



SANTA CRUZ • PUBLIC
LIBRARIES
A City County System

LIBRARY JOINT POWERS AUTHORITY BOARD

Monday, June 6, 2005 at 7:30 PM
Community Meeting Room
224 Church Street, Santa Cruz

AGENDA

PLEASE NOTE: THE LIBRARY FINANCING AUTHORITY WILL MEET AT
7:15 PM

6:15 PM: CLOSED AND (CLOSED) LITIGATION SESSION
Personnel Evaluation, Director of Libraries Gov't Code 54957

7:30 PM: PUBLIC MEETING

- ❖ ROLL CALL
- ❖ APPROVE AGENDA
- ❖ APPROVE MINUTES OF May 2, 2005
- ❖ CONSENT AGENDA
 1. Continue **Read to Me** Grant Project
- ❖ ORAL COMMUNICATIONS
- ❖ WRITTEN COMMUNICATIONS
 1. Memo of May 6, 2005 from Director of Human Resources re Workers Compensation Cost Allocation, mailed to each Board Member.
 2. Letter of May 10, 2005 from Director of Libraries to Redevelopment Agency Administrator requesting equipment funds for Live Oak Branch.
- ❖ REPORTS OF ADVISORY BODIES
- ❖ MEMBER REPORTS

Library Headquarters and System Services
1543 Pacific Avenue • Santa Cruz, California 95060 • (831) 420-5600

❖ STAFF REPORTS

Director's Monthly Report
Worker Safety Program Report

❖ OTHER BUSINESS

1. Discuss Joint Powers Board Communications with Staff Policy
2. Discuss Director's FY 2005-06 Proposed Operating Budget and other Budget Materials

Board members have each received a Green Budget Binder with detailed budget sheets, documents, and memoranda. Included in packets going to other recipients are the following summary documents:

- FY 2005-06 Operating Budget, a memo of May 20, 2005 from Director of Libraries
- Service Program and Branch Library Costs, FY 2005-06
- Library Headquarters Space, a memo of May 20, 2005 from Director of Libraries
- Unavoidable FY 2005-06 Cost Increases and Budget-Cutting Options
- Longer Term Revenue Projections, Revised
- Summary Sheets:
 - Estimated Revenues, FY 2005-06 [revised]
 - Estimated Expenses, FY 2005-06, Director's Proposal
- Base Personnel Budget FY 2005-06, Director's Proposal
- FY 2005-06 Proposed Staff Changes
- FY 2005-06 Supplies & Services Budget, Director's Proposal
- Live Oak Capital Equipment Needs
- Capital Equipment List

❖ SCHEDULE NEXT MEETING

The Board should adopt a final budget by June 30. Monday, June 20 or Monday, June 27 are both options for meeting dates.

❖ ADJOURNMENT

The Santa Cruz City-County Library System does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, the Library requests that you attend fragrance free. The Central Branch Library is a partially accessible facility. If you wish to attend this public meeting, and you will require special assistance such as sign language or special devices in order to attend and participate, please call (831) 420-5600 forty-eight hours before the meeting to make arrangements for assistance.



SANTA CRUZ PUBLIC LIBRARIES
A CITY-COUNTY SYSTEM

LIBRARY JOINT POWERS BOARD

MINUTES

Central Branch Community Meeting Room

May 2, 2005
7:30 PM

224 Church Street, Santa Cruz

I. ROLL CALL

Present: Supervisor Jan Beutz, Citizen Richard Gaughan, Citizen Barbara Gorson;
Councilmember Randy Johnson, Councilmember Cynthia Mathews, Leigh Poitinger,
Councilmember Michael Termini, Supervisor Mark Stone

Excused: Councilmember Mike Rotkin

Staff: Anne Turner, Director of Libraries

II. APPROVAL OF MEETING AGENDA OF MAY 2, 2005

Supervisor Stone requested that the first item under other business, "Discuss FY 2005-06 Proposed Operating Budget and Longer Range Financial Projections", be moved forward in the agenda to accommodate the large public gathering. Chair Gaughan suggested that Item 4, the "Presentation on Workers Compensation Actuarial Study", by Erwin Young, City of Santa Cruz Director of Human Resources, be heard first. Councilmember Mathews concurred. The Board approved these requests and the rest of the Agenda. (Stone/Gorson)

III. APPROVE MINUTES OF APRIL 4, 2005

Councilmember Termini moved, seconded by Councilmember Mathews

**that the Minutes of April 4, 2005 be approved with the following correction:
Leigh Poitinger was present at the April 4, 2005 meeting. Her name was
inadvertently omitted from the minutes.**

UNAN

IV. SPECIAL BUSINESS

Erwin Young, Director of Human Resources for the City of Santa Cruz, spoke to the Board about the City's Workers Compensation Actuarial Study and answered questions from various Board members. He agreed to respond by memo to the Board regarding statistics that he did not have available at the meeting.

V. MOVED FROM OTHER BUSINESS - Discuss FY 2005-06 Proposed Operating Budget and Longer Range Financial Projections

Chair Gaughn and Director Turner made short introductory remarks. Chair Gaughn commented that the Board and everyone else in the room is really on the same side with the interests of the library at heart. He said that closing a branch is not something the Board wants to do and that the proposal in the budget to close the Felton branch is only one component put forth for comment and discussion by the Board and public. He further requested that each speaker limit their comments to 2 minutes each to allow as many people as possible to speak.

Director Turner explained the complexities of the budget preparation and then apologized to Supervisor Stone and other members of the Board for the error she made as she attempted to brief each member on the budget. When asked by individual Board members what other members thought about the budget proposals, she shared what she knew, which was a violation of the Brown Act. The correct response would have been that she could not share that information. She promised never to make that mistake again.

Subsequently 48 members of the public spoke for 2 minutes each on behalf of the Felton Community regarding the proposal to the Library Board to temporarily close the Felton Branch until a more adequate facility could be provided. Forty-six of the 48 speakers were in favor of keeping the branch open. There were also several long lists of petitions signed by residents in support of keeping the branch open. **A list of the speakers is attached to this document as Exhibit 1.**

SEIU Union Steward Leslie Scanagatta contributed a list of SEIU members' suggestions for the budget and the Board instructed the Director to consider each of these.

Supervisor Beautz moved, seconded by Councilmember Termini

that the Library Joint Powers Board create a policy not to close branches, commit that we are going to make the policy of not closing branches the cornerstone of how we handle our budget process and declare that keeping branches open is a core service.

UNAN

VI. CONSENT AGENDA

There were no matters on the consent agenda.

VII. ORAL COMMUNICATIONS

There were no further oral communications during this portion of the meeting.

VIII. WRITTEN COMMUNICATIONS

There were no written communications.

IX. REPORTS OF ADVISORY BODIES

Pat Sandidge, Managing Director of the Friends of the Santa Cruz Public Libraries reported the following:

- Annual Book Sale at the Santa Cruz Civic auditorium held April 15/16 raised \$17,620
- Annual Friends general membership meeting is planned for May 22, 2005
- Transferred \$25,000 of funds raised by the Friends to the book and media budget
- After lengthy, passionate discussion the Friends unanimously supported the Library Director's budget recommendation to close the Felton branch with consensus that Felton deserves a bigger, more adequate library. The Board further agreed to publicly commit to the Felton community their desire to work with them in any way possible to achieve that goal. The Friends received 3 e-mails in support of keeping the Felton branch open and a call from a patron who donated \$300 several years ago, designated to plant the first tree at the new Felton library. The fund is carried over each year.
- Made it clear that the Friends' Board received budget information which clearly stated several options.

X. MEMBER REPORTS

Chair Vaughan reported that he met with Supervisor Stone and Pat Verutti when the issues came up about the possible closure of the Felton branch. Mr. Verutti reiterated his desire to facilitate a new branch opening in Felton.

XI. STAFF REPORTS

Director's Monthly Report (oral)

- A. Revenue and Expenditure Report, 03/31/05
- B. Director distributed and commented on the following documents
 1. County revenue transfer for April received 5/2/05.
 2. Bound copies of the audit approved in draft form at April meeting.
 3. Summer Reading Club Leaflet for summer of 2005
 4. History of the book and media budget

XII. OTHER BUSINESS

- A. Discuss FY 2005-06 Proposed Operating Budget and Longer Range Financial Projections.

