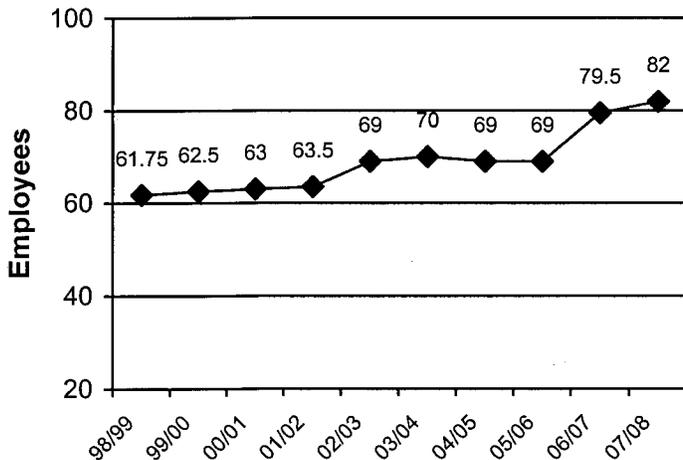


**MISSION STATEMENT**

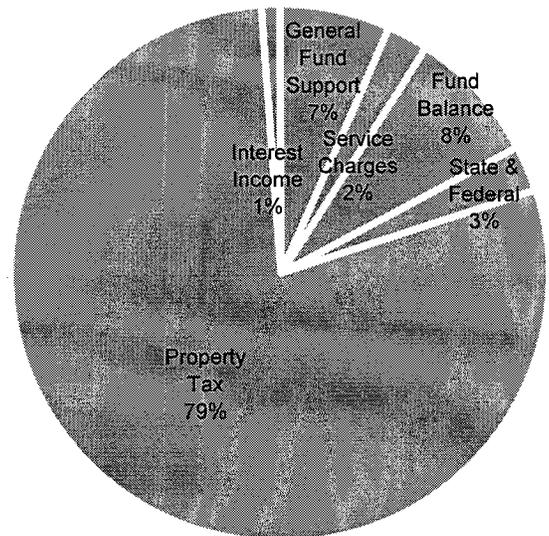
The mission of the San Luis Obispo City/County Library is to provide materials and services to people seeking knowledge, lifelong learning, and recreation, as well as to ensure that all patrons of the library may use those materials and services to the maximum extent possible.

Financial Summary	2006-07	2006-07	2007-08	2007-08	Change from 2006-07
	Budget	Projected	Requested	Recommended	
Revenues	\$ 7,083,279	\$ 7,237,884	\$ 7,851,000	\$ 7,855,235	\$ 771,956
Fund Balance Available	\$ 769,474	\$ 769,474	\$ 739,299	\$ 695,053	\$ (74,421)
Cancelled Reserves	100,000	100,000	0	0	(100,000)
<b>Total Financing Sources</b>	<b>\$ 7,952,753</b>	<b>\$ 8,107,358</b>	<b>\$ 8,590,299</b>	<b>\$ 8,550,288</b>	<b>\$ 597,535</b>
Salary and Benefits	\$ 4,701,119	\$ 4,558,293	\$ 5,000,944	\$ 5,194,829	\$ 493,710
Services and Supplies	2,676,425	2,761,750	2,862,550	2,863,691	187,266
Other Charges	735	5,000	1,500	1,500	765
Fixed Assets	0	0	0	0	0
<b>Gross Expenditures</b>	<b>\$ 7,378,279</b>	<b>\$ 7,325,043</b>	<b>\$ 7,864,994</b>	<b>\$ 8,060,020</b>	<b>\$ 681,741</b>
Contingencies	199,000	0	166,250	182,600	(16,400)
New Reserves	375,474	375,474	559,055	307,668	(67,806)
<b>Total Financing Requirements</b>	<b>\$ 7,952,753</b>	<b>\$ 7,700,517</b>	<b>\$ 8,590,299</b>	<b>\$ 8,550,288</b>	<b>\$ 597,535</b>

