MEMORANDUM

April 23, 2010

TO: Health and Human Services Committee

FROM: Essie McGuire, Legislative Analyst

SUBJECT: **Worksession – FY11 Operating Budget, Department of Public Libraries, and FY11 NDA for Takoma Park Library Annual Payment** *continued*

Today the Health and Human Services (HHS) Committee will continue its review of the County Executive's recommended FY11 Operating Budget for the Department of Public Libraries. Parker Hamilton, Director, DPL, Eric Carzon, Business Manager, DPL, and Bruce Meier, Budget Analyst, Office of Management and Budget (OMB), are expected to participate in this worksession.

The Committee began its review of the DPL FY11 budget on April 14 and requested follow-up information in several areas. In addition, the County Executive transmitted additional FY11 budget recommendations on April 22. This packet reviews the follow-up information requested by the Committee and the items in the April 22 transmittal that affect Libraries.

I. TAKOMA PARK LIBRARY ANNUAL PAYMENT NDA

The Committee reviewed the Non-Departmental Account for the Takoma Park Library Annual Payment, and requested information on possible reductions to this amount. The County Executive's budget recommends a total of $112,780, a reduction of $20,050 from the FY10 approved level of $132,830. The amount is determined by a formula in County Code §2-53 (attached on circle 1) and the decrease is due to the estimated decline in Takoma Park's real property growth.

Council staff suggests that there are three primary options to change the law to allow the Council flexibility in funding this amount:
1. Change the formula;
2. Leave the formula in and add language exempting the Council from the funding requirement in FY11 only; or
3. Leave the formula in and add a provision allowing funding at the formula amount or an amount determined by the Council in resolution (such as the budget resolution).

Council staff recommends the third option, as it preserves the current funding rationale but allows the Council flexibility in any year. Draft legislation reflecting this approach is attached on circles 2-4. If the Committee recommends a reduction in this payment, the Committee should recommend an amount for reduction and indicate whether the Committee supports the draft legislation as attached or another legislative option.

Information about the Takoma Park Library budget is attached on circles 5-6. The FY11 library budget is $985,448, a decrease of $27,296 or 2.7 percent from the FY10 approved level of $1,012,744. The County's contribution through this NDA at the Executive's recommended level would be 11.4% of the library's total budget. Council staff understands that the library will reduce two part-time positions. Suzanne Ludlow, Takoma City Deputy City Manager, wrote to the Committee expressing the City's concerns over the proposed reduction and legislation (letter attached at circle 7). The City raises several discussion points and requests that any change not be applied to FY11 to allow more review of the history and impact of the required payment.

II. HOURS REDUCTIONS

Sunday Service
The HHS Committee requested information on possible reductions to Sunday hours in FY11. The FY11 budget for Sunday service totals $180,000. This amount covers Sunday service for 4 hours at 7 branches for 45 Sundays.

Options to reduce Sunday service would reduce the budget by the same proportion. For example, reducing the number of branches or Sundays in half would reduce the budget by $90,000. **Council staff suggests that the Committee determine the proportional reduction (half, third, quarter) of dollars and services necessary and let the Library system determine the best way to apply the reduction,** either in terms of reduced hours, Sundays, or branches to be open on Sunday.

Other Hours Reductions
The Committee requested options for discussion for further reduction of library hours in FY11. If the Committee assumes a cost savings associated with additional reduced hours, the library system would need to apply the reduction across the branches to implement new hours practically. **It is important to note that any additional reduction in hours will result in Reductions in Force.**

Council staff suggests the following methodologies as options for determining an amount for reduction.

Increase the proportional reduction assumed by the County Executive. The Executive's reduction totaled nearly $2 million and 24 workyears and equated to an 8.7% reduction, or approximately 150 hours per week in the system. For example, the Committee could assume an additional reduction of one-fourth of this amount, an additional 37 hours reduced across the system per week, and an associated savings of $500,000. This would correspond to approximately 6 additional workyears reduced.

Accelerate the closing of the Olney Library. The Olney Library is scheduled to close this fall for construction. The Executive's budget assumes $180,000 and 3 positions cut mid-year as associated savings, with the remaining branch staff redistributed in the system. There are two options for additional savings here.

1. *Assume a full year closing of Olney with the same staff reductions.* This would increase the savings by $100,000 and affect the same 3 positions for the full year rather than the half year.
2. *Assume mid-year closing but reduce all branch staff.* This would be more comparable to the Executive's recommendation for Gaithersburg, which is retaining only a minimal staff for the interim facility but not redistributing branch staff in the system. The savings here would total approximately 10 positions and $350,000.

Reduce Tier 2 scheduled hours (50 per week) to Tier 3 levels (46 per week). This would effectively leave two tiers of libraries, the six largest and all others. This would reduce a total of 16 hours per week and approximately 9 WY and $300,000.

III. ADDITIONAL COUNTY EXECUTIVE RECOMMENDATIONS

The County Executive's April 22 transmittal identified five additional reductions for the Department of Libraries totaling $593,000 as follows:

- Reduce IT Specialist and Equipment: $168,000
- Reduce Substitutes and Pages: $136,290
- Reduce Materials: $138,000
- Reduce Admin Specialist II: $115,710
- Reduce miscellaneous operating: $ 35,000

Additional description is attached on circle 8. The recommendation abolishes two filled positions. The IT Specialist is a grade 26, represented position, and the Administrative Specialist is a grade 21, non-represented position.

The Committee may want to discuss the impact of the IT position, and what other technology supports are in place that can assume some of its responsibilities, particularly given the increasing importance of technology in library services and the increasing public use of technology resources in the branches. The description on circle 8 states that the abolishment "will result in a slower response to computer problems in the branches".