Board members each received a budget binder with detailed budget sheets including the following summary documents:

1. FY 2005-06 Operating Budget, memo of 4/25/05 from Director of Libraries
2. Summary Sheets:
 - Estimated Revenues, FY 2005-06
 - Estimated Expenses, FY 2005-06 Current Branch Services
 - Estimated Expenses, FY 2005-06 Reconfigured Branch Services
3. Base Personnel Budget FY 2005-06
 - Current Branch Services
 - Reconfigured Branch Services
 - Library Staffing Levels
4. FY 2005-06 Supplies and Services Budget
5. Live Oak Capital Equipment Needs
6. Un-Budgeted Capital Projects and Equipment
7. Longer Term Revenue and Expenditure Projections, memo of April 19, 2005 from the Director of Libraries

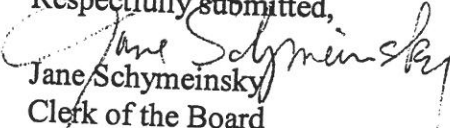
The Board discussed the information in these document, questioned the Director about certain items, and requested that the Director return in June with options for cutting the deficit, including relocation of the Headquarters facility and detailed information about the cost of various library services, especially outreach programs.

Following the budget discussion, the Board requested that Chair Gaughan write an Op-Ed article: 1) describing the budget process, what the Board does and what they ask the director to bring back to the Board; 2) explain the process of the State transferring money designated for libraries to balance the State budget; and 3) to publish the piece on the library website and also send it to the press.

XIII. SCHEDULE NEXT MEETING

The next regularly scheduled meeting will be held on June 5, 2005. The meeting adjourned at 10:45 PM.

Respectfully submitted,

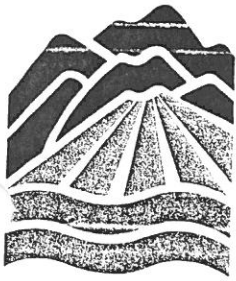

Jane Schymeinsky
Clerk of the Board

All documents referred to in these minutes are available in the Library Office.

EXHIBIT 1:


Oral Communications: List of speakers at 5/2/05 meeting re: Budget Proposal to Close Felton Branch Library

Susan Kipping
John Golder
Elias Salibi
Frank Anderson
Glenn Lyons
Lorraine Sintetos
Kim West
Lara Yurman
Jessica Corona
Toni Nagle
Dorcas Abbott
Torunn Sweers
Dave McMurtry
Leslie Scanagatta
Leslie Auerbach
Wilma Rampillo
Amy Shibly
Jeanne Hofuendehl
Sean Wharton
Eddie Scher
Mattie Morrison
Pat Clark
Joan McVay
Tina Andes
Jordon Myer
Allison Sasscer
Christie Roberts
Lisa Myer
Debbie Baker
Marguerite Clifford
Elizabeth Andes
Paul Machlis
Michelle Aldridge
Carol Carson
Kate Stafford
Barbara Lewis
Tom Fredericks
Shannon Weckman
David Sidle
Mary Nosse
Pat Sandidge
Nancy Gerdt
Jim Mosher
Tod Landis
Colette Sweers
Alice Harden
Jennifer Myer
Steve Fricke



SANTA CRUZ • PUBLIC
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May 20, 2005

TO: LIBRARY JOINT POWERS AUTHORITY BOARD
FR: DIRECTOR OF LIBRARIES 
RE: CONTINUE *READ TO ME* GRANT PROJECT

RECOMMENDATION: That by motion the Library Joint Powers Authority Board authorize the Director of Libraries to sign a contract with the First Five Commission of Santa Cruz County for continuation in FY 2005-06 of the *Read to Me* Grant Project.

BACKGROUND:

The First Five Commission has agreed to fund a continuation of the Library's highly successful *Read to Me* project for another year. As the Board knows, this project provides training to providers of home care for children under aged 6, teaching the providers early literacy and other skills aimed at ensuring that children are ready for school. Both grant-funded and regular staff make home visits bringing kits containing books and story time materials. Workshops for providers are also given. We contract with the Watsonville Library to provide *Read to Me* services in South County.

The coming year's funding requires small modifications in the project that the staff finds workable. The grant amount will be \$210,000. Contract documents will be available in mid-June.

GRTMYR4.JPB



MAILED TO EACH BOARD MEMBER

May 6, 2005

MEMORANDUM

DATE: May 6, 2005
TO: Anne Turner, Director of City/County Libraries
FROM: Erwin H. Young, Director of Human Resources
SUBJECT: Workers Compensation Cost Allocation

The Joint Powers Board has asked to receive more specific information on changes to the cost allocation plan for the workers compensation budget. Prior to FY 2005, the City relied strictly on California Workers' Compensation Insurance Rating Bureau class codes to allocate workers' compensation costs to departments. These class codes are developed based on statewide industry experience and standards. Class codes used by the City are fire, police, clerical, library, refuse, municipal, labor. Each class code is assigned a percentage of payroll cost based upon statewide experience data. For example, in FY 04 the rate for Library employees was \$1.30 per \$100 of payroll and for Refuse employees it was \$ 7.86 per \$100 of payroll.

Beginning with the FY 2005, our actuarial recommended continuing to use class codes but to adjust the rates based on actual loss experience and not industry statewide standards. The rates were adjusted based upon a review of the five previous years of actual loss experience. This approach, which has been phased in over two years, increased the Library rate in FY 2005 to \$2.90 per \$100 of payroll and in FY 2006 to \$7.08 per \$100 of payroll. Again, these rates reflect actual expenditures and liabilities as opposed to statewide averages.

Please let me know if you have additional questions.



SANTA CRUZ • PUBLIC
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May 10, 2005

Betsey Lindberg
Redevelopment Agency Administrator
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

Dear Ms. Lindberg:

I write on behalf of the City-County Library System to request that the County Redevelopment Agency increase its contribution to the development of the Live Oak Branch Library by granting the Library an amount not to exceed \$66,000 for needed equipment. The equipment required is as follows:

Book Drop Adjustable Carts Bid from Shelving contractor Hopley Company; Includes Tax and installation charges.	\$ 7,075.00
Office Furniture Bid from Corporate Express for ergonomic furniture To integrate with reused pieces from previous branch; includes tax and installation charges.	\$ 23,476.00
Public Access Computers and Printers Terminals, keyboards, servers and etc. to link branch with Library's Automation system.	\$ 35,000.00
TOTAL	\$ 65,551.00

Since the Library has secured the estimates for these items from its vendors, I think it would be best if the Redevelopment Agency reimbursed the Library for these purchases. Thank you for your consideration.

Sincerely,

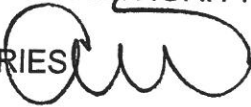
Anne M. Turner
Director of Libraries

AMT:LEQUIP.LTR



SANTA CRUZ • PUBLIC
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May 23, 2005

TO: LIBRARY JOINT POWERS AUTHORITY BOARD
FR: DIRECTOR OF LIBRARIES 
RE: UPDATE ON LIBRARY WORKER SAFETY ACTIVITIES

EQUIPMENT PURCHASES FY 2004-05

At its September 2004 meeting the Board agreed to make a special appropriation of \$15,000 from reserves to purchase ergonomic equipment in various categories, and to experiment with adding additional Pages and Substitutes on the day after holidays. Below is a report on how we spent this money.

Adjustable Monitor Arms

We had anticipated purchasing twelve monitor arms at \$220 each. Only six were needed, but the price jumped to \$275 each. The total was \$1,550.

Hydraulic Hand Truck

This equipment was meant to help Courier/Drivers load the delivery vans by lifting material. The purchase was made (\$1,128) and the hand truck used for two weeks, but was sent back for a full credit because it didn't work. The hand truck turned out to be difficult to maneuver, the height of the handle was too high, jacking up the hydraulic platform took too long, and the entire unit was too large for the space available. The Courier/Drivers declared it inefficient, a time-waster, and not worth the cost.

Hydraulic Lift Table(s)

We anticipated buying (for \$430) one wheeled table that could be raised to a good working height for loading stacked book crates and unloading them into vans. As it turned out, this piece of equipment was a big hit, not only with the Shipping/Receiving staff but with the staff working at Branches. Furthermore the price was only \$100 each, so we used the Hydraulic Hand Truck money to purchase twenty-five, which are now in use at both Headquarters Shipping/ Receiving

ing, and at the branches. The only problem is that the handle on the table has a sharp edge; the staff has fixed this by installing hose held with duct tape.

Cushion Mats

The Board appropriated \$1,000 to experiment with the purchase of soft matting for behind the circulation desk at the Aptos Branch. Unfortunately, what we wanted would have cost \$3,000 to \$4,000. So instead we are buying six conventional mats for several branches at \$150 each.

Delivery Van Exhaust Vents

The delivery vans do not have air conditioning. One way to make them more comfortable is to install exhaust vents. We did one as an experiment, and since it works, we will do four more. The price dropped from \$500 each to \$200 each.

Add Subs/Pages

\$5,500 was budgeted to add Substitute and Paging hours so that extra workers would be available on the first open day after a three-day-weekend holiday. These days are traditionally tremendously hard on Circulation staff because so many items are returned when the branch libraries are closed: discharging work backs up, and the re-shelving job is always very big. We allocated the extra Sub and Paging hours to most of the branches, and the Branch Managers report the program was a tremendous help. As a result, additional funds to cover the Paging and Substitute hours are proposed for the regular FY 2005-06 budget.

Dominican Work Center

We budgeted for four workstation assessments by the professionals at the Dominican Center. They make recommendations on changes in location of equipment, chairs, etc. The four assessments have been completed.

Health and Safety Guides

We purchased twenty-five of these guides (total cost \$250) because it turned out it was useful to place multiple copies in the Branches.

Did Not Buy

We budgeted \$424 to buy a scale to weigh crates in order to help Branch staff know when a crate was getting too heavy. As it turned out, several Branches had scales they were not using.

We also budgeted \$280 to rent a hydraulic lift van, but none of the size we wanted are available locally. And we budgeted \$1,062 for staff visits to libraries using RFID equipment to look at Circulation Desk configurations. But that project is temporarily on hold while we wait for technological changes and price drops.

Other Equipment Purchases

We used savings from the purchases listed above to buy eight flat screen computer monitors (easier on the eyes), six replacement ergonomic desk chairs, and one Yoga Ball Chair (\$85) with which a staff member in Shipping/Receiving is experimenting.

Total expenditures, with miscellaneous tax and shipping added, will be roughly the \$12,000. The balance of the allocation will be returned to Reserves.

OTHER WORKER SAFETY ACTIVITIES

As scheduled in the Library System's Worker Safety Action Plan, we accomplished the following training activities in FY 2004-05:

A New Employee Class of 15 (including some on-call workers) received two hours of training from FIT (Future Industrial Technologies) the ergonomic trainers with whom we have a contract.

One-Hour FIT Refresher Training was conducted to a total of 81 staff during four sessions in October and November. These employees had taken the two-hour FIT basic class the year before.

On-Site FIT Branch Refresher Visits were made by FIT staff to the Felton, Boulder Creek, Aptos, LaSelva Beach, and Garfield Park Branches during October, November, and January. Larger branches receive a two-hour visit, and a smaller branch one hour. The Branciforte, Capitola, and Scotts Valley Branches, plus the Outreach Program, received Refresher Visits in the spring of 2004. The Central Branch and Headquarters are scheduled for visits in June.

In addition 85 staff viewed the BackSafe and Sitting Safe videos during July and August, when they were circulated to each branch.

A Personal Safety Competency Checklist is now used in all employee performance appraisals.

The Director of Libraries has worked hard to improve System-wide communication by meeting regularly with Management, Leadership and local Branch staffs.

The Staff Safety Committee has met jointly with the Training Committee to discuss ergonomic training ideas. It has also continued to address potential safety problems. For example, in early May the Safety Committee Chair and the Library's Facilities Supervisor visited the Felton Branch to inspect safety problems reported by a citizen at the May 2nd Joint Powers Board meeting. They made a series of recommendations, which are being implemented.

Finally, the Director of Libraries has appointed a Staff Task Force to investigate training consultant options in anticipation of the expiration of our contract with FIT at the end of the FY 2005-06 fiscal year.

NUMBER OF ACCIDENTS DURING FISCAL YEAR

The Safety Committee has reviewed eight accidents so far this year. Of these, four were repetitive stress injuries, one was a sting by a wasp, and another involved one of the vans being rear-ended by another driver. The final two were a hit elbow, and an injured back while pushing a book truck into an elevator.

Last year (FY 2003-04) there were sixteen accidents, and the year before that, twenty-nine.



SANTA CRUZ • PUBLIC
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May 20, 2005

TO: LIBRARY JOINT POWERS AUTHORITY BOARD
FR: DIRECTOR OF LIBRARIES
RE: BOARD/STAFF COMMUNICATIONS POLICY

RECOMMENDATION: That the Library Joint Powers Authority Board consider whether it wishes to change the decision it made on October 2, 2000 regarding Communications between the Library Board and library staff.

BACKGROUND

Supervisor Mark Stone requested that this item be placed on the June meeting agenda.

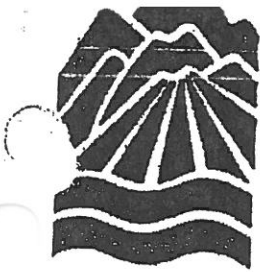
At its October 2, 2000 meeting the Board unanimously passed the following motion:

That no formal policy be adopted regarding communications between the Library Board and library staff but that the Board endorse the approach taken by the Association of Library Trustees and Commissioners by including their communications policy in handbook materials given to the Library Board.

My memo of September 15, 2000 on the issue, as well as the excerpt from CALTAC'S *Trustee Tool Kit for Library Leadership* were duly placed in the Board Handbook at the end of the By-Laws section.

Both those documents are attached to this memorandum.


JCOMMPO.LJMM



SANTA CRUZ PUBLIC
LIBRARIES
A City County System

MEMORANDUM

September 15, 2000

TO: LIBRARY JOINT POWERS BOARD
FR: DIRECTOR OF LIBRARIES 
RE: BOARD/STAFF COMMUNICATIONS POLICY

As the result of a query by Joint Powers Board Member/Scotts Valley City Councilmember Randy Johnson, the Board has asked me to draft a policy regarding communication between Board members and the Library staff. Councilmember Johnson and I had a disagreement some months ago about whether it was appropriate for him (or the Scotts Valley City Manager) to contact library staff directly in pursuit of information about library operations. They felt they should be able to do that; I felt their requests for information about the Scotts Valley or any other Branch should be directed to me.

Councilmember Johnson's position (and perhaps that of other Board members) is based upon his desire to be free to seek information about library operations wherever he can find it. He and other Board members might, for instance, wish to do this when they are preparing a proposal for Board consideration, thinking about a matter before the Board, or if they disagree with a recommendation or facts presented by the Director of Libraries. While this is an understandable desire, it raises managerial difficulties.

My own position is based upon what I have always thought of as standard administrative practice. I wish to protect the staff from requests by Board members, because given the rank and position of the requestor, it is very hard for a staff person to say no. I also wish to protect Board members and myself from misinformation or incomplete information provided by staff who do not know the whole picture on a given issue. The effectiveness of this system relies, of course, upon the Board's trust of me as Director of Libraries to present all sides of contentious issues and make recommendations based upon my professional expertise.

As it turns out, my position is supported by the California State Library's publication, *Trustee Tool Kit for Library Leadership* (Sacramento, 1998). In Chapter 8, *Working Relationships*, the section "With Library Staff" is reproduced on the next page.

Library Headquarters and System Services
1543 Pacific Avenue Santa Cruz, California 95060 (831) 420-5600

With Library Staff

Trustees individually, and the library board as a whole, have definite but officially circumspect working relationships with the library staff members. The trustees need to recognize and show their recognition that the library staff: 1) is the front-line image the public receives of the library; 2) has responsibility for helping implement the library goals, objectives, and plan of action, as well as for equitable enforcement of policy; 3) has professional talent for and commitment to library service—and gives both to the library eight hours a day; 4) is part of the actual team (along with the library director and trustees) which must work together well in order to turn their mutually shared dream of a successful library into reality.

Conscientious trustees behave toward staff members as do directors of commercial boards with members of their firms. Their relations are open, cordial and friendly, appreciative and supportive, mindful of staff morale, businesslike without exception. Trustees do not intervene between staff and library director, directly criticize any staff member, or make comments concerning the library director or any other staff member. There is never any individual trustee request for, or expectation of, special privileges as an individual library user.

Effective trustees observe the library's management structure scrupulously, recognizing that all matters concerning management functions and day-to-day operation of the library are responsibilities of the library director and of the library supervisory staff.

Trustees also honor the channels of communication established within the library. While making it a point to visit the library periodically and regularly in order to serve on the library board most knowledgeably, the trustee also makes it a point to follow protocol of seeing library director first, and then visiting informally with staff. If a staff member approaches a trustee with an idea for improving service or with a complaint, the trustee listens in a friendly, noncommittal fashion, then encourages the staff member to present the idea via the library's accepted procedure. Effective trustees do not show favoritism among staff members.

At the same time, the wise library board will: 1) establish in cooperation with the library director written protocol on board and staff communications, including a policy that any staff work assignments in connection with the library board must be channeled through the library director; 2) reassess, when necessary, any committee or board assignments for staff in light of staff time schedules or deadlines, reordering priorities or reassigning tasks; 3) put in writing any requests with which the library staff will be involved, being as specific as possible to assist the staff in providing the requested information in its most useful form for the purpose intended; 4) consider ways in which the library board alone or with other officials may publicly recognize staff, such as service-time recognition presentations or ceremonies, and honors recognition; 5) encourage staff training and professional advancement.



SANTA CRUZ • PUBLIC
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May 20, 2005

TO: LIBRARY JOINT POWERS AUTHORITY BOARD
FR: DIRECTOR OF LIBRARIES
RE: PROPOSED FY 2005-06 OPERATING BUDGET

Attached are the details of a revised budget proposal for FY 2005-06. The good news is that due to revenue increases and an additional contribution from the County Redevelopment Agency for Live Oak Branch equipment, it is possible to cover the deficit with some of the changes in service I proposed in April. The proposal is outlined below.