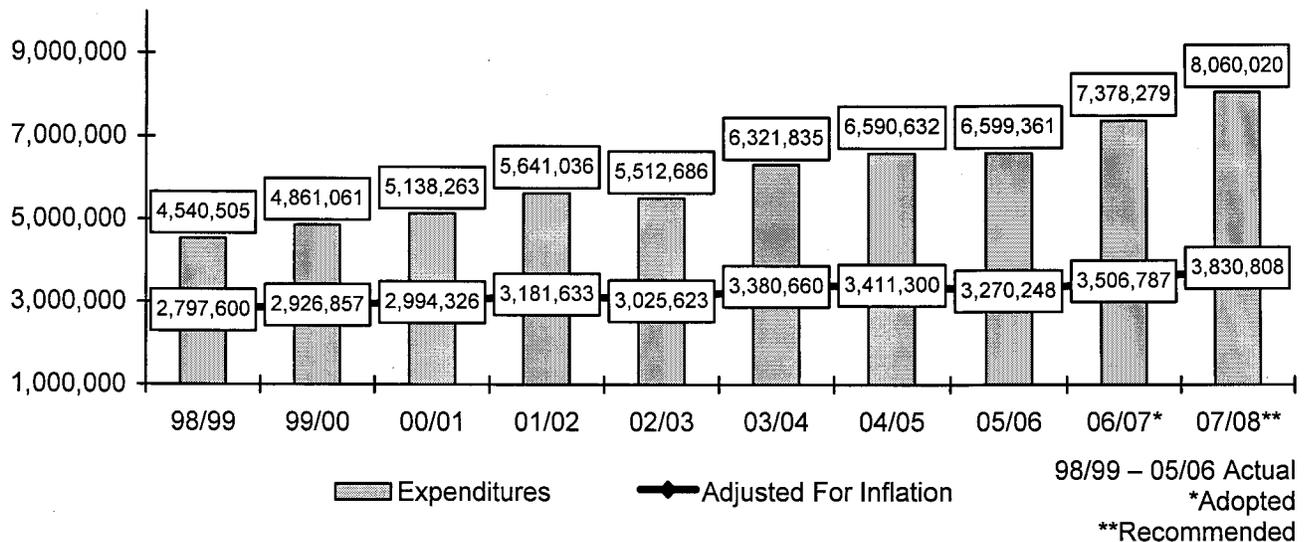
**Number of Employees  
(Full Time Equivalent)**



**Source of Funds**



### 10 Year Expenditures Adjusted For Inflation



**SERVICE PROGRAMS**

**Library**

Maintain and manage a countywide library system with strong regional libraries, coordinating with smaller branch libraries and a bookmobile, to provide books, materials, and services, to effectively and efficiently meet community needs. Design and implement customized library services to meet the needs of specific locales and groups including youth/children, Spanish speakers, seniors, and off-site users.

Total Expenditures: \$8,060,020 Total Staffing (FTE): 82

**DEPARTMENT COMMENTS**

**Customer Service**

FY 2006-07:

- Remodeled Santa Margarita Branch Library to make the Library more open and appealing to customers...providing places for customers to sit and review materials for the first time...next in line to remodel is Arroyo Grande with the installation of self check computers to allow self service opportunities for the public as well as a more inviting, easier to navigate Library
- Circulation is up 19% over last year
- 2006 Summer Reading Program completion rates up 23% and the completion rate for teenagers up 68%...teens being a very important demographic niche
- Reduced random branch library closures caused by intermittent staffing shortages to almost zero after almost 70 such closures January 2005-June 2006
- Spring 2006 customer exit survey showed service satisfaction rates (extremely or very satisfied) at 90%, unchanged from 2004 despite random closures for about 18 months as noted above and loss of Monday open hours at the seven large branch libraries beginning in January 2005

FY 2007-08

- Remodel San Luis Obispo City Library, adding self check computers for public self service, improving the look and feel of the Library to make it more inviting and simpler for the public to navigate in looking for materials and assistance...this being a critical element in this large, multi-floor Library
- Installation of a new integrated library system (see below)

**Internal Business Processes**

FY 2006-07

- Submitted strategic staffing and capital plan to County Administration showing the dynamic changes in Library services and the Library responding to these changes. An example would be retail-style/self-service remodels completed in two branch libraries and ultimately planned for all branch libraries, in

response to work-load management issues and customer preference for self-serve check-out and more attractive, intuitively-designed Library buildings

**FY 2007-08**

- Work with Emergency Services, County Administration, and other County departments to promote branch libraries as emergency response and e-government resources
- Begin formal expansion planning for at least one large branch library
- Migrate to new integrated Library computer system in September 2007, CARL.X, provided by The Library Corporation, which should be a lot more popular and easy to use than the current system, for staff and customers alike. The system will also provide better reporting for inventory control and use statistics, allow streamlining of routine tasks and allow faster addition, relocation, and deletion of books/materials. Through its membership in the Black Gold Cooperative Library System, the Library contributes to a reserve fund that will pay for this new automated circulation system (with no increased costs).

