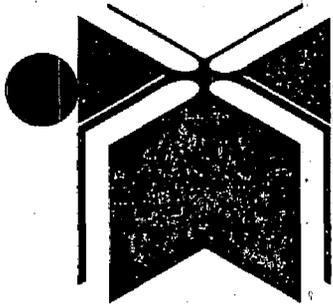


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Sacramento Public Library
and Information Service.

June 21, 1988

1010 8th Street
Sacramento, CA 95814-3576
916-440-5926

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: REPORT BACK ON VARIOUS LIBRARY COSTS

SUMMARY

This informational report is in response to several questions raised by the Budget and Finance Committee during its review of the 1988-89 Proposed Budget on May 24, 1988.

BACKGROUND

During the discussion of the Library's Proposed Operating Budget, several question were raised relative to the Library operating costs. Specifically, the Committee was interested in statistics related to shared costs with the County, expenditures on books, and cost comparisons of the on-line public access catalog.

FINANCIAL

The City and County have shared administrative costs for roughly twenty years. In general, all administrative functions are shared and all individual branch costs are paid for by the respective jurisdictions. The agreement specifies various percentage distribution of costs base on the type of administrative function. The exhibit below details the prior two complete years with the composite percentage share of the administrative costs.

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	<u>1985-86</u>		<u>1986-87</u>	
City	\$1,002,889	42.1%	\$1,012,241	42.1%
County	1,378,792	57.9%	1,391,850	57.9%
	-----	-----	-----	-----
	\$2,381,681	100.0%	\$2,404,091	100.0%

Although reading materials are not part of cost sharing formula and are purchased separately, the public may obtain any book throughout the system. The City and the County spend nearly the same per capita for reading material (\$2.13, \$2.25 respectively). The reading material expenditures and percentage change by each jurisdiction are totaled below. For comparison purposes, the inflation rate is expected to be roughly 5%.

	<u>1987-88</u>	<u>1988-89</u>	<u>% Change</u>
City	\$ 713,051	\$741,775	4.0%
County	1,416,548	1,501,541	6.0%
	-----	-----	----
	\$2,129,599	\$2,243,316	5.3%

The Committee also requested cost information relative to the new stand alone catalog database (CD-ROM Compact Disc - Read Only Memory) versus the on-line public access system. The CD-ROM disc places catalog information on microcomputers for use by the public and staff. User-friendly software programs allow the public to easily research authors, titles, and subjects. Because it is not an on-line system, the CD-ROM does not contain information on the status of the availability of books throughout the library system.

The cost of the CD-ROM microcomputer with the capacity to hold the library's catalog database costs approximately \$1,700 per microcomputer. New catalog editions (twice annually) costs \$25,000 per year (\$140 per station) plus \$200 annually per station for CD-ROM disks. For thirty stations at the new Central Library, the initial cost will be \$51,000 with annual updating and maintenance costing \$16,120.

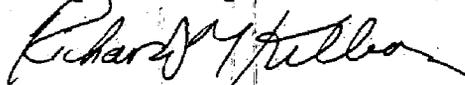
On-line public access to the catalog base requires new terminals at \$750 each. To handle public access, the Library's present automated system requires a software upgrade and an upgrade or replacement of central computer hardware costing \$600,000. The per terminal cost of the upgrade would be \$4,000. In addition, the initial cost for 30 public access stations at the new Central Library is \$142,500 with ongoing costs of \$17,000.

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RECOMMENDATION

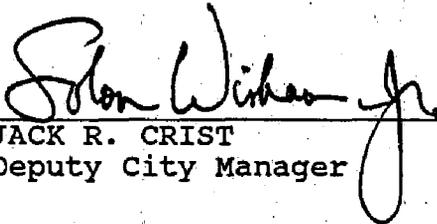
This report is for information only. No formal action is necessary.

Respectfully submitted,



RICHARD M. KILLIAN
Library Director

APPROVED FOR COMMITTEE INFORMATION:



JACK R. CRIST
Deputy City Manager

All Districts
June 21, 1988