



AGENDA SUBMITTAL TO SOLANO COUNTY BOARD OF SUPERVISORS

ITEM TITLE		BOARD MEETING DATE	AGENDA NUMBER
Receive a report on the reorganization of the Library Department; Approve in concept the deletion of 3.0 Library Branch Managers and 1.0 Library Technical Services Manager; and Direct the Department of Human Resources to bring back a resolution to amend the position allocation list		December 7, 2010	25
Dept:	Library	Supervisorial District Number All	
Contact:	Bonnie A. Katz Director of Library Services		
Extension:	1502		
Published Notice Required?		Yes _____	No <u> X </u>
Public Hearing Required?		Yes _____	No <u> X </u>

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board of Supervisors receive a report on the reorganization of the Library Department; approve in concept the deletion of 3.0 FTE Library Branch Managers and 1.0 FTE Library Technical Services Manager; and direct the Department of Human Resources to bring back a resolution to amend the position allocation list.

SUMMARY:

At the August 31, 2010 Budget Workshop, the Board directed the Library Department to return to the Board with a plan to address an anticipated \$5 million structural deficit that is the result of increasing costs and declining property and sales tax revenues.

The Library Department, comprised of eight branch libraries and a technical services division, plans to address this deficit over the next two fiscal years. The Department looked to identify opportunities in its organizational structure and service delivery models that would result in a more efficient use of resources and create savings.

FINANCING:

The Library is a separate fund from the general fund and operates on dedicated revenues primarily received from property and sales tax and other sources, such as building use fees, fines and contracts with the Law Library Board of Trustees and the Vacaville Library District to provide library services. The Department has identified a growing structural deficit, which it proposes to address through a variety of actions over the next two years.

The deletion of the 4.0 FTE positions identified in this report will result in a net savings of \$178,806 for the balance of FY2010/11 and an annual savings of \$536,423 for FY2011/12. However, there

are additional FY2010/11 savings of \$395,097 as the result of decreases in staffing due to the elimination of 3.0 FTE vacant positions that were budgeted in this fiscal year, the elimination of two positions, the result of a layoff and an Early Retirement Incentive offering, and a security service contract reduction. The net savings in FY2010/11 would be \$573,903 and FY2011/12 would have a net annual savings of \$1.14 million.

For FY2010/11, the Library Department has a budgeted contingency fund of \$1.5 million and is working with County Counsel to justify and clear the use of Public Facility Fees to offset the growing cost of library materials, which would enable the Department to use an estimated \$1.5 million dollars over two fiscal years, if needed. In addition, the FY2010/11 budget for the John F. Kennedy Library includes \$350,000 in one-time remodeling costs to consolidate all services from the current two floors onto one floor. The net total of the reductions identified would be approximately \$5 million and would address the Library Department's structural deficit.

DISCUSSION:

Since the beginning of FY2007/08, the Library Department has eliminated 13.5 positions or 9.5% of its total allocations; while the Library's property and sales tax revenues have decreased by \$2,234,181 or 19% over the same period. The Department has streamlined services over the last few years such as implementing a Telephone Assistance Center to handle all incoming calls to free up branch staff to help customers inside the libraries; using technology to limit staff growth while adding two new branches and expanding one branch; and reducing support staff using technology and strategically filling positions. However, additional budgetary constraints are necessary.

The effects of the recession, including the collapse of the real estate market and higher unemployment, continue in Solano County. Sharp declines in revenues from property taxes and the 1/8th of a cent in sales tax dedicated to library service have been exacerbated by rising expenditures, primarily in labor costs, creating a structural financial deficit estimated today at \$5 million. Conservative revenue projections used in the Five-Year Fiscal Forecast section included in the FY2010/11 Recommended Budget may not materialize due to the slow pace of the economic recovery.

In looking to reduce the existing projected structural deficit, the Library identified opportunities in its organizational structure and service delivery models that would result in a more efficient use of its resources and create savings. Currently the Department is organized within a cluster concept with a Library Branch Manager overseeing each cluster. Fairfield and Suisun are one cluster, Vacaville and Rio Vista are the second cluster, and Vallejo with two libraries is the third cluster. The proposed reorganization will have all the branches headed by an onsite supervisor who would report to the Deputy Director for Library Public Services, thus eliminating 3.0 Library Branch Manager positions with limited negative impact to direct services. The Technical Services division would also be brought into this model by having an onsite supervisor reporting to the Deputy Director of Library Support Services. This change would allow for the Technical Services Manager position to be eliminated.