**Financial Health****FY 2006-07**

- Accomplishing much better fiscal controls over revenues, expenditures, and budgeting such as more precise cash flow projections, more scrutiny on overhead charges, and application for Federal E-Rate telecommunications discounts
- Developing better match between budgeted General Services projects and expenditure documentation by monitoring project documentation, implementation, especially with projects that continue beyond one fiscal year

**FY 2007-08**

- Adopt an entrepreneurial approach to funding Library services, specifically to use Library Budget and County General Fund to leverage funds from other local governments such as cities and service districts
- Attract more donors to funding Summer Reading Program Reward Books
- Increase the percentage of overall Library budget spent on books/materials by seeking additional fund raising opportunities and developing an entrepreneurial approach to other Library expenses and cost controls

**Learning & Growth****FY 2006-07**

- Further implementation of High Performance Management evaluation processes. Staff has begun training and discussion at all supervisory levels of the department in implementing the High Performance Management process. The Library awaits further direction and information to fully integrate HPM as a staff evaluation tool as well as a means for planning services.
- Review and revise job class specifications for Librarian I, II, & III to better reflect duties and responsibilities
- Morro Bay staff provided onsite "consulting" services for staff from other branch libraries currently remodeling to enhance marketing and circulation of books/materials
- Initiated branch library visits by Director and Assistant Director to work at circulation desks, greet customers, and, in general, to experience life on the "front lines" The intent is to better understand challenges/opportunities and to be more responsive to staff and customer needs

**FY 2007-08**

- Modify 2007 All Staff Training Day agenda to encourage more staff interaction and activities aimed at improving staff interaction with customers and thus making this improvement a consistent experience in all branch libraries
- Use lessons learned in remodel activities in Morro Bay, Santa Margarita, and Arroyo Grande, specifically to have those branch staff guide staff at branch libraries where remodels are pending

**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

Overall, expenditures and revenues are increasing by \$597,535 (7%) compared to FY 2006-2007. The most significant increase in revenue is due to the Fund Balance Available of \$695,053 to help fund the FY 2007-08 budget. Another significant factor is an increase of almost \$639,000 in property taxes from the Secured Assessment Roll. Contribution from the State Public Library Fund was increased by \$46,582 (40%) in FY 2006-

2007 and this increased level is expected to continue in FY 2007-2008. General Fund support is increasing slightly, by \$6,167 or (1%) to cover prevailing wage increases for the Library Director and seven Administrative Assistant positions, as in previous years.

Given the continued positive growth in revenues for the Library, it is recommended that the department add staff (as described below) in order to expand open hours in several branches (for a total increase of 29 hours a week) and to continue improving service to their patrons focusing on enhancing children's programs and re-shelving materials at a faster pace. With the recommended augmentations to staff, the salaries and benefits are increasing by \$493,710 (10%), which includes a \$96,523 (3.25%) increase in the pension rate.

Services and supplies are recommended to increase by more than \$187,266 (6%), and includes an increase of \$70,000 in the amount allocated to purchase books and other library materials compared to FY 2006-2007. It should also be noted that the department receives gift funds from various individuals and organizations, which typically average \$60,000 - \$90,000 a year. Use of these funds is usually specified by the donating entity, and is generally used to purchase additional library books and materials. Other increases in the Services and Supplies accounts reflect inflationary cost increases.

As noted below, the Library requested a total of 10 quarter-time Administrative Assistant Aides to shelve library materials. A portion of this request is recommended because the added staff will contribute to more open hours at various branches. Given the potential for expansion of one or more library branches in the near future (and the increase in operating costs that will be associated with those expansions), it is not advisable to increase expenditures beyond the recommended levels at this time. More information will be needed regarding the requirements for increased operations/expenditures and the funding sources available to support these increases.

