

M E M O

Date: August 24, 2010

To: Chair J.J. McCament and Members of the Board

From: Neel Parikh, Executive Director

Subject: Managing the Budget with Reduced Revenue Growth, 2011 - 2016

We are taking a three-pronged approach in evaluating how to make decisions in this reduced revenue environment. In planning for our 2011 budget, we will begin developing a five-year plan to address our projected declining revenues. We will also continue to evaluate our services and reduce expenditures. In addition, it will be important to introduce new initiatives keeping the library up to date. We must make wise service reduction or enhancement decisions over the next 5 years.

Three elements will be explored.

1. What are the existing documents and foundation principles that serve as a **framework** in which to make these decisions?
2. What are our **priorities** for serving our communities?
3. How are we going to make these decisions? What **strategies** will we use?

FRAMEWORK:

Budget decisions will be made in the context of existing library philosophy articulated in these foundation documents:

- **Mission, Vision, Values:** Mission, vision and values are articulated in the attached document.
- **Balanced Scorecard Four Perspectives:** The attached chart represents 2008 information. These will be updated in 2011.
 - Serve the Customer
 - Manage Resources
 - Run the Business
 - Development Employees
- **Facilities Master Plan – 2030 Starts Now:** The Facilities Master Plan provided a solid framework for the future. It foreshadows changes in the way that we deliver a service, how buildings are organized and how the public accesses and uses the library. We are fortunate to have this document as a road map for the future. Attached is the “Facilities Master Planning Philosophy” that was developed with the Board and incorporated in the actual Facilities Master Plan. The document reminds us of the key principles.
- **Levy promises:** The levy promises were to increase and sustain services in four categories: