

SOLANO COUNTY LIBRARY SYSTEM

2010-11 Solano County Grand Jury

Disclaimer: One member of the 2010-11 Solano County Grand Jury refrained from any involvement in this investigation and report.

I. SUMMARY

The County Library System has come under scrutiny recently for its budgetary deficit. Revenue streams for the Library fluctuate with the economic climate and have dropped in recent years. The Grand Jury recommends the County Library System work through its community partners to identify sources to maintain current funding levels. Also, citizens can assist the Library by purchasing electronic media through the website and volunteering at their local branches.

II. INTRODUCTION

Within Solano County, the County Library System serves five of the seven cities. Benicia and Dixon maintain independent libraries.

A. Benicia Public Library

The Benicia Board of City Trustees applied for an Andrew Carnegie grant in 1904. Although they did not receive the grant, the Benicia opened its first library in January 1910. During its 100 years of service, Benicia Public Library has partnered with the Solano County Library system on many projects but is currently independent. Benicia's General Fund is the largest source of revenue supporting the Public Library.

B. Dixon Public Library

The citizens of Dixon applied for and received a grant to fund an Andrew Carnegie library in 1911. Throughout the last 100 years, the governing board has from time to time examined the pros and cons of joining the Solano County Library System. The citizens of Dixon have chosen to remain separate and independent. Funding sources are primarily dedicated property taxes and Measure B (a 1/8¢ sales tax approved by County voters in 1998, expires 2014) funds.

C. Solano County Library System

The Solano County Board of Supervisors established the Solano County Library in 1914. Over the years, cities in the County joined, left, merged or affiliated with the Library. Today, the County Library serves five of the seven cities in the County: Fairfield, Rio Vista, Suisun City, Vacaville and Vallejo. From five library branches in 1990, it has grown to eight.

Current funding for libraries comes from the following sources, and, based on the economy, has decreased and may continue to do so:

- State funds
- County property tax
- County and city sales taxes (including Measure B funds)

Until recently, the County Library System operated within its budget, even with a decline in revenue. However, in 2010, at the Solano County Budget Review Workshop, an identified “structural deficit” of \$5,000,000 made continuing operations questionable. A structural deficit means projected revenues fall short of projected expenditures.

Over the last few years, local school districts have eliminated funding for their own school libraries. Many of the students in all seven cities of the County now rely on the public library for books and research materials.

The 2010-11 Solano County Grand Jury elected to “check out” the County Library System and inform the County residents of the resources available to them. Also, we hope to provide options for County residents to financially support and maintain this system.

III. METHODOLOGY

- Interviewed Solano County Director of Library Services
- Attended Solano County Budget Workshop
- Reviewed Solano County Library website
- Reviewed Policies and Procedures at libraries within Solano County
- Reviewed history and funding at libraries within Solano County

IV. STATEMENT OF FACTS

A. Funding

Because the County Library System (CLS) receives funding from sources dedicated to it (an enterprise fund), the CLS can maintain a reserve of unspent funds received. This reserve is known as the contingency fund. CLS operating policy states the contingency fund must be at least 3% of the projected revenue for that fiscal year.

Until fiscal year 2008-09, the CLS operated within its budget and used contingency funds from time to time when necessary to cover deficits. In fiscal year 2008-09, revenues to the CLS dropped by \$6 million from the previous fiscal year creating a \$4 million deficit covered by the contingency fund. In fiscal year 2009-10 revenue fell by another \$3 million, but restructuring and other cost-saving measures kept the deficit within range. However, for the current fiscal year 2010-11, expenditures had been projected to exceed revenue by \$5 million, leading to the “structural deficit.” Proactive budgetary measures taken by CLS have reduced the structural deficit estimate to approximately \$2.5 million.

For fiscal year 2010-11, the CLS contingency fund balance is \$6,274,393. This amount is more than sufficient to cover the current deficit; however, the remaining balance will be insufficient for future projected deficits. According to the Directory of Library Services, current plans to further streamline personnel and operating costs should maintain current levels of service through fiscal year 2012-13.