The Board requested information on the cost of various services, and particularly information about the cost of and alternatives to the location of the Headquarters facility in Downtown Santa Cruz. It also wanted to see other budget-cutting options.

- Document 2, "Service Program and Branch Library Costs" delineates the cost of certain System-wide library services, as well as the cost of each Branch Library, the Outreach Program, and the supporting Divisions (Technical Services and Administration/Coordination).
- Document 3 is a memo to the Board addressing the Headquarters Facility cost, as well as the cost of alternative locations and moving.
- Document 4, "Unavoidable FY 2005-06 Cost Increases and Budget Cutting Options" presents four cut scenarios and a list of suggestions made by SEIU and others for cutting costs. Cut Option #1 is the Director's recommendation, described below.

Elements of the Director's Recommended FY 2005-06 Operating Budget

The recommended budget is built around the need to cover substantial increases in health insurance and workers compensation costs, and to fully staff a new Tier II Branch at Live Oak. To accomplish this, the following actions are proposed and are included in the Summaries, Personnel Budget, and Supplies and Ser-

vices Budget. If the Board chooses a different package, all these documents can be reworked for final Budget adoption.

- The Branciforte Branch is reduced from Tier II to Tier I status because the Tier II Live Oak Branch will open during the course of the fiscal year. Financially, this means that the Librarian III Branch Manager position can be eliminated (it will be vacant effective July 1st) and the Librarian II for Youth Services position can be transferred to the Live Oak Branch. Two half time Library Assistants for Youth Services would be added to the Branciforte Branch staff, bringing the total to a typical Tier I level: a Senior Library Assistant Branch Manager, the two half time Library Assistants, and two full time Library Clerks. This reduces the level of service to the residents of the Santa Cruz Eastside, but they are left with substantial alternatives and resources elsewhere. Among other things, open hours at the Branch may have to be reduced.
- A half time Senior Library Assistant for Reference position is moved from the Central Branch to the Live Oak Branch. While this places additional burdens on the Central Reference staff, we hope to mitigate that by reorganizing services during the coming year.
- The Live Oak Branch staff will be a total of 7.5 workers: a Librarian III Branch Manager, a Librarian II for Youth Services, 2 half time Senior Library Assistants for Reference, 2 FTE Library Assistants (one full time and two half time workers), and 2.5 Library Clerks. Of this number only one half time Library Clerk and one half time Senior Library Assistant are **new** positions; all the rest are existing positions (one of them currently vacant), or transfers from other branches. In addition, we will provide custodial services at the Live Oak Branch via existing custodial staff, rather than contract. A strong reason for this staffing recommendation is that it substantially reduces the impact in FY 2006-07 of a full year of Live Oak operations.

Proposed FY 2005-06 Staff Changes, totaling \$70,609, are listed on the Summary Budget sheet and detailed in Document 5 in the Personnel Section of the Budget Binder.

- Two other notable personnel matters are included in the Staff Changes proposal. In FY 2003-04 the Board allocated special funds for additional Substitutes and Pages to work on the day after a holiday. The point was to lessen the burden of repetitive actions discharging large quantities of returned materials and shelving. This experiment turned out to be highly successful. Therefore, the allocation of Library Clerk Substitute hours has been reorganized to give added "Holiday" hours to the Branches that need them. And 486 new Paging hours have been added—this covers

the Holidays and increases regular Paging hours at Live Oak, Capitola, and Scotts Valley.

- The Book/Media budget is proposed at \$900,000, a \$50,000 increase from the last two fiscal years. We need this additional money because the cost of library materials continues to rise. Also, we saved funds during the Live Oak closure by canceling newspaper subscriptions, and buying or leasing fewer hot titles. With the new Branch open we will need additional funds.
- The County Redevelopment Agency has agreed to reimburse the Library for roughly \$66,000 in costs for needed Live Oak Branch equipment, thus reducing the furniture and move-in costs to \$14,465. See the Capital Outlay section of the Budget Binder for a list of the equipment involved.
- I am recommending that the Library System follow the lead of the City of Santa Cruz and close for one week in December. This is a meet and confer with the collective bargaining units matter, about which the Board has an advisory role but cannot implement on its own. No cost savings for this closure have been included in the recommended budget; the Board can delay a decision until the Fall.
- It is proposed that we spend \$72,902 on other Capital Equipment, which is listed in Capital Outlay section of the Budget Binder. \$25,000 of this is standard replacement computer equipment as needed, and \$3,902 is for additional shelving (primarily for CD's). The balance would be spent on self-charging Machines for the Central, Live Oak, and Scotts Valley Branches; how many we are able to acquire will depend upon competitive bidding. The point of self-charging machines is to shift the burden of repetitive motion checkouts to the public, who would do far fewer than staff people. Self-charging machines are being used very effectively at other libraries.

SERVICE PROGRAM AND BRANCH LIBRARY COSTS FY 2005-06

The cost of various library service programs, as well as the cost of each Library Branch has been calculated based upon the Director's draft of the FY 2005-06 Budget. Please read the Note at the end, which explains how the costs were calculated.

COSTS OF LIBRARY SERVICE PROGRAMS

Reference/Information Services to Adults: \$1,205,187

These services are provided using the Tier System of Branch services. That is, the Central Library provides full time professional service, including Telephone and email responses to queries. Telephone Reference costs roughly \$171,312 of the total. Tier II Branches provide service via the Librarian III Branch Manager (50% of time), and Senior Library Assistants. There is a System Coordinator for Reference and Adult Services. The Library Materials budget for references sources (including databases) is roughly 18% of the total Book/Media budget.

Reference/Information (a basic library service) constitutes 11% of the total operating budget, and the staff 13% of the personnel budget. It costs \$4.86 per question handled, and \$55.08 per open hour System-wide.

Youth Services: \$ 1,335,219

Again, we allocate staffing resources on the basis of the Tier System. The largest number of staff is at the Central Branch, since it is the biggest Branch. Professional Librarians provide services to youth at the Tier II Branch and the Outreach Program. Library Assistants provide service at the Tier I Branches. There is a System-wide Coordinator for Youth Services, who also oversees the Library's First 5 Commission-funded Read to Me Project.

The Library materials budget is roughly 20% of the total Book/Media budget. Checkouts of children's and teen materials constitute about 33% of total circulation. Reference/Information queries are 22% of the total handled by the System. Youth Services staff offers 12 weekly programs for the public and 8 book discussion groups for school-aged youngsters.

The staff for services to children comprises 15% of the total personnel budget. All youth services comprise 12% of the total operating budget.

Mobile Services to Seniors \$ 27,674

A Librarian II spends roughly half her time delivering outreach services to seniors at nursing homes and other group living facilities, and supervising the volunteer based Book Buddies program. The other half of her time is spent on the Bookmobile, which is included in the Outreach Services costs.

Mobile Services to Children and Parents \$ 29,893

Again, a Librarian II makes outreach visits to various sites where children are located (for example the school that serves homeless youngsters). The other half of her time is spent on the Read to Me Grant Program. The staff on the Bookmobile also provides substantial service to youngsters; this cost is included in the Youth Services costs above.

Materials Delivery \$ 316,270

The Library System moves roughly 50,000 pounds of items per 6-day week: items wanted by patrons at one branch that are located at a different one, plus weeds coming in to Headquarters. Our Collection plan rests on the assumption that we cannot place every item at every branch, but that we want to give the public as equal access as possible to materials. We have two vehicles and 2.5 Courier/Drivers for this purpose, plus a Routing/Receiving staff of 4 that devotes 75% of its time to sorting and sending materials. The other 25% is spent on unpacking, checking in, and sending new items on to Cataloging.

Materials Acquisition/Cataloging/Processing \$ 1,071,412

This portion of the Technical Services staff is comprised of two professional librarians, four Senior Library Assistants, three Library Assistants, and four Library Clerks. 20% of the time of these workers is spent on public desks at the Central Branch. There is also a Librarian IV Head of the Technical Services division. The total personnel cost is \$639,442.

The Division spends roughly \$431,970 on operating costs, which includes 56% of the cost of Headquarters as well as Library Functional Supplies (book covers, labels, etc.).

Network Access Services (Automation)

\$ 339,299

The Library has a Network Administrator who is a senior manager, a Library Information System Specialist, two Microcomputer Technicians, and a Senior Library Assistant—all assigned to keeping the Library automation system and all the public access computers operating. The Personnel totals \$199,559.

In addition we spend \$114,740 on maintenance agreements, computer supplies, and the like, plus roughly \$25,000 per year on replacement hardware and peripherals.

NOTE

The Library System's budget is divided into three "Activities": Administration, Technical Services, and Public Services. The costs to operate our ten Branches and the Outreach Program are spread across all three Activities; we do not budget for each individual Branch. Costs from each Activity must therefore be allocated to the Branch or service.

