

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

Subject: Finance & Governmental Operations Committee - 1st Quarter 2010-11 Budget Review

RECOMMENDATION

Recommendation of the Finance and Governmental Operations Committee that Your Honorable Body concur with the following recommendations:

- Accept and file the First Quarter 2010-11 Budget Review Report;
- Accept and file the City Treasurer's Investment Report; and
- Concur with staff's recommendation for the program modifications.

BACKGROUND/ANALYSIS

On Tuesday, December 14, the Finance and Governmental Operations Committee heard a presentation from staff on the First Quarter 2010-11 Budget Review.

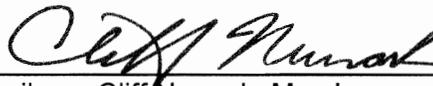
The Committee voted and accepted unanimously the First Quarter 2010-11 Budget Review Report, the City Treasurer's Investment Report, and the program modifications.

Respectfully submitted,

Finance and Governmental Operations Committee



Councilman Bill Sutherland, Chair



Councilman Cliff Numark, Member



Councilwoman Susan Rhilinger, Member

Attachments:

- A. Executive Summary
- B. City Treasurer's Investment Report
- C. Program Modifications
- D. Supplemental to the Program Modification from the Community Services Director to approve the Library Division's Consolidation Final Report

Committee Meeting of
December 14, 2010

Honorable Chair and Members
of the Finance and Governmental Operations Committee
City Hall
Torrance, California

Members of the Committee:

Subject: First Quarter 2010-11 Budget Review

RECOMMENDATION

The City Manager and the Finance Director recommend that the following items be approved by the Finance and Governmental Operations Committee and recommended to City Council for action:

- Accept the First Quarter 2010-11 Budget Review Report
- Accept the City Treasurer's Investment Report
- Concur with staff's recommendation for the program modifications

EXECUTIVE SUMMARY

Expenditures for all departments are at 24.3% (excluding operating transfers out) or at 25.4% of the year expired, including operating transfers out, which is slightly above budgetary guidelines of 25.2%.

Operating transfers out at 1st quarter, due to timing, are at 36.6%. Operating transfers are interfund transactions such as funding capital projects, equipment replacement funds, self insurance, etc. Operating transfers out at year end will be within budget. Expenditure levels at 1st quarter for 2009/10 and 2008/09 fiscal years were 22.7% and 23.2% respectively. Expenditures are tracking much tighter this fiscal year because departments' budgets have been adjusted for the October budget revisions which were retroactive to July 1. As part of the October budget revisions, year-end results for 2009-10 were included in those discussions.

A Snapshot of Torrance

Population: 149,111
Area: 21 Square Miles
1,297 Full-time Employees
6 Fire Stations
1 Police Station &
1 Police Community Center
224 Sworn Police Employees
148 Sworn Fire Employees
6 Public Libraries
47,000 Street Trees
550 Miles of Sidewalks
46 Parks & Recreation Amenities

Since revenues of the City are seasonal and some major revenues such as property and business license taxes are not realized until December and January, the revenues at 1st quarter do not provide a complete picture. Revenues received for the 1st quarter totaled 12.6% of budget, are slightly higher when compared to 12.1% for the 2009-10 fiscal year and is within budget estimates. As the economic recovery continues, revenue streams to the City should continue to improve.

Two of the three "core" revenues, sales tax and utility users' tax, are tracking with budget estimates. The "true-up" payment for 2nd quarter sales tax (July thru September sales) will not be received until late December. Sales receipts to date are 10th's of a percent above budget estimates. Utility Users' Tax (UUT) receipts are within 1% - 1.5% of budget estimates. October receipts were tracking as much as 1.9% above budget estimates but preliminary November receipts are tracking about 1.6% below budget estimates. However, the cell phone industry pricing structure is changing from mobile phone to data transferring and downloading with the end result of reducing UUT collections.

The first installment of property taxes, the third “core” revenue, will not be known until late December.

