



## **Library Ad Hoc Committee Meeting**

**Date: Tuesday, April 30, 2019**

**Time: 10:00 – 11:30 AM**

**Location: 745 Mission Dr. Solvang, CA**

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### **Administrative Agenda:**

- I. Meeting Called to Order**
- II. Roll Call:** *by Secretary*
- III. Public Comment:** *Public Comment period is set aside to allow public testimony on items not on today's agenda.*
- IV. Minutes:** The minutes of the April 18, 2019 meeting will be considered.

### **Standard Agenda:**

1. Guiding Principles Adoption
2. Decision Making Model Adoption
3. Budget Scenarios Discussion
4. Library Categories Adoption
5. Minimum Service Levels Discussion and Adoption
6. Next Steps/Closing
7. Adjourn



# Library Ad Hoc Committee Meeting

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**April 18, 2019**

## **ACTION MINUTES**

Committee Members present:

Sarah Bleyl  
Mary Housel  
Judith Dale  
Das Williams, 1<sup>st</sup> District Supervisor  
Joan Hartmann, 3<sup>rd</sup> District Supervisor

Committee Members absent:

Jessica Cadiente  
Allison Gray  
Patricia Saley

County Staff Present:

George Chapjian, Director  
Ryder Bailey, CSD CFO  
Natasha Garduno, Executive Assistant

Legacy Works Group Facilitators:

Carrie Kappel  
Megan Miley

### **Administrative Agenda:**

- I. Meeting Called to Order:** *Meeting officially convened at 12:45 p.m.*
- II. Roll Call:** *by Secretary*
- III. Public Comment:** None was made.
- IV. Approval of Minutes of April 1, 2019**

**ACTION:** A motion was made by George Chapjian and seconded by Judith Dale to approve the minutes of April 1, 2019. All approved. Motion passed.

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## Standard Agenda:

### 1. Welcome & Meeting Objectives

The following were the meeting objectives for the group discussion:

- Make progress on short term budget recommendations
- Detail next steps for committee
- Approve guiding principles
- Adopt decision making model for committee

### 2. Budget Hearing Updates

County staff reported that the library budget presentation, originally scheduled for Wednesday, April 17<sup>th</sup>, has been rescheduled and will be presented on Friday, April 19<sup>th</sup>.

### 3. Working Plan for Exploring Alternative Revenue Sources & Governance Models

LegacyWorks compiled and presented budget information (revenues, expenses, and implications of unfilled deficits) from the library directors. These slides were provided to County staff for the budget presentation (**see attached meeting slides 9-13**).

- In order to work toward a short-term funding recommendation, examples of different funding scenarios were presented to the committee for consideration and discussion (**see attached meeting slides 15-17**).

Scenarios 1-4 present different ways to allocate funds, less than \$113K, the total of the “small library fund.” Scenarios 5-6 show additional scenarios for amounts up to \$400K. The scenarios resulted in productive conversation in which the following items were highlighted:

- One theme that emerged was encouraging increased contributions from cities and Friends groups. Members saw the idea of a county “match” as being motivating.
  - Committee members also would like to avoid penalizing those cities who have already stepped up to help cover deficits, otherwise they may be dis-incentivized to make early commitments in future years.
  - Providing additional County funds to Buellton would allow them to fill their gap and potentially increase hours, bringing them more in line with Solvang’s open hours.
  - Some (but not all) members supported the idea of covering Guadalupe and Orcutt rents in order to “level the playing field.”
  - Committee members would like to see what it would cost to bring all branches up to minimum service levels. Assessing this will require finalizing the minimum service levels and working with Library Directors to assess the costs of delivering them at each branch.
- LegacyWorks and Ryder Bailey will develop one or more new scenarios for County funding, based on the discussion. The committee will consider these and make a recommendation to the Board of Supervisors before or during the June budget hearings.
  - New scenarios will incorporate one or more of the following:
    - Fund  $\frac{2}{3}$  of unincorporated branch deficits to encourage  $\frac{1}{3}$  match by friends and fund  $\frac{1}{2}$  of city branch deficits to encourage equal match by cities (including Buellton and Carp, though they already committed funds)
    - Fund all branches at a level that guarantees they can deliver minimum service levels
    - Put funds toward rents in Guadalupe and Orcutt
  - Supervisor Hartmann suggested that the SBCAG Board meeting could be a good forum to discuss the funding challenges and recommended budget scenario(s).
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- Mary Housel suggested that it would be helpful to have data on County per capita funding over time, converted into today's dollars to help make the case for continued and increased support.

4. Next Steps/Closing

- LegacyWorks will poll committee members on guiding principles.
- LegacyWorks will continue working with library directors on categories and minimum service levels.
- Ryder Bailey and LegacyWorks will refine one or more budget scenarios.
- CSD will look into getting on the SBCAG agenda.
- LegacyWorks will look for available data on per capita spending over time.

5. Adjourn

The meeting adjourned at 2:05 p.m.

