

Reply to Common Council File No. 040279

From DOA-Budget and Policy Division

June 28, 2004

Ref: 04013

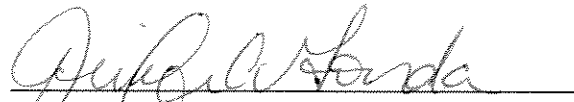
Common Council File 040279 contains a resolution approving the 2005-2007 Resource Library Agreement between the City of Milwaukee, the Milwaukee Public Library and the Milwaukee County Federated Library System. The agreement provides Milwaukee with a three year annual payment of \$725,000 payment for costs associated with providing Resource Library services to all Milwaukee County residents.

State law requires that MCFLS designate the largest library in the system as its system resource library. This library is charged with providing back-up reference, information and interlibrary loan services, including the development of and access to specialized collections. If the system cannot reach agreement with that library in any given year, the state mediates the contract. If that mediation is unsuccessful, the system can negotiate with the next largest library to provide the service (West Allis).

The prior contract provided Milwaukee with a payment of \$1.3 million annually for providing service to all county and non-county residents. However, MCFLS is experiencing financial strain, rendering it unable to make a payment at that level any longer. This contract no longer reimburses the city for providing these services to residents outside of Milwaukee County.

The fiscal impact of this file is an annual reduction of \$575,000 in MCFLS contract revenue.

RECOMMENDATION: APPROVE THE RESOLUTION WHICH ALLOWS THE CITY AND MILWAUKEE PUBLIC LIBRARY TO ENTER INTO THE 2005-2007 RESOURCE LIBRARY AGREEMENT WITH THE MILWAUKEE COUNTY FEDERATED LIBRARY SYSTEM.


Jennifer C. Gonda
Fiscal Planning Specialist