Personnel Costs are relatively easy to assign; it is matter of totting up the cost of each person assigned to a Branch or Library Division (Technical Services and Administration), plus the Pages and Substitutes. But adjustments must be made. For example, since most of the workers in the Technical Services Division work at least two shifts per week on public desks at the Central Branch, 20% of the cost of these workers is backed out of Technical Services and assigned to the Central Branch.

Operations is the other major category: Rent, Building Operations & Maintenance (O&M), Landscape services, Electricity/Gas, Water/Sewer/Refuse, Telephones/Telecommunications, etc. The cost of some of these services is directly attributable to a Branch. For example, we know how much the Water/ Sewer/ Refuse charge for the Aptos Branch will be in FY 2005-06. Other costs, such as Electricity/Gas are a single sum in the budget, so the amount must be allocated to each facility based on square feet. Building O&M is comprised of a Branch's direct costs (e.g. the HVAC contract for Aptos) plus that Branch's share of System-wide services such as the Building Maintenance Workers or the Building O&M contingency fund.

Two groups of employees are allocated to Operations rather than Personnel in order to facilitate comparisons. The System Building Maintenance Workers, the Facilities Supervisor, and part of the time of one Custodian, plus the vehicles and insurance these employees use, are lumped together, divided among all Branch and other facilities by square footage and included in the Building O&M cost. Likewise, costs of the Custodians that clean the Central and Headquarters facilities, plus three of the small branches, are assigned to Operations, not Personnel. This is because other Branches are cleaned by a contract service, which falls in Operations. These shifts explain why total Personnel and total Operations costs do not match the total costs in the draft budget.

Certain Library expenses (the Book/Media budget, Debt etc.) are not assigned to Branches at all. The detail sheets for each Branch and Library Division are available on request.

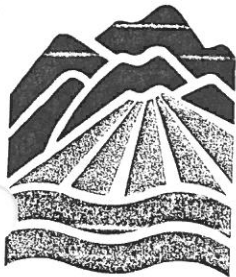
Finally, for most of the library service programs the cost of personnel is the primary component. The reason is that it would be extremely difficult to pull out

Operating Costs for the service in a consistent way. For example, we know the size of the Young People's Rooms at Central, Aptos, and Boulder Creek, and we could use square footage to allocate some costs. But at a tiny Branch like Felton, service to children and adults are delivered from the same space. I have added books and media costs to the service where this is known and direct Operating Costs when they are clear.

PROJECTED BRANCH LIBRARY AND OTHER COSTS
FY 2005-06

Based on Director's Proposed Budget of June 2005

	APTOS	BLCRCK	B40 **	CAPITOLA	CENTRAL	FELTON	GARFPK	LASELVA	LIVE OAK **	OUTREA	SCOVAL	TOTAL
OPEN HOURS	54/week	37/week	42/week	42/week	58/week	37/week	32/week	31/week	48/week	n/a	48/week	
EST. CIRC 05-06	240,890	60,223	120,445	120,445	702,596	60,223	60,223	20,074	240,890	60,223	240,890	
EST. CIRC/HR	87.47	31.91	56.23	56.23	287.01	31.91	36.90	12.70	98.40		98.40	
PERSONNEL	\$ 555,248	\$ 161,831	\$ 191,253	\$ 262,616	\$ 2,045,554	\$ 161,065	\$ 149,826	\$ 104,340	\$ 469,206	\$ 344,673	\$ 474,795	\$ 4,920,407
OPERATIONS	\$ 89,073	\$ 58,380	\$ 69,287	\$ 45,016	\$ 445,912	\$ 36,373	\$ 32,602	\$ 30,247	\$ 125,678	\$ 48,777	\$ 130,678	\$ 1,112,023
TOTAL	\$ 644,321	\$ 220,211	\$ 260,540	\$ 307,632	\$ 2,491,466	\$ 197,438	\$ 182,428	\$ 134,587	\$ 594,884	\$ 393,450	\$ 605,473	\$ 6,032,430
COST/CIRC	\$ 2.67	\$ 3.66	\$ 2.16	\$ 2.55	\$ 3.55	\$ 3.28	\$ 3.03	\$ 6.70	\$ 2.47	\$ 6.53	\$ 2.51	
** Assumes Branch is downgraded to Tier I												
Live Oak existing staff are calculated for 12 months; new staff for 8 months; Operating costs calculated for 10 months												
TECHNICAL SERVICES DIVISION												
[Includes Acquisitions, Cataloging, Processing, Shipping/Receiving, Automation Services]												
PERSONNEL			\$ 1,207,695									
OPERATIONS			\$ 547,710									
TOTAL			\$ 1,755,405									
ADMINISTRATIVE/COORDINATING SERVICES												
PERSONNEL			\$ 1,057,992									
OPERATIONS			\$ 194,904									
TOTAL			\$ 1,252,896									
UNALLOCATED SYSTEM-WIDE COSTS												
Books/Periodicals			\$ 900,000									
Misc. Other			\$ 32,680									
Capital Equipment			\$ 75,000									
Debt			\$ 179,122									
City Charge			\$ 574,472									
TOTAL			\$ 1,761,274									
					AMT:BRCOST.SUM							
						5/13/2005						



SANTA CRUZ • PUBLIC
LIBRARIES
A City County System

May 20, 2005

TO: LIBRARY JOINT POWERS AUTHORITY BOARD
FR: DIRECTOR OF LIBRARIES *[Signature]*
RE: LIBRARY HEADQUARTERS SPACE

Board members, as well as staff and the public, have expressed concern at the cost of renting space on Pacific Avenue in Downtown Santa Cruz for the Library Administrative, Technical Services, and Outreach functions. The suggestion is that the staff could be moved to less expensive space elsewhere in the County.

The Board last considered this matter in January 2004, when it appointed a sub-committee to look at the issue. Although the Board Minutes do not show a formal report, in fact Members Beautz, Rotkin, and Gaughan met and agreed that all things considered the current location was the best solution to a difficult problem.

As the list of facts, issues, and options that follows demonstrates, this matter is extremely complicated. Unfortunately, there is no simple solution.

FACTS

The Headquarters space at 1543 Pacific Avenue is 12,313 square feet, divided roughly as follows:

TABLE 1

Outreach Services	868 square feet
TechServices: Acquisitions, Cataloging, Processing, Routing/Receiving	4,409 square feet
Administrative Offices, Work Rooms, Coordinators, Grant Offices, Conference Room, Training Room	3,156 square feet
Bathrooms, Staff Room, Halls, Elevators, Stairs, and Basement Storage	3,880 square feet

Loading docks for both Outreach and Routing/Receiving as well as limited staff parking spaces are available. The building meets the load-bearing requirements for books.

Library Headquarters and System Services
1543 Pacific Avenue • Santa Cruz, California 95060 • (831) 420-5600

The owner is Neil Hynes of Pentak J. Ltd.

A total of 43 people (not including the Courier/Drivers assigned to delivery) work at the Headquarters Facility. This is 36.1 full time equivalent positions. Of this number, 14 people work two four-hour shifts per week on the Central Circulation Desk, 8 work two shifts per week at Central Reference. Another staff member works 3 shifts at Central Reference, and a Senior Manager does one shift per week at Central Youth Services. This is the equivalent of 2.8 FTE Library Clerks and 2 FTE Librarian I/II's.

We moved to 1543 Pacific Avenue in 1997 because there was insufficient space at the Central Branch to house the expanded Central staff and the expanded Administration, Technical Services, and Outreach operations.

In March 2002 the Joint Powers Board approved a five-year extension of our lease, which now expires in September 2007. Rent is adjusted annually on January 1, based on the change in the Consumer Price Index. Rent in the FY 2005-06 fiscal year is projected to be \$1.38/square foot plus Triple Net (electricity, gas, insurance, and taxes). The Library's share of the Triple Net is 84.6%. The other building tenant (The Velvet Underground) pays the rest.

The total rental budget for the facility in FY 2005--06 is projected at \$265,928.

ISSUES AND OPTIONS

- There are two reasons why Headquarters space in Downtown Santa Cruz was sought in 1997:
 1. Headquarters staff working public desk shifts at Central needed to be located reasonably close to the Central Branch. If they were not, work time would be lost transporting them from Headquarters to Central.

Alternatively, the Headquarters people could be replaced by additions to the Central Staff: 2.8 FTE Library Clerk positions for Circulation and 2 FTE professional or Senior Library Assistant positions for Reference and Youth Services. The cost of this option would be \$119,507 for Circulation and \$107,274 for Reference. On the other hand, off-setting reductions in the Technical Services staff might be possible. This is discussed on Page 7.

There are two other reasons why the staff is organized in this way. The first is that when all staff were located at Central it made sense for everyone to work on public desks. The second is that we wish to preserve staff contact with the public. It has always been library management's position that staying in touch with the people we serve makes the Technical Services staff and management do their jobs better. Working on a public desk gives the staff involved a sense of the impact of their work on the public and other staff.