The reduction to substitutes and pages consists of a $100,000 reduction to the page budget. These are temporary positions with frequent turnover that shelve books. The substitute budget will be reduced an additional $36,290; the original FY11 recommended total was $300,000 and was 50% less than the FY10 approved level. The materials budget was already recommended to be reduced by 43% to $3.138 million; this additional reduction results in a 45% reduction to a total of $3 million.

CIP Current Revenue: The Executive also recommends a reduction in FY10 current revenue for the Rockville Library totaling $325,000. This project is pending closeout, so the funds are not needed and reflect unspent appropriation.

IV. SCENARIOS FOR ALTERNATE MANAGEMENT STRUCTURE

The Committee requested that Council staff analyze the current management and branch management structure in the Department of Libraries, and develop alternate scenarios for branch management that would reduce the number of managerial positions and increase the number of front-line service positions.

MCPL Response

The Department of Libraries provided information responding to the Committee's request (circles 9-16). The material:

- Details managerial responsibilities that cannot be shifted to other positions;
- Discusses the adjustments to position and workload distribution between managers and front-line staff that the Department has made in the last three years of budget reductions;
- Specifies the anticipated impact on branch services of reduced branch managers;
- Discusses the various scheduling limitations on bargaining staff which require the flexibility of scheduling managers to fill in gaps in coverage or service; and
- Highlights the role managers play in interacting with the public around questions, problem solving customer complaints, difficult behavior, and in acting as a key community liaison.

Analytical Context

The Office of Legislative Oversight (OLO) analyzed information on the Reduction in Force (RIF) across County Government and presented this information to the Management and Fiscal Policy (MFP) Committee on April 19. Portions of that analysis are referenced in this packet as context for this HHS Committee discussion. In response to Council staff's request, OLO also prepared similar analysis specific to the positions and composition of the Department of Libraries. These analyses indicate the following:

- OLO's County-wide analysis showed that Public Libraries is losing by far the most total positions; the total of 78 is nearly double the number of the next highest department, Permitting Services, which is losing 41. DPL is also losing the most filled positions, a total of 60, with the next highest department, Recreation, losing 28 filled positions.

- OLO also identified job classes recommended to lose ten or more filled positions; of the six job classes in this category, three are library classes (Library Assistant I, Librarian II, and Library Assistant II).

- OLO analyzed the distribution of positions in the County workforce by grade level groupings. The group of Grade 27 and above, which includes many managerial positions, and represents the highest paid employees, comprises approximately 12% of the total MCG workforce. In the Department of Public Libraries, Grades 27 and above comprise 7% of the total workforce.

4

- The tables below (prepared by OLO) show the positions in the library department grouped by grade and whether represented or not, and show the position groupings as part of the FY10 approved workforce and the number and percent of positions abolished in the Executive's FY11 recommendation (including the April 22 transmittal). These figures show that the groups are largely proportionally represented in the abolishments. The exception is the positions in Grades 22-26, which were harder hit by the abolishments.

Department of Public Libraries

	FY10 Approved Workforce		Executive Recommended FILLED Abolishments		Executive Recommended ALL Abolishments		FY11 Approved Workforce	
	# Positions	Percent	# Positions	Percent	# Positions	Percent	# Positions	Percent
Grades 5-15	177	41%	20	32%	29	36%	148	43%
Grades 16-21	156	36%	22	35%	29	36%	127	36%
Grades 22-26	67	16%	17	27%	19	24%	48	14%
Grades 27+	28	7%	3	5%	3	4%	25	7%
	428	100%	62	100%	80	100%	348	100%

	FY10 Approved Workforce		Executive Recommended FILLED Abolishments		Executive Recommended ALL Abolishments		FY11 Approved Workforce	
	# Positions	Percent	# Positions	Percent	# Positions	Percent	# Positions	Percent
MCGEO	353	82%	53	85%	68	85%	285	82%
Non-Rep	75	18%	9	15%	12	15%	63	18%
	428	100%	62	100%	80	100%	348	100%

- OLO also analyzed the total composition of the DPL workforce in FY10 and under the Executive's recommendation for FY11. **As the first and last columns above show, the composition of the workforce by grade groupings does not change significantly. Positions above grade 27 comprise 7% of the workforce in both the FY10 approved and the recommended FY11 budgets.**

- **The same is true for represented and non-represented employees.** If the Executive's FY11 position abolishments were approved as recommended, the resulting workforce would be 82% represented and 18% non-represented, the same proportions as in FY10.

- This is the third consecutive fiscal year that the Libraries have taken significant program and position reductions. As MCPL noted on circle 9, when the three years of reductions (FY09-11) are taken together, non-represented positions have been reduced by 24.3% (18 positions), and represented positions reduced by 27.8% (113 positions). As the Committee has discussed, most of the positions abolished in FY09-10 were vacant.

- Council staff notes that 20 positions, or 26% of the Libraries' total position abolishments, are associated with the temporary closures of Gaithersburg, Olney, and Noyes Libraries. These positions, which are largely front-line positions, will presumably be restored when those facilities re-open.

Scenarios

Council staff developed potential scenarios for branch staff reconfiguration based on the following assumptions:

- Council staff compiled the table below to create an approximate staffing snapshot of the branch staffing under the Executive's March 15 recommendation. This table also separates the branches into the tiers as structured under the recommended hours scenario.

