

Sonoma County Library
Minutes of the Library Commission
Special Budget Workshop

January 18, 2006

CALL TO ORDER

The Sonoma County Library Commission met in special session. Commissioner Murphy called the meeting to order at 9:03 a.m. in the Board Room of the Santa Rosa Central Library.

Commissioners present: Bennett, Bertucci, Calsy, Hintereder, Kunde, Lynch and Murphy

Also present: Director Sandy Cooper; Assistant Library Director Molly McDermott; System and Technical Services Manager Jim Rosaschi; Fund Development Officer Peter Hunter; Administrative Services Manager Elissa Alfano; Acquisitions and Cataloging Manager Jaime Anderson; Adult Services Coordinator Barbara O’Hara; Children’s Services Coordinator Susan Coffman; Consultant Sally Brian; General Manager SEIU Local 707 Bill Steck, and Administrative Aide Pat Cheek.

INTRODUCTIONS AND ANNOUNCEMENTS

Commissioner Murphy introduced and welcomed Consultant Sally Brian.

BUDGET WORKSHOP DISCUSSION ITEMS

4.3.b Administrative Restructuring

To accommodate Ms. Brian’s schedule, Commissioner Murphy moved the agenda item up and asked her to discuss the report on administrative restructuring findings outlined in a report to the Commission.

Ms. Brian reviewed the process that resulted in the report. Assistant Director McDermott initially hired her in September 2005. Ms. Brian and Ms. McDermott interviewed members of the staff whose positions were included in the flat organizational structure referred to in the Commission’s June 2005 action.

When Director Cooper joined the effort in December 2005, she and Ms. Brian agreed that they both needed a better understanding of the stakeholders’ goals reflected in the early 2005 discussions. They both wanted to step back from the boxes on the organization charts and learn more about what they represented. In the three weeks that followed, they interviewed each Commissioner and over 20 staff members—including management-level staff as well as other staff members who had expressed concern to the Commission during the series of meetings in early 2005.

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Ms. Brian's findings indicate that the staff and the Library Commissioners have two primary goals for any restructuring. The first is to minimize the financial impact of any changes, and the second is to broaden staff participation in planning and decision-making. Additional discussions revealed a number of concerns such as improving communication; developing written operating policies and procedures; identifying ways to reduce the workload; strengthening the support for branch operations and services; and adding a Human Resources Manager.

Ms. Brian noted that the proposal before the Commission was an attempt to capture the spirit of the June 2005 action by the Commission and address the concerns expressed by the Commission and staff. She described the proposed structure as a transitional one that would enable the Library to carry on after the Assistant Director's retirement on August 1, 2006, while the Library underwent a thorough assessment of its current staffing and workload.

Commissioner Lynch asked Director Cooper if she saw this recommended proposal as being substantially different from the initial proposal submitted by previous Director Trice. Director Cooper responded that their interviews indicated that the concern was more about management style than structure and about the increased costs represented by the previous proposal. The recommended changes use people and positions that now exist; former Director Trice was proposing three new management level positions. In addition, steps have already been taken to broaden participation in the Director's Administrative Council to those positions that are shaded on the organization chart included in the staff's recommendations for the restructuring.

Ms. Brian's recommendations for the Commissioner's review were submitted in the Special Commission Meeting - Budget Workshop packet on January 18, 2006. The proposed recommendations and a summary of the discussions are as follows:

- *Recommendation #1: That the Director's Administrative Council (DAC) expands the membership and takes the necessary steps to include appropriate staff in planning and decision-making.*

Ms. Brian informed the Commissioners that Administrative Services Manager Elissa Alfano and Facilities Coordinator Jim Fullmer have recently joined the DAC. Ms. Brian added that the proposed Public Services Manager and Human Resources Manager would also participate in the meetings. The full DAC also participated in the January Branch Managers Meeting and will continue to do so. Ms. Cooper confirmed that management has begun to implement these changes and that she will be delegating more responsibilities for decision-making to staff; increasing interaction between the Director and staff in a variety of venues; and including appropriate library staff in the discussion of any decisions that will have a direct impact on their work.

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- *Recommendation #2: Initiate action to re-define the Assistant Director's position as a Manager of Public Services and recruit for the position in order to fill it by April 1, 2006.*

Ms. Brian added that, with the announcement of Assistant Director McDermott's retirement on August 1, 2006, there is a need to guarantee that Ms. McDermott's duties and responsibilities are appropriately distributed. The Manager of Public Services would support the work of the branches and provide direction for public service endeavors.

