



SANTA CRUZ • PUBLIC
LIBRARIES
A City County System

LIBRARY JOINT POWERS AUTHORITY BOARD

Monday, May 8, 2006 at 7:30 PM
Community Meeting Room
224 Church Street, Santa Cruz

7:30 PM PUBLIC MEETING

1. ROLL CALL
2. APPROVE AGENDA
3. APPROVE MINUTES OF April 3, 2006
4. ORAL COMMUNICATIONS
5. CONSENT AGENDA
 - A. Amend Scotts Valley Branch Lease
6. WRITTEN COMMUNICATIONS
 - A. "The Role of High Definition DVDs is Still Not Well-Defined." April 2006. An E-Mail communication from Book Wholesalers, Inc. (BWI).
 - B. "New Report from the Pew Internet and American Life Project." Summary of keys points made in the April, 2006 study just released on Internet penetration and impact. E-mail communication from Rush Brandis, California State Library.
 - C. *CLARION* A Publication of the California Library Association, Vol 2, Issue 1, April 2006. (Board member packets only)
7. REPORTS OF ADVISORY BODIES
8. MEMBER REPORTS
 - A. California Library Association Legislative Day (Gerdt)
 - B. May 5 Branch Tour

9. STAFF REPORTS

A. Director's Monthly Report

- News
- Revised Audit Distribution (Board Packets only)
- Staff Day Report (document enclosed)

10. OTHER BUSINESS

A. Consider Draft FY 2006-07 Budget

(Budget Binders to Board members only; summary information in all other packets. Complete information available from Library Office on request.)

11. SCHEDULE NEXT MEETING

The next meeting is scheduled for Monday, June 5, 2006 at 7:30PM in the Community Meeting Room of the Central Branch Library

12. 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 fully 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 or TDD: (821) 420-5733 seventy-two hours prior to the event to make arrangements for assistance. Upon request, agendas for public meetings can be provided in a format to accommodate special needs.

JAGENDA.MAY
05/02/06

SANTA CRUZ PUBLIC LIBRARIES
A CITY-COUNTY SYSTEM

LIBRARY JOINT POWERS BOARD

MINUTES

April 3, 2006

Central Branch Community Meeting Room
224 Church Street, Santa Cruz

7:30 PM PUBLIC MEETING

I. ROLL CALL

Present: Citizen Nancy Gerdt, Citizen Barbara Gorson, Councilmember Cynthia Mathews,
Supervisor Jan Beautz, Councilmember Michael Termini
Councilmember Randy Johnson, Councilmember Mike Rotkin and Supervisor Mark
Stone

Excused: Citizen Leigh Poitinger

Staff: Anne Turner, Director of Libraries
Susan Elgin, Assistant Director of Libraries (Excused)

II. APPROVAL OF MEETING AGENDA OF APRIL 3, 2006

Councilmember Mathews moved, seconded by Councilmember Rotkin

that the Board approve the agenda of April 3, 2006.

UNAN

III. APPROVE MINUTES OF MARCH 6, 2006

Citizenmember Gorson moved, seconded by Councilmember Mathews

that the Board approve the minutes of March 6, 2006

**UNAN
ABSTAIN:
Rotkin, Stone**

IV. ORAL COMMUNICATIONS

None

V. CONSENT AGENDA

None

VI. WRITTEN COMMUNICATIONS

- A. Letters of March 21, 2006 from Director of Libraries to State Senate and Assembly Budget Subcommittees RE: Public Library Foundation Program.
- B. "Family Place Libraries: From One Long Island Library to the Nation"

VII. REPORTS OF ADVISORY BODIES

Pat Sandidge, Managing Director of the Friends of the Santa Cruz City-County Library System reported the following Friends' activities:

- Book Fund Drive has now grossed over \$21,000
- Received a distribution from the Patricia Fleming Family Trust; \$180,000 designated for audio and large print books
- Friends Board has officially endorsed Proposition 81
- Participating in Legislative Day 4/26/06 in Sacramento
 - Bob Bickal and Susan Heinlein will be attending
- Working with Jennifer Smith, Read to Me Project Manager, on sponsoring possible Read to Me Grant Proposals for program expansion
- Co Sponsors of the Peter and Donna Thomas John Muir Trail Hike
- May 12 & 13th Book Sale
- Tighten up on existing policies with regard to Volunteers and Internet Book Sales
- Preparing Budget for next fiscal year
- Contemplating the planning of a Live Oak Special Event in the spring/summer

