



County of Santa Cruz

COUNTY ADMINISTRATIVE OFFICE

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

May 3, 2001

Agenda: May 8, 2001

BOARD OF SUPERVISORS

County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

LAW LIBRARY

Dear Members of the Board:

On June 23, 2000, as part of the Budget Hearing for the County Library Fund Budget, your Board:

- approved \$22,365 in funds from the County Library Fund as the local match required for a California State Library grant, which provides for the integration of the Santa Cruz Law Library catalog with that of the Santa Cruz City County Library System and the Watsonville Library, and
- indicated your interest in pursuing the merger of the Law Library into the City/County Library System as the long term solution to the financial difficulties of the Santa Cruz County Law Library.

The purpose of this letter is to provide your Board with background and a status report on the California State Library grant, the relationship between the law library and the public libraries and the law library's financial status.

Library Grant and Integrating the Operations of the Law Library and the Public Libraries

Over the years the role of the Santa Cruz County Law Library has changed from that of a library almost exclusively for lawyers to a specialized library for members of the general public seeking information concerning the law. As a result of this trend a project which provided for the sharing of resources of the public libraries and the law library and improving public access to information concerning the law was initiated during 1999-00 fiscal year. The first step was an application to the California State Library for a grant which partially financed the work associated with integrating the law library's catalogue with the public libraries, establishing the Santa Cruz Law Library as a remote "branch" site of the Santa Cruz Library computer system and linking the law library to other public libraries in the Monterey Bay Area. The grant was awarded in spring of 2000 with the Santa Cruz City-County Library System serving as the lead library.

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As a result of the grant and the cooperative efforts of the Santa Cruz City-County Library System, the Watsonville Library and the Santa Cruz County Law Library during the course of the 2000-01 fiscal year access to law information has increased for County residents by:

- integrating the Santa Cruz County Law Library catalog with the on line catalogues of the Santa Cruz and Watsonville Libraries; and
- providing the Law Library with online access to its own resources and that of the public libraries.

This was accomplished through a retrospective conversion of the Law Library Collection and installing network computer connections between the libraries.

The work which will be completed by August 2001 represents a first step in combining the functions and operations of the law library and the public libraries. By this time next year the libraries will have fully integrated four major functions: catalog; user access; processing of new acquisitions; and circulation. To members of the general public the law library will function like a branch of the public library system.

Once the operations of the libraries are fully integrated we expect that the issues associated with the complete merger of the law library with the public libraries can be addressed. We believe that over the long term the merger of the law library with the public libraries is in the best interest of the public, the legal community, the public libraries and the law library. We believe such a merger is also the best long run solution for the increasingly difficult financial problems which the law library is facing as its financial base, which is linked to the number of paid civil filings in the local courts, erodes. At this time the Law Library Board of Trustees has not endorsed and is not in favor of the merger.

The current financial status of the law library is discussed in the material which follows.

Law Library's Financial Status

This office has met with the County Law Librarian and reviewed the Law Library's current year budget. As a result of these meetings this office and the Law Library staff estimate that the Law Library will end the current year with a balanced budget, but with a minimal fund balance to help finance the 2001-02 budget, and will require cash flow assistance from the County because of the timing of expenditures and anticipated revenues.

The Law Library staff has developed a 2001-02 budget for the Law Library which maintains current operations but has a deficit of approximately \$34,470. The deficit is primarily due to the decrease in the prior year fund balance, a continued decline in filing fee revenues partially offset by the fee increase approved by your Board this year, and inflationary increases in subscription rates for library materials. The 2001-02 budget will also include a cost of living adjustment for the current staff.

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As we previously discussed in this letter, we believe that the collaboration between the Law Library and the Public Library system through the shared cataloguing system is the first step in developing a relationship between the law libraries and public libraries which will lead to a merger of operations and provide the law library with additional financial resources and increased stability. In the interim we believe that it is in the County's interest to provide some financial support to the Law Library for the 2001-02 budget to allow time for the further development of this relationship. Supplemental financing in the amount of \$34,740 will be recommended in the 2001-02 County Library Fund Budget from funds accumulated before the passage of Measure B. Funds which accrued to the Library Fund after the passage of Measure B are contractually committed to the Library Financing Authority.

The funds recommended in the County Library Fund Budget, if approved by your Board at budget time, should enable the Law Library to have a balanced budget for 2001-02, including a modest cost of living adjustment for current staff. Law Library staff will need to continue carefully monitoring their budget and the trustees may need to consider a further increase in the filing fees for January, 2002 if overall revenues decline or if additional expenditures are necessary. In addition, we would recommend that the County continue to defer the \$25,000 loan that was made to the Law Library in 1997 due to the Law Library's ongoing financial difficulties.

Recommendation

It is therefore Recommended that your Board accept and file this report on the California State Library Grant, the integration of the Law Library and the Public Library system and the financial status of the Law Library; authorize the Auditor Controller to make cash flow loans to the Law Library during the remainder of the 2000-01 fiscal year; and continue deferring payment of law library's outstanding loan from the County

Very truly yours,



SUSAN A. MAURIELLO
County Administrative Officer

cc: Santa Cruz County Law Library
City-County Library System
Watsonville Library
Auditor-Controller