contract with a funding source (city, county) to provide free library services.	A public library that is administered by the school district.	In Texas a multi-jurisdictional district established to provide library services funded by a portion of sales tax as approved by voters (Texas Local Government Code, Chapter 326). Fort Worth has reached its sales tax cap.	A library that is managed by a municipality. Services are limited to the City boundaries.	A library that is managed by the county. County is tasked with providing library service to an entire county area.
<b>City of Fort Worth</b>	This model was proposed by the Fort Worth Public Library Foundation for two Fort Worth library branches. However, because the proposal resulted in having two separate library systems in one city, the City of Fort Worth chose to fully fund the two branch libraries keeping them a part of the larger Fort Worth Library System.	While the City of Fort Worth has not pursued the idea of governance of its public library by a school district, discussions continue about relationships centered on joint ventures related to facilities.	Fort Worth has reached its sales tax cap. The City of Fort Worth studied the idea of the creation of a special taxing district for the Library, but concluded that Fort Worth has reached its sales tax cap. An opinion from the Attorney General would be necessary to allow the use of property taxes to support a taxing district.	Fort Worth opened its first library in 1901. Andrew Carnegie donated \$50,000 for a building after the City Council approved \$4,000 per year to run the Library.	In 1922, Library service to the county was begun via the Tarrant County Free Library. Tarrant County funding ended for the Fort Worth Public Library in 1985 and non-resident fees were established.
<b>Advantages</b>	<ul style="list-style-type: none"> <li>•The current political climate has led to a distrust of government.</li> <li>•The Fort Worth Public Library has two non-profits that exist to support it.</li> </ul>	<ul style="list-style-type: none"> <li>•Library and FWISD both serve children and families.</li> <li>•Both entities are tasked with literacy and education initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>•The Fort Worth Public Library would have a separate funding source.</li> <li>•Taxing district libraries have thrived based on the fact that library services are popular with a wide range of audiences.</li> <li>•Libraries supported by a taxing district do not compete against other departments that must be funded.</li> </ul>	<ul style="list-style-type: none"> <li>•The City of Fort Worth has successfully run a public library since 1901.</li> <li>•Fort Worth Public Library is nationally recognized as a best practice library.</li> <li>•The Fort Worth Public Library is overseen by a citizen Library Advisory Board increasing local control and responsiveness to the community.</li> </ul>	<ul style="list-style-type: none"> <li>•Fort Worth Public Libraries would be supported by Tarrant County.</li> <li>•All citizens in Tarrant County would have access to the Fort Worth Public Library resources and collections.</li> </ul>

<p><b>Disadvantages</b></p>	<ul style="list-style-type: none"> <li>•The economic climate has reduced charitable giving.</li> <li>•Even with two non-profit organizations fundraising only <b>is received</b> each year.</li> <li>•Donors generally prefer 100% of their donations to go directly to program and services, not administrative costs.</li> </ul>	<ul style="list-style-type: none"> <li>•The State of Texas has slashed funding for school.</li> <li>•The Library has a broader mandate to provide service from cradle to grave to all residents.</li> <li>•The function of a school library is very different from that of a public library. Schools regularly censor materials that are appropriate for a public library.</li> </ul>	<ul style="list-style-type: none"> <li>•Fort Worth has reached its sales tax cap. The City of Fort Worth studied the idea of the creation of a special taxing district for the Library, but concluded that Fort Worth has reached its sales tax cap. An opinion from the Attorney General would be necessary to allow the use of property taxes to support a taxing district.</li> </ul>	<ul style="list-style-type: none"> <li>•Library services in a municipal governance structure may be viewed as non-essential.</li> <li>•The Library needs must be balanced against a wide array of public safety and infrastructure concerns.</li> <li>•In hard economic times, Libraries may be asked to absorb more than their fair share of the cuts to balance a budget.</li> </ul>	<ul style="list-style-type: none"> <li>•Tarrant County withdrew funding for a county library system in 1985.</li> <li>•Tarrant County is also struggling with budget cuts.</li> <li>•Tarrant County cities would have to agree to operate under a county system.</li> <li>•This is not a viable model in the short-term.</li> </ul>
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**Appendix B**

**Non-resident Library fee cards:**

Authorized by the City Code, the Library is allowed to sell fee cards to non-residents that enable them to check-out a limited number of materials. Fees for non-resident services are periodically benchmarked with other libraries and authorized by the City Council. Current fees for Non-residents cards are:

- \$5 allows checkout of 3 items
- \$10 allows checkout of 7 items
- \$25 allows checkout of 18 items
- \$50 allows checkout of 40 items

During FY2009, the Library received a total of \$2,967.00 in revenue from non-resident fee cards sold.

13,039 items were checked out on non-resident fee cards, representing 0.3% of total materials circulated.

Variables necessary to calculate the actual cost for the service are not available on a scale that small.

**TexShare cards and Loan Star Grant Funding:**

Texshare cardholders checked out 108,676 items during FY2009, representing 3% of total materials circulated. The TexShare reciprocal borrowing program does not provide direct funding. However, participation in the partnership allows the Fort Worth Library to receive Loan Star Libraries grants annually from the Texas State Library and Archives Commission. The grant for the current FY2011 is \$142,210. The Library has received a total of \$1,048,360 over the ten years this grant has been available.