Michele Mosher, Friends of the Felton Libraries:

- April Events marking the 50th Anniversary of the Felton Branch Library being in the Belardi Building
- April 1, 2006 Kick Off- All 16 Chairs done by local artists shown at New Leaf Market; Evening Invitation Only House Concert with Storyteller Gaye Dursey
 - Raised over \$1,700
- Chairs will be disbursed to various locations as well as on the Friends Website
 - April 13th Bidding will begin on the chairs
- Western Swing Dance April 22, 2006
- 2nd Annual San Lorenzo Valley Poetry Contest Reading
 - 55 Entries
 - April 29, 2006 at the Felton Community Hall

VIII. MEMBER REPORTS

None

IX. STAFF REPORTS

A. The Director made the following reports:

- Friends Board Member Bob Bickal has agreed to be the SC County coordinator for the Proposition 81 operation
- Read to Me Project Grant Proposal and Future Operations
 - Grant Proposal for \$31,000
- State Grants for Tuition Reimbursements for Library Staff pursuing Master's Degree Programs in Library Science
 - Sandi Imperio Candidate
- New Employee Training Group
- All Staff Day 8am April 7, 2006 at the Civic Auditorium

B. Dan Landry, Network Access Administrator reported:

- Automation System Upgrades Presentation to the Board

X. OTHER BUSINESS

A. Appropriate Additional 2005-06 Revenues

Councilmember Rotkin moved, seconded by Councilmember Johnson

that the Library Joint Powers Authority Board adopt a resolution appropriating additional FY 2005-06 revenue in the amount of \$37,000 and amending the FY 2005-06 budget a per the appropriations.

UNAN

Absent: Beautz

B. Financial Planning Process

- The Board accepted the Subcommittee Report on Capital Project Priorities (Rotkin/Johnson)

C. Board Branch Tours

- Tentatively Scheduled for May 5th & 12th from 1-5pm

XI. SCHEDULE NEXT MEETING

May 8, 2006

XII. ADJOURNMENT

The regular meeting adjourned at 8:55 p.m.

Respectfully submitted,

Kira Henifin, Clerk of the Board

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



SANTA CRUZ • PUBLIC
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A City County System

April 25, 2006

TO: LIBRARY JOINT POWERS AUTHORITY BOARD
FR: DIRECTOR OF LIBRARIES
RE: AMEND SCOTTS VALLEY BRANCH LEASE

RECOMMENDATION: That the Library Joint Powers Authority Board adopt a resolution authorizing amendment to the Scotts Valley Branch Library Lease with Kings Village Shopping Center to extend the term through 2012, contingent upon the approval of the Santa Cruz City Council.

BACKGROUND

The Santa Cruz City/County Library has occupied space at Kings Village Shopping Center in Scotts Valley since 1985. The initial term of the lease was two years, with an option to extend for an additional two years. Since that time, the lease has periodically been amended to provide multiple, short-term extensions. As the City of Scotts Valley may construct a permanent building for the library in the future, this approach has provided the Library with maximum flexibility should a new building become available.

DISCUSSION

The term of the most recent amendment expires on July 31, 2007, and the City of Santa Cruz (which manages this and other leases on the Library's behalf) has requested that the landlord grant five, one-year options to extend the lease through 2012. The Landlord has prepared the attached Amendment implementing the City of Santa Cruz's request. Key terms include the following:

- Size – 5,600 square feet
- Rent - \$6,636.53 (\$1.19 per square feet) per month, with annual increases reflecting changes in the Consumer Price Index.
- Term – Five additional one-year extensions, terminating July 31, 2012
- Maintenance/Repairs – At Library's expense

Because the initial lease for the Library was executed by the City of Santa Cruz, the City must approve all subsequent amendments, subject to approval of the Library Joint Powers Authority Board.