Tier 1		M3	SrLib	Libr II	Libr I	Libr Assoc	LAS	Libr Asst	Libr Aide, LDA,clerk	Total
	Bethesda	1	1	2	3	3	1	4	4	19
interim	Gaithersburg		1			2		2	3	8
	Germantown	1	1	2	1	3	1	8	4	21
	Quince Orchard	1	1	2	2	1	1	6	5	19
	Rockville	1	1	3	6	4	1	7	4	27
	Wheaton	1	1	1		3	1	6	3	16
Tier 2										
	Davis	1		2	4		1	6	3	17
	Praisner	1		2	2	2	1	6	1	15
	Olney	1		1	2	2	1	4	3	14
	Potomac	1		2	3	2	1	4	2	15
Tier 3										
	Aspen Hill	1		2	3	2	1	5	1	15
	Chevy Chase	1	1	3	1	1		4	1	12
	Damascus	1		1	1	2	1	2	3	11
	White Oak	1		2	2	2	1	4	2	14
	Kensington Park	1		1		4	1	2	3	12
	Little Falls	1		2	1	3	1	4	2	14
	Long Branch	1		1	2	1	1	3	2	11
	Silver Spring	1		2	2	2	1	3	3	14
	Twinbrook	1		2	1	2	1	3	2	12
	Poolesville		1		1	1		2	1	6

This table does not reflect the actual FY11 implementation; Council staff compiled this table from the recommended personnel complement. As such it reflects the approximate array of positions that will be available. It does not reflect actual personnel transfers or personnel actions in progress. It also condenses Library Assistants I and II into one group and does not distinguish between full and part time positions in any category.

- Library staff provided the percent of time branch positions are scheduled to spend on information and circulation desks (circle 16). Based on this scheduling information, Council staff assumed that manager positions would have to be replaced with desk staff at each affected branch. A part-time Librarian I position would most closely replace the information desk time of the manager. Scenario II below assumes replacement of some circulation desk time as well due to the larger number of affected branches and staff.

- Council staff assumed that each branch should have a minimum of two non-represented positions so that they are available to work each shift, opposite each other. Council staff understands that this is standard scheduling practice so that bargaining unit members are not scheduled to be in charge of a branch. Council staff also shows options if this assumed practice is not continued.

- The salary for branch managers is calculated at the actual salary average; all other positions are calculated at grade mid-point. Totals reflect the addition of 30% for benefits.

Scenario I: All Tier 1 branches are managed by one MIII per two branches.
- Reduce 3 MIII positions: -$371,940
- Add 6PT/3FT Librarian I positions: +$243,330
- Net Savings: -$128,610

Pros: The Tier 1 branches are already allotted an additional manager (Senior Librarian). This maximizes flexibility of scheduling a manager on each shift and the flexibility of mangers filling in for various duties when necessary.

Cons: The Tier 1 branches are the largest and have the most staff and other managerial responsibilities, making doubling up more difficult.

Scenario II: Pair all Tier I branches with the six smallest Tier 3 branches; one MIII manages a Tier 1 and a Tier 3.
- Reduce 6 MIII positions: -$743,880
- Add 3 Senior Librarians: +$293,625
- Add 6PT/3FT Librarian I: +$243,330
- Add 6PT/3FT Library Assistant I/II: +$192,966

- Net savings if add all: $13,959
- Net savings if no Senior Librarians added: $307,584
- Net savings if add 3SL and half other staff: $232,107

This scenario outlines several replacement staffing options. Adding 3 Senior Librarian positions allows these positions to co-manage the smaller libraries and add flexibility in scheduling managers per shift. If the current practice of scheduling a manager for each shift is discontinued, the Senior Librarians would be less necessary. Given the smaller staff complements at the smaller libraries, a wider array of replacement staff may be necessary to fill all duties a manager could assume. Of the replacement options, Council staff views the third option of adding 3 Senior Librarians and half of the replacement staff as the best compromise.

Pros: Managers are responsible for only one large and one small library, with the potential for sharing management duties among several libraries.
Cons: Adds additional layers of shared responsibilities among many staff in more branches. Does not fully replace manager desk time unless all additional positions are added, but then yields no appreciable savings. Creates inconsistency in staffing within Tier 3, which has nine branches (only 6 affected in this scenario).

Council staff comments:

Council staff examined other possible combinations, such as pairing all Tier 3 branches with each other, or pairing Tier 2 and Tier 3; however, these did not yield significantly different combinations of staff and dollars as those presented in Scenario II.

It is important to note that these scenarios are examples of restructuring and savings only. If the Council recommends a different approach from the County Executive, it will need to assume a representative reduction of dollars and workyears as indicated and the Library Department will implement an actual staff complement within approved resources and adjust positions across the resulting structure to assure even staffing and workload.

Given the already lean staff complements at most of the branches, there is little restructuring that can be done that achieves significant savings. If the goal is to change the proportion of staff positions, these scenarios offer the opportunity to replace some managerial positions with lower grade positions. In Council staff's view, Scenario I is the most feasible and works best within current scheduling practices. The Committee may want to discuss the issue of manager shift scheduling to determine whether a move away from that practice is feasible for both represented and non-represented parties. If so, that would increase the number of possible scenarios.

In the final analysis, Council staff suggests that the Department of Libraries has already taken extensive reductions in personnel, resources, and services for the coming fiscal year. The reduction as recommended by the Executive is disproportionately higher than for other departments in terms both of dollars and positions. The above position analysis shows that Libraries has a fairly flat management structure without much redundancy.

Libraries are a government service that is widely valued by County residents, as the Council has heard repeatedly in testimony and correspondence. The threshold question for the Committee today may be whether the recommended allocation would go too far and whether any funds should be reconsidered on the reconciliation list for Libraries. If not, the question is then whether any further reductions are truly viable or whether they would overly weaken this public service.

f:\mcguire\2010\libr fup comm pckt 410.doc

(2)   Provisions that any such governing body holding in trust cash, securities or any other evidences of indebtedness or unimproved real property acquired from proceeds of taxes levied for a library special taxing area may retain such cash, evidences of indebtedness and property for use in making available, at such times as there has been placed in operation a library building adequate to serve the council district in which located, such additional library facilities as such governing body in its discretion determines to be suitable and as may be approved by the director.

(b)   After the terms and conditions of transfer of any such facilities and property have been agreed upon, the county executive is hereby authorized to accept, on behalf of the county, the transfer of such facilities and property to the county effective on the first day of July next following. The conveyance of title to the county of any property pursuant to the provisions of this article shall be evidenced by a written contract or agreement approved by the county attorney. (Mont. Co. Code 1965, § 2-58; 1969 L.M.C., ch. 34, § 14.)