While “core” revenues represent about 67% of General Fund revenues, business licenses, franchise fees and occupancy taxes represent an additional 12% to 13% of General Fund revenues. Occupancy taxes thru the 1st quarter are tracking slightly above budget estimates. Business License tax receipts will begin to arrive in late January. Franchise fees - refuse haulers as of November, are tracking below last year levels by about \$40k - \$50k. Earnings on the investment portfolio is tracking below budget and given the current “Fed” policy, will most likely not be within budget at fiscal year end. Construction taxes, while volatile, is tracking 13% above budget for preliminary November receipts. Other revenues such as Fines & Forfeitures and Charges for Service are also tracking within budget estimates.

Again, 1st quarter receipts, do not provide a clear or complete picture of General Fund revenues due to the fact that the 1st installment for property taxes and the final 2nd quarter sales taxes are not finalized until the end of December, as well as license receipts for the City’s 12,000+ businesses that begin to arrive in late January.

Economy

The economy for the 1st quarter has remained relatively constant. There are positive signs that the economy is recovering. Retail sales grew approximately 7.3% year over year through September 2010. The biggest shopping day of the year, “Black Friday”, shoppers increased their purchases by 6.4% over last year and on the following Monday (Cyber Monday) consumers increased their purchases by 16% over last year. The two aforementioned indicators are signs that consumer spending and consumer confidence levels have improved from a year ago. Another positive sign is the job market, particularly the private sector where positive job gains have been reported every month this fiscal year; however, the positive job growth has not been large enough to improve the unemployment rate as it continues to remain stagnant.

The federal government’s unemployment rate for September 2010 reached 9.6%.with the State of California reaching a level of 12.4% for the same period. The State of California’s September rate of 12.4% is down slightly from September 2009 where the rate was 12.7%. The slight

decline in the rate is a welcome sign for the State. The unemployment rate for Torrance is 6.2%, well below the National, State, and County of Los Angeles averages.

Neighboring cities such as Hawthorne, Inglewood, Carson, Gardena and Santa Monica’s unemployment rate are not as fortunate and are more in-line with the State and National rate.

September Unemployment Rate	2010	2009	2008
Los Angeles County	12.4%	12.7%	7.8%
Carson	12.5	12.8	7.9
Gardena	11.6	11.9	7.3
Glendale	10.8	11.1	6.8
Hawthorne	16.0	16.4	10.8
Inglewood	15.4	15.8	9.9
Santa Monica	10.8	10.5	6.4
Torrance	6.2	6.4	3.8

Budget Rebalancing

The 2010-11 budget was rebalanced through \$14.5 million in structural budget adjustments. \$8.9 million of the budget adjustments were incorporated in the June 2010 budget adoption and an additional \$5.6 million of adjustments were adopted in October 2010. The adjustments included eliminating 42.4 positions (vacant), some fees were increased and other non-wage reductions.

The majority of the budget revisions have been implemented. The outstanding items and their status is detailed in the chart to the right.

Budget Revisions - Outstanding	
Item	Status
Conversion of Fire Battalion Chief to Ops. Manager (2 yr funding expectation)	Pending
Conversion of Fire Captain to Sr. Business Mgr. (2 yr funding expectation)	Pending
Deletion of 2 Fire Engineers	Pending
Deletion of Central Services Coordinator	Pending
Deletion of Airport Operations Supervisor	Pending
<u>Energy savings from projects</u>	
Replace illuminated street signs with reflective signs	Anticipate council item with recommendations in January 2011.
Lighting retrofits	In design. Will advertise for bid in January 2011.
Solar pool heating	Design contract award in January 2011
Irrigation controls	Verifying usage data prior to finalizing request for proposal. Design contract award in February 2011.
Cable HVAC and roof	In design. Will advertise for bid in March 2011.
Low flow plumbing fixtures	Verifying replacement fixtures to finalize project specifications. Will advertise for bid in March 2011
East Annex chiller/cooling tower	In design. Will advertise for bid in April 2011.
Various HVAC	In design. Will advertise for bid in June 2011.
<u>Energy savings from Energy and Conservation Block Grant</u>	
Public Works HVAC	In design. Will advertise for bid in January 2011.
Street Safety Lights Parking Lot Lighting	In design. Will advertise for bid in February 2011.
<u>Employee PERS city payment phase out</u>	
Miscellaneous employees	<ul style="list-style-type: none"> • Contract approval by Exec./Mgrs./TPSA/TPPREO • Pending approval by Engineers and Fiscal • Negotiations ongoing with AFSCME (TME, TLEA & Crossing Guards) and TCEA.
Police employees	Pending employee group negotiation resolution. Contract expires 12-31-11
Fire employees	Pending employee group negotiation resolution. Contract expires 12-31-11.
SGC Sustainable Communities Planning and Incentive Grant	Grant funding has not been awarded. Feedback was received to strengthen application for next round of funding.