SANTA CRUZ • PUBLIC
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RESOLUTION NO. 2006-03

**RESOLUTION OF THE SANTA CRUZ LIBRARY JOINT POWERS
AUTHORITY BOARD**

WHEREAS, the Scotts Valley Branch Library has occupied premises at the Kings Village Shopping Center since 1985; and

WHEREAS, the current term will expire on July 31, 2007; and

WHEREAS, an amendment has been negotiated with the owner of Kings Village Shopping Center to extend the term to July 31, 2012, through five one-year options; and

WHEREAS, the City of Santa Cruz executed the original lease, thus the City must execute Amendments, subject to the approval of the Library Joint Powers Authority Board.

NOW THEREFORE, BE IT RESOLVED by the Santa Cruz Library Joint Powers Authority Board authorizes the execution of an Amendment to the Lease Agreement with Kings Village Shopping Center to extend the term of occupancy of the Scotts Valley Branch Library through 2012.

PASSED AND ADOPTED this 8th day of May, 2006, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Chair of the Board

ATTEST: _____
Board Clerk

FOURTH ADDENDUM TO LEASE

THIS FOURTH ADDENDUM TO LEASE is made into this _____ day of April, 2006 by and between Ow Trusts, dba King's Village Shopping Center, hereinafter referred to as Lessor, and The City of Santa Cruz, By Richard C. Wilson, hereinafter referred to as Lessee,

WITNESSETH:

WHEREAS, King's Village Shopping Center and The City of Santa Cruz entered into that certain lease dated March 15, 1985, which pertains to certain premises situate in King's Village Shopping Center in Scotts Valley, California which premises are more particularly described in said lease; and

WHEREAS, Lessor and Lessee entered into an Addendum to Lease dated May 14, 1997, and

WHEREAS, Lessor and Lessee entered into a Memorandum to Addendum to Lease dated September 4, 1997, and

WHEREAS, Lessor and Lessee entered into a Third Addendum to lease that extended the option terms to July 31, 2007, and

WHEREAS, Lessee has given written notice to Lessor to exercise the final option period granted in the Third Addendum to lease, and

WHEREAS, all terms covenants, conditions, and obligations contained in the original lease shall remain the same except the following changes;

NOW, THEREFORE, IT IS HEREBY COVENANTED AND AGREED, by and between the parties hereto, as follows:

1. **TERM:** The term of the lease which will expire on July 31, 2006 is hereby extended for a period of One (1) year commencing on August 1, 2006 and terminating on July 31, 2007. Provided Lessee is not in default under any terms, covenants or conditions of this lease, it shall have the option to extend the term of this lease for an additional period of Five (5); One (1) year option periods. The option period shall be subject to all of the terms, covenants and conditions as set forth in Paragraph 5. of the First Addendum to Lease.
2. **RENT:** Lessor and Lessee have agreed that the current minimum monthly rent for the period of August 1, 2006 to July 31, 2007 shall be adjusted by using the Consumer Price Index (CPI) as more particularly described in Paragraph 3. b) of

the First Addendum to Lease, with said adjustment not to exceed a five (5%) percent increase in any one year. In the event that the monthly minimum rent is not adjusted by the first day of August 1, 2006 the rent shall be retroactively prorated to reflect the CPI increase to said rent. The minimum monthly rent for each consecutive option year shall be adjusted using the same CPI method as described above.

EXECUTED BY AND BETWEEN the parties hereto, in the State of California, on the date next to the signature of each party, the Lease shall remain in full force and effect except to the extent that its provisions are inconsistent with the provisions contained in this Second Addendum to Lease.

LESSOR

LESSEE

King's Village Shopping Center Date
By
Christopher Ow

City of Santa Cruz Date
By
Richard C. Wilson, City Manager

The Role of High Definition DVDs Is Still Not Well-Defined

April 2006

As technology improves, movie studios continue to look for ways to enhance the movie-viewing experience. High definition televisions have hit the market, to be quickly followed by high definition disc players and high definition movies. There are two different high definition pre-recorded movie disc formats, HD DVDs and Blue-ray Discs, currently waging a war for market supremacy. Both are discs that look like traditional DVDs (and see how far we've come when DVDs can be thought of as "traditional"), but are capable of delivering more content at a much higher picture and sound quality.

