

Contra Costa County Library Fiscal Year 2007-08 Budget

Contra Costa County
Library Commission
March 22, 2007



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Types of Public Libraries in California

City libraries

- Often were established before their county library*
- Generally, the larger the city, the more likely it is to served by a city library, exceptions such as Fresno*
- May be funded from any source of revenue to the city*
- Compete for city general funds with other city departments*
- Cities have greater flexibility in revenue generation than do counties or special districts*
- City does not have access to property taxes from surrounding unincorporated areas*
- Some charter cities include a property tax for the library in their charters but it is inadequate to fund libraries today, general fund subsidy*

Types of Public Libraries in California

County General Fund Libraries

- Often are countywide and serve the entire county*
- Often are small rural counties*
- Cities may contract for enhanced services*
- Cities may own library buildings*
- May be funded by any discretionary revenue source available to the County*
- Compete for County general funds with other county services, such as health and social services*
- Libraries in member cities benefit from property taxes from surrounding unincorporated areas*

Types of Public Libraries in California

County Special District Libraries

- Often are less than county-wide and serve some cities and all of the unincorporated areas*
- Often are large, urban counties*
- Funded primarily from dedicated portion of property tax based on pre-Prop. 13 tax rate established by local Board of Supervisors*
- General funds can be used but general funds are often used to fund county-wide services*

Independent Special District Libraries

- Most include one city and surrounding unincorporated areas*
- Most are located in LA, Orange and Riverside counties*
- Funded primarily from dedicated portion of property tax based on pre-Prop. 13 tax rate established by local library board or approved by voters*
- No parent organization to assist with funding*

Types of Public Libraries in California

Other options

Joint Powers Authority (JPA) – Sonoma, Sacramento

- | *Property tax of former county special district library transfers to JPA*

City and County Libraries (San Francisco, Stockton-San Joaquin)

- | *City has same financing mechanisms as other cities*
- | *County is a special district for tax purposes, same revenue*

City libraries serving entire counties (Santa Barbara)

- | *These counties never established a legal county library*
- | *Use general fund revenues for contracts for service*

Contra Costa County Library

- | *Although not technically deemed a special district separate from the County for most purposes....*
- | *For some purposes, the library has been considered “de facto” a separate agency*
- | *Revenue and Taxation Code intend that the County Library obtain a separate property tax allocation...*
- | *Auditor has long had a “tax allocation factor” that provides the library a share of property taxes as if it were a special district*
- | *After Prop. 13, the Library was deemed (and remains) a “special district” for property tax allocation purposes*

Library Budget Process

Revenue Projection:

- ü *property tax is estimated based on information from County Assessor and Auditor*
- ü *Intergovernmental revenue is projected*
 - ü *provide estimates to cities*
 - ü *State funds anticipated – PLF and literacy*
 - ü *DSL agreement \$1.3 million*
- ü *analysis of yearly trends and forecasts*
- ü *needs from reserve set aside for this purpose*

Library Revenue

Fines and fees are estimated

Friends/Foundation donations not included

Wilruss Trust interest estimated

Grants typically are not included

- ü First Five Contra Costa Children & Families Commission, \$21,000*
- ü California State Library, Live Homework Help, \$79,904*
- ü Library Services & Technology Act, Public Library Staff Education, \$9,651*