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# Library Ad Hoc Committee Meeting

April 18, 2019



Carrie Kappel, Facilitator

[carrie@legacyworksgroup.com](mailto:carrie@legacyworksgroup.com)

Megan Miley

[megan@legacyworksgroup.com](mailto:megan@legacyworksgroup.com)

# Library Ad Hoc Committee Meeting

## AGENDA

1. Welcome & Meeting Objectives
2. Budget Hearing Updates
3. Work Planning
4. Next Steps/Closing
5. Adjourn

# Budget Hearing Updates

# Data Summary - DRAFT FY 2019/20

updated 4/18/2019

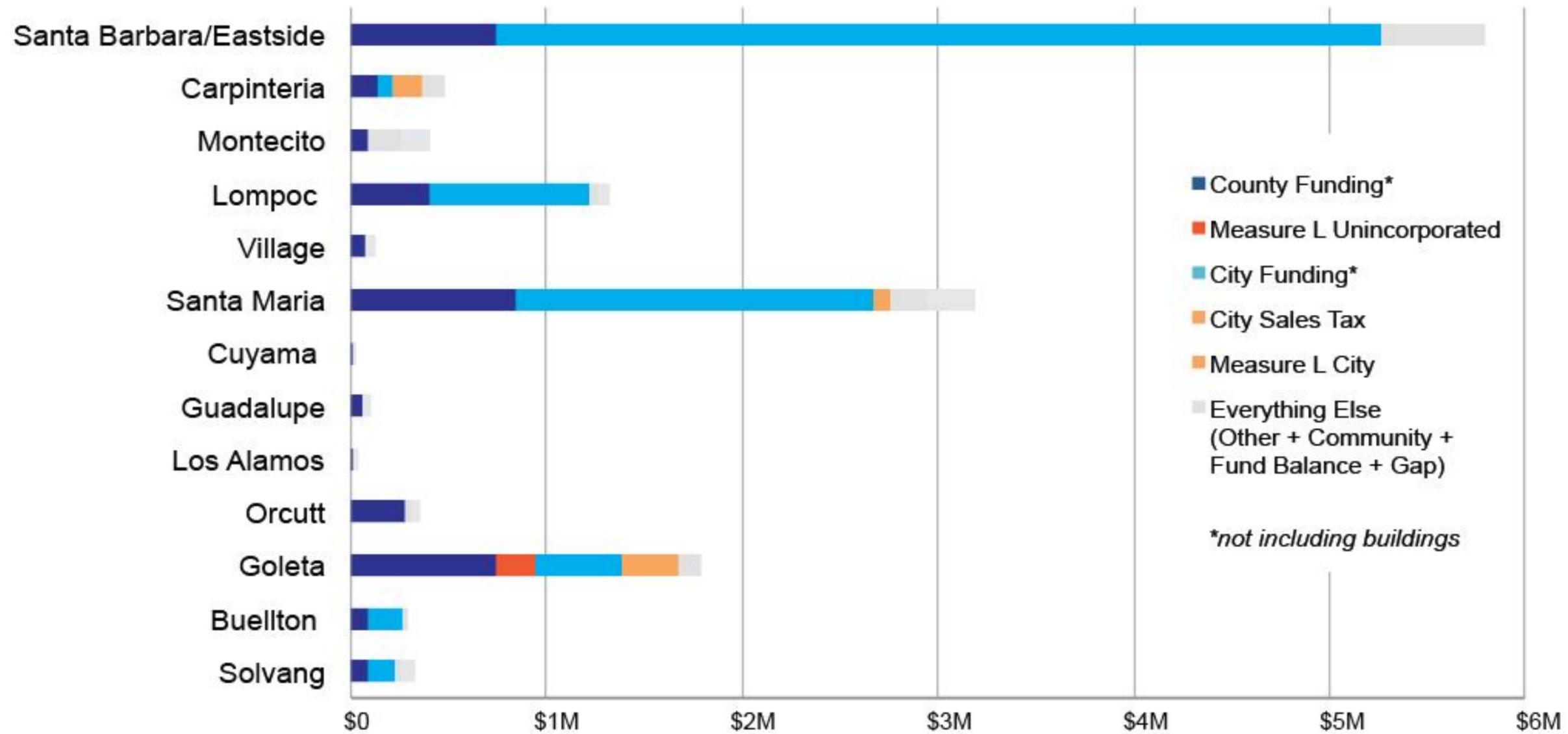
Zone	Library	Building	County Funding	City Funding	City Sales Tax*	Measure L	Other	Community*	Avail. Fund Balance	Gap
1	SB/Eastside	\$2,581,200	\$739,193	\$4,528,465	\$0		\$227,282	\$296,586		
	Carpinteria	\$55,080	\$133,755	\$85,500	\$149,500		\$13,450	\$104,101	\$25,707	
	Montecito	\$60,000	\$87,854	\$0	\$0		\$10,300	\$126,500	\$39,421	\$136,231
2	Lompoc	\$378,432	\$396,326	\$830,830	\$0		\$23,500	\$16,000		\$58,344*
	Village	\$45,120	\$73,172	\$0	\$0		\$1,500	\$15,300		\$34,028
3	Santa Maria	\$1,436,400	\$846,066	\$1,823,660	\$85,000		\$182,316	\$6,000		\$247,670*
	Cuyama	\$19,920	\$10,358	\$0	\$0		\$195	\$0		\$9,325
	Guadalupe	\$23,642	\$59,311	\$0	\$0		\$1,430	\$3,000		\$32,748
	Los Alamos	\$15,300	\$14,742	\$0	\$0		\$400	\$15,000		\$13,020
	Orcutt	\$48,535	\$281,159	\$0	\$0		\$4,980	\$30,000		\$37,156
4	Goleta	\$463,110	\$742,570	\$443,820		\$490,330	\$55,900	\$53,000		
	Buellton	\$31,824	\$82,430	\$182,424	\$0		\$10,450	\$2,050		
	Solvang	\$36,000	\$82,430	\$141,530	\$0		\$14,800	\$21,500		\$63,154

\* City sales taxes are not dedicated revenue sources. Carpinteria sales tax was not separated in the budget, so estimated based on last year's general fund contribution. Community includes grants, foundations, Friends and other donations. Lompoc and Santa Maria main library deficits are not part of the request for additional county funding.