HD DVD is the format approved by the DVD Forum, an international association of hardware manufacturers, software firms, content providers, and other users of DVDs whose purpose is exchange and disseminate information about the DVD format. Warner Brothers, Universal, and Paramount have all announced plans to release content on HD DVD.

Blue-ray Discs, created by Sony, don't work with the DVD Forum but they still have many proponents. Sony Pictures, Disney, and 20th Century Fox have all announced plans to release movies on this format.

Blue-ray Discs are only playable on a Blue-ray player while HD DVDs are only playable on an HD DVD player. A high definition television is also required to appreciate the improved picture and sound quality. Neither disc format will play on a conventional DVD player although both new players will play traditional DVDs and compact discs. Samsung has announced plans to release a special hybrid player that will play both Blue-ray Discs and HD DVDs.

Neither of these new formats has a definitive edge in the consumer marketplace at this point. Many consumers will probably take a "wait and see" position to determine which format ultimately wins this format battle.

An e-mail message from BWI,
one of our book and media vendors

Anne Turner

From: Brandis, Rushton [rbrandis@library.ca.gov]
Sent: Thursday, April 27, 2006 9:05 AM
To: calix@listproc.sjsu.edu
Subject: [CALIX:5267] New Report from the Pew Internet and American Life Project

Here are the key points made in the April, 2006 study just released on Internet penetration and impact.

Internet penetration has now reached 73% for all American adults. Internet users note big improvements in their ability to shop and the way they pursue hobbies and personal interests online.

The importance of the internet in key areas is growing.

As one measure of the impact of the internet, we have repeatedly asked online Americans whether or not the internet has improved various aspects of their life. Over time, internet users have become more likely to note big improvements in their ability to shop and the way they pursue their hobbies and interests. A majority of internet users also consistently report that the internet helps them to do their job and improves the way they get information about health care. Some key findings are listed below:

* The share of online Americans who say the internet has greatly improved their ability to shop has doubled—from 16% to 32%—since March 2001.

* The share of online Americans who say the internet has greatly improved the way they pursue hobbies and interests has grown to 33%, up from 20% in March 2001.

* The share of online Americans who say the internet has greatly improved their ability to do their job has grown to 35%, up from 24% in March 2001.

* The share of online Americans who say the internet has greatly improved the way they get information about health care has grown to 20%, up from 17% in March 2001.

For more, go to


http://www.pewinternet.org/pdfs/PIP_Internet_Impact.pdf

Rush Brandis, California State Library



SANTA CRUZ • PUBLIC
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April 25, 2006

TO: LIBRARY JOINT POWERS AUTHORITY BOARD
FR: DIRECTOR OF LIBRARIES 
RE: LIBRARY STAFF MORNING REPORT

The Library staff met all morning on Friday, April 7th, and had interesting discussions around the theme of the Future of Libraries. Virtually all staff had viewed the video presentation on the topic in advance.

After preliminary remarks by me, and on technology by Dan Landry, there was a large group discussion. Then people broke into smaller groups, in which they were asked to come up with three ideas for improving public service that could be implemented in the next six months. There was a second large group discussion at the end of the morning.

The ideas developed ranged from simple changes easy to implement, to ones we've considered in the past, tried, and rejected, to those involving much broader issues. There was a lot of overlap and interdependence. For example, quite a few suggestions in several categories depend upon the upgrade of the automation system. And some of the ideas have already been implemented.

The Management staff and I have begun discussing the Suggestions list. We agree that we should meet with the Staff Day Committee, and that probably the ideas should be assigned to Staff Working Groups led by managers or others. The list below is every suggestion presented.