**BUDGET AUGMENTATION REQUESTS RECOMMENDED**

Unit Amount	Description	Results
Gross: \$38,645 General Fund support: \$0	Seven quarter-time Administrative Assistant Aides (1.75 FTE total) to shelve library materials and enable several branches to add more open hours.	Add additional open hours per week as follows: San Luis Obispo branch - 7 Arroyo Grande branch- 7 Morro Bay branch- 4 Los Osos branch - 3 Cambria branch- 1  Also reduce the average time to re-shelve materials from 48 hours to 24 hours in these branches.
Gross: \$34,060 General Fund support: \$0	Increase two part time Librarian I/II positions at the San Luis Obispo branch from .5 FTE to .75 FTE	<ul style="list-style-type: none"> <li>▪ These added hours will allow the San Luis Obispo branch to expand open hours by 7 hours/week. (These positions plus additional hours plus 2.0 quarter-time Administrative Assistant Aides (.5 FTE total) to shelve library materials are needed to add the additional 7 open hours.</li> <li>▪ Increase participation in children and teen programs by 10% (from 318 to 349 average participants per month).</li> </ul>
Gross: \$20,600 General Fund support: \$0	Increase the hours of the .25 FTE Library Assistant to .5 FTE at the San Miguel Branch	<ul style="list-style-type: none"> <li>▪ Increase the hours of the San Miguel Branch Library from 8 hrs/week to 15 hrs/week.</li> </ul>

**BUDGET AUGMENTATION REQUESTS NOT RECOMMENDED**

Unit Amount	Description	Results
Gross: \$16,305 General Fund support: \$0	Three quarter-time Administrative Assistant Aides (1.75 FTE total) to shelve library materials.	Reduce the average time to re-shelve materials from 48 hours to 24 hours. (Note, these positions were to be added to branches that could not expand open hours).

**GOALS AND PERFORMANCE MEASURES**

<b>Department Goal:</b> Maximize onsite and remote public access to library materials, services and programs.						
<b>Communitywide Result Link:</b> A livable community.						
<b>1. Performance Measure: Annual expenditures per capita for total Library budget.</b>						
02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Actual Results	06-07 Adopted	06-07 Projected Results	07-08 Target
\$24.3	\$24.03	\$27.37	\$28.34	\$31.50	\$31.50	\$34.00
<p><b>What:</b> The average annual expenditure per capita for the total library budget in libraries serving comparable populations is \$32.01. Two hundred eighteen public libraries serving a population of 100,000 to 249,999 across the nation were used for the statistical sample (<i>Public Library Data Service 2006</i>).</p> <p><b>Why:</b> Adequate funding is vital to providing excellent library service.</p> <p><b>How are we doing?</b> The total per capita expenditures for the Library in 06/07 are average for public libraries with comparable populations as reported in a survey by the Public Library Association (Statistical Report 2006). However, one of those libraries, Santa Cruz City-County Library, was significantly higher at \$48.93. A comparable public library outside of California, Jackson Co. Library Services (Medford, OR) spends \$38.49 per capita. Additional funding would enable the San Luis Obispo City-County Library to reach its goals of offering adequate hours, materials, and services. Fundraising efforts will continue in the private sector and increasing property tax revenues may increase the per capita expenditure in the future.</p>						
<b>2. Performance Measure: Percentage of hours per week the 15 Branch libraries and the Bookmobile are open to the public as compared to an ideal schedule of hours.</b>						
02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Actual Results	06-07 Adopted	06-07 Projected Results	07-08 Target
365 = 67%	365=67%	323=60%	312=58%	313=58%	337=63%	366=68%
<p><b>What:</b> As noted in the Library's staffing plan, the ideal weekly schedule of open hours is defined by the size of the library (square footage) and the population served. Using this criteria, five library levels have been defined. Ideal open hours for the largest branches, levels 1&amp;2 (San Luis Obispo City, Atascadero and Arroyo Grande), is 60; level 3 (Los Osos, Morro Bay and Nipomo) is 54; level 4 (Cambria) is 46; level 5, 10 hours for Simmler and 20 for the other smallest libraries (Cayucos, Creston, Oceano, Santa Margarita, San Miguel, Shandon, and Shell Beach). The total ideal weekly schedule of open hours, systemwide, is 538.</p> <p><b>Why:</b> Ideal open hours ensure maximum access and utilization by community members.</p> <p><b>How are we doing?</b> The 06/07 budget added 8 public service staff for the library branches. With all new positions filled, the Library system avoided random closures. The Library's strategic plan to remodel libraries for enhanced customer service required Santa Margarita and Arroyo Grande libraries to close from 2-4 weeks each in FY 2006/07.</p>						

<b>Department Goal:</b> To provide a diverse collection of books, materials and resources to meet research, educational and recreational needs of the community.						
<b>Communitywide Result Link:</b> A livable community.						
<b>3. Performance Measure: Annual number of items circulated per capita.</b>						
02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Actual Results	06-07 Adopted	06-07 Projected Results	07-08 Target
7.2	7.1	5.8	6.0	6.3	6.3	6.8
<p><b>What:</b> The average annual number of items circulated per resident for public libraries serving comparable populations is 8.7. Two hundred eighteen public libraries serving a population of 100,000 to 249,999 across the nation were used for the statistical sample (<i>Public Library Data Service 2006</i>).</p> <p><b>Why:</b> High circulation reflects success in meeting recreational reading and information needs of county residents.</p>						