# Quick View FY 2019/20

updated 4/18/2019

## County, City, Tax Revenue for Projected Expenditures



# SBC libraries are underfunded relative to CA and US libraries

## Comparison of Per Capita Operating Revenue

Library Branch	Population	Base Funding (County, City, Tax, Other) per capita	Base Funding Plus Community per capita	Projected Budget (Gap is Funded) per capita
Santa Barbara/Eastside	93,521	\$58.76	\$61.93	\$61.93
Carpinteria	17,143	\$17.34	\$23.41	\$28.23
Montecito	11,260	\$8.72	\$19.95	\$35.55
Lompoc	50,294	\$24.87	\$25.19	\$26.35
Village	9,381	\$7.96	\$9.59	\$13.22
Santa Maria	108,470	\$27.08	\$27.13	\$29.42
Cuyama	1,328	\$7.95	\$7.95	\$14.97
Guadalupe	7,604	\$7.99	\$8.38	\$12.69
Los Alamos	1,890	\$8.01	\$15.95	\$22.84
Orcutt	36,046	\$7.94	\$8.77	\$9.80
Goleta	95,202	\$18.20	\$18.76	\$18.76
Buellton	10,659	\$22.00	\$22.19	\$26.02
Solvang	10,659	\$22.40	\$24.42	\$30.41

< \$12/per capita  
 bottom 18% US  
 bottom 13% CA

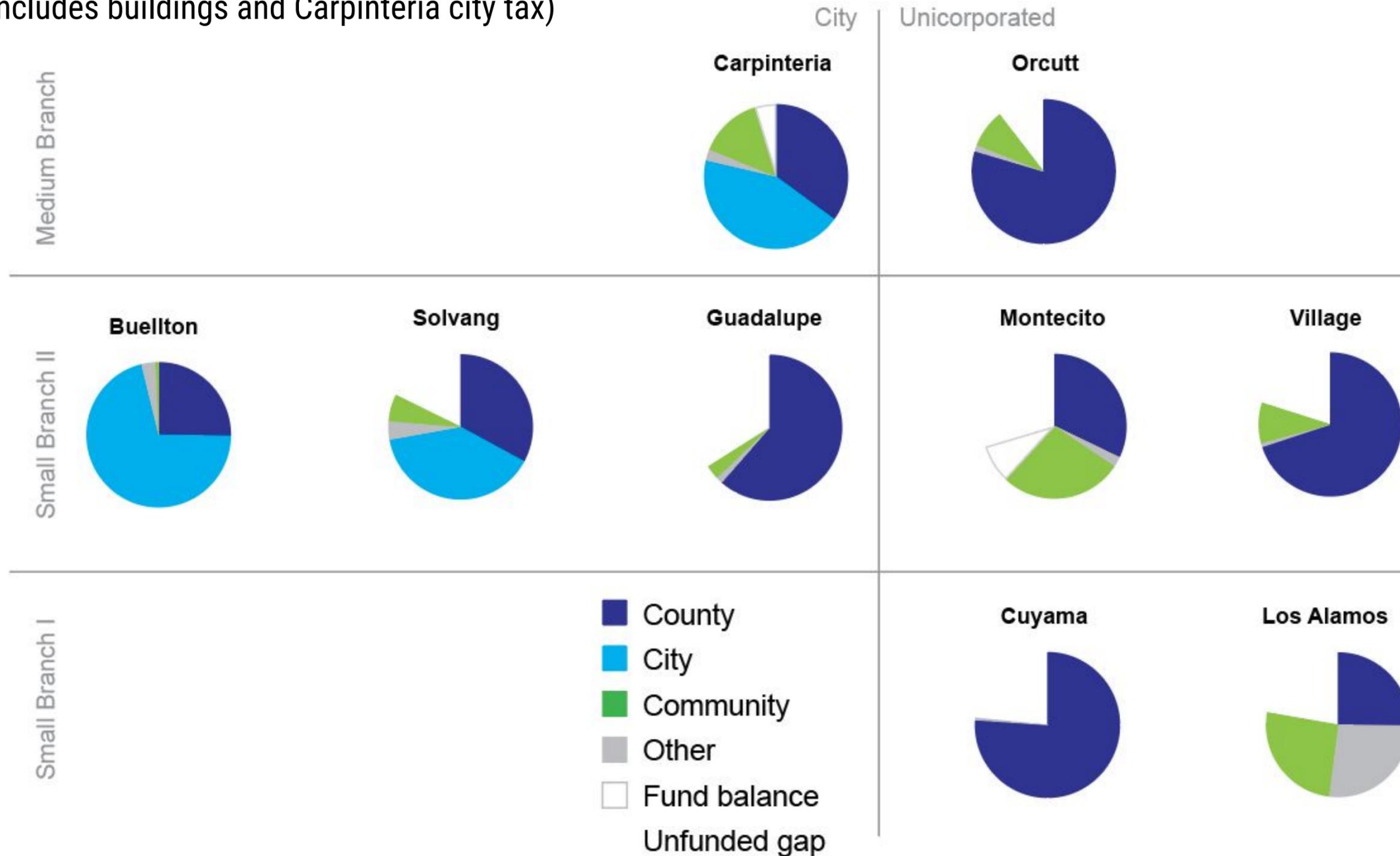
< \$15/per capita  
 bottom 23% US  
 bottom 17% CA

