



Information and General Services Department

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MEMORANDUM

TO: Citizens Oversight Committee
Library Management Model Ad Hoc Committee
FROM: Mary Ross (Chief Fiscal & Admin Officer, IGS Dept.)
RE: Alternate Scenarios for Library Operations
DATE: January 15, 2010

At your January 4, 2010 meeting, two additional proposals were presented for library operations:

The Truckee Friends of the Library presented a proposal that included two alternatives. The main objectives of the Truckee Friends' proposal were to retain professional staff and to keep all current Library locations open. It was noted during the meeting that the figures in the Truckee Friends' proposal may not accurately reflect true costs for the budget periods involved, and that projection into future years would be needed to determine whether the alternatives presented would be financially sustainable. Following the meeting, Joann O'Brien, on behalf of the Truckee Friends, expressed her agreement with the statement made at the meeting by Mr. Meshwert that some variation on Scenario #2 could present the best model for keeping the Library operated by County staff. After the meeting, Ms. O'Brien indicated that the Truckee Friends would welcome working with the County to come up with a model that met their basic objectives.

Library Systems & Services (LSSI) responded to the County's request for a proposal not to exceed \$1.5 million for the first year, as that is the approximate amount that we estimate would be available for a contract.

Attached, to supplement the scenarios presented to you at your first meeting, are analyses of four alternatives for your consideration. Following are points to keep in mind as you review these alternatives:

1. Option A has been developed to address the objectives of the Truckee Friends' proposal. It retains a high level of professional staffing as compared to the Scenario #2 presented earlier, and keeps the Penn Valley and Bear River stations open. Some highlights of this option are:
 - a. The Helling and Truckee Libraries are open 37 hours per week, and the Grass Valley Library is open 35 hours. Operating hours at Penn Valley (20 hours) and Bear River (14) remain as currently scheduled.
 - b. In order to maintain this level of service, one Librarian position is eliminated, and the other Librarian positions are reduced to 30 or 35 hours per week, except for the two Children's Librarians, which are reduced to 20 hours per week.
 - c. Literacy Program staff are retained at a level that corresponds with the restricted funding expected to be available for that program.
2. Option B is another alternative that keeps the libraries operated by County staff. Some highlights of this option are:
 - a. The Helling, Grass Valley, and Truckee Libraries are open 40 hours per week. The Penn Valley and Bear River Stations are closed.
 - b. Librarian positions are reduced to a level where there is one Librarian per branch, including the County Librarian, who would directly manage the Helling Branch.
 - c. Literacy Program staff are retained at a level that corresponds with the restricted funding expected to be available for that program.

NOTE: Errors in the version of Option B that was presented to the Citizens Oversight Committee on January 13 have been corrected in the version presented here.

