



Council Meeting: June 3, 2008

SUBJECT: Authorization to Allocate FY 2007/08 State Public Library Fund Monies, and Approve Budget Modification No. 50

REPORT IN BRIEF

Since 1984, the State has funded a grant program for public libraries. This funding is an ongoing project to augment, not supplant, local funding for library services. Appropriations made by the State on a per capita basis may fluctuate depending on the annual legislative process. The grant for FY 2007/08 is \$52,136 and staff recommends that Council accept the \$52,136 grant and approve the appropriation of new funds in support of activities related to collections and improvements to library services.

BACKGROUND

In 1982, the State Legislature adopted State Education Code 18010-18013 which are Sections of Chapter 1.5 Public Library Finance, providing State funding to support public libraries. This chapter calls for continuing support each subsequent year, based on the availability of State funds with an allocation formula set by the State. State Education Code 18024-18025 establishes the Public Library Fund in the State Treasury and further stipulates that State funds provided under this chapter shall supplement, not supplant, local revenues appropriated for the public library. In order to be eligible for these State funds, the total amount of local library revenues appropriated for that fiscal year must be equal to at least the total amount from the previous fiscal year. The Sunnyvale Library has received \$2,121,145 in Public Library Funds since the beginning of the program.

To date, the Public Library Fund has never been fully funded by the State Legislature. In 2000, the economic downturn in California resulted in a reduction of funds. The Library received \$203,975 in FY 2001/02, \$119,591 in FY 2002/03, \$59,517 in FY 2003/04, \$52,983 in FY 2004/05, \$52,263 in FY 2005/06, \$77,095 in FY 2006/07 and \$52,136 in FY 2007/08. Legislative advocacy efforts in FY 2005/06 resulted in a small increase in state-wide funding for the program in FY 2006/07, however, the Governor's FY 2007/08 budget reduced appropriations by \$7 million and the fund is scheduled for a 10% reduction in the Governor's proposed FY 2008/09 budget. If fully funded by law, the Library would have been awarded \$364,547 in FY 2007/08.

Each year, the Library proposes a spending plan for these funds taking into account Council priorities, new Library initiatives, and special projects.

EXISTING POLICY

The 2008 Legislative Action Policies of the City Council state support for this program in Section 6.2.1, "Support full funding for the State Public Library Fund."

DISCUSSION

The Library seeks authorization to allocate \$52,136 in new State Public Library monies in FY 2007/08 for use in the special projects described below which are not currently funded by the General Fund, but which will improve the efficiency and effectiveness of library services:

New Funds – FY 2007/08

ITEMS

\$20,000	<u>Collections</u> Enhance popular library collections such as the Children’s collection, Non-English languages, language learning materials, audiobooks, feature and non-feature DVDs. Funds would be used to acquire and process these items.
\$32,136	<u>Improvement to Library Services</u> Improve the effectiveness of library services by making technology, facility and process enhancements. Technology enhancements may include online resources such as Live Homework Help, podcasts and screencasts. Facility enhancements may include new furniture and equipment. Process improvements may include ergonomics, improving current processes for increased efficiency and studying innovations in other libraries.
\$52,136	Total Request for Allocation

Existing State Public Library Funds

The City Council previously authorized the use of Public Library Funds for the following multi-year projects: Library of the Future, Collections, Inform the Community about Library Resources, Staff Development, Improvements to Library Services, and Children’s Section Renovations. Public Library Funds are budgeted in Special Project 805150 Library Foundation Program Grant in the City’s General Fund. There is a current budget of \$164,618 in the FY 2007/08 Library Foundation Program Grant’s budget. Use of these funds through the current accounting period leaves a remaining balance of \$97,860. The remaining balance will be expended in accordance with previously approved Council expenditure categories, and unspent funds will be carried over to subsequent years. The categories which will have remaining funds to carry over into FY 2008/09 include Inform the Community about Library Resources, Staff Development, and Improvements to Library Services.

FISCAL IMPACT

Each fiscal year, the State Librarian requests verification of eligibility to receive State funds and certifies the population of each jurisdiction to receive State Public Library Fund monies. The current level of State Public Library Fund monies has brought Sunnyvale’s allocation of funds to \$52,136 for FY 2007/08. These revenues can only be used to supplement, not supplant local revenues for basic library services. Staff proposes a budget modification to add these funds to the 805150 Library Foundation Program Grant special project in the City’s General Fund and to spend these funds for the purposes described in the discussion section of the report. Since these are multi-year projects, staff has strategically expended funds and a significant amount of Public Library Fund resources will be carried forward into FY 2008/09.

**BUDGET MODIFICATION NO. 50
FISCAL YEAR 2007/08**

<u>General Fund</u>	<u>Current</u>	<u>Increase (Decrease)</u>	<u>Revised</u>
<u>Revenues:</u>			
State Public Library Fund Grant	\$0	\$52,136	\$52,136
<u>Expenditures:</u>			
Library Foundation Program Grant Project	\$164,618	\$52,136	\$216,754

#805150

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center and Department of Public Safety; posting the agenda and report on the City's Web site; and making the report available at the Library and the Office of the City Clerk. The Board of Library Trustees reviewed the Report at their meeting on May 5, 2008.