2. The second reason space in Downtown Santa Cruz was sought is the convenience of having the Administrative staff located close to Santa Cruz City Hall and the County Building. Daily trips to City Hall are made by Administrative staff workers, saving mail/delivery time, and maintaining personal contacts with colleagues in the Finance and Human Resources Departments
- Although the Administrative and Technical Services staff spaces are reasonably comfortable, the Outreach staff (six people) is extremely crowded. Each staff person requires separate desk space for "back room" work, and shelving space for the Outreach Collection is also required. The staff members are making do in the current space because they are on the road the majority of the working week. However, this program could easily use 1,000 square feet. The Outreach Program can be located anywhere in the County, provided there is reasonably easy access to major highways. A loading dock is required.

Out Mission Street in Santa Cruz is not a particularly good option because of traffic problems getting across town. Combining the Outreach Collection with that of the LaSelva Beach Branch is another idea; some fairly fancy reconfiguring of staff space would be required, but it is worth considering. However, when this suggestion was made public in the Spring of 2004 various La Selva Beach residents objected to the impact on the parking on Florida Street. The downgraded Branciforte Branch is another option, although public space at that Branch would need to be converted to Outreach offices.

Unfortunately, moving the Outreach program only reduces the rental space by 868 square feet. Would the landlord consider dropping a chunk of space at the back of the building out of the total?

- Technical Services (Acquisitions, Cataloging, and Processing) along with the Routing and Receiving functions (4,409 square feet total and a loading dock) could be moved away Downtown provided the staffing problem (see above) is resolved.

"Routing" is all the materials coming in via Courier/Drivers and being re-routed to the Branches where the item lives or is wanted, plus Branch weeds and mends. We move something on the order of 50,000 pounds of items per week, using 2.5 drivers, two vans, and 700 or so crates. This work is done centrally because there is insufficient space and staff for it at the Branches.

"Receiving" is the work of unpacking new items, checking them in against the packing slip, noting receipt on the database, and shelving them for future cataloging/processing.

- Moving Administration back to the Central Branch is another idea. The only space large enough for is the Storage Collection and the Friends of the Library Book Sorting area. While we could conceivably live without the Storage Collection, the Friends depend financially on this space. The Friends provide the Library System with many services, not the least of which is handling the never-ending flow of gift books.
- Staff suggests that a more viable option in the long run is for the Library System and the Library Joint Powers Authority Board to actively pursue building a replacement for the Central Branch that would include enough space to accommodate all staff at HQ as well.

RENTS FOR OTHER SPACE

The City of Santa Cruz Redevelopment Agency and BT Commercial Real Estate have provided staff with recent lists of available property. Alternative spaces at lower rent do exist. For example space was available last winter at the Seagate building in Scotts Valley for \$1.05 plus triple net, although it is not clear that office space could be created there. The Live Oak Business Park (which is otherwise fully leased) is another option. Space occasionally becomes available Harvey West (about \$1.10 plus triple net), but again the configuration is not clear. Space available in Downtown Santa Cruz is as expensive or more expensive as we are currently paying.

Table 2 on the next page shows summary figures for the savings that would be made if each staff unit located at the Headquarters facility were moved. Space requirements have been adjusted upwards to account for bathrooms, halls, storage, etc. Table 3 shows the figures in detail.

TABLE 2
CURRENT VS. MOVE COMPARED: SUMMARY

	HQ CURRENT	FUNCTIONS RELOCATED	CHANGE or SAVINGS
Square Feet	12,313 sq ft	10,536 sq ft	-1,777 sq ft
Rent	\$ 203,928	\$ 139,036	\$ 64,892
Triple Net	\$ 62,000	\$ 52,665	\$ 9,335
Operating Costs	\$ 176,970	\$ 176,970	\$ -
TOTAL	\$ 442,898	\$ 368,671	\$ 74,227
One-Time Moving and Other Costs		\$ 95,260	
HQMOVE.SUM			
5/18/2005			

Advantages of Relocating:

- The obvious advantage of relocating to less expensive space is the on-going cost savings that will result. Annual savings of at least \$74,227 is nothing to sniff at.

However, the cost of transporting workers to Central from a remote site and lost work time while doing so has not been calculated. If a decision were made to relocate the Technical Services Division, it would probably be sensible to rethink the work assignment pattern. Positions could be transferred permanently to Central and the remaining Technical Services staff relieved of Central Desk assignments. In terms of the budget, this would be a wash.

- Relocating the Outreach Program would provide much needed additional space for that staff.

Disadvantages of Relocating:

- Relocating the Outreach Program would save a small amount in annual rent (\$1,705 in the first year), but would cost \$21,695 in moving and other expenses.
- Management staff is persuaded that it is advantageous to retain the system of assigning Technical Services workers to some public desk work at Central for the following reasons:

TABLE 3

SEE NOTES		RENT AND MOVING CALCULATIONS					Total	Total
A	B	C	D	E	Moving Expense	On-Going Expenses	One Time Expenses	
Function	New Rent @ \$1.10 sq ft plus NNN	Rent Savings	Other Operating Costs	Tenant Improvements				
Outreach Program								
1,250 sq ft	\$ 16,500	[T= \$18,705]		Equip: \$2,875				
	\$ 6,250			Phones: \$1,600	Shelving: \$10,795			
				Data: \$ 725	WorkSta: \$ 3,700			
TOTALS	\$ 22,750	\$ 1,705	\$ 17,193	\$ 6,200	\$ 15,495	\$ 39,943	\$ 21,695	
TechServices: Acquisitions,								
Cataloging, Processing, Routing/Receiving								
5,379 sq ft	\$ 71,003	[T=\$150,063]		Equip: \$ 3,500				
	\$ 26,895			Phones: \$ 5,440	Shelving: \$28,900			
				Data: \$ 3,500	WorkSta: \$7,200			
TOTALS	\$ 97,898	\$ 52,165	\$ 95,217	\$ 15,440	\$ 37,850	\$ 193,115	\$ 53,290	
Admin/Coordination								
3,904 sq ft	\$ 51,533	[T= \$98,393]		Equip: 0				
	\$ 19,520			Phones: \$4,800	Shelving: \$3,900			
				Data: \$2,175	WorkSta: \$6,400			
TOTALS	\$ 71,053	\$ 27,340	\$ 64,560	\$ 8,975	\$ 11,300	\$ 135,613	\$ 20,275	
	\$ 191,701	\$ 81,210	\$ 176,970	\$ 30,615	\$ 64,645	\$ 368,671	\$ 95,260	
NOTES:	A: Required square feet based on current need plus bathrooms etc.							
	B: Assumes lowest available rent; NNN estimated at \$5.00 per square foot							
	C: Function's share of current rent/NNN minus new rent/NNN							
	D: Based on Function's percentage share of HQ operating costs							
	E: Workers at single HQ share copier, shredder, fax etc.; more equipment would be required.							
							RENTMOVE.CAL 5/18/2005	

- The assignments provide variety from what is often repetitive work.
- It is important that back-of-the-house workers stay in touch and are familiar with the needs of front-of-the-house customers.
- The required cross-training provides back-up in emergencies.

However, in discussing this matter with both the Management staff and the workers involved, it is clear that employee stress could be relieved if the pattern of assignment were adjusted. Therefore, we will look at possibilities for change over the next few months. The whole business is complicated by the fact that workers agree that two shifts per week are required to retain the skills need for circulation or reference work.

- The Administrative and Coordinating staff of the Library System needs to be centrally located in downtown Santa Cruz, where they are proximate to the largest service provider (the Central Branch), the Santa Cruz City Hall and the County Building. While it is not necessary for them to be at 1543 Pacific Avenue (although it is doubtful that less expensive space could be found), relocating Administration to a remote site would impose serious travel and other burdens on staff.
- One-time moving costs are substantial (nearly \$100,000). It would be a pity to spend this money in e.g., 2006, only to spend it again when a new building is available.