Sec. 2-53. Annual payment of county library tax to certain municipalities.

(a)   If the governing body of any municipality in the County which supports or operates a free public library on December 31, 1997 does not transfer that library into the County system, the Director of Finance must pay annually to the governing body of that municipality for library purposes, as soon after the beginning of each fiscal year as possible, an amount which would be realized if that portion of the general County ad valorem tax rate on real and personal property attributable to the appropriation for the Department of Public Libraries for that fiscal year were levied against the assessed value, on the preceding County date of finality, of the real and personal property in that municipality. For the purposes of this subsection, the amount of the appropriation for the Department of Public Libraries in any fiscal year includes the estimated amount of the payment to that municipality in that fiscal year. The amount of payment to any municipality must not exceed in any given fiscal year the amount of revenue derived from taxes levied by that municipality for library purposes for the preceding fiscal year.

(b)   If the governing body of a library supported by a municipality indicates a desire to transfer all or part of the library facilities owned by it into the County public library system, the Director of Public Libraries must negotiate for that transfer as provided in this Article. (Mont. Co. Code 1965, § 2-59; 1999 L.M.C., ch. 11, § 1.)

Sec. 2-54. Adoption of administrative rules.

The director, with the approval of the library board, shall have authority to adopt such administrative rules, including provision for library fines, as may be necessary for the conduct of the central book depository and the several branches, stations and bookmobiles. (Mont. Co. Code 1965, § 2-60.)

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By:

AN EXPEDITED ACT to:

(1)   authorize the County to pay to certain municipalities that support or operate a free public library an amount determined in the operating budget or Council resolution; and

(2)   generally amend the county law related to the payment of the County library tax to certain municipalities.

By amending
    Montgomery County Code
    Chapter 2, Administration
    Section 2-53

Boldface	*Heading or defined term.*
Underlining	*Added to existing law by original bill.*
[Single boldface brackets]	*Deleted from existing law by original bill.*
Double underlining	*Added by amendment.*
[[Double boldface brackets]]	*Deleted from existing law or the bill by amendment.*
* * *	*Existing law unaffected by bill.*

The County Council for Montgomery County, Maryland approves the following Act:

1   **Sec. 1. Section 2-53 is amended as follows:**

2   **2-53. Annual payment of county library tax to certain municipalities.**

3   (a)   If the governing body of any municipality in the County which supports

4   or operates a free public library on December 31, 1997 does not transfer

5   that library into the County system, the Director of Finance must pay

6   annually to the governing body of that municipality for library purposes,

7   as soon after the beginning of each fiscal year as possible[,]:

8   (1)   an amount which would be realized if that portion of the general

9   County ad valorem tax rate on real and personal property

10   attributable to the appropriation for the Department of Public

11   Libraries for that fiscal year were levied against the assessed

12   value, on the preceding County date of finality, of the real and

13   personal property in that municipality; or

14   (2)   a lower amount approved in the annual operating budget or a

15   Council resolution.

16   For the purposes of this subsection, the amount of the appropriation for

17   the Department of Public Libraries in any fiscal year includes the

18   estimated amount of the payment to that municipality in that fiscal year.

19   The amount of payment to any municipality must not exceed in any

20   given fiscal year the amount of revenue derived from taxes levied by

21   that municipality for library purposes for the preceding fiscal year.

22   (b)   If the governing body of a library supported by a municipality indicates

23   a desire to transfer all or part of the library facilities owned by it into the

24   County public library system, the Director of Public Libraries must

25   negotiate for that transfer as provided in this Article.

26   **Sec. 2. Expedited Effective Date.**

27   The Council declares that this legislation is necessary for the immediate

③

28   protection of the public interest. Section 2-53, as amended by Section 1 of this Act,   ④

29   takes effect on the date on which it becomes law.

Approved:

_____   _____
Nancy Floreen, President, County Council   Date

Approved:

_____   _____
Isiah Leggett, County Executive   Date

This is a correct copy of Council action.

_____   _____
Linda M. Lauer, Clerk of the Council   Date

④

Library

Department Summary

Department Overview:

The Takoma Park Library's mission is to respond to the literary, educational, and informational needs of a diverse community. It does so by providing and promoting up-to-date resources, collections, and referrals that match community interests, promote literacy and learning, nurture a love of books and stories, and present a broad range of views within an inviting and safe environment. The Library also operates the City's Computer Learning Center.

These functions are accounted for in two divisions. They are Library and Computer Learning Center.

Adopted to Estimated Actual FY10:

- Departmental expenditures are expected to be $4,475 lower than budget.

FY11 Budget Highlights:

- Departmental expenditures are $27,296 lower -- a decrease of 2.7 percent -- compared to budgeted expenditures for FY10. The decrease is primarily attributable to supply costs and contracts.

- Departmental FTEs decreased by 0.72.

- Approximately 81 percent of departmental expenditures are personnel related.

- Personnel costs are up by $6,175 compared to budgeted expenditures for FY10.

- Approximately 13 percent of departmental expenditures are supplies. This category includes the cost of books, periodicals, reference materials, and computer supplies.

- Services and charges are down by $18,863. This account includes contracts and support for circulation and cataloging records and functions.