ALTERNATIVES

1. Council approves Budget Modification No. 50 in the amount of \$52,136 and the expenditure of State Public Library Funds for use in the following special project categories: Collections, Improvements to Library Services.
2. Council recommends alternative expenditure of funds.

RECOMMENDATION

At their May 5, 2008 meeting, the Board of Library Trustees voted unanimously to recommend to Council Alternative 1 which approves Budget Modification No. 50 in the amount of \$52,136 and the expenditure of State Public Library Funds for use in the following special project categories: Collections, Improvements to Library Services.

Staff recommends Alternative 1.

Reviewed by:

Deborah L. Barrow, Director, Libraries
Prepared by: Steve Sloan, Administrative Librarian

Mary Bradley, Director, Finance

Approved by:

Amy Chan
City Manager

Attachments

A. Draft Board of Library Trustees Meeting Minutes of 5/5/08

Attachment A



DRAFT MINUTES

SUNNYVALE BOARD OF LIBRARY TRUSTEES MAY 5, 2008

The Board of Library Trustees met in regular session in Council Chambers, 650 West Olive Avenue at 7:04 p.m. with Jim Griffith presiding.

ROLL CALL

PRESENT: Chair Jim Griffith
Vice Chair John Lilly
Boardmember Ray Zhan Su
Boardmember Narendra Pathak
Boardmember Kathy Meagher

STAFF PRESENT: Deborah L. Barrow, Director of Libraries
Sandra Barajas, Recording Secretary

SCHEDULED PRESENTATION: None.

PUBLIC ANNOUNCEMENTS: Chair Griffith announced that former Sunnyvale Library Director Vickey L. Johnson passed away and the Board meeting will be closed in her honor.

Vice Chair Lilly arrived at 7:06 p.m.

CONSENT CALENDAR:

- 1.A) Approval of Draft Minutes of 4/7/08
- 1.B) Approval of Agenda

Boardmember Pathak moved, and Boardmember Meagher seconded, approval of Items 1.A and 1.B as presented. Motion carried unanimously.

CITIZENS TO BE HEARD: None.

PUBLIC HEARINGS/GENERAL BUSINESS:

- 2. Authorization to Allocate FY 2007/08 State Public Library Fund Monies, and Approve Budget Modification No. 50:
Director Barrow provided the Board with an overview of the Report to Council and of the Public Library Fund program.

Chair Griffith opened the public hearing, and there being no public testimonies, closed the public hearing.

Boardmember Pathak moved, and Boardmember Su seconded, to recommend to Council Alternative No. 1 which approves Budget Modification No. 50 in the

amount of \$52,136 and the expenditure of State Public Library Funds for use in the following special project categories: Collections, Improvements to Library Services. Motion carried unanimously.

3. Legislative Day:

Chair Griffith and Administrative Librarian Steve Sloan attended Library Legislative Day on Wednesday, April 16 in Sacramento. Chair Griffith provided an overview of their meetings with Senator Elaine Alquist and Assembly Member Joe Cotto. Talking points included Public Library Funds and Transaction Based Reimbursement.

Chair Griffith opened the public hearing and there being no public testimonies, closed the public hearing.

4. National Library Week Feedback:

Director Barrow thanked Boardmembers for their participation in National Library Week. During the week, Library staff provided 500 personalized bookmarks and Boardmembers distributed cookies. Boardmembers shared comments they received regarding customer service and the branch library study.

Chair Griffith opened the public hearing and there being no public testimonies, closed the public hearing.

5. SAB Representative:

Director Barrow provided the Board with a brief overview of the System Advisory Board (SAB) role and/or responsibilities. Community member Thomas Flaherty's term will be expiring this year. Chair Griffith volunteered to a two year term to the SAB.

Chair Griffith opened the public hearing and there being no public testimonies, closed the public hearing.

Vice Chair Lilly moved, and Boardmember Su seconded, to appoint Jim Griffith to a two year term to the System Advisory Board. Motion carried unanimously.

6. Health & Safety Fair – Saturday, May 10:

Director Barrow informed the Board that the Health & Safety Fair is scheduled for Saturday, May 10 from 11 a.m. to 3 p.m. at the Columbia Neighborhood Center. Library staff will be on-site providing program flyers, booklists, promotional library items and information on the branch library study issue. Boardmembers signed up for two-hour time slots.

Chair Griffith opened the public hearing and there being no public testimonies, closed the public hearing.

7. Global Sunnyvale – Saturday, June 21:

Director Barrow informed the Board that Global Sunnyvale is scheduled for Saturday, June 21 from 11 a.m. to 3 p.m. at Plaza del Sol. Library staff will be on-site providing program flyers, booklists, promotional library items and information on the branch library study issue. Boardmembers signed up for two-hour time slots.