The Department will maintain its complement of hours of operation at the eight branches and there should be minimal disruption to the public. Business at the library branches is on the rise with more citizens using the libraries than in previous years. All of the Department's usage statistics such as visits to the branches, library card registrations and circulation have increased over the past couple of years. This proposed plan, if approved, would provide for the same level of service that citizens have come to expect.

The Library will continue to provide the Board with updates throughout the fiscal year.

ALTERNATIVES:

The Board of Supervisors may choose not to approve the reorganization. However, this alternative is not recommended because the reorganization will result in a more efficient organizational structure that will provide services at a lower cost and help close the \$5 million structural deficit that the Library is facing.

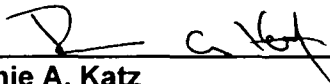
OTHER AGENCY INVOLVEMENT:

The County Administrator's Office has been consulted on this report. The Department of Human Resources has reviewed the proposed reorganization proposal for the Library Department and agrees with the proposal.

CAO RECOMMENDATION:

APPROVE DEPARTMENT
RECOMMENDATION

DEPARTMENT HEAD SIGNATURE:



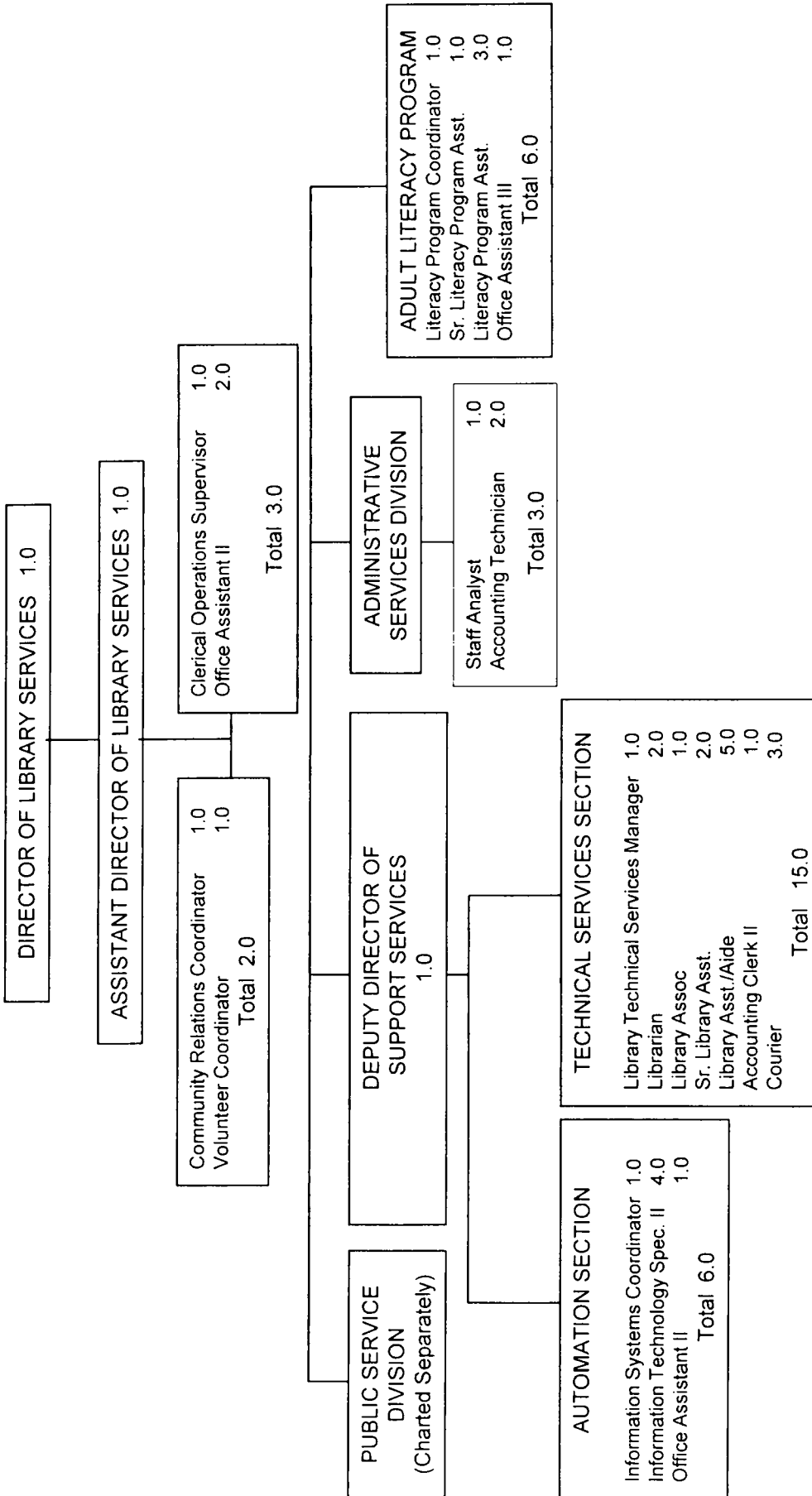
Bonnie A. Katz
Director of Library Services