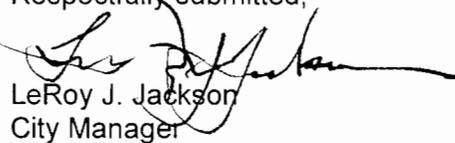
Program Modification Requests

- Communications & Information Technology – Email Archival and Storage Project. Cost – neutral. One time costs of \$85,000 and annual costs funded through existing departmental funds.
- Community Services – Having adult sports program league umpire/referees be paid by the City instead of directly from participants. Cost neutral – \$140,388 costs offset by charging a fee for umpire/referees.
- Community Services – Library Division Consolidation. Cost neutral.
- General Services – Appropriating funds for emergency and urgent facility repairs and equipment at the Cultural Arts Center through City Manager approval. Cost - \$50,000 funded from Cultural Arts Center Enterprise Fund balance

The information from the 1st Quarter Budget Review reflects that the economy has stabilized and growing, albeit slowly. Overall, 1st quarter financial results are within budget tolerances and staff recommends maintaining current budgetary policies by only filling critical positions and carefully monitoring all departmental expenditures. Whether revenues in the General Fund that are performing better than budget continue their trend to offset investment earnings, only time (additional quarters) will determine.

Staff is planning to return to the Council in February with a more comprehensive revenue update which would include additional property tax information, sales tax for 2nd quarter and preliminary 3rd quarter, and State vehicle license fees as well as triple flip sales tax figures.

Respectfully submitted,



LeRoy J. Jackson
City Manager

Budget Revisions Implemented

Revisions – July Budget Adoption		
Department	Revision	Amount
City Attorney	Delete 0.5 Deputy City Attorney I position	(62,000)
	Under-fill 2.0 Deputy City Attorney positions	(62,400)
City Manager	Postage savings from posting Season's catalog on-line only	(29,000)
	Reduction in pre-council meeting expense for staff	(4,500)
	Alternate funding for Rose Parade Float (one-time funded in 2010-11 & 2011-12)	(132,000)
	Under-fill Sr. Management Asst.	(13,100)
	Reduction in community non-profit grants (50% reduction)	(20,000)
	Reduction in Council travel	(14,000)
Community Services	Realignment of supply room functions	(16,000)
	Combination of registration desk with information desk	(11,000)
	Wild Wednesdays - elimination of program	(13,000)
	End support for portable restrooms at school sites	(14,000)
	Deletion of 0.7 Sr. Recreation Leader position	(19,500)
	Deletion of 1.0 Library Asst. I position	(71,000)
	Reduction of Concerts in the Park	(16,000)
	Elimination of Oodles of Noodles event	(16,500)
	Elimination of Independence Day celebration	(50,000)
	Reduction of Aquacade	(2,500)
	Recovery of short term permits in Parks and Recreation	(21,000)
	Community Development	Traffic calming budget reduction
Reallocate 20% of Housing Supervisor position to Housing Fund		(20,000)
Reduction of Housing overtime		(10,000)
Reallocation of positions in Redevelopment Program		(50,000)
Deletion of 1.0 Public Works Inspector (50% reimbursed by projects)		(60,500)
Deletion of 1.0 Building Inspector position		(111,000)
Deletion of 1.0 Engineering Technician I position		(85,000)
Deletion of 1.0 Building Permit Technician position		(81,500)
Alternate funding for Environmental Fair (Water/San. Fund)		(6,500)
Comm. & Info. Tech.		Savings and efficiencies yielded from virtual server project
	Extend the PC replacement cycle from 5 to 7 years	(92,500)
	Extend telephone replacement cycle from 10 to 15 years and network cable from 15 to 20 years	(147,000)
	Reduction in Data Comm. Budget - 3 years of lower telephone and support costs	(7,000)
	Reduction in telephone system maintenance	(110,000)
Departments	Hold City Yard Open House every other year	(25,000)
	Employee energy conservation	(25,000)