Library

Department Summary

Dept. Expenditures by Division	Actual FY09	Adopted FY10	Estimated FY10	Proposed FY11
Library	840,772	916,625	912,927	911,104
Computer Learning Center	77,170	96,119	95,342	74,344
Department Total	**917,942**	**1,012,744**	**1,008,269**	**985,448**

Dept. Expenditures by Type	Actual FY09	Adopted FY10	Estimated FY10	Proposed FY11
Wages	569,350	603,370	607,578	587,272
Fringe Benefits	173,653	189,076	184,126	211,349
Overtime	25	-	600	-
Personnel Subtotal	**743,028**	**792,446**	**792,304**	**798,621**
Supplies	125,843	146,472	146,212	131,324
Services and Charges	42,928	63,176	59,603	44,313
Miscellaneous	6,143	10,650	10,150	11,190
Department Total	**917,942**	**1,012,744**	**1,008,269**	**985,448**

Source of Funds	Actual FY09	Adopted FY10	Estimated FY10	Proposed FY11
Library Aid from County	112,352	132,830	120,155	107,780
Library Fines and Fees	25,551	22,000	22,000	22,000
Subtotal	**137,903**	**154,830**	**142,155**	**129,780**
General Fund	780,039	857,914	866,114	855,668
Department Total	**917,942**	**1,012,744**	**1,008,269**	**985,448**

Staffing Summary by Division (FTEs)	Actual FY09	Adopted FY10	Estimated FY10	Proposed FY11
Library	8.25	8.25	8.25	7.88
Computer Learning Center	1.25	1.25	1.25	0.90
Department Total	**9.50**	**9.50**	**9.50**	**8.78**

Dear Chairman Leventhal and Members of the Committee,

The City of Takoma Park recognizes the very difficult responsibility of the Health and Human Services Committee in recommending a budget during this financial downturn. As you know, the City of Takoma Park is also facing significant cuts in intergovernmental funding and shortfalls in income tax revenue.

City Manager Barbara Matthews's proposed FY 2011 budget assumed revenue from the Library Payment, based on the legislatively-prescribed formula. Due to declining assessments, that number is $20,050 less than the FY 2010 amount of $132,830.

We understand that the Committee may discuss making a legislative change to allow exceptions to the Takoma Park Library Payment formula. While we understand the interest in adopting a change, we have three concerns:

1. A legislative change such as this should be preceded by a discussion with the City of Takoma Park. What language is proposed? What criteria would trigger an exception? What is the history of the Library Payment and does that history offer some direction about the approaches that might be considered for any amendment?

2. A City Manager needs to have some reasonable expectations about revenues and expenditures with which to prepare a budget. There are always unknowns--expected income tax revenue is particularly difficult to project--but to have multiple lines of uncertainty makes the process of preparing a budget almost impossible.

3. A cut in the Takoma Park Library Payment due to declines in expected income tax revenue by the County, will be compounded in Takoma Park by the decline in expected income tax revenue that we are also facing. This makes the reduction in income tax revenue hit the City of Takoma Park twice.

We ask that no change be recommended to the Takoma Park Library Payment formula. If the Committee wishes to pursue such a change, we ask that the discussion of any change not happen this year, due to the lateness of the budget process.

Thank you for your consideration.

Suzanne Ludlow
Deputy City Manager
City of Takoma Park

NDA - Working Families Income Supplement

REDUCE: EARNED INCOME TAX CREDIT (EITC) MATCH BY 33% -5,394,100

Montgomery County is one of the few local governments in the nation that provides a local Earned Income Tax Credit (EITC) for its residents. This program, which began in FY00 at a cost of $2.2 million, was based on matching the State's EITC which, at that time was 10% of the Federal EITC. Participation in the program included 12,322 total recipients. Since that time, the State match of the Federal EITC has grown to 25% at an estimated cost in FY11 of $16.2 million and 30,505 recipients. The average EITC payment has grown from $178 in FY00 to an estimated $530 in FY11. The Executive recommends reducing this payment by 33%. This would change the average EITC payment to $353 which is approximately the level this payment was in FY2005.

DECREASE COST: EITC BASED ON FEWER NUMBER OF PROGRAM PARTICIPANTS -474,100

The Executive's Recommended budget included an assumption of 32,180 program participants. Based on updated information from the Comptroller's Office the most recent estimate of participants in FY11 is 30,505 which reduces the estimated total payments by $474,100.

Police

DECREASE COST: POLICE VEHICLE EQUIPMENT -387,300

The Executive recommends a reduction of $387,300 that was included in the March 15 budget for replacement of light bars and other vehicle equipment since there will be no vehicle replacments in FY11 except for emergency replacements. The full amount currently budgeted is $447,300; the cost of three packages is recommended to be retained to replace failures that occasionally occur.

DECREASE COST: FURLOUGH PUBLIC SAFETY MANAGERS -27,860

The Executive recommends expanding the 80 hour furlough to public safety managers including the Police Chief, and Assistant Police Chiefs.

Public Libraries

REDUCE: INFORMATION TECHNOLOGY: SPECIALIST AND EQUIPMENT -168,000

The recommended position abolishment will result in a slower response to computer problems in the branches.

REDUCE: SUBSTITUTES AND PAGES -136,290

Information desks may become uncovered for brief periods, and it will slow down reshelving.

REDUCE: MATERIALS -138,000

Reduces materials budget to 41% of the FY10 Original.

REDUCE: ADMINISTRATIVE SUPPORT: ADMINISTRATIVE SPECIALIST II -115,710

The recommended abolishment of this position in the Business Office will increase procurement and other administrative process times

REDUCE: MISCELLANEOUS OE -35,000

The Executive recommends the following reductions: reduce Interpreter Services by $15,000 to $20,000 total; reduce systemwide equipment replacement by $10,000 to $3,000; and reduce branch unit office supplies by $10,000.

Recreation

INCREASE COST: ENERGY TAX INCREASE 258,440

An increase is recommended to provide funds for the proposed increase in the County's Energy Tax.

DECREASE COST: GILCHRIST CENTER PROGRAM MANAGER -67,570

This work will be done by a Program Manager in the Office of Community Partnerships.

Council Question: FY11 will be the third consecutive year of library reductions, starting with FY09. Please provide information on the number and proportion of management positions and WY reduced FY09-11 and the number and proportion of non-management positions and WY reduced FY09-11.