2007-2008 Library Revenues

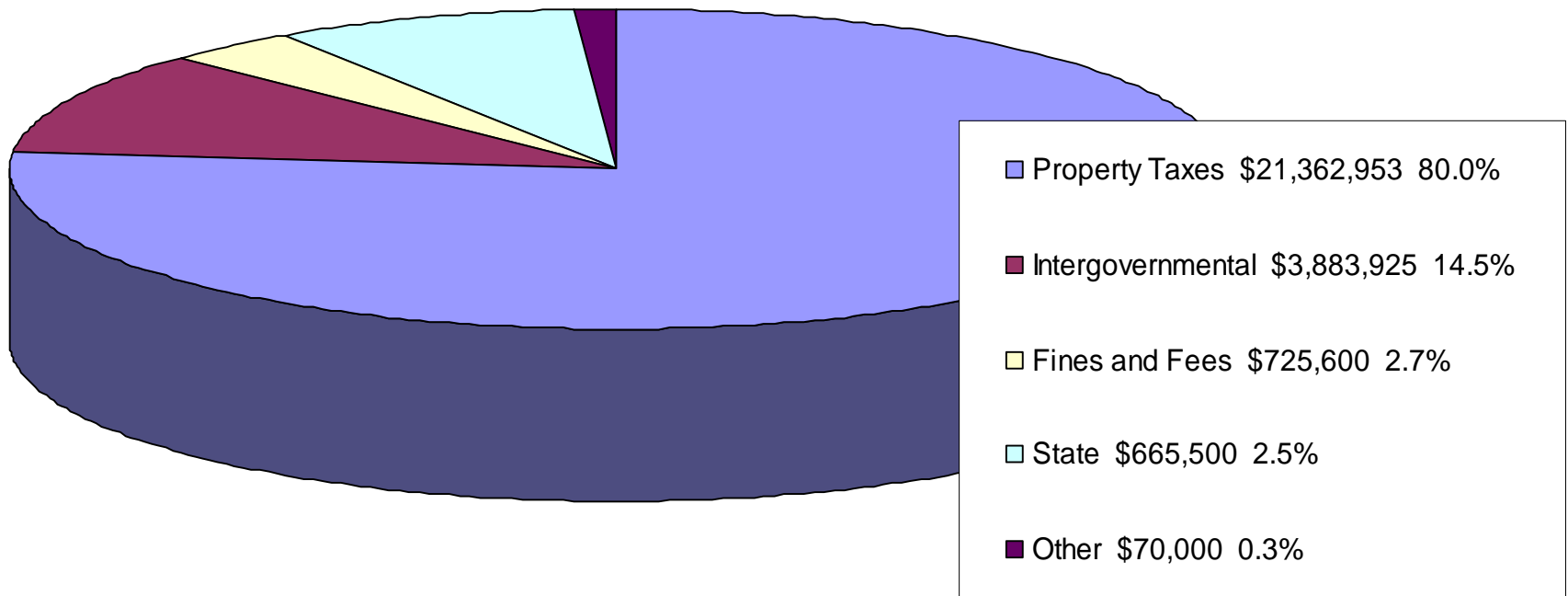
| | | | |
|--------------|--------------------------|--|----------------------|
| 00 | Property Taxes | | \$ 21,362,953 |
| 00 | Intergovernmental | | \$ 3,883,925 |
| 00 | Fines and Fees | | \$ 725,600 |
| 00 | State | | \$ 665,500 |
| 00 | Other | | \$ 70,000 |
| Total | | | \$ 26,707,978 |

Library Expenditures

Expense Projection:

- ü collaborative process - Branch Librarians and program managers develop input budgets and present needs*
- ü salaries and benefits projections from Human Resources Department*
- ü materials budget increased by Consumer Price Index and allocated to branches by population and circulation*
- ü facilities, maintenance & utilities costs from General Services Department*
- ü interdepartmental charges from Department of Information Technology, Tax Collector, Auditor-Controller, Human Resources*

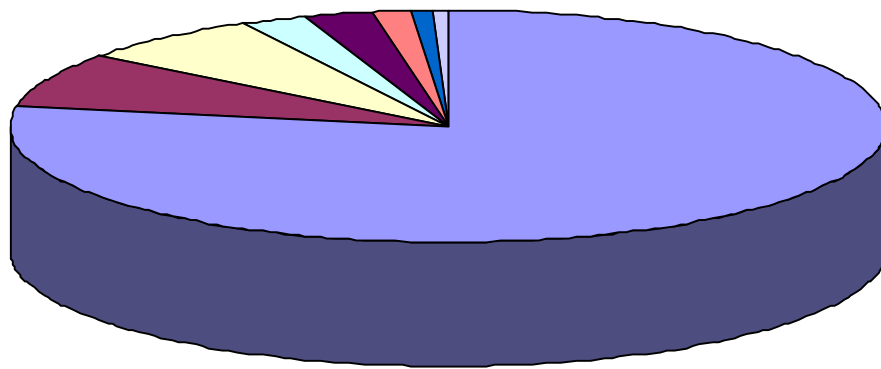
Contra Costa County Library Budgeted Revenues FY 2007-08