- *Recommendation #3: On or before July 1, 2006, change the organizational structure to have the Manager of Systems and Technical Services and the Manager of Administrative Services report to the Director.*
- *Recommendation #4: Expand the role of the Manager of Administrative Services and Facilities Coordinator as part of the transition to the Assistant Director McDermott's retirement.*
- *Recommendation #5: Add two new positions, a Human Resources Manager and a Building Mechanic I, to be filled by July 2006.*

Ms. Brian added that at its June 1, 2005 meeting, the Library Commission's action stated that the Sonoma County Library Commission tentatively approved "a library structure which has the following characteristics, one that would have a management style similar to model number one submitted by staff with particular interest to the role of Human Resources Manager."

Ms. Brian also recommended that a new position of Building Mechanic I be added to assist Facilities Coordinator Jim Fullmer in maintaining the library's facilities. A sample position description is being worked on and would be refined.

- *Recommendation #6: With the retirement of the Assistant Director, complete the transition to the new organizational structure.*
- *Recommendation #7: Initiate an effort to evaluate key work processes and staff utilization to determine whether there are ways to "work smarter"—i.e., to streamline work processes to make the best use of current staff—and to prepare a plan with recommendations for changes to current staffing patterns and setting priorities for new staff positions.*
- *Recommendation #8: Take steps to improve communication within the library staff: (1) initiate an effort to develop written operational policies and procedures for the library to support the staff's daily work and improve communications; and (2) continue to identify additional steps that can be taken to share information about management activities and decisions.*

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Commissioner Calsy asked about the dotted line on the organization chart. Ms. Brian responded she was trying to illustrate that both the Facilities Coordinator and the Human Resources Manager would be reporting to Ms. Alfano but would have a very close working relationship with all three division managers.

Commissioner Kunde reminded the Commission that they needed to begin thinking about the future operational costs and additional staff that would be needed to open the new facilities being considered and planned.

Chair Murphy asked Ms. Brian to explain Item 4.3B, Attachment B, the last sentence under Human Resources Manager. *“This salary is approximately 4.5% below what the County pays for its journey level Human Resource Analyst III class.”* Ms. Brian explained that the statement was to illustrate what a comparable salary would be in another organization. She noted that the salary recommendation is based on the Library’s current salary structure. The new Human Resources Manager would report to the Administrative Services Manager; and, therefore, the salary must be less than the Administrative Services Manager’s salary.

Commissioner Bertucci stated that she felt this reorganization proposal was a good beginning and heading in the right direction. She added that she appreciated all the work done on it. Commissioner Bertucci said that the best part of the proposal is that it is a work in progress and not carved in stone, a short-term plan preceding a long-term plan. The biggest problem the Library faces is filling Assistant Director McDermott’s job duties.

Commissioner Calsy asked about the proposed job descriptions attached to the report. Are Attachments C, D and E generic job descriptions or specifically designed for the recommended new positions? Ms. Brian responded that the Human Resources Manager and the Public Services Manager are specific to the needs of the Library. The Building Mechanic I description is still being worked on.

Commissioner Bennett stated that the proposed structure resembles the original one proposed by the Reorganization Committee. Mr. Bennett added he is very much in favor of the plan. Mr. Bennett noted that the costs appear to be greater than the original proposal. Commissioner Bennett suggested that the creation of Building Mechanic I position be omitted. The position can be considered in the future if there is a demonstrated need.

Commissioner Lynch expressed disappointment with the current proposal. This proposal has a similar structure to the initial proposal. Ms. Lynch added that the names and salaries appear different; however, the structure is not the one that the Commission preferred.

Commissioner Calsy thought that the current proposal actually expanded upon what the Commission originally approved. Mr. Calsy feels it broadens the

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original proposal and more closely coincides with the responsibilities of Assistant Director McDermott, whereas the original proposal did not.

Commissioner Bertucci reiterated that she liked the current proposal. Ms. Bertucci added that the Commission hired a Director who, in her application, stated that she didn't think the job could be done without an assistant directorship type, an individual or staff members below the Director to share the responsibilities. Commissioner Bertucci also proposed that the Building Mechanic I position be considered at a later date.

Commissioner Hintereder stated that, from her perspective, the basic issues from the start of the reorganization were the perceived lack of communication, dissatisfaction, morale problems or management style. She went on to say that, if management has a willingness to be flexible and to listen to staff and the Commission is able to make changes as needed, then she would be willing to support this proposal.

Commissioner Kunde stated she would like to try the current proposed structure.

