



County of Santa Cruz

COUNTY ADMINISTRATIVE OFFICE

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SUSAN A. MAURIELLO, J.D., COUNTY ADMINISTRATIVE OFFICER

Agenda: May 2, 2000

April 23, 2000

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

REPORT ON FUNDING REQUEST BY THE SANTA CRUZ COUNTY LAW LIBRARY

Dear Members of the Board:

On April 11, 2000 your Board considered a request from the Santa Cruz County Law Library for immediate and ongoing funding assistance from the County. Your Board directed the County Administrative Office to report back on this date regarding financial assistance in the current fiscal year and also directed this office to provide a report in conjunction with budget hearings on the County's ability to provide ongoing funding to the Law Library. As directed by your Board, these reports will also include a discussion of governance and funding issues related to the request of the Law Library for assistance from the Santa Cruz City/County Library System. Additionally, the Law Library's request of March 23, 2000 will be forwarded to the Santa Cruz City/County Library System for their review.

Background

The correspondence submitted by the Santa Cruz County Law Library on March 23, 2000 requests an annual subsidy from the County of \$100,000. The primary purpose for the request is the Law Library's long term interest in:

- ▶ restoring the Library's book collection to the 1996-97 level, including both hard copy and electronic information; and,
- ▶ providing cost of living adjustments and restoring reduced hours for their personnel.

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According to the Law Library's request, the budget has not kept pace with inflationary increases in book costs or personnel costs due to a steady decrease in paid civil filings which are the source of approximately 80% of the Law Library's income. This decrease is partly attributable to a slow but steady decline in the total number of civil filings, and a subsequent proportional decrease in paid civil filings. According to the Superior Court Clerk's Office, approximately one-third of all civil filings qualify for a legally mandated fee waiver. In addition, a variety of other factors have impacted the fee revenues such as a required reduction in the law library portion of the fee for cases under \$5,000 filed by a collection agency, and the increased use of mediation and arbitration services.

To assist Law Libraries in meeting their budgetary needs the State has historically passed several measures that have provided for optional increases in the law library portion of the filing fee. At the request of the Law Library Board of Trustees your Board most recently authorized an increase of \$3 in November, 1997 which established a law library fee of \$23 and provided for additional revenue of approximately \$20,000 annually to the Law Library. Statutory authority currently exists for an additional annual increase of up to \$3, however the Law Library Board of Trustees has taken no action at this time to request this fee increase. Seven other counties have adopted this increase, including Alameda, Marin, Sacramento, San Diego, San Luis Obispo, Santa Barbara, and San Mateo.

Current Year Funding Assistance For The Santa Cruz County Law Library

My staff has met with the Law Librarian to discuss the Library's current year funding request and they have jointly reviewed the Library's projected 1999-00 revenues and expenditures. The Law Librarian anticipates that they will meet their overall annual revenue and expenditure estimates, with the exception of books and subscriptions which are projected to be 30%, or \$22,000 over budget. The Law Librarian has indicated, however that they will end the year with a balanced budget through the careful management of their overall expenditure accounts.

As a result of our review we do not believe that it is necessary to provide any direct County subsidy in the current year to the Law Library.' Through the careful management of their budget we believe that the Law Library can maintain their current level of service while researching additional funding options. We do recommend, however that your Board defer the collection of \$15,000 owed to the County by the Law Library in the current year based on their limited budget and year-end projections. As your Board may recall, this loan was approved as part of the Law Library relocation to the County Government Center. We will provide a further discussion of this matter as part of the follow-up report at budget hearings.

¹The County provides indirect support to the Law Library through the provision of space for the law library operations, janitorial services, utilities, and general building maintenance.

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Relationship of the Law Library to the Public Libraries

Public library service in Santa Cruz County is provided through the Santa Cruz City/County Library System and the Watsonville Public Library. The Law Library is established by State statute and is governed by a board of Law Library trustees also established by law.

The Santa Cruz Law Library has previously requested funding from the Santa Cruz City/County Library System for support of its operations. The Santa Cruz City/County Library System believes that such financial support should be linked to the integration of law library services into the public library system. Specifically, the Library System has indicated that if the public library system is going to have long term financial involvement with the Law Library, then the Law Library should become part of and be operated by the public library system. Integrating the operations of the Law Library into the larger public library system would introduce the possibility of significant economies of scale for the administration and operation of the Law Library and the potential for improved public service.

The Santa Cruz City/County Library System has previously indicated that it is willing to enter into discussions with the Law Library on how the services rendered by the two libraries could be successfully integrated with the goal of improving the public services provided by both the Law Library and the public library. Due to the fact that the two entities have distinct legal governing structures, it will be necessary to research the various options that are available to provide for this integration, should there be an interest on the part of the Law Library Board of Trustees.

Conclusion and Recommendations

In conclusion, we will provide your Board with a report and recommendation regarding ongoing County funding for the Law Library at Final Budget Hearings and in accordance with your Board's previous direction will also refer the Law Library's funding request to the Santa Cruz City/County Library System for their consideration. Additionally, we believe that it would be appropriate for the Law Library Board of Trustees to consider requesting the \$3 filing fee increase authorized by State Law to supplement the Law Library's income and to consider the desirability of an integration of services with the Santa Cruz City/County Library System.

At this time it is RECOMMENDED that your Board take the following actions:

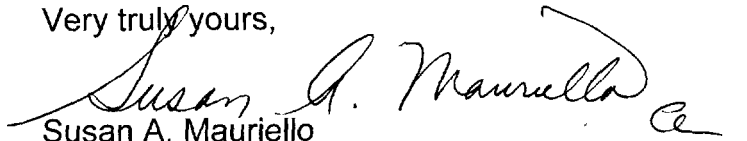
1. Accept and file this report on the request of the Santa Cruz County Law Library for funding assistance in the current fiscal year;

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2. Defer the current year outstanding loan of \$15,000 from the Law Library to the County and direct that this matter be included in the follow-up report at Final Budget Hearings;
3. Refer the matter of a \$3 increase in the civil filing fee for the support of Law Library operations and the consideration of an integration of services with the Santa Cruz City/County Library System to the Santa Cruz County Law Library Board of Trustees for their consideration; and,
4. Direct the County Administrative Office to report back at Final Budget Hearings on the request of the Santa Cruz County Law Library for ongoing funding assistance.

Very truly yours,


Susan A. Mauriello
County Administrative Officer

cc: Santa Cruz County Law Librarian
Santa Cruz County Law Library Board of Trustees
Director of Libraries, Santa Cruz City/County Library System
Auditor-Controller
County Counsel