> \$30/per capita  
 top 51% US  
 top 51% CA

# Branch Library Revenue Sources and Unfunded Gap

updated 4/18/2019

(includes buildings and Carpinteria city tax)



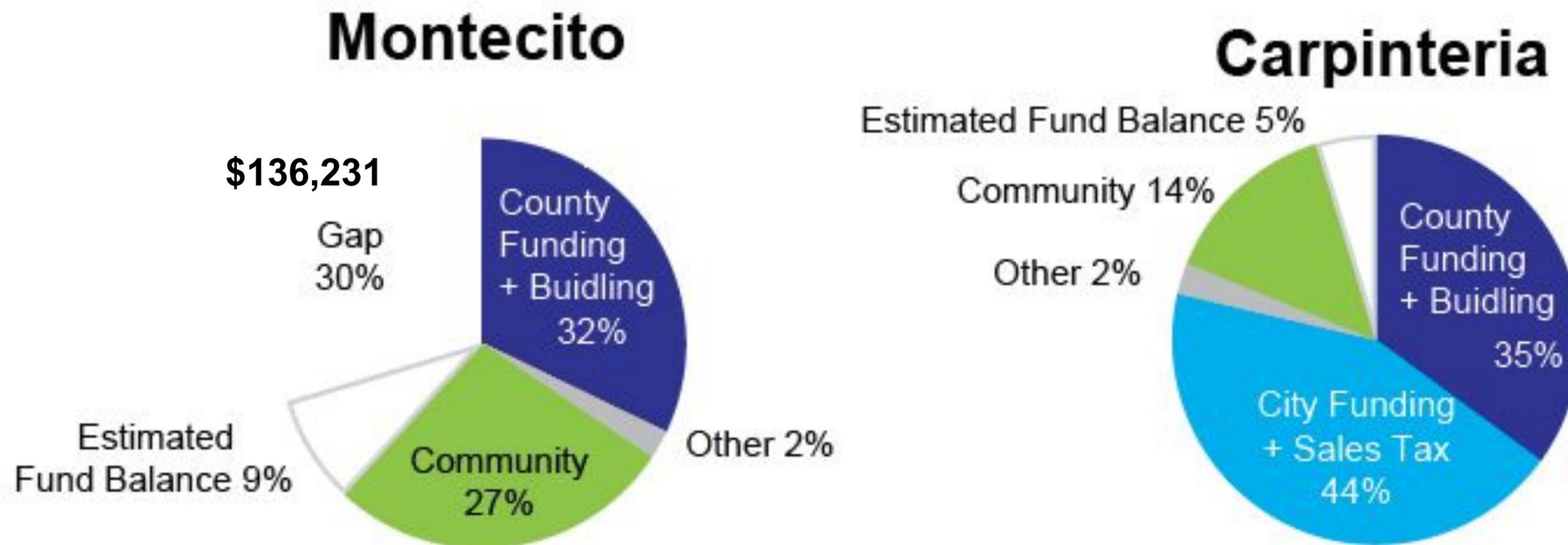
# What We've Heard from the Library Directors

# There is nowhere left to cut but hours open to the public

- Costs for staffing, Black Gold and other key expenses have increased
- Library directors have tapped their reserves and cut expenses for years
- All branches have fully depleted their reserves. Carpinteria and Montecito, have fund balances resulting from staff vacancies
- To triage the budget crisis, the library directors have:
  - Cut expenses that don't impact patrons (e.g. travel, professional development, professional and permanent staff)
  - Cut services/hours/days that impact the fewest people
  - Stretched main library programming to serve branches
  - Preserved youth services