Attachments

- Attachment A: Organizational Chart as of August 1, 2010
- Attachment B: Recommended Organizational Chart

SOLANO COUNTY LIBRARY

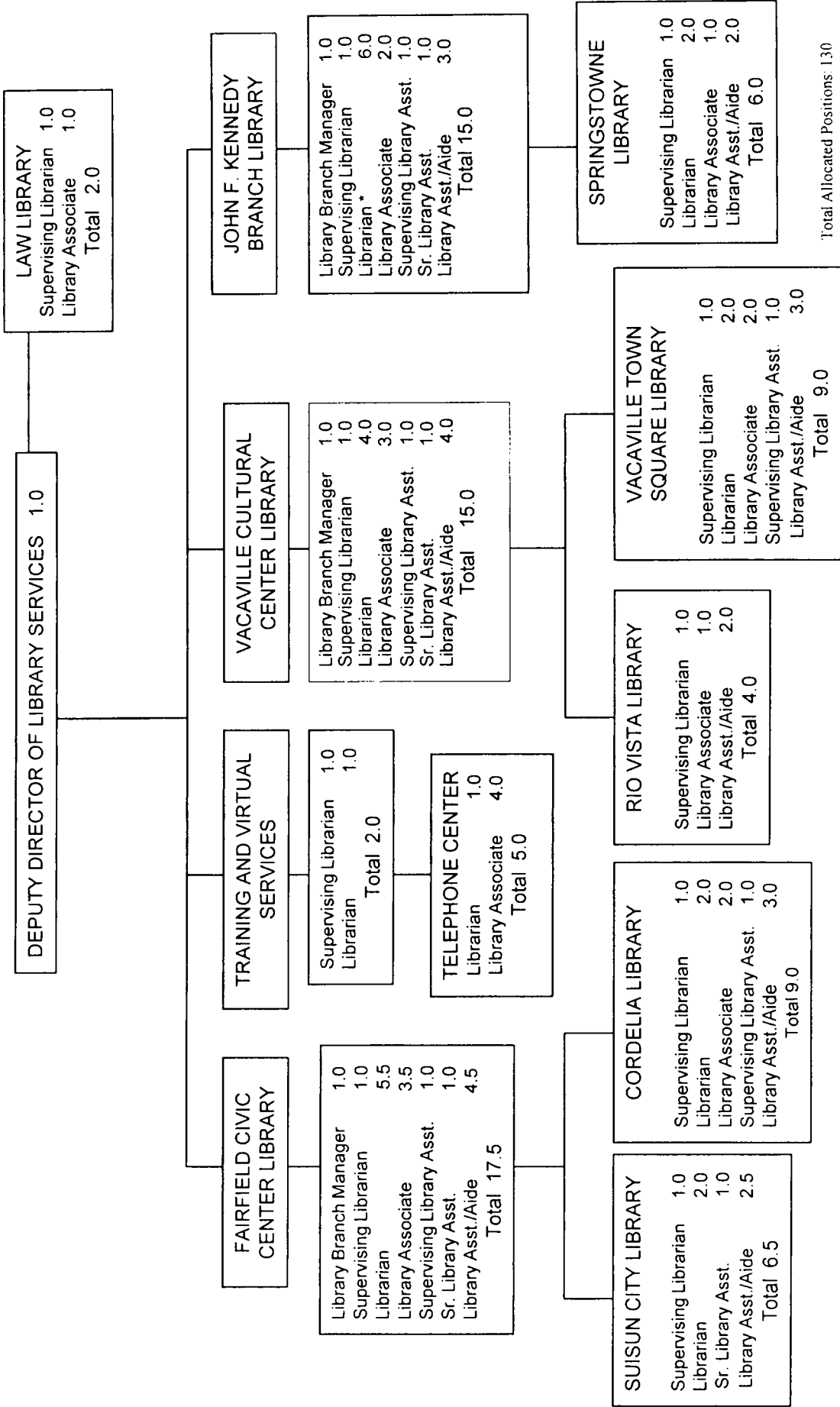
August 1, 2010



SOLANO COUNTY LIBRARY