DOCUMENT 4

UNAVOIDABLE FY 2005-06 COST INCREASES					
Existing Personnel Increases	\$	21,797			
Existing Personnel Benefits Increases	\$	298,382			
Supplies & Services Increase	\$	69,494			
Includes Live Oak Operating Costs					
Live Oak Added Staffing	\$	101,022			
Live Oak Move-in Expenses	\$	14,465			
Capital Equipment (Computers)	\$	25,000			
TOTAL	\$	530,160			
Projected Revenue Increase	\$	403,718			
Difference to be met:	\$	126,442			
Desirable Budget Additions					
Book/Media Budget	\$	50,000			
Capital Equipment	\$	47,902			
Total with Budget Additions	\$	224,344			
BUDGET CUTTING OPTIONS					
OPTION #1			OPTION #3		
Personnel/S&S Savings	\$	92,984	Personnel/S&S Savings	\$	92,984
Reduce Live Oak staffing cost			Cut Outreach Services to		
by shifting B-40 & Cen Staff	\$	58,541	Seniors and Youth	\$	57,567
Eliminate Librarian III B-40			Eliminate Librarian III/Training		
Branch Manager but add			but add compensatory		
B-40 Youth Services Staff	\$	61,310	Admin Staff	\$	34,566
Subtotal	\$	212,835	Reduce Capital Equipment	\$	27,500
Reduce City 5.5% payment	\$	11,706	Subtotal	\$	212,617
TOTAL SAVINGS	\$	224,541	Reduce City 5.5% payment	\$	11,694
			TOTAL SAVINGS	\$	224,311
OPTION #2			OPTION #4		
Personnel/S&S Savings	\$	92,984	Personnel/S&S Savings	\$	92,984
Reduce Book/Media Budget	\$	50,000	Further Reduce Open Hours		
Reduce Capital Equipment	\$	35,500	by laying off staff	\$	120,000
Eliminate Librarian III/Training			Subtotal	\$	212,984
but add compensatory			Reduce City 5.5%	\$	11,714
Admin Staff	\$	34,566	TOTAL SAVINGS	\$	224,698
Subtotal	\$	213,050			
Reduce City 5.5% payment	\$	11,718			
TOTAL SAVINGS	\$	224,768			
6CUTOPT.LST					
5/23/2005					

ALTERNATIVE BUDGET-CUTTING OPTIONS

The source of the suggestion is noted in brackets. The order here is random; numbers are provided to ease the discussion process.

ITEM	AMOUNT SAVED	ADVANTAGE	DISADVANTAGES
1		"Felton building is inadequate to provide full scale library service"	Felton people wish community library; Joint Powers Board has rejected this option.
2	\$50,000	Money could be used elsewhere; it is easier to recover from a lean book budget than to replace staff	Funds needed to cover rising cost of books/media and re-opened Branch
3	\$40,000	Suggestion that self-charge machines are un-tested and could alienate the public	Self-charge machines relieve ergonomic stress on staff; they are in use and popular at many other libraries
4	None	Maintains services to Eastside SC Residents	Live Oak Tier II is close by; as a System we cannot afford two regional branches in the same geographic area.
5		Agreed; remaining Branch staff will need to be careful to offer only the services it can reasonably provide; Management staff will work with Branch to assess and implement.	

6	Eliminate, merge, or downgrade Development & Training Librarians III; offer golden handshakes to encourage retirements, thereby saving layoffs [SEIU]	\$171,179	Costs savings are substantial.	Eliminating the positions will not eliminate the work in either Development or Training. The two Librarian IIIs also provide 20 hours of staffing at Central Reference and spend at least 20% of their time on Collection Development—again, work that would need replacement staff.
7	Reduce Outreach Program by eliminating mobile services to Seniors [JPB Query]	\$27,674	Suggestion that in hard times Library service should focus on Branches	People reached by mobile services are often those most in need and most isolated. This staff position supervises a highly effective volunteer program.
8	Reduce Outreach program by eliminating mobile services to children [JPB Query]	\$29,893	Suggestion that in hard times Library service should focus on Branches	Children (and parents) reached by mobile services are often those most in need and most isolated; meeting their needs is a core library service
9	Reclassify and fill from within the Librarian III/Internet Librarian and hold vacant [SEIU]	\$13,140	Savings of downgrade and holding vacant are important; position does not require specialized skills demanded by current job specification.	Management will evaluate needs and structure of Internet operation and make proposal To JPB/City Council in new fiscal year.
10	Offer Golden Handshakes to Supervisors and Mid-management; keep positions open or reclassify downward [SEIU]	???		Positions suggested for downgrading should be specified; if an employee is expected to supervise s/he must be compensated for this.

11	Downgrade New Live Oak from Tier II to Tier I Branch [SEIU]	\$160,861	"Skeptics site its relative isolation and inadequate public transportation;" staffing at Tier II level could be delayed until use is demonstrated.	Branch is physically designed as Tier II facility with three public desks that must be staffed for security reasons; Management is convinced the needs of the Live Oak community will make the Branch a popular community gathering place.
12	Reduce Open Hours System-wide [JPB query]	\$120,000?	Some community surveys indicate public would prefer fewer open hours over fewer library resources (e.g. collections)	Library reduced open hours 9% in FY 2003-04; result is added work for staff during remaining open hours with fewer staff to do it. Further reducing open hours should be a last resort.
13	Budget shouldn't be based on assumption new branch will be built downtown [SEIU]			The budget is not built on this assumption, although the idea presents opportunities for substantial future budget savings.
14	Close for a second week in December	\$ 35,000	Money could be used elsewhere	Staff as well as public will be severely impacted by closing a second week.
15	Budget should not be based on assumption of Holiday closure [SEIU]	\$ 35,000	Holiday closure is a meet and confer item with collective bargaining units.	Recommendation is to follow City of Santa Cruz decision that will be discussed with collective bargaining units.

SANTA CRUZ CITY COUNTY LIBRARY SYSTEM

LONGER TERM REVENUE PROJECTIONS

Revised 5/20/05

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09
Sales Tax Receipts @ +2%/year	5,890,992	6,008,812	6,128,988	6,251,568
Maintenance of Effort	1,515,260	1,515,260	1,515,260	1,515,260
Property Tax Receipts @ +5%/year	3,157,309	3,315,174	3,480,933	3,654,980
County Interest @ +2%/year	8,930	9,109	9,291	9,477
Less Watsonville Payback	(47,773)	(45,903)	(45,102)	(44,300)
Estimate Fund Balance	135,000	135,000	135,000	135,000
Public Library Fund [State]	82,432	82,431	82,431	82,431
Other Income @ +2%/year	305,054	311,155	317,378	323,726
City Interest Charge @ +1%/year	(28,000)	(28,280)	(28,563)	(28,848)
TOTAL	11,019,204	11,302,758	11,595,616	11,899,293

**ESTIMATED REVENUES
FY 2005-06**

SOURCE	JUNE ESTIM	
	FY 2004-05	FY 2005-06
MAINTENANCE OF EFFORT	\$ 4,278,883	\$ 4,672,569
SALES & USE TAX	\$ 5,736,292	\$ 5,890,992
COUNTY INTEREST ETC.	\$ 6,280	\$ 8,930
SUBTOTAL	\$ 10,021,455	\$ 10,572,491
LESS WATSONVILLE PAYBACK		\$ (47,773)
ESTIMATED CARRY OVER	\$ 179,620	\$ 135,000
PUBLIC LIBRARY FUND	\$ 82,431	\$ 82,431
OTHER INCOME [see note]	\$ 304,755	\$ 305,055
LEASE-PURCHASE #3	\$ 55,225	
CITY INTEREST CHARGE	\$ (28,000)	\$ (28,000)
TOTAL	\$ 10,615,486	\$ 11,019,204
OTHER INCOME SOURCES:		
Fines, Fees, Misc. Revenues	\$ 280,700	\$ 281,000
Bequest Appropriation	\$ 24,055	\$ 24,055
TOTAL	\$ 304,755	\$ 305,055
6REVENUE.EST		
5/19/2005		

- The June revenue projections include the following changes from the April draft:
- Maintenance of Effort funds (principally real estate tax) are increased by \$134,258.
- Sales & Use Tax revenues are reduced by \$38,059. This is the result of the new population numbers provided by the State Department of Finance being applied to the Watsonville/Santa Cruz revenue split. Watsonville now receives 22.25% and Santa Cruz City-County 77.75% of total revenues.
- County interest has been reduced by \$58.00
- The Watsonville Payback has been reduced by \$5,672 as a result of the calculation of the actual LAIF interest rate as opposed to an estimate.
- The outcome is an increase of available revenues of \$101,823.

