

**Part A:** The following is select budget information (FY2003) for the Cambridge Public Library.

<b>Total Budget</b>	<b>\$4,951,900</b>
<b>Personnel</b>	
Salary and Wages	\$2,997,690
Benefits	\$1,003,180
Total Salary/Benefits	\$4,000,870
Total % for personnel	80.79%
<b>Collections/Materials Expenses</b>	
Senior Services Collection	\$20,000
Reference Collection	\$114,000 (includes \$19,000 for electronic database access)
General Collection	\$226,560
Children's Services	\$45,000
All Branch Collections	\$126,000
Total Materials Budget	\$502,090
Total % for Collections	10.14%
<b>Computer Support Services</b>	
Minuteman Library Network services	\$57,710
Computer Supplies/Software	\$29,470
Additional Equipment	\$16,500
Total Comp. Support Budget	\$103,680
Total % for Comp. Support	2.09%
<b>Training/Travel Expense</b>	
Business Travel in state	\$25,800
Conference/training inside state	\$5,000
Conference/training outside state	\$2,500
Professional member/affiliation	\$3,350
Total training/travel budget	\$36,650
Total % for training/travel	.74%
<b>Other select expenses</b>	
Programming, honorariums, workshops	\$9,000
Food and Food Service supplies	\$4,500
Maintenance of building/Property related expenses	\$121,120 (\$50,500 is for energy)
FY2002 Budget	\$4,367,345
Percent change from FY02 to FY03	11.8%
<b>Total Budget FY03</b>	<b>\$4,951,900</b>

Wow, I had no idea how much money goes to personnel costs. I mean, I would have assumed it was a lot – but not eighty percent! This is particularly striking as only a bit over ten percent is allotted for the collection. When people think of libraries, they think of books and collections (physical or electronic) – but in fact libraries spend seven times more on people than on collections. It makes me curious to know if this is true of academic libraries? I know at MIT we always here how half of the budget is spent on serials. This makes sense as academic serial collections are much more expensive than those for a public library.

But getting back to this budget, it is important to note that there is no separate budget for Public Relations. I find this most interesting because during one of my various discussions with my local branch librarian she has lamented the fact that there is no pure PR person in the libraries, there is an administrative assistant for PR, but he/she works by themselves at the Main Library and is often doing other administrative duties. She said it is very hard for the branches to do all they need to in promoting different events they have. It isn't even so much a matter of money, but instead a matter of time. There is a system wide monthly newsletter, and other than that each branch is on their own. I've also noticed that I tend to hear about library events *after* they happen instead of before – so patrons do feel the lack of PR. The regulars always know what is going on, but they are missing opportunities to attract new people into the library. Perhaps once the newly renovated library is complete they will improve their PR, I certainly hope so.

I also expected more money to be spent on technology. But as the technology and computing resources at the CPL have never impressed me much, I guess I shouldn't be

surprised. Again, I might be thinking in an academic mindset again, which I probably shouldn't be doing. I also noticed that there isn't a separate budget for YA – so I assume that YA materials are bought out of the Children's Services budget, though the detailed breakdown does not show this. This could work out ok, unless the librarian buying materials feels more strongly about children's resources than developing a strong YA collection. The same goes for details of branch budgets – there is no further detailing of how they will spend their collection's budget. I assume it is left to the discretion of the branch manager and their staff.

### **Part B: And a budget was born...**

I spoke with the "Library Analyst" for the CPL. Getting through to the Director looked like it was going to take longer than I had for the assignment (getting a new library built is taking up all her time) – and the reference librarian felt Don could help me out just as well. He was very helpful and I think we covered most areas.

To start the budget process, the Library Director discusses budget needs with staff, dept. heads, Trustees, and branch librarians in Oct./Nov. and attempts to assign rough priorities to these needs. In late November the City Manager issues a budget message setting forth the conditions under which the new budget is to be prepared and what level of funding request is acceptable. In December the library works with the city's Budget Office to prepare a proposed budget for the next year in accordance with the Manager's message. In early January the proposed budget is delivered to the Budget Office. After the Budget Office analyzes it a meeting is scheduled with the City Manager. At this point final decisions are made on any requests for new funding, new

programs, etc. The Budget Office incorporates the approved library budget into the official City Budget, which is usually presented to the City Council by late March or early April. The City Council schedules hearings on the budget usually in April or May and the Library Director is present at the hearing on the library portion of the budget to answer any City Council questions. When the Council approves the complete city budget it becomes official and takes effect on July 1.

A number of people work together to get the necessary information into the budget. The Director composes the budget narrative; listing past year accomplishments, progress on existing goals, new goals, etc. The Library Analyst compiles statistics that are used in a “Benchmark section” showing progress on goals and projecting end of year final figures. Various office staffers work on updating the personnel data, estimating new costs, projecting final expenditures for the current year, etc. The Board of Trustees’ role is advisory. The Library Director consults with the Trustees in preparing the library budget within the guidelines set out by the City Manager. They help to set budget priorities, decide what new programs to request funding for, etc. The director does not need an official approval of the budget by the trustees, but the does try to work to consensus with them.

The Library Director is ultimately responsible to the City Manager for the budget. However, the City Manager is responsible for the budget submitted to the City Council and he makes the final decisions as to what will be in the Library portion of the budget. He has the ability to cut or add to the budget to make things “work”. The City Manager and the Council are the only people who have any official authority over the budget, however at the City Council budget hearing there is a chance for public groups or

individuals to express their feelings. The City Council may recommend that the Manager make changes to the budget, but can only vote to approve or disapprove the entire budget, the Council does not add or cut specific lines. The Director appears before the Council with the City Manager and city Budget Office staff and may be accompanied by library staff with expertise in areas that may be discussed. If all goes well, the budget goes through as planned. If not, they go back and work to iron out the rough spots.

In terms of funding, the Cambridge Public Library has minimal endowments. These fall outside the annual operating budget. The "Friends of the Library" raise money annually to be fund library programs, such as the purchase of the Museum Passes, which is a great and highly used program. The financing of the FY03 budget breaks down as follows:

Property taxes - \$4,448,250 – 89.83%  
Fines - \$80,000 – 1.6%  
State aid to free public libraries - \$118,500 – 2.39%  
Photocopying - \$1,500 - .03%  
Cherry sheet revenue - \$303,650 – 6.13%

From these figures it is clear to see that tax dollars provide the main funding of the public library. I was not familiar with the term “cherry sheet revenue”. Don explained that is funding received annually from the state. The CPL specifically receives a Library Incentive Grant, a Municipal Equalization Grant and Non-Resident Recompense funds based on the number of loans to residents of other towns. The city receives other state funding as well and may choose to use a portion of these to partially fund the library budget.

The budget we have been talking about above is the annual operating budget. Generally what are included here are costs that are repeated year after year. The capital budget is for major one-time expenditures such as renovating a building, replacing a roof,

providing handicapped access, etc. The capital budget is funded by bond issuances, and is described in a separate section of the narrative budget. For Cambridge, an individual PC would not be a capital expense, but the purchase of major pieces of equipment to support the city's computer network would be. The new library project is part of the City's five-year capital budget plan with a thirty million dollar bond issuance approved. Once the new library is completed the cost of running it will be built into the annual operating budget.

### **Part C: Who will wash the windows?**

I discussed this topic with the Financial Analyst as well – so I didn't get the Director's point of view, but Don seemed to have a very good sense of what goes on. Building maintenance is handled in a variety of ways at the CPL. There is an Administrative Assistant for Buildings who oversees the Main Library custodians and handles work orders and such. The library's custodial department handles minor repairs and cleaning – with some cleaning at smaller branches being contracted out to a private vendor. The upkeep of the surrounding grounds falls under the Public Works department with the library custodians doing a certain amount of step and walk cleaning. For larger electrical and plumbing work the library may place work orders with the Public Works department or may hire an outside contractor depending on the nature of the problem.

Generally, for plumbing, electrical work, painting, etc. the library's first option is the Public Works Dept. However, sometimes, either because of the nature of the work or because the work needs immediate attention and the Public Works Dept. is booked up, Public Works will advise the library to use a private contractor. If a vendor for a certain type of work is already under a general contract with the city, this can be done quickly. If

not, then the library must get at least three price quotes and submit them to the city's purchasing department. A major contracting out is much more involved and entails drawing up bid documents, advertising the work, waiting a specified period for bids to come in, and comparing and evaluating the bids submitted. Then the library must submit a recommendation to the city's purchasing department who oversees the bidding process.

The only problem at the moment is that the library is currently seeing a steep rise in costs for contracted cleaning – with the contracting going through the public bidding process. Public Works is not an option in this case and the alternative would be to increase their custodial staff. This is something they may explore sooner than later. Other than this, the current system works well.