3. Option C is the revised proposal from LSSI, with the County's related costs incorporated. Some highlights of this option are:
 - a. The Helling Library is open 48 hours per week, the Truckee Library 44 hours, and the Grass Valley Library 42 hours. The Penn Valley and Bear River stations are open 20 hours and 14 hours, respectively, as at present.
 - b. The Literacy Program is incorporated within LSSI's operating plan for the respective libraries, so it is assumed that the County would continue to be eligible for State funding for this program.
 - c. The cost to pay accrued earned leave to staff upon their separation of employment from the County has been included.
 - d. At the bottom of the spreadsheet is a line that clearly indicates the amount of the overall budget that is represented by contract costs to LSSI.
4. **NOTE: Option D was not presented to the Citizens Oversight Committee at their January 13 meeting. It has been developed by staff in order to present a County-run option that more closely approaches the level of budget impact represented by the LSSI contracting option (C).** Highlights of Option D are:
 - a. The Helling and Truckee Libraries are open 37 hours per week and the Grass Valley Library is open 35 hours per week. The Penn Valley and Bear River stations remain open, with hours at the Penn Valley station reduced to 16 per week.
 - b. Librarian positions are reduced to a level where there is one Librarian per branch, including the County Librarian, who would directly manage the Helling Branch.
 - c. Literacy Program staff are retained at a level that corresponds with the restricted funding expected to be available for that program.
5. For all of these options, certain revenue and expense figures have been updated to reflect the most current available information, and to correct errors found in the original scenarios. These include:
 - a. Revenue projections have been updated based on information provided by the professional consulting firm with which the County contracts to monitor and analyze sales tax activity, as well as our internal projections based on receipts year to date.
 - b. Salary and benefits costs have been updated to reflect more current estimates for FY10-11.
 - c. Countywide cost plan costs (also known as A87) for FY10-11 are now final, so the actual charge has replaced the estimate in these cost models, resulting in a decrease in expenses in that year of \$16,481.
 - d. Two errors in the previous scenarios were corrected. Those are the inclusion of workers compensation costs that were erroneously omitted, and the correction of the salary and benefit costs of one position that was calculated incorrectly.
6. The FY09-10 costs for all of these options reflect the cost of changing from the current library model to the respective alternative model effective April 1, 2010. The previous scenarios presented FY09-10 costs as if the scenario had been in place for the full fiscal year. The options presented here give a more accurate view of the true costs and impacts on Library Fund balance. In other words, these cost models assume that all the staffing changes required to implement either option are implemented effective April 1. In the case of the LSSI option, the model assumes that the contracted services begin April 1.

Summary of Options

						Impact on Fund Balance (net revenue-expense)						
	Descriptions	Hours per Week	FTE	FY09-10 Budget	Savings as compared to FY09-10 adopted budget	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	Projected Fund Balance at 6/30/15
	Adopted FY09-10 Budget	160	25.35	\$ 2,472,373	\$ -	\$ (414,760)	\$ (512,667)	\$ (575,781)	\$ (556,975)	\$ (537,399)	\$ (676,339)	\$ (2,894,546)
A	Keep Penn Valley and Bear River open . Reduce Helling and Truckee branches to 37 hours per week and Grass Valley to 35 hours. Eliminate one Librarian and reduce other Librarians to 30 or 35 hours per week, except Children's Librarians at 20 hours. Doris Foley is operated by Friends. Literacy Program is staffed at the minimum level required to continue eligibility for state funding.	143	18.75	\$ 2,305,624	\$ 166,749	\$ (248,011)	\$ (33,367)	\$ (49,502)	\$ (16,053)	\$ 19,217	\$ 57,352	\$ 109,012
B	Close Penn Valley and Bear River Stations. Helling, Grass Valley and Truckee branches are open 40 hours per week. Doris Foley is operated by Friends. Librarian staffing is reduced to one Librarian per branch, including the County Librarian managing the Helling branch. Literacy Program is staffed at the minimum level required to continue eligibility for state funding.	120	19.50	\$ 2,316,139	\$ 156,234	\$ (258,526)	\$ (12,562)	\$ (29,051)	\$ 4,739	\$ 40,345	\$ 78,823	\$ 203,144
C	LSSI at \$1.5 million target. Doris Foley is operated by Friends.	168	1.25 (County)	\$ 2,314,945	\$ 157,428	\$ (321,793)	\$ (29,174)	\$ 45,041	\$ 87,934	\$ 133,778	\$ 182,848	\$ 478,009
D	Helling and Truckee branches are open 37 hours per week, and Grass Valley 35 hours. Penn Valley is open 16 hours and Bear River 14 hours. Librarian staffing is reduced to one Librarian per branch, including the County Librarian managing the Helling branch. Doris Foley is operated by Friends.	139	18	\$ 2,293,026	\$ 179,347	\$ (235,413)	\$ 25,493	\$ 11,501	\$ 46,225	\$ 82,833	\$ 122,336	\$ 432,351