MCPL has reduced non-represented positions by 24.3% from FY09 – FY11 CE Recommended. Represented merit positions are decreased by 27.8% for the same period. Overall, MCPL is at the flattest, leanest management structure it has ever had. In the 1980's and 1990's, MCPL had not only branch managers, but regional managers, program coordinators, additional division chiefs, and an associate director; all of which are gone. We have continued to eliminate management positions in the FY09 through FY11 period.

The chart below summarizes the reductions to merit staff in MCPL from FY09 – FY11 CE Recommended. It shows that **the percentages of non-represented staff reduced versus represented staff reduced are reasonably close, especially when the actual reductions to workload considered.** The workload on the non-represented managers and supervisors that remain has gone up, while workload for represented employees has been absolutely reduced, by at least 13.5% (the weekly reduction in library service hours), and literally more when the 50% reduction in library materials purchasing power, and the near total elimination of required staff programming are factored in. This absolute reduction in workload for represented staff more than accounts for the difference in proportion of non-represented workyears reduced (20.8%) versus represented staff workyears (30.7%).

Change FY11 Vs. FY09	Workyears	Positions	% Reductions	
			Wys	Positions
Non-Represented	-15.0	-18	-20.8%	-24.3%
Represented	-86.7	-113	-30.7%	-27.8%

MCPL has made both non-represented and represented staffing changes strategically, while adjusting to reduced resources, to craft a departmental organization that efficiently and effectively serves the public. For the past 5 years we have been reorganizing and restructuring this department to improve efficiency and public service by eliminating redundant management and staffing structures to increase accountability and improve communication. The library branch managers are a key element to an effective organizational structure. Branch managers have the most flexibility in dealing with quickly changing conditions and workload demands. If the FY11 CE Recommended budget is approved as submitted, non-represented staff will represent 16% of total merit staff, versus 84% for represented staff. This proportion of non-represented staff is also far below the overall proportion of non-represented staff in County government, which is 21% of all positions according to the OLO Packet of April 19, 2010 (page 16). Furthermore, Library Managers (grade 27 and above), in MCPL only account for 6.9% of all merit system positions, again far below the 12% proportion in County Government observed in the OLO Packet (page 23).

MCPL makes decisions on which classes of employee in either represented or non-represented classes are most appropriate to the work. In prior years, this has, for instance, resulted in the abolishment of ten Senior Librarian (non-represented) positions, some of which were abolished in order to create sufficient Librarian II (represented) positions in each branch. That change was made because it was determined that the Senior Librarians remaining would take on assistant

branch manager and small unit manager portfolios exclusively, and Librarian IIs would be lead workers for Juvenile and Adult services in each branch exclusively. Prior to that change in FY09/FY10, both positions acted as "heads of service" for Juvenile and Adult services in various branches, based on the size of the branch, with some branches having two Senior Librarians (one to head each service).

MCPL has been increasing the responsibilities and accountability of branch managers, in particular assistant branch managers and library assistant supervisors; while decreasing the volume of work and the kinds of work on represented staff. We do not use overtime in the department. Represented staff are only scheduled for the hours they can work on service desks. If there are not enough staff to work the service desks, then managers either work extra hours, plan and implement a reduction of desk services, or work with the Public Services Administrator for Branch Operations to determine if emergency staffing from another branch might be deployed. The table below summarizes both the implemented, and planned per the County Executive's budget recommendation, increases and decreases to both the workload of non-represented employees and represented employees in recent years.

Workload Changes Comparison: Non-Represented Staff and Represented Staff (FY09 – FY11 CE Recommendation)

Non-Represented Staff	Represented Staff
Increases to Workload	**Increases to Workload**
Increase in use by the public (circulation, information, visits)	Increase in use by the public
Increase in customer issues: disruptive behavior, unhappy customers, customers' needs. A branch manager, assistant branch manager, or library assistant supervisor is typically the key respondent to these issues.	Increase in customer issues: Line staff will often deal with the initial issue, moving the issue to the person in charge (most often a non-represented manager or supervisor) if the issue becomes more involved.
Personnel staffing and scheduling: Cover for unanticipated absences, negotiate leave requests, schedule staff, staffing changes, and workforce reductions. Includes ensuring branch opens during inclement weather, putting basic salt/sand down while awaiting DGS first responses (represented staff do not do this).	Increased time on service desks as staffing is reduced, higher % of overall time spent on a service desk by line staff (versus in the "back-room").
MCPL project management (multiple major Capital projects, system efficiency initiatives, policy changes, new business models, new service initiatives research and development). Projects ultimately result in efficiencies, but require changes to staff procedures and public service.	Training for and adjusting to changes in equipment, policies, and procedures.
Ensure back-office tasks (shelving, holds management, collection management, office tasks, facilities, operations) are still done in an effective manner.	
County systems and requirements: New personnel evaluation systems (2 in 5 years), new financial system, ensure compliance with many County initiatives.	
Managing relationships with Library Advisory Committees and Friends of the Library local	

chapters: making requests for funds for library enhancements, managing volunteers, coordinating these activities with Central Administration.	
Managing customer, staff, operations, and facility issues as countywide budget cuts negatively impact branch operations.	
Major Upgrade to ILS (Integrated Automated System for cataloging, circulation, etc.). Provide critical communication and feedback to Central Administration to ensure the planned improvements to workflow and processes from the upgrade are successful.	Training in software upgrade.
Decreases to Workload and/or efficiencies (managers)	**Decreases to Workload and/or efficiencies (line staff)**
Service hours reduced with related reduction in service desk times. Although with reduced staffing and substitute staffing resources experienced to-date, managers themselves are typically working more direct service hours, while also expending time managing personnel scheduling and leave.	Service hours reduced, with related reduction in service desk times.
Reconfiguration of senior management portfolios, to make internal decision-making more efficient.	Reduction in service desk hours (number of stations open) during open hours
	Reduction in programs provided to public
	Elimination of "date due" stamping
	Policy and fee/fine changes related to Holds designed to cut back on unnecessary workload
	Decreased work requirements for back office tasks as emphasis is focused on service desks
	Reduction in materials bought (reduces associated processing, cataloging, and branch management of new materials)
	Leasing of bestseller materials (reduced branch workload)
	Upgrade of Pharos Internet management and Xerox public copying systems (reduced public issues with failures of aging equipment that branch staff would have to handle)
	System upgrades will in the long-run allow more efficient work and better processes that benefit both customers and staff.