**How are we doing?** Increases are expected to continue as a result of a new approach to displaying and marketing materials to entice the public and encourage browsing (i.e. displaying materials similar to a retail book store and improving the overall décor of the facility). Morro Bay, Oceano and Santa Margarita Libraries have fully incorporated these more intuitive and user friendly approaches to how services are provided. Arroyo Grande will be completed in FY 2006/07 and other branches will be renovated over the next 5 years. The collection development budget has increased in 06/07 and will allow over 25,000 new items to be added this year. This enhancement of new and popular titles to the collection should also positively impact the number of items being checked out by the community. Elimination of the "request" fee between branches and an increase in limits for audio visual materials has increased public access to all materials in the system, adding to the increase in circulations.

**4. Performance Measure: Annual expenditures per capita for library materials to include new and replacement copies.**

02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Actual Results	06-07 Adopted	06-07 Projected Results	07-08 Target
\$2.28	\$2.04	\$2.36	\$2.71	\$3.00	\$3.00	\$3.50

**What:** The average annual expenditure per capita for library materials in libraries serving comparable populations is \$4.06. Two hundred eighteen public libraries serving a population of 100,000 to 249,999 across the nation were used for the statistical sample (*Public Library Data Service 2006*).

**Why:** Adequate per capita spending is needed to keep a viable and current collection of library materials.

**How are we doing?** Expenditures per capita continue to be low compared to similar public libraries throughout the nation. The Library is making steady progress in augmenting the materials budget. It is expected to be in the \$3 per capita range for FY 2006/07. While this is an improvement over past years, it is important to note that the Library continues to spend less for materials than other public libraries serving similar populations. Higher property tax revenues and budgeted increases resulted in a 12% increase in the materials budget. This provided valuable titles to be added which would not have been otherwise available for the public.

**5. Performance Measure: Percentage of the science, technology and consumer health materials, systemwide, which are current.**

02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Actual Results	06-07 Adopted	06-07 Projected Results	07-08 Target
28.6%	45%	45%	66%	68%	68%	70%

**What:** Consumer health and medicine, computer technology and software, and consumer law materials, systemwide, should be current. (Current is defined as published within the last 5 years.)

**Why:** These subjects are time critical and become obsolete quickly.

**How are we doing?** Library staff have worked hard and have been very successful in both their efforts to remove outdated materials in these critical areas of the collection and in adding current titles. The actual results for 05/06 of 66% currency for all science, technology and consumer health materials exceeded the original target of 50%. The Library continues its efforts to be vigilant in maintaining an up-to-date collection.

**Department Goal:** To provide excellent customer service (access to materials and programs, reference assistance and reader's advisory) to county residents, both in person and electronically via home and business computers.

**Communitywide Result Link:** A livable community.

**6. Performance Measure: Percentage of library users that is extremely or very satisfied with library services in the county.**

02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Actual Results	06-07 Adopted	06-07 Projected Results	07-08 Target
89%	89%	87.6%	90.9%	92%	92%	92%

**What:** This measures the extent to which library users are satisfied with library service in the county.

**Why:** Libraries provide access to information in a wide variety of formats that increase the educational, cultural and recreational opportunities in a community.

**How are we doing?** The Library has worked with Taylor and Associates to develop and distribute customer satisfaction exit surveys on a regular basis. In May 2003, surveys were distributed in the larger branches. Library users were "extremely satisfied" (50.9%) or "very satisfied" (38.1%) with services for a combined total of 89% extremely or very satisfied customers. In September 2004, the Library again conducted customer satisfaction exit surveys to measure the impact of focused customer service training in 2003/04. This time, all branches were surveyed. Library users were "extremely satisfied" (54%) or "very satisfied" (33.6%) with library service for a combined total of 87.6%. Library users were "extremely satisfied" (57.7%) or "very satisfied" (33.2%) with overall library service when surveyed in May 2006 (total 90.9%). The continuing increase in "extremely satisfied" responses is an indication that the emphasis placed on excellent customer service and training to support staff in their efforts has proven to be beneficial for library visitors. The next scheduled exit survey will be May 2008, although the library is researching survey methods that could be incorporated into the new computer system.