Revisions – July Budget Adoption (cont'd)		
Finance	Reduction in overtime	(14,000)
	Deletion of 1.0 Account Clerk position	(77,000)
Fire	Reduce overtime for the Independence Day Celebration	(10,000)
	Reduce demonstrations at Southern California Regional Occupation Center (SCROC) for Fire Services Day	(11,000)
	Extend non-emergency vehicle life by one year	(8,500)
	Reduce 2.0 Driver/Aides (Fire Fighters) to fill current vacancies/convert 1.0 to 40 hr	(357,000)
General Services	Reduce/eliminate color printing	(5,000)
	Deletion of 1.0 Sr. Custodian position	(83,500)
Human Resources	Reallocation of Worker's Comp. Examiner	(35,000)
	Reduction in department overtime	(15,000)
	Reduction in Service Award Dinner	(10,000)
	Eliminate printing of Info Bits (post on TEN)	(12,000)
	Eliminate mailing of Annual Benefits Summary Statement	(500)
	Deletion of 1.0 Sr. Admin. Assistant position	(95,000)
	Deletion of 1.0 Personnel Technician position	(82,000)
Non-Departmental	Non-expansion of wages and materials for 2009-10 & 2010-11	(3,750,000)
	Eliminate Manager's workshop for 2011	(9,500)
	Defer increase to Self Insurance Fund	(300,000)
	Advanced Life Support (ALS) without paramedic escort revenues in excess of the cost of phasing out the hazardous material positions	(280,000)
Police	Armed Forces Day Parade	(30,000)
	Reduction in police overtime	(150,000)
	Elimination of 1.0 police vehicle	(13,000)
	Reduction in County Animal Control contract	(5,000)
	Honda vehicle donation to Police	(34,000)
	Elimination of Independence Day Celebration- Police overtime	(65,000)
Public Works	Street sweeping - elimination of night shift route	(14,000)
	Deletion of 1.0 Cement Finisher position	(94,700)
	Deletion of 1.0 Equipment Operator position	(83,900)
	Deletion of 1.0 Maintenance Worker position	(65,100)

Revisions – Revenues – July Budget Adoption		
Department	Revision	Amount
Community Services	Increase class fees	152,000
	Increase picnic fees at additional parks	10,000
	DVD rental and late fees	15,000

October Revisions		
Department	Revision	Amount
<u>I. Internal Adjustments</u>		
Non-Departmental	Increase Gas Tax Transfer to Public Works Operations	(200,000)
	Reduction in transfers to Self Insurance	(200,000)
	Reduction to Park & Rec. Fund Subsidy	(250,000)
	Retiree Health	(1,000,000)
	Tax Revenue Anticipation Notes	(500,000)
<u>II. General Employee Position Reductions</u>		
City Attorney	Deletion of 1.0 Deputy City Attorney II (less \$33,300 for contract services)	(141,700)
	Deletion of 1.0 Legal Secretary position	(89,000)
City Manager	Deletion of 1.0 Intern position	(40,000)
Community Services	Transfer of 1.0 Maintenance Worker to Public Works	(65,000)
	Deletion of 1.0 Typist Clerk from Park Services	(63,900)
	Remove 2010-11 funding for 1.0 Library Asst. I	(71,000)
Finance	Deletion of 1.0 Buyer position	(90,000)
	Remove 2010-11 funding for 1.0 Accountant	(101,700)
General Services	Remove 2010-11 funding for 1.0 Custodian	(61,500)
Human Resources	Deletion of 1.0 Typist Clerk from Rideshare	(63,900)
Public Works	Deletion of 3.0 Maintenance Workers offset by transfer in of 1.0 from Community Services	(130,000)
	Downgrade 1.0 Public Works Supervisor to Lead Maintenance Worker	(40,000)
	Deletion of 1.0 Associate Engineer	(160,000)
	Remove 2010-11 funding for 1.0 Maintenance Worker	(65,000)
<u>III. Public Safety Department Reductions - Police Department</u>		
Police	Deletion of 1.0 Public Safety Communications Supervisor	(115,500)
	Deletion of 1.0 Secretary	(77,000)
	Deletion of 1.0 Police Services Officer	(87,500)
	Reduction in TUSD Overtime	(34,000)
	Deletion of 4.0 Police Officers (in lieu of 6 mo. raise)	(760,000)
	Delay Police Captain promotion by 3 months	(89,000)
	Delay Police Lieutenant promotion by 4 months	(94,000)
<u>IV. Public Safety Department Reductions - Fire Department</u>		
Fire	Deletion of 1.0 Operations Specialist (Fire Fighter w/40 hr. prem.)	(178,500)
	Remove 2010-11 funding for 1.0 Fire Prevention Officer	(120,000)