Commissioner Bennett added that you need this new Public Services Manager and an Administrative Services Manager so that administrative personnel can do their jobs. With the limited upper management that the Library has had, there hasn't been time to address all the issues and problems. This proposal will allow the Administration to address the problems. With the division of responsibilities, managers will have the time, interest, and the skills to address the problems.

Commissioner Calsy asked Director Cooper to expand on the staff's conversations and involvement when this proposal was being drafted. Director Cooper stated that the only portion not seen by staff members was the cost page because Administrative Services Manager Alfano had been working on the costs during the discussion. All of the Administrative Council and Branch Managers saw this proposal prior to it being submitted to the Commission. It has also been available to all staff members on the Intranet. Commissioner Hintereder asked if there were any responses or comments. Ms. Cooper stated that there was only positive feedback and support for this proposal. Ms. Brian added that conversations, interviews, and inputs from staff members played a huge role in drafting this proposal.

Commissioner Bennett added that expanding the Administrative Council is essential to bringing more staff members into direct involvement. He said that the results would be that staff members concerns, wishes, and ideas would be expressed and acted upon.

Commissioner Bennett asked if the net cost of \$151,153 was included in the budget documents that they received. Director Cooper reported that the budget being presented today is a continuation budget, and the costs of new positions or programs have not been included.

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Chair Murphy, on behalf of the Commission, expressed gratitude for Ms. Brian's services and availability. Mr. Murphy felt the proposal was an excellent first step. He further added that he was amazed that within one month and three days of Director Cooper's first day, the Commission had before them a proposal that contains a lot of thought and strong avenues for communication. Commissioner Murphy stated he was in favor of the current proposal.

4.1 Fiscal year 2005-2006 mid-year revenue and expense report.

Commissioner Murphy thanked Administrative Services Manager Alfano for compiling the information and asked the Commissioners for comments or questions on the mid-year report. The questions and responses are listed below:

- Salary and Benefits narrative portion, \$38,774, charges to Extra Help? Director Cooper responded that the Interim Library Director's salary was charged to Line Item #5911, Extra Help, rather than to the salary line.
- Services and Supplies, narrative portion, \$53,740, e-rate discounts? Director Cooper responded it is the Library's telecommunications subsidy that we apply for each year from the Federal Government. Because the subsidy is not guaranteed, the actual projected expenditures are included in the budget each year and do not reflect the anticipated subsidy.
- Fixed Assets, narrative portion, \$6,828, projections? Why do we have to increase our projections? Director Cooper reported that some items that should have been charged to Fixed Assets were not. We are currently working on resolving that issue.
- Salaries & Benefits, cost savings from vacancies and retirements. Does this reflect difficulty-filling vacancies? Assistant Director McDermott responded that we have not had trouble filling vacancies. Administrative Services Manager Alfano added that it is due to nine retirements over the past year.

Director Cooper asked the Commission if it would authorize the staff to fill the vacant position at Windsor as requested by the Branch Manager and the Library Advisory Board. The Commission had earlier asked that it be kept vacant pending further discussions on staff structure. Ms. Cooper stated that there would not be any additional costs; it is simply a reallocation of an existing position. Commissioner Bennett responded that the position needed to be filled, and the Commission indicated that it had no objection.

4.2 Preliminary 2006-2007 budgetary information

The Commission next reviewed the Multi-Year Expenditure Projection, which represents continuing all programs and services at the same level. The questions and responses are outlined below.

- Item #6880, Small Tools/Instruments. Are these computers and what is the difference between #6880 and line item #6516, Automated Systems? Staff

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responded that line item #6880 covers expenditures for the purchase, repair, or support any Library computer that a person would use directly, whether it is a public or staff workstation. By comparison, the #6516 is used for maintenance charges and purchases of systemwide resources (e.g., servers, networks, software, operating systems).