Option A--County operated Libraries with Penn Valley and Bear River open

	Library Admin	Madelyn Helling Library	Grass Valley-Royce Branch	Truckee Branch	Penn Valley Station	Bear River Station	Doris Foley Historical Library	Literacy Program	FY 0910 Total	FY10-11 Total	FY11-12 Total	FY12-13 Total	FY13-14 Total	FY14-15 Total
Hours per Week		37	35	37	20	14	-							
Salaries & Benefits	396,275	445,702	359,313	288,612	37,380	13,424	6,642	66,093	1,613,440	1,437,822	1,511,497	1,543,087	1,576,263	1,610,153
Building & IT Costs	16,874	68,406	33,393	32,556	34,008	-	6,267	-	191,504	192,286	196,132	200,054	204,056	208,137
Materials (Circulation/Reference)	-	22,351	21,147	22,568	5,502	-	-	300	71,868	70,000	70,250	71,255	72,274	73,307
Other Operating Expenses	84,218	43,368	29,283	25,575	6,425	1,140	7,444	4,896	202,349	190,009	190,009	190,009	190,009	190,009
Insurance and County Cost Plan	226,463	-	-	-	-	-	-	-	226,463	216,368	221,368	221,368	221,368	221,368
TOTAL EXPENSE	723,830	579,827	443,136	369,311	83,315	14,564	20,353	71,289	2,305,624	2,106,485	2,189,256	2,225,774	2,263,970	2,302,974
TOTAL REVENUE PROJECTED									2,057,613	2,073,118	2,139,754	2,209,721	2,283,187	2,360,326
BUDGET SURPLUS (DEFICIT)									(248,011)	(33,367)	(49,502)	(16,053)	19,217	57,352
Projected Fund Balance at End of Year:									131,364	97,996	48,495	32,442	51,659	109,012

Option B: County-operated Libraries with Penn Valley and Bear River closed

	Library Admin	Madelyn Helling Library	Grass Valley-Royce Branch	Truckee Branch	Penn Valley Station	Bear River Station	Doris Foley Historical Library	Literacy Program	FY 0910 Total	FY10-11 Total	FY11-12 Total	FY12-13 Total	FY13-14 Total	FY14-15 Total	
Hours per Week		40	40	40	-	-	-								
Salaries & Benefits	400,701	432,568	384,541	290,240	28,101	10,068	6,642	66,093	1,618,955	1,453,594	1,528,301	1,560,242	1,593,788	1,628,054	
Building & IT Costs	16,874	68,406	33,393	32,556	39,008		6,267	-	196,504	158,378	161,546	164,777	168,072	171,434	
Materials (Circulation/Reference)	-	22,351	21,147	22,568	5,502	-	-	300	71,868	70,000	70,250	71,255	72,274	73,307	
Other Operating Expenses	84,218	43,368	29,283	25,575	6,425	1,140	7,444	4,896	202,349	187,340	187,340	187,340	187,340	187,340	
Insurance and County Cost Plan	226,463	-	-	-	-	-	-	-	226,463	216,368	221,368	221,368	221,368	221,368	
TOTAL EXPENSE	728,256	566,693	468,364	370,939	79,036	11,208	20,353	71,289	2,316,139	2,085,680	2,168,805	2,204,982	2,242,842	2,281,503	
TOTAL REVENUE PROJECTED									2,057,613	2,073,118	2,139,754	2,209,721	2,283,187	2,360,326	
BUDGET SURPLUS (DEFICIT)									(258,526)	(12,562)	(29,051)	4,739	40,345	78,823	
									Projected Fund Balance at End of Year:	120,849	108,287	79,236	83,975	124,321	203,144

Option D--County operated Libraries with Penn Valley and Bear River open and Librarians reduced to 3 FTE