CREATE A MORE WELCOMING/USER-FRIENDLY ENVIRONMENT

- Self service on Summer Reading Program
- Self check machine in YP (Young People's Room)
- Book drops at Schools, museums, bank ATMs, grocery stores & schools community gathering places—Bus depots, senior centers, teen centers
- Greeter/Information Kiosk
- More Casual Staffing—Friendly Greeter
- Uniform identifying Staff (badges)

- Coffee in front part of Lobby; Food allowed in Library
- ATM Machine in the lobby at Central
- Move self check machine to YP
- Be helpful
- Flexibility (staff flexibility in following rules)
- Flexibility, use common sense
- Embrace public's suggestions, adults can be more demanding
[The discussion was about staff resistance to/fear of public's requests and suggestions for changes.]
- Use nonLibrarian staff to trouble shoot computer problems or put computers all in one room with a staff person to monitor
[Refers to public internet use as well as word processing for public]
- Have an Electronic Resource Room (one hour limit like in Eugene, Oregon)
- Staff should be as welcoming as possible
- Don't let the grumpy patrons dictate what we do.
- Quick access resource terminals scattered throughout the building
- Increase the number of check out points
- Priority on personal service

SIGNAGE

- Floor Plan maps
- Different colored shelving/colored tape at the end of the shelves
- Bigger signs - signs that public understands
- Consistent neat signage at all branches; color code collection/Signage
- Visual map directory (hand-outs & signage) of collection and where things are available at all branches. Attractive and in English and easy to understand.
- Shelf signs (organized like a book store)
- Laminated cards/maps for patrons entering the building (ie. Seattle Public)
- Signage with summary of Dewey Decimal System for public to be able to find books; use graphics of the Dewey Decimal System
- Shelve audio by format with clear signage
- Teach children how to read the signs
- Create media display and information neighborhood
[refers to article in hand outs]
- Put up key code charts for public explaining different genres
- Have a signage Czar for entire system to meet ADA rules
- Put labels on videotapes to show patrons how to place the video in the case with the bar code showing, so that the alarm will not sound when they return tapes. This will also help staff when checking items in.

RULE/POLICY CHANGES THAT WOULD MAKE LIFE EASIER FOR STAFF AND/OR PUBLIC

- Get rid of random rules
[This refers to rules that are unevenly enforced among Branches]
- Ability to renew items when you don't have the item in hand; rethink the way we do this service
- Renew without the item to avoid a runaround
- Social issue books for teens checked out on the honor system (ie GP) work with middle school; high schools too
- Do away with Request No Pickup charge
Modification Suggested: Give one free Request No Pickup, and after that charge for failure to pick up
- \$5.00 charge for ILL requests not picked up by patron
- Reevaluate fees and fines; allocate a percentage of fines to annual materials purchase
- Offer Fast Track requests for a fee

INFORMATION a.k.a. REFERENCE SERVICES TO THE PUBLIC

- Schedule people to rove throughout a shift
- Roving reference staff
- More than one reference location
- At Central have a small desk/kiosk near front to help with easy questions such as title requests; send in-depth queries to Reference Desk]
- Offer word processing for adults
- Investigate "Writely" a new web-based word processing product
- All terminals be multi-usage (more internet terminals)
- More Subs/more allocations (floaters)
- Cross training: Reference to Circulation
- Reference person on circ desk Why Not? Why can't circ staff leave the desk to help a borrower?
- Reference Librarian at the Circ Desk
- Combine functionality of Circ and Ref
- Adult Reference staff at Central help with Sends List
- Install a "doorbell" between Circ and Ref Desks to avoid run-around for patron (be aware of each other's desk staffing needs)
- Have circulation call Ref to back them up
- Bell to signal for staff off desk to come and help at the desk

PROGRAMMING/TRAINING FOR PUBLIC

- Classes for teachers about the Library
- Teachers don't have a clear idea of a 21st century library, video of library service
- Computer classes for kids
- Library training within book discussion groups
- Train the Trainers Session: classes/training for parents; work with schools' parent groups; school site councils
- Build collaborations based on seeing a need in the community – using this information to create forums
- Displays i.e. Art
- Have field trips for seniors and offer classes for seniors such as how to use the database, with savvy seniors teaching the classes
- Offer large print reading book discussion groups

AUTOMATION SYSTEM UPGRADE

- Adapt Amazon idea: "people who read this book also checked out..." Net-flix wish list attached to your account
- Simple Search Like Yahoo, Amazon, Google combined with indexes
- Make catalog easier to use; update web page
- Make scroll bar darker and wider on Web 2
- Single software interface
- Accounting link on the Intranet with forms and procedures
- Library Acquisitions: communicate with City finance (Software compatibility between library and city systems, to eliminate duplication)
- ISBN = 13 digits (compatibility with systems)