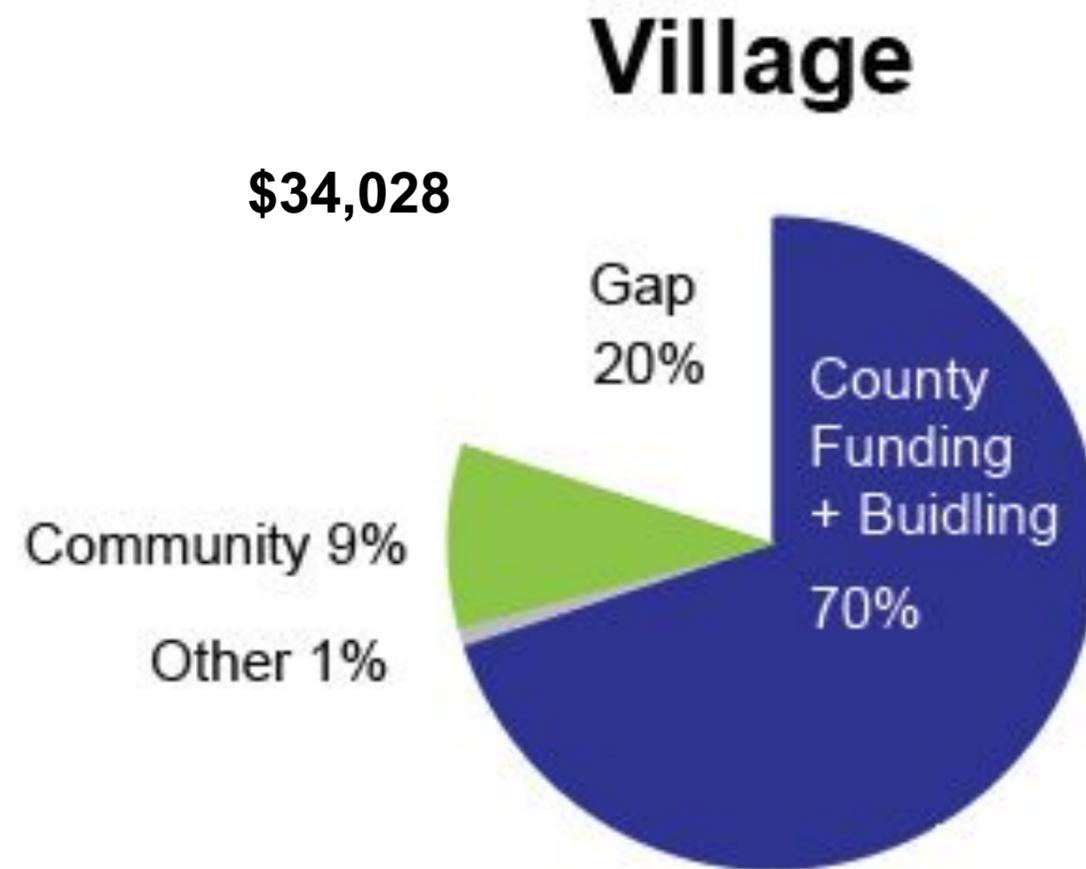
# Zone 1: Montecito, Carpinteria

updated 4/18/2019



If the remaining deficits go unfunded, Montecito would likely close completely (one librarian) and Carpinteria would close 1-2 days per week

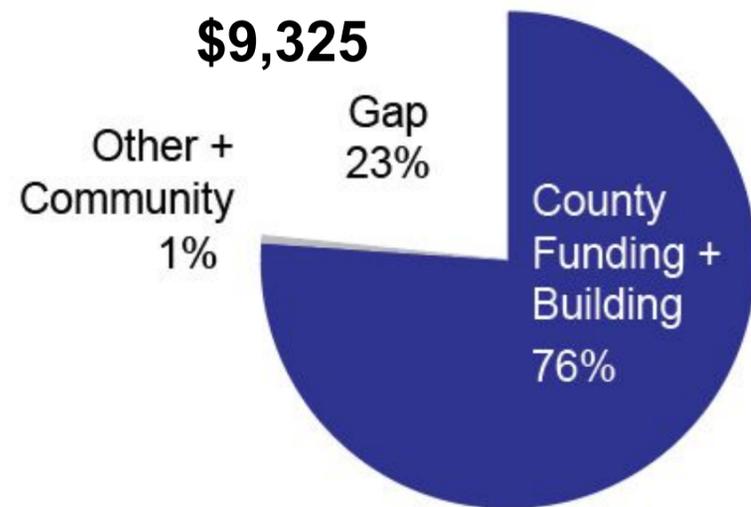
# Zone 2: village



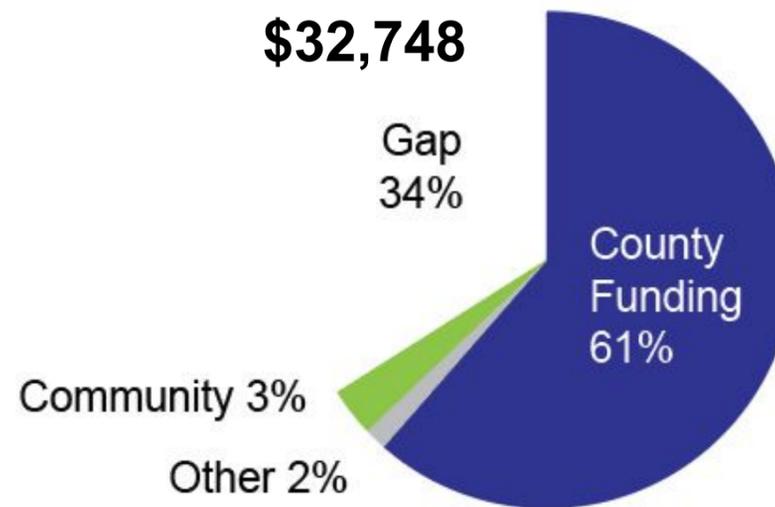
If the deficit goes unfunded, the Village Branch will likely have to cut Saturday and evening hours. Partial funding could preserve some open hours