Council Question: The Committee asked for MCPL's view on the feasibility of one branch manager managing two branches, and the service impact if that structure were implemented.

There is far too much volume and complexity of work to assume that one branch manager could successfully meet the needs of two communities. It would be analogous to having one principal run two schools. A library is an integral part of the surrounding local community, and is used by

the public not on just a minute-by-minute basis, but in a community context. The library manager is the person most qualified, and available to manage this vital relationship with the community.

Most branches have one Library Manager (Management Leadership Service, grade M3), who is responsible for the overall operation of the branch in both Information and Circulation services. The Branch Manager is a practicing librarian as well, and directly provides and manages information services, programming, and collection at that branch. Most branches have one Library Assistant Supervisor (grade 20), who supervises the circulation function and circulation staff of the branch. The six largest branches add an assistant branch manager (grade 25, "Senior Librarian") to the non-represented staff of the branch, to handle the longer hours and larger staff and bigger collection of those branches. The four smallest library outlets/units (Cataloging/Processing, Correctional Facility Library, Poolesville Branch, and for FY11 the Gaithersburg Interim branch) are managed by a single Senior Librarian (grade 25), with no Library Assistant Supervisor.

All three classes of non-represented staff are working managers who provide direct public service as a substantial component of their work effort in addition to their duties as managers and supervisors. This includes working at least two nights per week, alternating Saturdays, and several Sundays per year.

Below are the unique responsibilities that library managers in particular are accountable for; none of these can be shifted to another job classification – bargaining or non-bargaining. These responsibilities are contained in the performance evaluations for our library branch managers:

- **Branch Managers are held accountable to the Administration for the performance of their library branch. This includes all personnel issues, all facilities issues, the development and management of the collection, the efficient circulation of materials, the safety and security of the building, relationships with the community, and the customer service experience.**

- **The branch manager in the building is responsible for maintaining order.** They must ensure that the building is a safe facility. Library buildings are busy public facilities, with their fair share or more than a fair share of activities that need to be addressed, such as drunkenness, fights, hostile/disrputive individuals or groups of individuals, inappropriate use of public equipment, and illegal activities. Managers plan in advance for such situations, and plan and present training to staff that make them effective at handling some of the less disruptive issues. We led the County's development of the Disruptive Behavior Order, which managers issue to customers who are disrupting our services in our buildings. Branch managers spend time each day handling angry customers, homeless customers, unruly customers – they are even subpoenaed to testify in court. .

- **Branch managers have a fiduciary responsibility and are accountable to the County, ensuring that monies are spent according to County procedures.**

- **Branch managers are the morale leaders of a branch, and are responsible for human resources issues. They set the tone for a safe, comfortable, and productive branch environment. Human resources management is not simply "paperwork,"** although the accurate and appropriate management of documentation is one of several vital tasks. Other tasks include training, mentoring, managing staff relationships, helping staff navigate personal issues which affect the workplace and work team, referring staff to Employee Assistance, and complying with County programs related to human resources. They are the responsible to the Department, the Union and OHR to resolve disagreements and/or disputes. The other non-represented supervisor in the building, the

LAS, has been instructed not to participate in the personnel issues of Information staff, since at grade 20, the LAS is several grades lower than staff in the Information classes. .

- **Branch managers are trained in the concepts of intellectual freedom, providing leadership to their staff when these issues are raised by a customer.**

- **Branch managers are the "person in charge" for anyone in the community who has an issue.** Customers ask to speak to the manager on a daily basis on issues ranging from policy disputes to fines to administrative concerns. Managers are the only persons in the branch with the authority, and scope of knowledge, to speak for the Department.

- **Branch managers are needed in the branches for direct supervision and accountability.** In order to accurately assess an employee's performance, the manager must observe, coach, and evaluate staff. Represented staff will not accept a performance evaluation from a manager that has not observed their performance. Since many MCPL staff are part-time, it would be difficult for a part-time manager to be scheduled the necessary hours at a branch to successfully evaluate employee performance.

- **Branch managers are held accountable for the training and implementation of all new policies.** In this time of change and reorganization of the Department, staff will need to be trained and customers will demand explanations.

- **Branch managers are responsible for working closely with their local Friends chapters** and the Public Services Administrator for Community Engagement to plan their branch's programming, and to ensure that the branch and Friends adhere to the Department's programming guidelines. Since MCPL is reducing and eliminating many staff-led programs, managers must work with their Friends and their local communities to identify volunteers that can assume the responsibility for identified types of programs, and work with the PSA for Community Engagement to identify which systemwide . programs would benefit the local community.

- **The branch managers work with Public Services Administrator for Facilities Management, the Public Services Administrator for Branch Operations, the Oversight Property Manager and Building Inspector, and other Department of General Services staff to provide a safe, efficient, clean and well maintained and effectively laid out facility that meets customer and Departmental expectations for service and operations.** The Branch Manager works with the Oversight Property Manager and the PSA for Facilities Management to expeditiously resolve facilities problems and ensure high facilities maintenance levels.