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COMMITTEE MEETING
December 14, 2010

Honorable Chair and Members
of the Finance & Governmental Operations Committee
City Hall
Torrance, California

The Treasurer's Office and the Investment Advisory Committee have set out to develop and implement investment procedures that insure the City's investment objectives of a high degree of asset safety, an adequate liquidity to meet operating and capital expenditure needs and a reasonable return of the City's investment assets given the City's foremost goals of safety and liquidity.

Investment Summary

As of September 30, 2010 total Pooled Funds (Investment Portfolio) was \$152.4 million.

As of September 30, 2010 the total Restricted Funds were \$148.7 million made up of the following categories:

a. Debt issue proceed	\$ 10.0 million
b. Deferred Compensation	
1) 457	\$ 124.2 million
2) 401(a)	\$ 6.2 million
c. Retirement Health Savings plan	\$ 3.4 million
d. Public Agency Retirement Services plan	\$ 4.9 million

The pooled Funds consist of surplus funds invested and managed directly by the City Treasurer. To date the fund has generated year-to-date interest earnings of \$743,000 and the effective rate of return equaled 1.86%.

The restricted funds, made up of the debt issue proceeds, Deferred Compensation funds, Retirement Health Savings Plan and the Public Agency Retirement Services Plan (PARS) are invested accordingly:

- 1) Debt issue proceeds are invested through a trustee appointed under the Debt Trust Indenture. The funds are invested at the direction of the City Treasurer.
- 2) Deferred Compensation fund is managed by a third party administrator - Great West Life. Investment options made available to the participants are selected and approved by the Deferred Compensation Committee. The fund is a self-directed program. Participants have the ability to direct their contributions among several different investment options.

- 3) The Retirement Health Savings Plan is managed by a third party administrator – ICMA Retirement. Investment options are made available to the participants and are selected by ICMA Retirement. Participants can direct their contributions among several different investment options.
- 4) Public Agency Retirement Services Plan is managed by a third party administrator – Public Agency Retirement Services. The funds are managed and invested by the Trustee of the plan at the direction of the Plan Administrator per the plan document which has been designated to the City Treasurer.

NOTE: The Deferred Compensation plans, the Retirement Health Savings Plan, and the Public Agency Retirement Services Plan are held in Trust for the benefit of the participant or their beneficiaries and are not assets of the City of Torrance.

Investment Forecast

The Federal Reserve Board will continue to promote economic recovery and to preserve price stability. Federal Open Market Committee (FOMC) in November expressed they would continue maintaining their existing policy of reinvesting principal payments from its security holdings. In addition, the Committee intends to purchase a further \$600 billion of long term Treasury securities by the end of the second quarter of 2011, a pace of about \$75 billion per month known as QE2. This is all being done in an effort to bolster economic growth that to date has been slow at best. The desire is to improve unemployment levels that continue slightly below 10%, encourage further manufacturing expansion, stabilize the housing market and improve consumer confidence which would further fuel economic growth. QE2 will prolong exceptionally low rates for an extended period time that may reach out to 2012.

GASB 31 Impacts on Investments

GASB 31 took effect June 1997. The intent of GASB 31 is to bring to light potential liquidity problems by requiring municipalities to mark to market their securities with a maturity greater than one year. This paper gain or loss must be booked against investment earnings at year-end.

One way to avoid the gain/loss issue is to limit all purchases to maturities of less than one year. This condition would then preclude a market valuation and allow investments to be carried on a book value basis. This situation could reduce earnings potential in the loss of yield that a security with a longer term would usually offer.