# Zone 3: Cuyama, Guadalupe, Los Alamos, Orcutt

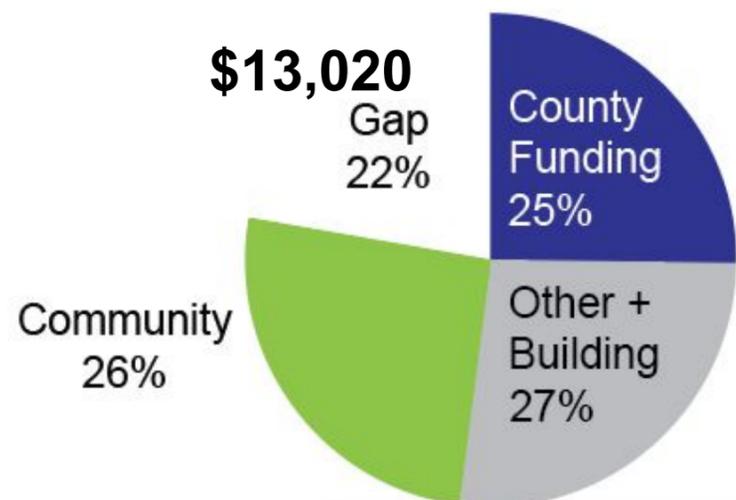
## Cuyama



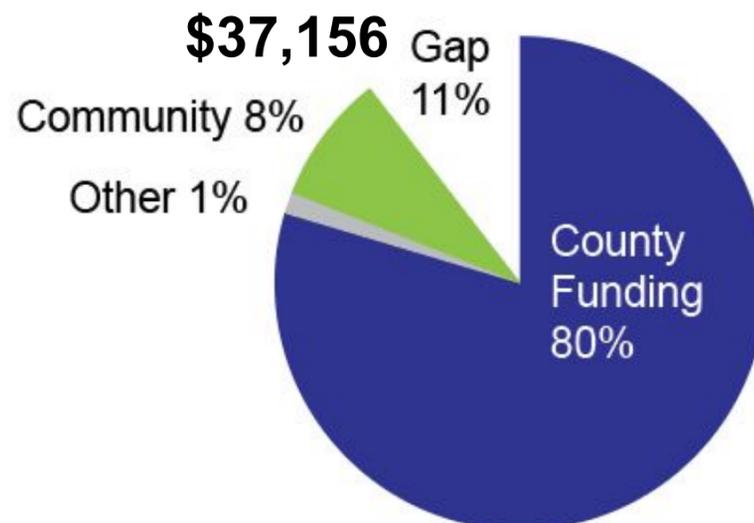
## Guadalupe



## Los Alamos



## Orcutt

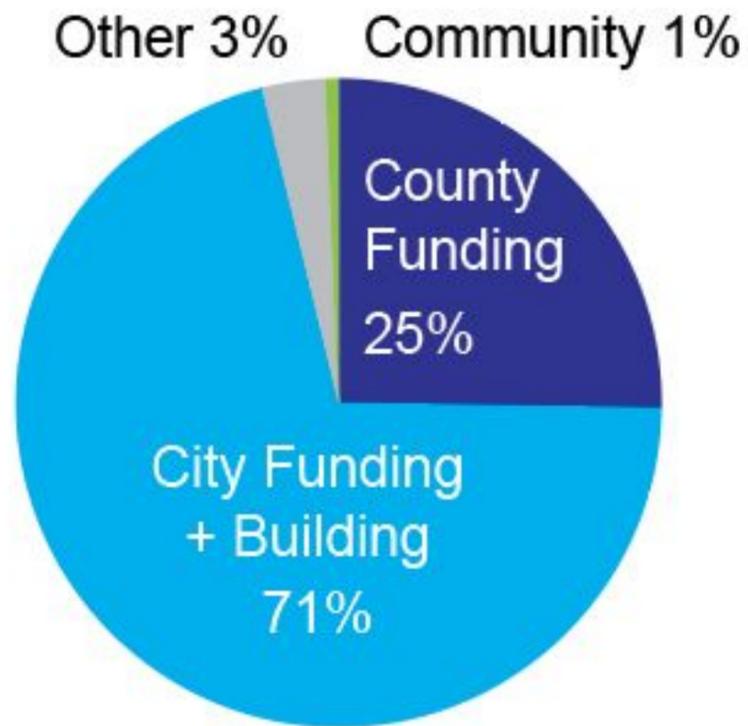


If deficits go unfunded, Cuyama and Guadalupe branches would have to close; Los Alamos hours would be cut by a third to 8 hrs week (funded solely by Friends); Orcutt hours would be cut in half to 16 hrs/week.

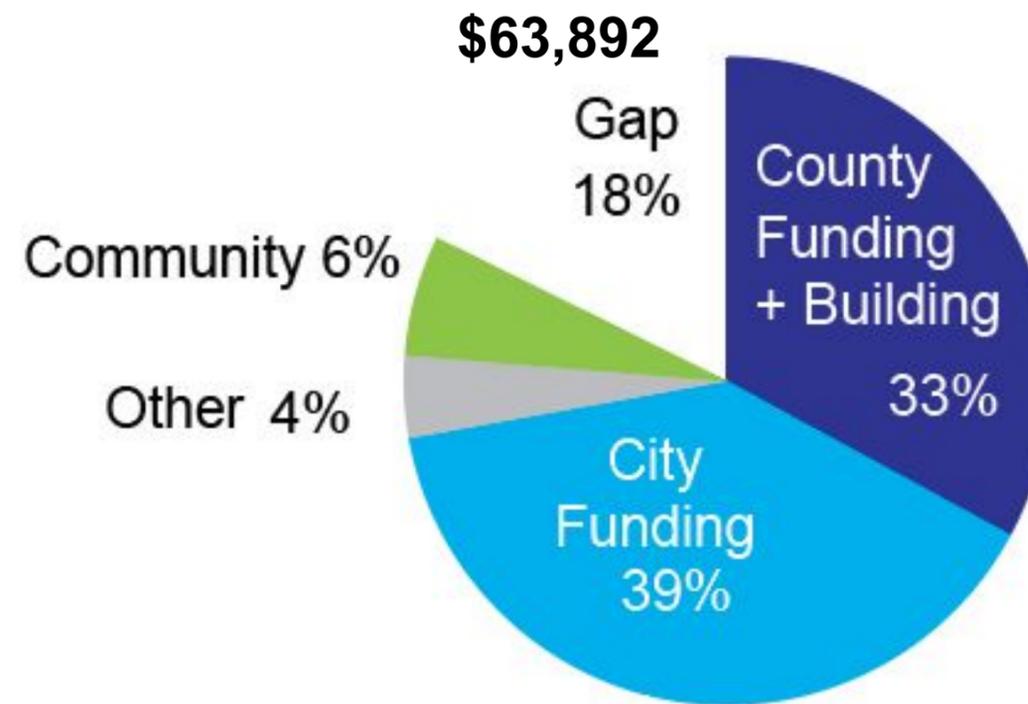
Partial funding could keep libraries open with reduced hours but paying rent in Guadalupe and Orcutt to be open only a few days may not be cost effective.