**Approximate Revenues and
Expenditures for the last
Five Fiscal Years**
(as of January 4, 2011)

Fiscal Year	Revenues	Expenditures	Difference
2006-07	\$21.1 Million	\$21.8 Million	-\$0.7 Million
2007-08	\$23.9 Million	\$22.0 Million	+\$1.9 Million
2008-09	\$19.3 Million	\$23.1 Million*	-\$3.8 Million
2009-10	\$16.4 Million	\$19.5 Million	-\$3.1 Million
2010-11 [†]	\$16.2 Million	\$21.4 Million	-\$5.2 Million

* Includes cost of Suisun City Library construction

[†] Projected/Adopted figures for fiscal year 2010-11

In 1998, Solano County voters approved Measure B, a 1/8¢ sales tax dedicated to maintaining library services. At the time, County Library System personnel offered “promises” to the citizens of Solano County to keep the libraries open more hours, increase the amount of materials and have more programs available. CLS uses the phrase “Promises made, Promises kept” to denote adherence to this principle.

Measure B funds comprise approximately 25% of the CLS revenue (approximately \$3 million annually). The measure expires in 2014. Unless another similar measure can be passed by voters, the CLS stands to lose a significant portion of its revenue. According to the Director of Library Services, this would most likely necessitate the closure of one or more branches.

CLS uses volunteers as much as possible to provide services. Volunteers lead community programs, assist with clerical duties, and raise funds (*e.g.*, book sales by Friends of the Library).

B. Available Library Materials

As our society moves from printed page to electronic media, libraries have struggled to remain relevant to our citizens. Many librarians have chosen to modernize their facilities, bringing in computers and electronic card catalogs. Some have even taken the step of providing “eBooks” for their patrons who have electronic book-reading devices.

Our County library system has onsite computers for patrons to use and an electronic card catalog that is connected to an area-wide system referred to as SNAP (Solano Napa and Partners). The SNAP system allows patrons to search for materials in the two-county area, reserve them online,

and have them sent to their local library branch. This system is accessible from any computer with Internet access.

Library cards and materials have bar codes so that patrons can check out books and media themselves without interacting with library staff. Patrons can renew their materials online at the CLS website (www.solanolibrary.com). Solano County Library information is also accessible through Facebook, MySpace, and Twitter.

Also available from the library are music and Audiobook CDs, as well as DVDs. CLS staff use the phrase “Why buy when you can borrow?” to denote that their materials are free to the citizens of the County. According to the Director of Library Services, library patronage has increased noticeably over the last few years due to the general economic downturn.

Patrons who use electronic books can download materials with a limited loan period (files expire after a pre-determined period). CLS uses NetLibrary.com for this. A link on the County Library webpage guides you to the NetLibrary site. Electronic editions of Audiobooks are also available.

Patrons wishing to purchase materials online can go to the Amazon.com website from the CLS website and a small portion of the purchase price is donated to the CLS. At the time of this investigation, purchasing electronic media online was difficult because the links were not prominent.

V. FINDINGS AND RECOMMENDATIONS

Finding 1 –The current website design does not have prominent links assisting patrons to purchase media online. The County Library System could raise additional revenue through increased online electronic media sales.

Recommendation 1 – County Library System staff should revise their website to make purchase of electronic media simpler and inform the public that purchasing media helps fund the Library. Indication of this (with corresponding links) on the main website would facilitate such purchases by patrons. In addition, printed pamphlets or flyers available at library branches might also increase interest in usage and purchase of electronic media.

Finding 2 – If Measure B funds cease in 2014, the County Library System will lose a significant portion of its revenue.

Recommendation 2 – The Grand Jury recommends the County Library System work through its community partners to identify sources to maintain current funding levels.

COMMENTS

The Grand Jury commends the County Library System's use of volunteers to help control human resource costs and encourages the County Library System to continue and increase the use of volunteers. If people want to volunteer at their local library, information is available on the County Library System website (www.solanolibrary.com). People can also speak directly to staff at their local library.

REQUIRED RESPONSES

Solano County Director of Library Services (Findings 1 and 2)

COURTESY COPIES

Solano County Board of Supervisors
Benicia Library
Dixon Library