Within our investment policy we adhere to a buy and hold philosophy. Therefore, our current strategy will not change in light of GASB 31. We will continue to invest the portfolio out along the yield curve. At the same time we keep enough liquidity to meet current and future obligations.

At the present time the monthly investment report tracks all securities by listing the face value, book value and market value. The portfolio paper gain or loss is the difference between book and market value. The unrealized gain/loss is noted monthly even though it is not physically applied to earnings until year-end.

Investment Strategy

For the past three months, several securities have been called and re-invested at a much lower interest rate due to the existing market environment. The average yield to maturity on purchases made over the last three months was 1.859%.

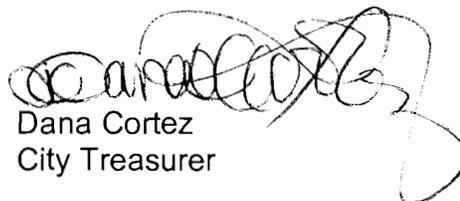
Strategically, we will continue to place money out in the market. Although an economic turnaround is believed to be eminent, it is not our intent to change our objectives of matching purchases with cash flow needs. We will continue to place investments out on the yield curve to take advantage of a higher rate of return with funds that are not needed on the short term.

To be consistent with the City's objectives of high degree of asset safety, all investments will be invested in high quality rated instruments or those guaranteed by the "full faith and credit" of the government.

Recommendation

Accept and file the 1st Quarter Report.

Respectfully submitted,



Dana Cortez
City Treasurer

~~Noted~~



LeRoy J. Jackson
Investment Committee Member

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Committee Meeting of
December 14, 2010

Honorable Chair and Members
of the Finance and Governmental Operations Committee
City Hall
Torrance, California

SUBJECT: Communications and Information Technology - Appropriation of \$85,000 to the Email Archival and Storage Project.

Expenditure: \$85,000

RECOMMENDATION

Recommendation of the Information Technology Director that City Council approve an appropriation of \$85,000 from the PC Replacement fund balance to be used for the Email Archival and Storage Project.

FUNDING

Funding is available in the PC Replacement Fund Balance. Ongoing application maintenance and replacement costs will be covered by current operating budget.

BACKGROUND AND ANALYSIS

Email communication is a large part of City communications between employees, vendors, and citizens. The City currently does not archive email at a central location. Employees are individually requested to archive and save messages based on retention requirements. When the City is notified of a legal electronic discovery to preserve emails, the City currently does not have an efficient method. IT staff must spend a large amount of time to retain tapes, restore files, locate personal email data stores, and search for information. Time spent on electronic discovery delays IT support and projects. Many companies and cities are archiving emails for at least 13 months to meet guidelines set by Government code 34090.6. The City's Police department already has a 13-month archival system for their email server. The City will gain many benefits with a centralized email archival system that will reduce the amount of staff time needed to comply with an electronic discovery request.

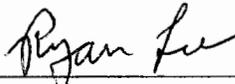
The current email tape backup system met the requirements for an email disaster backup and recovery tape system but it wasn't designed for e-discovery and archival capturing and retrieval of email content.

If the City continues with its current disaster/recovery designed backup/archival tape system, then the City will remain limited in its ability to easily respond to electronic discovery requests. There is always a possibility of the City being deemed non-compliant in Federal Court due to the known limitations of the current manually intensive tape backup and recovery system.

For these reasons, it is the recommendation of the Information Technology Director that City Council approve an appropriation of \$85,000 from the PC Replacement fund balance, to be used for the Email Archival and Storage Project.

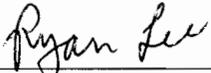
Respectfully Submitted,

RICK SHIGAKI
Information Technology Director

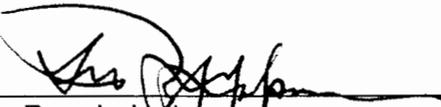
By 

Ryan Lee
Information Technology Manager

CONCUR:



for Rick Shigaki
Information Technology Director



LeRoy J. Jackson
City Manager

Attachment: A) Email Archival and Storage FEAP

City of Torrance

FEAP Project Request Form

Type of Project:

Equipment
 Automation
 Infrastructure
 Facilities
 Other

Requesting Department:

Communications and Information Technology

Managing Department:

Communications and Information Technology

Project Leader: Ryan Lee

Project Location:

City Hall Data Center

Project Title:

Email Archival and Storage

Project Start Date: 1/1/2011

Estimated Completion Date: 6/30/2011

Description:

This project consists of the purchase and implementation of a centralized email archive and storage system.