- **New or renovated facilities: branch managers work with the PSA for Facilities Management, Department of General Services Building Design and Construction Project Manager, and the architectural firm to design the most effective building possible within the limitation of the CIP budget and the approved Program of Requirements.** Directly responsible for meeting all deadlines, organizing and publicizing all community meetings, gathering input from all stakeholders, and working with the PSA for Facilities and the Department Director to incorporate identified community needs into the new or renovated building.

- **Branch managers are relied upon to provide feedback, vet concepts, and ensure the implementation of new policies and procedures.** They also represent the Library Administration on such County initiatives as the Senior Subcabinet for Vital Living, the Collaboration Council, and the Month of the Young Child. They lead in the testing necessary for new policies, procedures, and initiatives before the Department releases them.

- **Branch managers take leadership roles on systemwide cohorts**. This allows the Department to move forward, even in lean times, with such projects as investigating books by mail, redesigning the holds process, and identifying and researching innovations in the library field for their applicability to MCPL.

- **Branch managers actively work with their community's Friends groups, Library Advisory Committees, and other community members and community organizations**. These groups are composed of members of that community, and they advise the branch managers on community needs in the branch such as the library's collection, facility and programming.

- **All managers (branch, assistant branch, and library assistant supervisors) work on Sundays, and ensure the successful operation of that service.** The managers collectively rotate management of the branches on Sundays, each taking six Sundays per year. In fact, the total number of managers working Sundays (since all must) is almost equal to the total number of merit system represented employees (who far outnumber managers otherwise) who are compelled to work on Sundays.

- **Branch managers are responsible for designing and implementing an annual Branch Workplan.** This workplan aligns the identified needs of the community with the Department's strategic goals, and encompasses long term planning, as well. This planning is vital to the successful future management of the library, and managers must be active in their communities in order to receive the community input necessary to develop successful plans.

MCPL's estimated service impact of splitting a manager between 2 branches.

Service Impact 1: Impaired ability to manage overall issues and assure service quality to the community.

Branch Managers are responsible for operations that on average support over 450,000 visits per year per branch, 1,400 visits per day. Surveys show the vast majority of library users are regular customers, and in a year an average branch checks out 430,000 items, 1,300 items per day. Managers on average are ensuring the operation of 2,700 public service hours per year at their branch.

Branch managers provide the continuity necessary in their local communities to connect the needs of each community with the services offered in their branch. Attempting to manage two branches with this level of activity will lower the responsiveness of the branch to community needs and reduce overall service quality, because branch managers will not be able participate in local community groups and interface with the community – necessary in order to understand community needs and issues. With less time in each branch, managers also will not have the continuity necessary to manage disruptive behavior, personnel issues and manage major projects such as renovations, local grants, system procedure and policy changes, and other projects.

Service Impact 2: Impaired ability to manage day-to-day issues, personnel, and branch resources.

Branch managers are responsible for staffing complements between 9 and 19 positions. They are ultimately responsible for career development, employee performance, to ensure information staff meet their certification requirements under state law, and the overall effectiveness of their

branch complement. Branch managers are also responsible for managing the weekly use of several thousands of dollars in supply, Library Page, and Substitute staffing authorizations.

Branch managers directly supervise a minimum of 4 workyears, up to 5.5 workyears. Attempting to manage two branches with one manager would create unsustainable and inconsistent spans of control for our branch managers and assistant branch managers, given their many other responsibilities. It would be even more difficult than it is already is for managers and supervisors to asses performance, counsel performance issues, and document performance issues when they are splitting their time between two staffs, and potentially doubling their number of direct reports.

Service Impact 3: Reduced face-to-face public services, potential for increased night and weekend work for represented employees

MCPL estimates that we would lose a minimum of 2,090 direct public service hours by attempting to manage two branches with one branch manager. The time lost includes:
- Direct service desk hours lost from the branch manager that is abolished.
- Direct service desk hours lost from the branch manager that remains, who will be able to spend less time on a service desk due to the doubling of their responsibilities.
- Direct service desk hours lost from other supervisors and staff who have to perform the many functions of the remaining Branch manager when they are managing their second branch.

This negative impact spreads further to represented employees, since branch managers work nights and weekends in rotation with all other staff. The loss of the branch manager service desk time will create more night and weekend shifts for other represented staff.

Service Impact 4: Loss of continuity and confusion among represented staff about who is following up on issues

Having one manager shuttle back and forth between two branches will cause substantial confusion among staff about which manager is following up on issues that span more than one day. Many issues span more than a days' time. This is especially true of facility issues, disruptive behavior, policy and procedure changes, and personnel issues.

Council Question: Please provide the amount of time branch positions are scheduled to work on information and circulation desks.

The Chart below summarizes the amount of hours per year various staff positions are required to work on the public service desks. These are expected minimums under the current conditions. Some classes, especially non-represented ones, are currently exceeding the minimums on a regular basis. It is also expected that all levels will work more hours than these current minimums in FY11, due to the removal of other workload (programming, less new materials coming in) and lower staffing levels.

MCPL Percentage of Time, and Raw Hours Spent on Service Desks
Minimum Standards as of April 2010

Information Staff

Last Name/Position	Net Total Avail. Hours*	% Time on Desk	# Hours for 1 Position
Manager III	1816	30%	545
Sr. Librarian	1816	45%	817
Librarian II	1816	58%	1053
Librarian I	1816	67%	1217
Library Associate II	1816	70%	1271

Circulation Staff

Last Name/Position	Net Total Avail. Hours	% Time on Desk	# Hours for 1 Position**
Lib. Asst. Supervisor	1845	30%	554
Lib. Asst. II	1845	65%	1199
Lib. Asst. I	1845	75%	1384
Lib. Desk Asst.**	922	83%	765
Library Aide ^	922	0%	0%

* Adjustment for Holidays, Personal Days, and Estimated Leave Usage
** All Library Desk Assistants work 20 hours per week.
   Hours for LDA shown here are for a 1/2 Workyear.
^ Library Aides do not work on service desks.