ESTIMATED EXPENSES		
FY 2005-06		
JUNE BUDGET PROPOSAL		
EXPENSES	FY 2004-05 BUDGET	FY 2005-06 ESTIMATES
PERSONNEL	\$ 7,518,434	\$ 7,854,488
LESS SAVINGS	\$ (187,961)	\$ (78,545)
LIVE OAK & OTHER STAFF		\$ 70,609
SUPPLIES & SERVICES	\$ 1,401,061	\$ 1,443,852
LESS SAVINGS	\$ (67,082)	\$ (14,439)
BOOK/MEDIA FUND	\$ 850,000	\$ 900,000
LIVE OAK FURN. & MOVE-IN		\$ 14,465
DEBT REPAY, #2 & #3	\$ 275,905	\$ 179,122
CAPITAL EQUIPMENT, Exclude Live Oak Move-In	\$ 147,883	\$ 72,902
SPECIAL EQUIP ALLOCATION	\$ 15,000	
RESERVE FUND	\$ 85,000	
SUBTOTAL	\$ 10,038,240	\$ 10,442,455
CITY CHARGE	\$ 564,102	\$ 574,335
TOTAL	\$ 10,602,342	\$ 11,016,790
ESTIMATED REVENUE		\$ 11,019,204
SURPLUS		\$ 2,414
6EXPENSES.DFT		
REV 5/19/05		

**FY 2005-06 BASE PERSONNEL BUDGET
DIRECTOR'S JUNE PROPOSAL**

	ADMIN SERVICES		TECHNICAL SERVICES		PUBLIC SERVICES		TOTAL	
	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06
51110 Regular full time	851,343	890,484	1,231,620	1,192,999	2,728,842	2,424,216	4,811,805	4,507,699
51111 Regular part time	76,382	56,517	15,526	15,661	622,766	618,725	714,674	690,903
51115 Termination pay							0	
51122 Temporary			15,423		536,128		551,551	0
51130 Other Pay							0	
51132 Special Vacation Pay							0	
51133 Special Sick Leave Pay							0	
51150 Vehicle Allowance	5,760	5,760					5,760	5,760
Unfilled				56,430		732,468		788,898
SUBTOTAL SALARIES	933,485	952,761	1,262,569	1,265,090	3,887,736	3,775,409	5,971,463	5,993,260
51201 Retirement contribution	58,947	59,806	79,244	79,659	212,961	205,529	351,152	349,191
51202 FICA			956	708	33,240	33,528	34,196	34,236
51210 Group health insurance	123,249	131,995	161,027	194,915	439,644	481,047	723,920	819,445
51220 Group life insurance	759	491	1,102	713	2,892	1,801	4,753	3,029
51221 Disability insurance	7,653	4,686	8,419	5,190	25,543	15,938	41,615	25,814
51212 Group dental insurance	19,987	18,790	23,289	23,289	65,903	62,421	109,179	105,817
51213 Vision insurance	3,642	3,462	4,550	4,486	12,989	12,149	21,181	20,322
51214 Medicare insurance	7,642	7,685	13,771	13,762	46,567	45,840	67,980	68,239
51230 Unemployment Insurance	2,321	2,353	3,157	3,162	9,721	9,438	15,199	15,119
51240 Workers Comp	36,760	60,916	40,294	87,259	116,617	267,164	193,671	420,016
SUBTOTAL BENEFITS	260,960	290,184	335,809	413,143	966,077	1,134,855	1,562,846	1,861,228
GRAND TOTAL	1,194,445	1,242,945	1,598,378	1,678,233	4,853,813	4,910,264	7,646,636	7,854,488
6PERSONNEL.TOT								
rev. 05/10/05								

FY 2005-06 PROPOSED STAFF CHANGES

	Cost	New Sub Hrs Required
LIVE OAK BRANCH		
<u>Branch Manager</u>		
Upgrade from Libr II to III		
9 months @ \$340/month	\$ 3,060	
<u>Librarian II/YS</u>		
Transfer position from		
Branciforte		
<u>Senior Library Assistant/Ref @ .5 X 2</u>		
Transfer .5 from Central		
Add .5 @ \$2,074 inc. benefits X 8 months	\$ 16,592	54 hrs Librarian Sub
<u>Library Assistant/Circulation Leader</u>		
Existing staff		
<u>Library Assistant/YS .5 X 2</u>		
Divide existing vacant position	\$ 1,000	
Extra benefit costs possible		
<u>Library Clerks/Circulation</u>		
2 FTE existing staff		
.5 add @ \$1,628 inc benefits	\$ 13,024	104 hrs Library Clerk Subs
X 8 months		
<u>Substitutes**</u>		
Add Library Clerk Sub Hrs		
@ \$17.45/hr X 104 hrs	\$ 1,815	
Add Librarian I/II Sub Hrs		
@ \$20.74/hr X 54	\$ 1,120	
<u>Pages</u>		
Add 486 hrs @ \$12.17968	\$ 5,871	
SUBTOTAL	\$ 42,481	
BRANCIFORTE BRANCH		
<u>Library Assistant/YS .5 X 2</u>		
Add .5 positions X 2 @ \$1758/mo	\$ 28,128	104 hrs Library Clerk Subs
each inc. benefits X 8 months		
Sub hours covered in regular budget		
** Sub hours adjusted for mid-year hiring		
GRAND TOTAL	\$ 70,609	
6LOSTAFF.ADD		
rev 05/19/05		

FY 2005-06 SUPPLIES & SERVICES											
DIRECTOR'S RECOMMENDED BUDGET/JUNE 2005											
	ADMIN SERVICES			TECHNICAL SERVICES			PUBLIC SERVICES			TOTAL	TOTAL
	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	
52131	Claims Management	14,900	19,690						14,900	19,690	
52135	Prof Serv Fiscal	7,500	7,500						7,500	7,500	
52199	Prof Serv Other	3,000	1,000	2,500	2,500				5,500	3,500	
52201	Water/Sewer/Refuse	47,285	53,421						47,285	53,421	
52211	Janitorial Services	33,531	33,531						33,531	33,531	
52223	Vehicle O&M Inside	26,041	31,249						26,041	31,249	
52240	Office Equip O&M	4,850	4,850						4,850	4,850	
52244	Other Equip O&M	3,850	3,850						3,850	3,850	
52246	Building O&M	73,987	136,964						73,987	136,964	
52247	Landscape Maint Ser	23,275	27,945						23,275	27,945	
52248	Software Maint. Serv			81,290	81,850				81,290	81,850	
52249	Hardware Maint Serv			16,259	16,050				16,259	16,050	
52261	Bldg/Equip Rental	376,724	376,997						376,724	376,997	
52302	Travel	4,000	3,240						4,000	3,240	
52304	Training	14,191	14,141						14,191	14,141	
52306	Training Grant	1,464	1,464						1,464	0	
52402	Telecomm-Internal	43,092	42,448						43,092	42,448	
52403	Telecomm-Outside	31,300	26,672	81,000	78,112				112,300	104,784	
52932	Insurance-Internal	20,200	20,907						20,200	20,907	
52933	Insurance-Outside	53,250	56,490						53,250	56,490	
52960	Advertising	1,000	1,000						1,000	1,000	
52961	Dues/Memberships	7,357	7,517						7,357	7,517	
52972	Printing-Outside	7,500	5,000	15,000	10,000		1,000		23,500	16,000	
53101	Postage	15,500	15,500						15,500	15,500	
53102	Office Supplies	17,000	17,000						17,000	17,000	
53106	Books/Periodicals										
53108	Safety Cloth/Equip	11,718	3,610					850,000	850,000	900,000	
53109	Copier Supplies							6,948	6,948	6,948	
53110	Computer Supplies			14,000	14,000				14,000	14,000	
53112	Library Func. Suppl			130,112	142,112				130,112	142,112	
53113	Janitorial Supplies	17,695	19,650						17,695	19,650	
53310	Power & Gas	148,217	155,628						148,217	155,628	
54990	Misc. Supp/Serv	12,042	3,200					5,780	17,822	5,480	
	TOTAL S&S	\$ 1,020,469	\$ 1,089,000	\$ 340,161	\$ 344,624	\$ 863,728	\$ 910,228	\$ 2,224,358	\$ 2,343,852		
57203	Bldg Remodeling	\$ 24,920									
#####	Office Furn/Equip	\$ 70,158	\$ 47,902								
#####	Computer Equipment	\$ 22,500	\$ 25,000								
	TOTAL CAP	\$ 117,578	\$ 72,902								
									6SSBUDGET.CHT	5/19/2005	

LIVE OAK CAPITAL NEEDS		
	LIBRARY	COUNTY RDA
Staff Kitchen Appliances		
Western Appliance 4/12/05		
Increase in July??		
Inc. taxes, deliv., install	\$ 1,600.00	
Hopley Move-in Charges	\$ 7,000.00	
Book Drop Adjustable Carts		
Hopley; inc. tax and install		\$ 7,075.00
Office Furniture		\$ 23,476.02
Book trucks X 20	\$ 3,865.00	
Gaylord various		
Computers & Printers X 30		\$ 35,000.00
Misc. Start-up Supplies, Contingencies, etc.	\$ 2,000.00	
TOTAL	\$ 14,465.00	\$ 65,551.02
LIVEOAK.LST		
5/10/2005		

CAPITAL EQUIPMENT		
Misc. Replacement Com- puter Equipment	\$	25,000
Added Shelving:		
CD shelving Scotts Valley	\$	2,452
CD shelving Aptos	\$	949
Periodical Shelves Aptos	\$	500
Shelving Total	\$	3,902
Self-Charge Units	\$	44,000
Central X 1		
Live Oak X 1		
Scotts Valley X 1		
TOTAL	\$	72,902
NOTE: Number of Self-Charge Units that can be purchased will depend on negotiation with vendors; if a 4th unit is possible it would go to the Capitola Branch. A 5th unit would go to Central.		
CAPOUT.LST		
5/19/2005		