The archive system will:

1. Ensure archive completeness for all emails received by the email server.
2. Provide efficient and reliable storage of messages for 13 months.
3. Ensure security and integrity of messages in the archive.
4. Provide immediate access to archived data for authorized users onsite and offsite.
5. Consolidate and expedite email content backups (including personal archive files).

Justification:

Email communication is a large part of City communications between employees, vendors, and citizens. The City currently does not archive email at a central location. Employees are individually requested to archive and save messages based on retention requirements. When the City is notified of a legal electronic discovery to preserve emails, the City currently does not have an efficient method. IT staff must spend a large amount of time to retain tapes, restore files, locate personal email data stores, and search for information. Time spent on electronic discovery delays IT support and projects. Many companies and cities are archiving emails for at least 13 months to meet guidelines set by Government code 34090.6. The City's Police department already has a 13 month archival system for their email server. The City will gain many benefits with a centralized email archival system that will reduce the amount of staff time needed to comply with an electronic discovery request.

Impact of Non-Approval:

The current email tape backup system met the requirements for an email disaster backup and recovery tape system but it wasn't designed for e-discovery and archival capturing and retrieval of email content.

If the City continues with its current disaster/recovery designed backup/archival tape system, then the City will remain limited in its ability to easily respond to electronic discovery requests. There is always a possibility of the City being deemed non-compliant in Federal Court due to the known limitations of the current manually intensive tape backup and recovery system.

Other Alternatives Considered:

Outsourcing email services and archival of data offsite is structured on a monthly subscription service fee. This is more costly and security in outsourcing City data is always an issue.

Project Costs**Estimated Project Implementation Cost (ONE TIME COSTS)**

	Within Dept	Support Dept.	Comments:
Personnel Requirements # of Positions			
Labor Costs:	\$	\$	
Per Comp Detail Report-Total Date of Comp Detail Report <u>MM/DD/YY</u>			
Equipment	\$ 65,000	\$	
Materials	\$	\$	
Professional and contract services	\$ 20,000	\$	
Other:	\$	\$	
Other:	\$	\$	
TOTAL	\$ 85,000	\$	

Estimated Annual Ongoing Operating and Maintenance Costs

Not Applicable

	Within Dept	Support Dept.	Comments:
Personnel Requirements # of positions			
Annual Labor Costs:	\$	\$	
Per Comp Detail Report-Total Date of Comp Detail Report <u>MM/DD/YY</u>			
Materials	\$	\$	
Equipment	\$	\$	
Professional and contract services	\$	\$	
Other: PC Replacement Fund	\$	\$	
Other:	\$	\$	
Other	\$	\$	
TOTAL	\$	\$	

Project Time Line

Fiscal Year Ending June 30

Description
 Survey/Design
 Plans/Specifications
 Purchase/Construction
 Other: _____

2008-09	2009-10	2010-11	2011-12	2012-13
		X		
		X		
		X		

Project Financing

Fiscal Year Ending June 30

Financing Source

PC Replacement Fund

TOTAL COST

2008-09	2009-10	2010-11	2011-12	2012-13	TOTAL
		\$ 85,000			\$ 85,000
		\$ 85,000			\$ 85,000

Requested by: <i>Ryan Lee</i> for Richard Shigaki - CIT	December 2, 2010
Department Head	Date

Department Priority # :	High	Medium	Low
	X		

Type an X in the box if project is:
 High, Medium or Low

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City Council Finance and Governmental
Operations Committee
City Hall
Torrance, California

Members of the Committee:

SUBJECT: Community Services - Approve an increase in the FY 2010-11 Budget for the Adult Sports program league umpire/referee costs.