STAFFING ISSUES/GENERAL

- Library jobs are changing
- Classification and compensation study
- Work Environment. Salary Equity study—Recommendation from staff and classification to start in 6 months.
- Change job specs to reflect what we do, changes
- Anne and Susan work/observe at the public desk
- CORE Reference training - using a web cast
- We want more interaction between kids and staff

STAFF COMMUNICATION ISSUES

- Committees write notes for all users via email
- Post Agendas for meetings ie. Leadership, Tips & Techniques, LJPB, Training, Communications, Safety. Staff has responsibility to ask questions
- Collaborative process of staff for projects – good for organization
- Explore blogs as a way to communicate back to committees and other decision, discussions
- Cross training
- Use consultant to focus on change process, leaving NAS staff to figure out the technical issues of ILS Upgrade
- Have a committee from all parts of the system tasked with communication.
- Give notice when committee meets and open to agenda points)
- Outlook Groups Distributions, more instruction on Outlook, training NET Outlook
- Instant messaging for all staff
- Listening skills (external and internal)

LIBRARY MATERIALS

- Educate decision makers (board) to the value of media
- Not enough money each year to fill requests
- Every selector should shelve in their area once a month
- Books should be shelved where they end up (at the branch where dropped off)
- Spend money on what people want (review the materials budget; allocations based on circulation) have a committee make these decisions
- Have branch managers select leased books
- Have a Best Sellers collection exempt from requests
- Use donated books as a new popular book collection that don't have a request list
- Incorporate reference books into the circulating collection, put red stripe on spine to alert it cannot be checked out; Use volunteers to do this
- Create a space for donated books.
- Limit renewals of items.
- Incorporate YA CDs with adult CDs
- Every branch should have a "new" book collection of items not on hold

MARKETING/PROMOTION

- Back to school night (kiosk)
- Display shelving/merchandizing of collection/marketing/retail research/where we shelve things/know your library users
- Marketing the Library to the public

- Aware of the difference between the library and retail
- Partnerships with people in the community help make the library more high profile
- Participate in community events
- Contest to design fantasy library
- Honor system in medical waiting rooms
- Create media display and information neighborhood

MISCELLANEOUS


- Branch Security 24 hours
- Not enough shelving
- Don't be afraid of our patrons
- HDQ newspapers delivered to Central then routed to HDQ
[refers to a theft issue in HQ parking lot]
- Relax- don't be afraid to experiment we can change if it doesn't work

SSTAFFDAY.RPT
04/27/06



SANTA CRUZ • PUBLIC
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May 2, 2006

TO: LIBRARY JOINT POWERS AUTHORITY BOARD
FR: DIRECTOR OF LIBRARIES 
RE: FY 2006-07 DRAFT BUDGET

RECOMMENDATION: That the Board discuss and give direction on the draft FY 2006-07 Library Budget.

BACKGROUND

The Board traditionally considers and discusses a draft Library budget in April or May, and approves a final document in June, when the Library Financing Authority has approved final revenue estimates for the coming fiscal year. Budget summary and detail sheets follow this memorandum.

DRAFT FY 2006-07 BUDGET HIGHLIGHTS

Structure: A new Activity, #3515, Facilities Management has been added. Amounts for the current year, FY 2006, are shown in the Facilities Management column in the Supplies & Services Budget (Page 4), even though the Activity did not exist. This assists cost comparisons.

Revenue: The Library Financing Authority's preliminary estimate for the Santa Cruz Library System is \$11,111,053 (see Page 1). As the Revenue vs. Expense Summary on Page 2 shows, we also anticipate some budget savings from FY 2006, we have carryover revenue from FY 2006, and we anticipate a payment from the State Public Library Fund, money from fees, fines, and bequests, and a reduced grant from the First 5 Commission. The grand total in anticipated revenue is \$11,984,120.

However, it is important to remember that this number is based upon estimates made in January. When the Library Financing Authority meets in June it is my understanding that it will see higher Sales & Use Tax estimates, based on the

economy's performance during the last quarter of 2005 and the first quarter of 2006.