August 1, 2010

PUBLIC SERVICES DIVISION

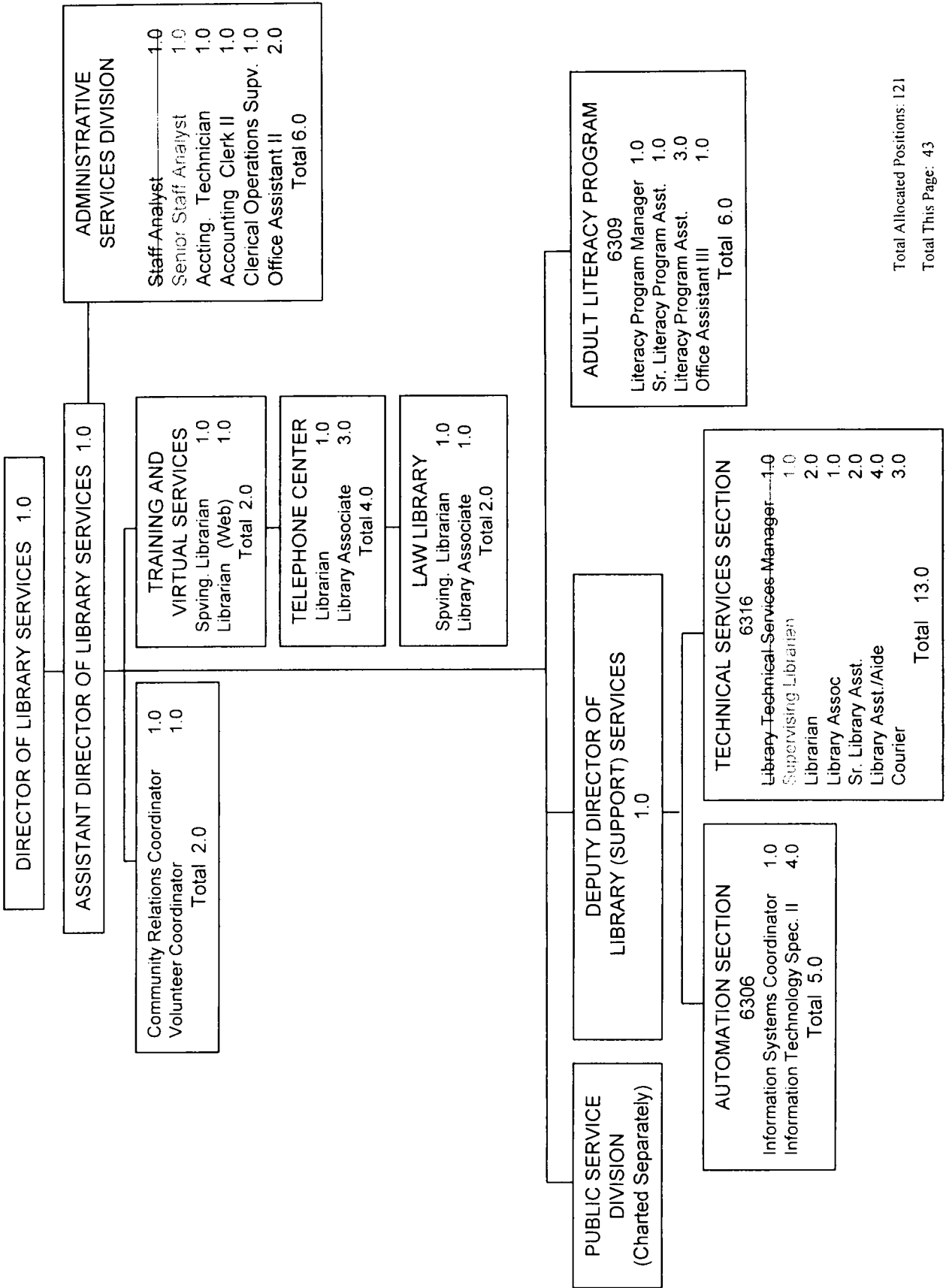


Total Allocated Positions: 130

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* 1.5 are underfilled with Library Associates