# Zone 4: Buellton and Solvang

## Buellton



## Solvang



If deficit is not funded, Solvang hours will be reduced

# Budget Scenarios

# Budget Scenarios for Funding Branch Deficits (up to ~\$113K)

	Total Branch Deficit	1 100% Deficit Small Branch I	% Deficit Funded	2 100% Deficit Small Branch I + Rents	% Deficit Funded	3 40% Deficit Small Branch I + II	% Deficit Funded	4 \$113K to Zones by Population (.25 per cap)	% Branch Deficit in Zone Funded
Carpinteria	\$0				0%				
Montecito	\$136,231				0%	\$54,492	40%		
<b>Zone 1 Total</b>	<b>\$172,605</b>							\$30,481	22%
Village	\$34,028				0%	\$13,611	40%		
<b>Zone 2 Total</b>	<b>\$34,028</b>							\$14,919	44%
Cuyama	\$9,325	\$9,325	100%	\$9,325	100%	\$3,730	40%		
Guadalupe	\$32,748			\$23,642	72%	\$13,099	40%		
Orcutt	\$37,156			\$48,535	131%				
Los Alamos	\$13,020	\$13,020	100%	\$13,020	100%	\$5,208	40%		
<b>Zone 3 Total</b>	<b>\$92,249</b>							\$38,835	42%
Buellton	\$0				-		-		-
Solvang	\$63,154				0%	\$25,262	40%		
<b>Zone 4 Total</b>	<b>\$63,154</b>							\$29,130	46%
<b>Total</b>	<b>\$325,662</b>	<b>\$22,345</b>	<b>7%</b>	<b>\$94,522</b>	<b>29%</b>	<b>\$115,402</b>	<b>35%</b>	<b>\$113,364</b>	<b>35%</b>

# Budget Scenarios for Funding Branch Deficits (up to \$400K)

	Deficit	5 100% Deficit Small Branch I + II	% Deficit Funded	6 100% Deficit Unincorp. Branches	% Deficit Funded	7 100% Deficit Unincorp. + 50% Deficit City Branches	% Branch Deficit Funded	8 \$400K to Zones by Population (.88 per cap)	% Branch Deficit in Zone Funded
Carpinteria	\$36,375	-		-	0%	-		-	
Montecito	\$136,231	\$136,231		\$136,231	100%	\$136,231	100%		
<b>Zone 1 Total</b>	<b>\$172,605</b>							\$107,293	79%
Village	\$34,028	\$34,028	100%	\$34,028	100%	\$34,028	100%		
<b>Zone 2 Total</b>	<b>\$34,028</b>							\$52,514	154%
Cuyama	\$9,325	\$9,325	100%	\$9,325	100%	\$9,325	100%		
Guadalupe	\$32,748	\$32,748	100%			\$16,374	50%		
Orcutt	\$37,156		100%	\$37,156	100%	\$37,156	100%		
Los Alamos	\$13,020	\$13,020	100%	\$13,020	100%	\$13,020	100%		
<b>Zone 3 Total</b>	<b>\$92,249</b>							\$136,697	148%
Buellton	\$0	-			-	-	-		-
Solvang	\$63,154	\$63,154			0%	\$31,577	50%		
<b>Zone 4 Total</b>	<b>\$63,154</b>							\$102,538	162%
<b>Total</b>	<b>\$362,036</b>	<b>\$288,506</b>	<b>89%</b>	<b>\$229,760</b>	<b>71%</b>	<b>\$277,711</b>	<b>85%</b>	<b>\$399,042</b>	<b>123%</b>

# Budget Scenarios for Funding Branch Deficits - Other Ideas

- Prevent complete closures. How much would it take to keep Cuyama, Guadalupe and Montecito open?
- Once we set minimum service levels, prioritize funding to branch libraries that are unable to meet minimums?
- What are the expectations for city funding and how do we encourage cities to meet these expectations?