	Library Admin	Madelyn Helling Library	Grass Valley-Royce Branch	Truckee Branch	Penn Valley Station	Bear River Station	Doris Foley Historical Library	Literacy Program	FY 0910 Total	FY10-11 Total	FY11-12 Total	FY12-13 Total	FY13-14 Total	FY14-15 Total	
Hours per Week		37	35	37	16	14	-								
Salaries & Benefits	400,701	427,465	361,759	289,401	35,356	13,424	6,642	66,093	1,600,842	1,378,962	1,450,494	1,480,810	1,512,647	1,545,169	
Building & IT Costs	16,874	68,406	33,393	32,556	34,008	-	6,267	-	191,504	192,286	196,132	200,054	204,056	208,137	
Materials (Circulation/Reference)	-	22,351	21,147	22,568	5,502	-	-	300	71,868	70,000	70,250	71,255	72,274	73,307	
Other Operating Expenses	84,218	43,368	29,283	25,575	6,425	1,140	7,444	4,896	202,349	190,009	190,009	190,009	190,009	190,009	
Insurance and County Cost Plan	226,463	-	-	-	-	-	-	-	226,463	216,368	221,368	221,368	221,368	221,368	
TOTAL EXPENSE	728,256	561,590	445,582	370,100	81,291	14,564	20,353	71,289	2,293,026	2,047,625	2,128,253	2,163,496	2,200,354	2,237,990	
TOTAL REVENUE PROJECTED									2,057,613	2,073,118	2,139,754	2,209,721	2,283,187	2,360,326	
BUDGET SURPLUS (DEFICIT)									(235,413)	25,493	11,501	46,225	82,833	122,336	
									Projected Fund Balance at End of Year:	143,962	169,456	180,956	227,181	310,015	432,351

County Staffing Under Various Budget Options

Position Title	Option A	Option B	Option C (LSSI)	Option D
	(County)	(County)		(County)
	FTE	FTE	FTE	FTE
Administration				
COUNTY LIBRARIAN	0.875	1.000	1.000	1.000
ACCOUNTING TECHNICIAN	0.500	0.500	0.150	0.500
LIBRARY TECHNICIAN	1.000	1.000	-	1.000
LIBRARY TECHNICIAN	1.000	1.000	-	1.000
SECRETARY	0.750	0.750	0.100	0.750
		-		-
Grass Valley				
LIBRARY ASSISTANT I	-	1.000		1.000
LIBRARY ASSISTANT I	1.000	0.500	-	-
LIBRARY ASSISTANT I	1.000	1.000	-	1.000
LIBRARY ASSISTANT II	-	1.000		-
LIBRARY ASSISTANT III	1.000	1.000	-	1.000
LIBRARY TECHNICIAN	1.000	1.000	-	1.000
LIBRARIAN II	0.875	1.000	-	1.000
Literacy				
PROJECT COORDINATOR	0.250	0.250	-	0.250
LIBRARY ASSISTANT II	0.100	0.100	-	0.100
Penn Valley				
LIBRARY ASSISTANT II	0.250	-	-	0.20
M. Helling				
LIBRARY ASSISTANT I	0.500	0.500	-	0.500
LIBRARY ASSISTANT I	0.500	0.500	-	0.500
LIBRARY ASSISTANT II	0.750	1.000	-	0.800
LIBRARY ASSISTANT II	0.900	0.900	-	0.900
LIBRARY ASSISTANT III	1.000	1.000	-	1.000
LIBRARY ASSISTANT III	1.000	1.000	-	1.000
LIBRARIAN I (children)	0.500	-	-	-
LIBRARIAN II	0.750	-	-	-
Truckee				
LIBRARY ASSISTANT I		0.500	-	0.500
LIBRARY ASSISTANT II	0.875	1.000	-	1.000
LIBRARY TECHNICIAN	0.500	0.500	-	0.500
LIBRARY TECHNICIAN	0.500	0.500	-	0.500
LIBRARIAN I (children)	0.500	-	-	-
LIBRARIAN II	0.875	1.000	-	1.000
Total FTE	18.750	19.500	1.250	18.000

Temporary Staff	Hours/Week	Hours/Week	Hours/Week	Hours/Week
Helling	20	45.000	-	35
Penn Valley	35	-	-	27
Grass Valley	20	35.000	-	20
Truckee	20	25.000	-	20
Bear River	20	-	-	20
	115	105.000	-	122