**SOLANO COUNTY LIBRARY
2010/2011 Recommended Reorganization**



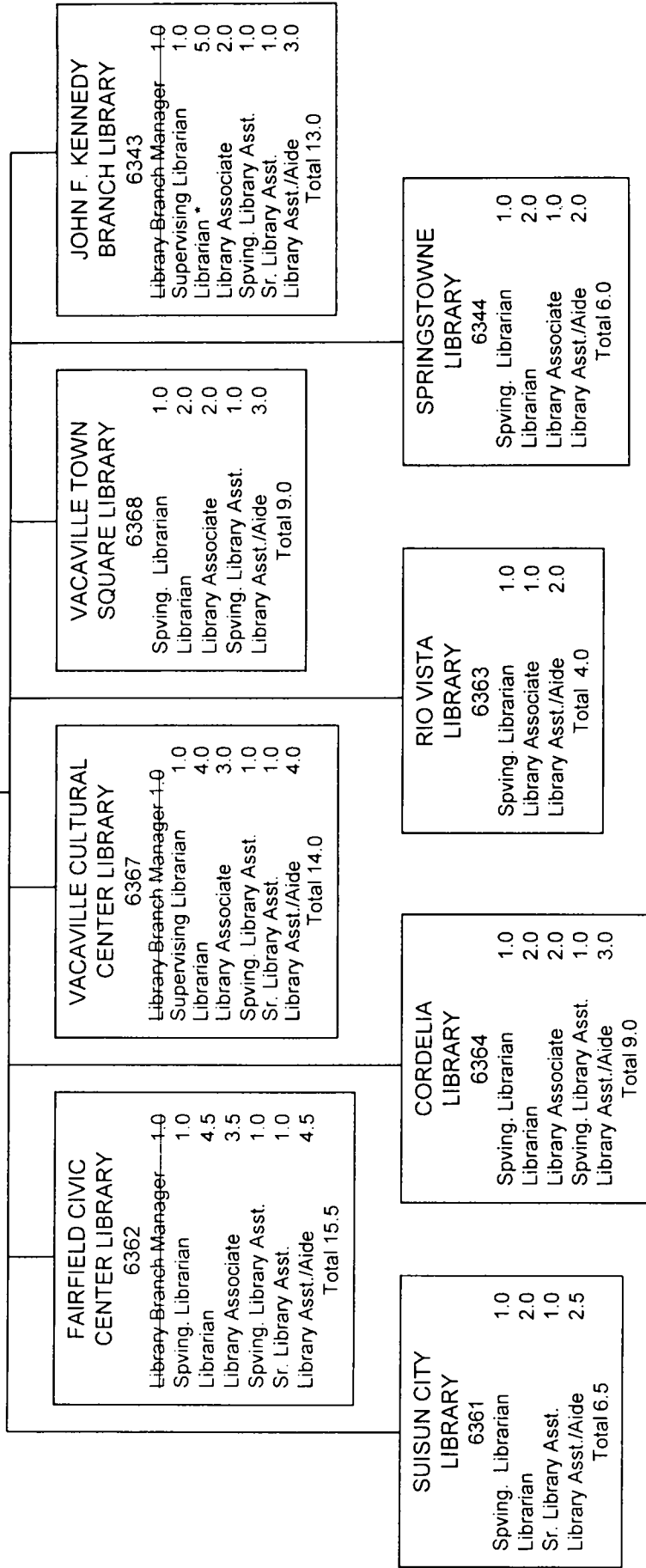
Total Allocated Positions: 121
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SOLANO COUNTY LIBRARY

2010/2011 Recommended Reorganization

PUBLIC SERVICES DIVISION

DEPUTY DIRECTOR OF LIBRARY (PUBLIC) SERVICES 1.0



Total Allocated Positions: 121
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* 1.5 are underfilled with Library Associates