Personnel Expenses: These come directly from the City Finance Department, reflect collective bargaining agreements, and anticipated increases in benefits. The base amount is a \$518,443 increase over FY 2006. In addition, staff is requesting that the Board approve \$219,692 in added personnel or personnel changes. This proposal, which appears on Page 3, is as follows:

- Transfer Read to Me Staff to Regular Budget: \$121,337
- Add Needed Substitute Hours: \$ 53,615
- Upgrade three positions to Library Assistant and Increase Part Time Library Clerk to Full Time \$ 44,741

Supplies & Services Expenses: The chart on Page 4 summarizes this section of the budget. The reason why the total for FY 2006 is greater than that for FY 2007 is that the FY 2006 figures include the additional appropriations from unanticipated revenue the Board made in September, February, and April. For example, the Book/Media/Periodicals object for 2006 (53106) is \$965,000, reflecting the \$65,000 added in February. The FY 2007 proposal for books and media is \$922,500, which is a 2.5% increase over the original 2006 amount, and complies with out Library Standard. If there are unanticipated revenue increases in 2007, the Board can of course augment the Books/Media/Periodicals budget.

Capital Projects & Equipment Expenses (Page 5): Since the revenue is available, it seems to staff that it would be sensible to do at least one big capital project—the Aptos Parking Lot expansion, and to buy two lift trucks (better ergonomically) for deliveries. We anticipated that we would have to complete the Central Branch re-roofing in this fiscal year. The rest of the equipment items (shelving, etc.) are self-explanatory requests from staff.

**LIBRARY FINANCING AUTHORITY
PRELIMINARY REVENUE ESTIMATE FOR 2006-07**

AGENDA: January 9, 2006
Page 2

The final distribution amount for the upcoming fiscal year is then determined in June following the issuance of updated population numbers by the State and based on the latest estimates for Sales Tax and Property Tax growth.

Revenue Estimates

Table 1, which follows, summarizes the 2005-06 Estimate, the 2005-06 Estimated Actual Amount and the 2006-07 Preliminary Estimate.

**Table 1
Summary of Revenue Estimates**

(1) Item	(2) 2005-06 Estimated Amount	(3) 2005-06 Est. Actual Amount	(4) 2006-07 Preliminary Estimate	(5) Change from 2005-06 Estimate
Revenue				
■ Maintenance of Effort Contributions	\$ 5,971,334	\$ 6,081,863	\$ 6,275,283	\$ 303,949
■ Net Sales Tax Revenue	7,577,062	7,993,461	7,993,461	416,399
■ Interest Earnings	11,486	22,000	22,000	10,514
Totals	\$ 13,559,882	\$ 14,097,324	\$ 14,290,744	\$ 730,862
Distribution				
Watsonville Library 22.25%	\$ 3,017,074	\$ 3,136,655	\$ 3,179,691	\$ 157,501
Santa Cruz Library 77.75%	10,542,808	10,960,669	11,111,053	573,361
Total	\$ 13,559,882	\$ 14,097,324	\$ 14,290,744	\$ 730,862

■ **Maintenance of Effort Amount**

The Maintenance of Effort Amount is based on the contractual commitments of the City of Santa Cruz, the City of Watsonville and the County. The increase in the Maintenance of Effort amount is based on a preliminary estimate of 7% growth in property tax revenue in the County Library Fund.