- Page one, item #7910, Long Term Debt. What is this expenditure? Administrative Services Manager Alfano responded it is the leases for copy machines.
- Page five, Mid-year Report, Property Taxes. In looking at the totals for the three combined property taxes, are we too conservative in our budgeting? Staff responded that we are required to use the figures that the County provides at the beginning of the budget process.
- Item #3480, Library Fines, income seems to be declining. Is this due to our on-line system, which allows patrons to renew on line and avoid fines? Should the project revenue be lowered? Director Cooper responded that the staff would review the item and report back.
- #7190, Books/Materials, please provide a breakdown of what percentage of the expenditures represent books and what percentages represent all other materials, such as electronic books, CDs, and videos.
- State Funds, California Library Services Act (CLSA), why should the funding be considered unstable? Director Cooper responded that the State's net reimbursement program is dependent on legislative appropriations.
- Revenue Assumptions, Miscellaneous Revenues, Lake and Mendocino Counties, what is this? Administrative Services Manager Alfano responded that Mendocino and Lake County share our automation system, and they pay us a fee for the service. Ms. Alfano added that both Counties also reimburse us for any equipment purchased. Contract revenue from these Counties has been for \$50,000.
- Reserve funds for Equipment, is there one? System and Technical Services Manager Rosaschi confirmed there is a designated reserve fund. Mr. Rosaschi added we used it most recently for the Horizon purchases. That is why we are proposing adding the \$50,000, as a designated reserve, in our fund balance for future equipment purchases.
- Page two, Expenditure Assumptions, Salaries; does this estimate currently include new positions? Staff responded that it did not. Commissioner Bennett stated that we have a demonstrated a need for more personnel and that the library should add the additional \$153,000 to the budget. Administrative Services Manager Alfano responded that the County would require a Statement of Positions for all new FTEs, and we are not prepared to do that. Director Cooper added that the Board of Supervisors has to approve all new positions, and we should have a clear

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justification. Ms. Cooper added that we could go in with a package for a change in mid-year if we have the money.

Commissioner Lynch suggested the substitute budget is very high, and we might use some of that money to fund new positions. Director Cooper concurred and agreed to investigate the issue and report back.

- Item 4.2 C, Fund Balance-Projected; can reductions to the fund balance offset other costs on assumptions?
- Page three, Expenditure Assumptions, the Fund Development Program proposed budget of \$199,038; did Fund Development Officer Hunter prepare the budget? What was the source of the funds? Mr. Hunter responded that he had based it on the past three years. Director Cooper added she would like to schedule a Fund Development Committee meeting in February, and that the amount budgeted for the office is a “place holder” until after that meeting.
- Page three, Expenditure Assumption, Professional Services for planning at \$60,000? Administrative Services Manager Alfano responded it is budgeted for Group 4 Architecture and the Southwest project.
- Director Cooper asked the Commission to look at page two, Revenue Assumption, Fund Balance, Self-check implementation. Ms. Cooper noted the recommended addition of \$250,000 to the designated reserve for the self-check implementation.
- Multi-year projection, line item #1008, Redevelopment; what is this? Administrative Services Manager Alfano responded it is a projection from the County. It reflects the anticipated loss of county tax revenues when areas are annexed by the cities.
- Multi-year Projection, line item #2945, Literacy. The grant amounts are declining. Should the Library subsidize this program? Director Cooper responded she would compile more information about the Literacy program and report back to the Commission.
- Multi-year Projection, line item #3484, Library Fines-Delinquent Collections; last year the revenue dropped dramatically, but the projected income shows a budget increase. System and Technical Services Manager Rosaschi responded that during the Horizon migration, fines were not collected.
- Donations/Reimbursements, line item #4102; have we lost half of our donations? Administrative Services Manager Alfano responded she would have to do an analysis but felt that there had been a shift due to solicitations and gifts coming into the Fund Development program.

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2 • Line item #3480, Library Fines, and line item #3484, Delinquent Collection;
3 the revenues appear to be declining. Director Cooper responded that
4 Administrative Services Manager Alfano based the projected five-year
5 average on fines and copier fees. System and Technical Services Manager
6 Rosaschi added that a five-year average is a correct estimate. The amount
7 collected in January through the March period of each year is higher than the
8 July through December period.
9
- 10 • Miscellaneous Revenue, line item #4040. Administrative Services Manager
11 Alfano responded that was the revenue from Mendocino and Lake Counties.
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- 13 • Sub-Total – Other Financing Sources, PY Appropriates Revenue; what is it?
14 Administrative Services Manager Alfano responded that the amount is
15 budgeted to cover encumbrances that are carried over from one fiscal year to
16 the next.
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- 18 • Page six, Landscape Services, line item #6190, why have the expenditures
19 increased? Staff responded that the County has increased its charges for the
20 service.
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- 22 • Page six, Printing, line item #6430; reason for the projected decrease?
23 Administrative Services Manager Alfano responded it reflected a decrease in
24 the number of Fund Development newsletters published.
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- 26 • Professional Services, line item #6500; why the dramatic changes from year to
27 year? Administrative Services Manager Alfano responded the Director
28 manages this fund. Director Cooper stated examples of these expenditures are
29 collection services, NBC Supersearch, database contracts and consulting
30 assistance.
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- 32 • Page seven, Fixed Assets, Computer Equipment, line item #8562; why are we
33 not projecting any expenditures in this category for the FY 06-07 budget? Is
34 budgeting for equipment in another category? Administrative Services
35 Manager Alfano responded that in the previous year these were expenditures
36 for automation. Director Cooper added we do have funds in reserves for these
37 items and that is one of the decisions that we need to make.
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- 39 • Fund Balance Projections, Literacy, why reduced to \$0? Administrative
40 Services Manager Alfano responded as of June 30, 2005, the Literacy
41 Program had a \$10,500 reserve, and they have now expended those funds.
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4.3 Priorities for 2006-2007: Issues and Options

