

October 17, 2024

Lauren Roznowski Hayden
President, Board of Trustees
Wauwatosa Public Library

Dear Ms. Roznowski Hayden,

I am writing to inform you of key changes the Milwaukee County Federated Library System (MCFLS) Board has approved for the 2025-2028 ILS, Resource Sharing, and Technology Agreement. These changes reflect member feedback and align with goals identified in our recently revised system strategic plan. We believe these updates will enhance support for all member libraries.

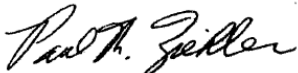
Key Decisions:

- **ILS Maintenance and Cataloging Costs:** MCFLS will assume all costs related to ILS maintenance and cataloging services. In return, member libraries will be responsible for the costs of the Hoopla streaming service. This decision was supported by 12 out of 13 member libraries in the survey distributed to all member libraries earlier this year.
- **Compensation Model:** Based on survey results, the Board chose Option 2 to compensate libraries for serving non-residents and expanding collections. Supported by two-thirds of respondents, this formula allocates funds with an 80/20 split: 80% for positive net transactions and 20% for added collection items. This increases the share for net lenders from the original 75/25 ratio. The compensation, now called the **Member Reserve Fund** (formerly Reciprocal Borrowing), will be reflected in the agreement.
- **State Aid Adjustments:** The percentages of state aid allocated to the Member Reserve Fund have been adjusted slightly to enhance compensation for member libraries. Beginning in 2026, the allocation will decrease by only one percentage point each year—35% in 2026, 34% in 2027, 33% in 2028, and 32% in 2029—allowing MCFLS to assume infrastructure costs.
- **Data Analysis Services.** The Board has directed system staff to thoroughly assess data analysis needs and present a recommendation for consideration no earlier than the 2027 budget process.
- **Omissions Due to Lack of Consensus:** Proposals related to a maintenance of effort clause, system-wide fee card, and circulation loan rules were excluded from the agreement due to a lack of consensus. The Board believes these topics require further discussion with the system and member libraries.

We understand there are some remaining concerns, but this framework ensures shared investments benefit all libraries while prioritizing net lenders. Please have your board review, approve, and return both signed copies of the Agreement included with this letter by December 20. A countersigned copy will be returned to you for your records.

Thank you to everyone who contributed to this process. We look forward to working together on these improvements. If you have any questions, please contact me or MCFLS Director Steve Heser at director@mcfls.org. Thank you.

Sincerely,



Paul Ziehler

President, MCFLS Board of Trustees