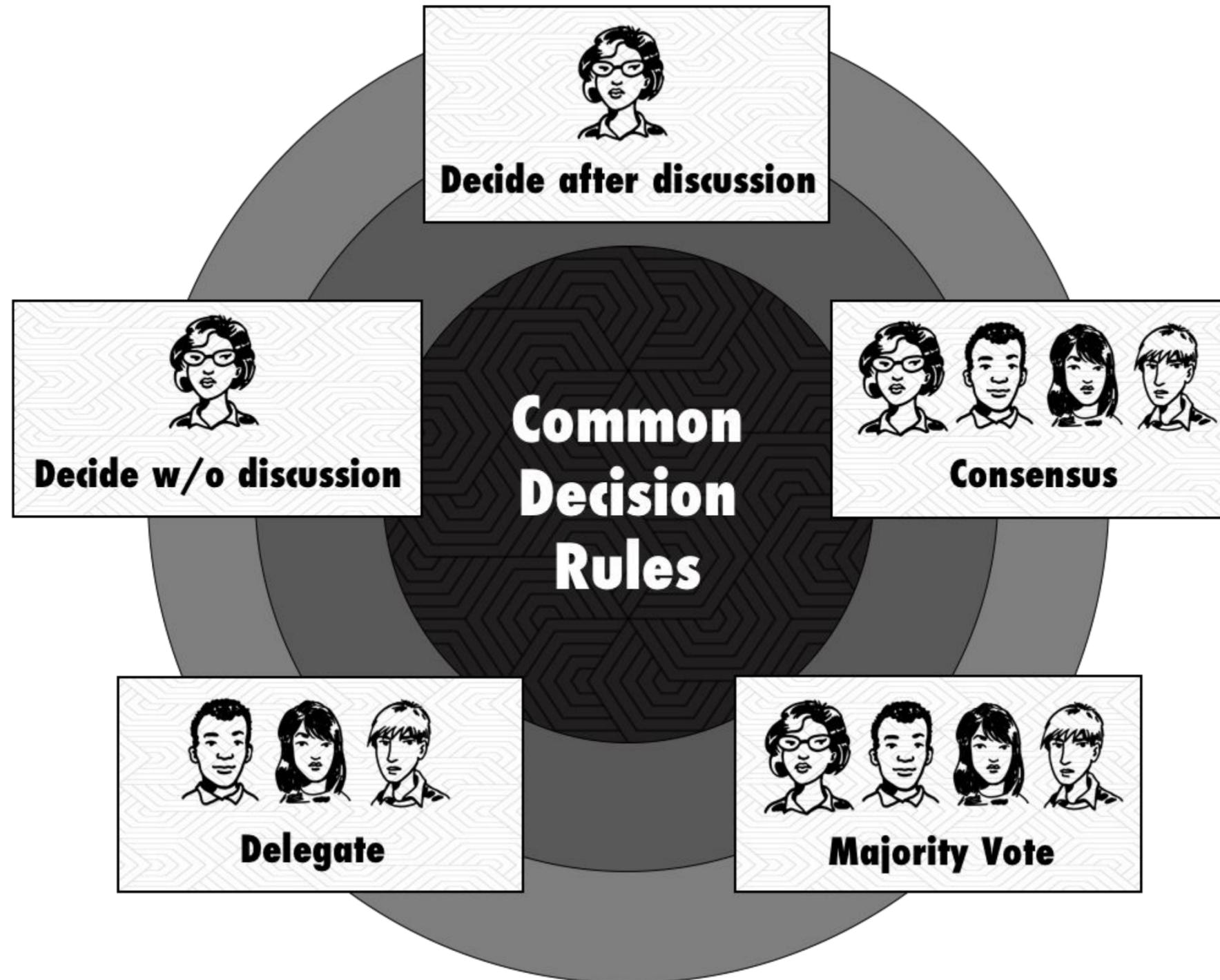
# Ad Hoc Committee Report to the Board of Supervisors

# Committee report

- What would the Department like to see this committee deliver? What would the committee like to convey?
  - Specific content
  - Intended format
- What is the timeline?
- Review and approval process?
- Who will deliver the report?
- Work plan

# Decisionmaking Model

# What type of decision rule do we want to adopt?



# Work Planning

To complete by April 30

- Structural challenges
- Guiding principles



Today

- Short term budget recommendations



Develop from budget scenarios for report to the Board

- Library categories
- Minimum service levels



Continue with library directors and bring to the committee April 30

# Work Planning

updated 4/18/2019

## To complete by April 30

- Structural challenges
- Guiding principles
- Short term budget recommendations
- Library categories
- Minimum service levels

## Potential Working Groups

- Benchmarking
- Governance
- Taxes
- Public-Private Partnership
- Facilities

# Structural Challenges

# Guiding Principles

# Proposed Guiding Principles

- All residents in Santa Barbara County deserve access to basic library services
- Basic service levels vary by library categories (equitable is not equal)
- Equity requires consideration of issues beyond population, but population-based funding should not be redistributed to address these needs
- Core operations should be funded by public revenue sources (county, cities, taxes). Friends, foundations, volunteers, grants and public-private partnerships should be activated for expanded services
- Libraries should have secure and sufficient resources to meet community needs
- Support services provided by main libraries (services, programs, curriculum and more) add value to branch libraries
- Library directors need flexibility in how they provide basic and expanded services
- Increased collaboration and coordination will have systemwide benefits

# Additional Questions for Guiding Principles

- Should the county prioritize unincorporated areas?
- How should communities share library facilities to avoid redundancies and deliver services efficiently? Minimum distance? Mobile services?
- Should funding strategies incentivize (or be dependent on) investment by cities and/or Friends?
- How would we measure the “highest and best use” of County funds?