**FY 2006-07 REVENUE VS. EXPENSE SUMMARY
MAY 2006 PROPOSAL**

REVENUES		
SOURCE	FY 2005-06 JANUARY EST.	FY 2006-07 JANUARY EST.
MAINTENANCE OF EFFORT	\$ 4,728,648	\$ 4,879,033
SALES & USE TAX	\$ 6,214,916	\$ 6,214,916
COUNTY INTEREST ETC.	\$ 17,105	\$ 17,105
SUBTOTAL	\$ 10,960,669	\$ 11,111,053
BEGINNING (ESTIMATED) FUND BALANCE	\$ 333,223	\$ 442,155
PUBLIC LIBRARY FUND	\$ 79,992	\$ 79,992
FEES, FINES, BEQUESTS	\$ 305,055	\$ 307,055
READ TO ME GRANT	\$ 210,000	\$ 43,865
TOTAL	\$ 11,888,939	\$ 11,984,120
EXPENSES		
	FY 2005-06 ESTIMATE	FY 2006-7 PROPOSAL
PERSONNEL	\$ 7,915,323	\$ 8,433,766
LESS SAVINGS	\$ (316,613)	\$ (168,675)
READ TO ME PERSONNEL	\$ 131,972	\$ -
ADDED PERSONNEL REQUEST		\$ 219,692
SUPPLIES & SERVICES	\$ 2,508,809	\$ 2,431,374
LESS SAVINGS	(50,176)	(48,627)
READ TO ME SUPPLIES & SERVICES	\$ 64,290	\$ 43,865
DEBT REPAY, #2 & #3	\$ 179,122	\$ 89,561
WATSONVILLE PAYBACK	\$ 47,773	\$ 45,903
CAPITAL EQUIPMENT & PROJECTS	\$ 11,343	\$ 353,072
RESERVE FUND FEBRUARY APPROPRIATION	\$ 200,000	
EQUIPMENT & CAPITAL PROJECTS FEBRUARY & APRIL APPROPRIATIONS	\$ 182,334	
SUBTOTAL	\$ 10,874,177	\$ 11,399,930
CITY CHARGE ESTIMATE	\$ 572,607	\$ 626,996
TOTAL	\$ 11,446,784	\$ 12,026,926
SURPLUS/(DEFICIT)	\$ 442,155	\$ (42,806)
RESERVE FUNDS	ESTIMATED BAL 6/30/2006	APPROPRIATIONS FY 2006-07
Contingencies [955]	\$ 137,742.25	
Technology [956]	\$ 142,131.76	
Capital Projects [957]	\$ 130,865.02	
Felton Branch Replacement	\$ 51,000.00	
TOTAL RESERVES	\$ 461,739.03	
NOTE:		
OTHER INCOME SOURCES:		
Fines, Fees, Misc. Revenues	\$ 281,000	283,000
Bequest Appropriations	\$ 24,055	24,055
TOTAL	\$ 305,055	\$ 307,055
7REVEXP.SUM		
5/2/2006		

CAPITAL PROJECTS & EQUIPMENT PURCHASES		
3510-57203: Building Remodeling		
Interior Painting		\$ 25,000.00
Boulder Creek		
LSB		
Energy Efficient Lighting Improve'ts		\$ 10,000.00
Central Branch Roof		\$ 45,000.00
SUBTOTAL		\$ 80,000.00
3510-57309: Parking Lots		
Aptos Parking Lot		\$ 140,000.00
3510-57401 Office Furn/Equipment		
Shelving Various		
CD Bins	B-40	\$ 720.00
Slatwall End Panels	Aptos	\$ 1,350.00
Slotted 3 ft shelves X 8	Cen YP	\$ 2,000.00
DF 90" Shelves X 2	LSB	\$ 2,149.00
Shelving Total		\$ 6,219.00
Projector and Screen	GP	\$ 4,070.00
Automatic Disc Repair Machine	TS	\$ 7,200.00
SUBTOTAL		\$ 23,708.00
3510:57403: Vehicles		
Lift Trucks @ \$38,456.52 X 2	Deliveries	\$ 76,913.04
3510-57409 Computer Equipment		\$ 25,000.00
3510-57903 Capital Equipment Under \$5000		
Delivery Crates X 100	TS	\$ 3,500.00
Mini-Blinds	GP	\$ 599.70
Book ends	Aptos	\$ 514.80
Laminating Machine	Aptos	\$ 200.00
Mat Board Trimmer/Cutter	Aptos	\$ 250.00
Literature Organizer	Aptos	\$ 206.00
Easel/Dry Erase Board	GP	\$ 354.00
Adjust. Ergo. Chairs @ \$383.00	Cen X 3	\$ 1,149.00
Tax & Shipping @ 10%		\$ 677.35
SUBTOTAL		\$ 7,450.85
GRAND TOTAL		\$ 353,071.89
7CAPREQ.LST		
4/25/2006		