2007-08 Library Expenses

| | | | | | |
|----|--|--|--|--|----------------------|
| 00 | Salaries & Benefits | | | | \$ 20,047,688 |
| 00 | Adult & Youth Materials | | | | \$ 2,647,134 |
| 00 | Facilities, Maintenance & Utilities | | | | \$ 1,696,705 |
| 00 | Other Services & Supplies | | | | \$ 763,485 |
| 00 | Interdepartmental Charges | | | | \$ 568,907 |
| 00 | Office Expenses | | | | \$ 367,840 |
| 00 | Professional Services | | | | \$ 464,825 |
| 00 | Communications | | | | \$ 151,394 |
| | Total | | | | \$ 26,707,978 |

Contra Costa County Library Budgeted Expenses FY 2007-08



| | | |
|-------------------------------------|--------------|-------|
| Salaries and Benefits | \$20,047,688 | 75.0% |
| Adult and Youth Materials | \$2,647,134 | 9.9% |
| Facilities, Maintenance & Utilities | \$1,696,705 | 6.4% |
| Other Services and Supplies | \$763,485 | 2.9% |
| Interdepartmental Charges | \$568,907 | 2.1% |

Library Budget

Year to Year Comparison

| | | | | | <i>2007-08</i> | <i>2006-07</i> |
|---|--|--|--|--|------------------------|------------------------|
| | | | | | <u><i>Proposed</i></u> | <u><i>Adjusted</i></u> |
| ⌘ | Salaries & Benefits | | | | \$ 20,047,688 | \$ 18,427,791 |
| ⌘ | Adult & Youth Materials | | | | \$ 2,647,134 | \$ 3,514,987 |
| ⌘ | Facilities, Maintenance & Utilities | | | | \$ 1,696,705 | \$ 1,657,335 |
| ⌘ | Other Services & Supplies | | | | \$ 763,485 | \$ 2,821,759 |
| ⌘ | Interdepartmental Charges | | | | \$ 568,907 | \$ 776,904 |
| ⌘ | Office Expenses | | | | \$ 367,840 | \$ 416,298 |
| ⌘ | Professional Services | | | | \$ 464,825 | \$ 328,650 |
| ⌘ | Communications | | | | \$ 151,394 | \$ 160,026 |
| | Total Expenses | | | | \$ 26,707,978 | \$ 28,103,750 |

2007-08 Library Budget

Looking Ahead – Cost Development Plan

- | the goal in developing the plan is to create a method of considering both direct and shared costs needed to support a community library***
- | this information provides the actual costs of running a community library***
- | the method is intended to be fair and reasonable***

2007-08 Library Budget

Looking Ahead – Cost Development Plan

- | *expenses are separated into:*
 - *community library costs (for all 25 libraries), and*
 - *shared services (shared services includes administration, interlibrary delivery, automation, community relations, county-wide programs, public services, central services and collection management)*
- | *shared services costs were grouped based on the functions performed in each area (i.e. interlibrary delivery, administration, automation, etc.)*
- | *shared services costs were distributed based on factors calculated from the users of those functions*
 - *for example: interlibrary delivery factors are a combination of the number of delivery stops in a week and total circulation for each community library*

2007-08 Library Budget

Challenges and Opportunities

- | *current open hours are maintained at all locations, even with funding Dougherty Station and Hercules libraries*
- | *transition of Pleasant Hill Library to community library will reduce costs to operate Pleasant Hill Library and improve library service to the community*
- | *the cost allocation plan has been completed and provided to Public Manager's Association library subcommittee*
- | *the Library is working in partnership with the cities to*
 - *discuss and possibly realign facility-related responsibilities*
 - *plan collaboratively for technology maintenance and replacement*
 - *plan for future shared support services costs*
- | *the Library's success in obtaining grants and corporate sponsorship for programs must be maintained and expanded*

2007-08 Library Budget

Budget Development Timeline

- | Budget Submitted February 23, 2007*
- | Budget Overview with Library Commission March 22, 2007*
- | Budget Review with County Administrator's Office Early April*
- | Budget Hearing/Adoption May 1, 2007*