44 Director Cooper reviewed the Issues and Options outlined for the Commission's
45 consideration. She noted that staff would provide cost estimates on the suggested
46 options following the Commission's feedback.
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Systems and Technical Services Manager Rosaschi discussed a plan to increase the amount spent on preprocessing library materials to enable the library to increase its materials expenditures by \$500,000 while controlling the staffing costs. Director Cooper added that if the Commission were interested in this recommendation, she would submit an analysis on personnel costs versus preprocessing costs. Commissioner Lynch asked Director Cooper to also find out how much the vendors have increased their costs over the last five years.

Commissioner Murphy had a question about the \$50,000 in Item #3.2, the purchase of a new database server. Chair Murphy asked if this would be a partial replacement or an anticipated cost of a new server. Systems and Technical Services Manager Rosaschi recommended that this \$50,000 be added to the reserves to guarantee that the funds will be available when an upgrade is needed.

Director Cooper asked if there were any items on the Issues and Options Discussion Paper that should not be considered. Did the Commission want cost estimates for the options outlined?

The Commission agreed that all of the issues were important. Commissioner Bennett suggested that item 1.4, Evaluating Progress/Updating the Strategic Plan, be postponed; noting that the upcoming year would be one of transition.

Director Cooper stated staff would come back with numbers for the February 1, 2006 meeting. Chair Murphy asked Director Cooper if the Commission needed to finalize the budget at the February 1 meeting. Director Cooper said she would like to see the number finalized; however, she thought the March 1 meeting would be more realistic.

Director Cooper stated the most important next step would be the recommended action on Assistant Director McDermott's position, creating a new Manager of Public Services so that someone could be on board by April 1, 2006. Ms. Cooper indicated she would come up with a series of action items for the meeting, and the Commission could decide which items to approve or postpone.

Commissioner Murphy asked Assistant Director McDermott how the Commission would initiate additional staffing needs. Ms. McDermott responded the first step is to have the request reviewed by the County's fiscal analyst. A proposal is then drafted for the Board of Supervisors. Administrative Services Manager Alfano added that the proposed budget would be submitted without additional staff requests. A separate package with any new position would be submitted separately. Ms. Alfano added that the Commission should have both items ready to be submitted by March.

DIRECTOR'S INFORMATION ITEMS

Administrative Aide Cheek reported that the California Library Association's "Day in the District" was scheduled for two days: January 27, and February 3. Although Senator Chesbro and Assemblywoman Berg are not at their local

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district offices on those days, the Commission would still like to schedule time with both parties to discuss the 2006 Library Bond Act and other legislative issues. Ms. Cheek will handle the scheduling and contact the Commissioners.

Director Cooper reported on:

- The Sebastopol northeast redevelopment meeting she, Assistant Director McDermott, and Fund Development Officer Peter Hunter attended on Saturday, January 14.
- Her recent telephone conversation with Sonoma Mayor Doug McKesson about the city and Library jointly paying for the Maxwell Park site evaluation, with the City actually executing the contract. She subsequently e-mailed the Mayor and the City Manager copies of the Group 4 Architecture proposal.
- The Southwest Santa Rosa Project Management Team began its work on January 10. Ms. Cooper added that Kathy Page will work on the library portion of the program.

COMMISSION MEMBER INFORMATION ITEMS

Commissioner Kunde announced she would not be at the March 2006 meeting.

Commissioner Murphy announced he would be gone in March also; however, he would be at the March 1 meeting.

The Commissioners agreed to begin the February 1, 2006 Commission meeting for 6:00 p.m. to provide enough time for the budget discussions.

DATE AND TIME OF NEXT MEETING

Date: Wednesday, February 1, 2006
 Time: **6:00 p.m. (Please note special time)**
 Location: Central Santa Rosa Board Room

ADJOURNMENT

The meeting adjourned at approximately 12:03 p.m. by acclamation.

Clerk