Expenditure: \$140,388

RECOMMENDATION

Recommendation of the Community Services Director that City Council approve an increase in the FY 2010-11 budget for the Adult Sports Program league umpire/referee costs in an amount not-to-exceed \$140,388.

Funding

Funding is available in the 2010-11 Parks and Recreation Enterprise Fund Budget and will be offset in full by additional fees.

BACKGROUND

The Community Services Department, Recreation Services Division contracts with professional, certified umpires and referees for Adult Sports League Basketball and Softball programs. Adult Sports program team registration fees are paid before the season begins at the time of team/participant registration. Historically, however, in addition to the registration fee each team paid referees/umpires in cash directly before each game.

In an effort to be more efficient and to ensure accountability and transparency, staff implemented a pilot program that consolidated the registration and umpire/referee fees into one team fee paid at the time of program registration. Umpires and referees were then paid by the City.

ANALYSIS

The increase in team fees paid at the time of registration is simply the registration fee plus the total fees that would be paid by them to umpires/ referees at each of their games. The increased expense to the City is completely offset by the additional fees.

The results of the pilot program have been successful. While staff initially feared that the increased front end costs might negatively affect registration, there has been no impact to the total number of teams registering for Basketball or Softball Leagues.

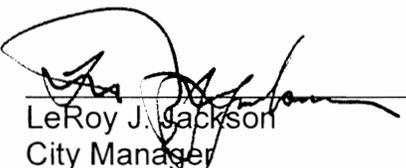
Therefore, it is the recommendation of the Community Services Director that City Council approve the new policy and increase the appropriation in their expenditure and revenue budgets by \$140,388 for Fiscal Year 2010-2011.

Respectfully submitted,

By 
Richard Brunette
Recreation Services Manager

CONCUR:


John Jones
Community Services Director


LeRoy J. Jackson
City Manager

Attachments: A. Program Modification Sheet
B. Umpire/Referee Fees

**CITY OF TORRANCE
PROPOSED PROGRAM REVISION**

Department: Community Services/Rec. Serv. Div. - Adult Sports

Fiscal Year 2010-11

Program Name/Number	Proposed Change	Amount
Revenue account: 6902-93-9305-930531-1692	Increase expense budget for Adult Sport Program league umpire/referee costs. The increase in expenses	\$140,388
Expense account: 6902-93-9305-930531-3916	is completely offset by team/participant fees paid at the time of team/participant registration.	
Has this program change been submitted before?		No <u> X </u> Yes <u> </u> Year(s) <u> </u>
Degree of impact in meeting City and Department Goals, Objectives and priorities:		High <u> X </u> Medium <u> </u> Low <u> </u>

Impact Statement

(Must include the following information: 1). Space allocation for additional personnel; 2). Time frame for hiring additional personnel (coordinate with Civil Service); 3). Effect on other Departments (such as increased custodial services or increased vehicle maintenance; coordinate with impacted department)

The Community Services Department Recreation Services Division contracts with professional organization certified umpires and referees for Adult Sports basketball and softball programs. Team registration fees have traditionally been paid before the beginning of a season at the time of team/participant registration. In addition to the registration fee, referees/umpires were traditionally paid cash directly by each registered team at each league game. In an effort to be more efficient and to ensure accountability and transparency, staff recommend consolidation of the two fees into one all-inclusive participant/team fee, comprised of the team registration fee and umpire/referee fees for the season, from which the umpires and referees will be paid by the City. It is important to understand that no participation/team fees are being increased. The registration and umpire/referee fees for the season are simply being combined with the registration fee into one fee to be paid at the time of team registration.

1). There is no addition of new personnel therefore there will be no need for additional space allocation. **2).** No additional personnel are being added. **3).** The only effect to other Departments will be an increase in the number of checks issued by Finance to pay the league referees and umpires on a bi-monthly or monthly basis. The **\$140,388** increase to the expense budget will be completely offset by revenues from team/participant fees being collected. Of this, approximately **\$58,548** is for **Adult Basketball** and **\$81,840** is for **Adult Softball**.

Other Alternatives Considered - An alternative could be to continue to have teams pay referees and umpires at each individual league game. However staff does not believe this is the best practice and by implementing the new procedures as explained, it will make it easier on the teams/team managers by not having to come up with cash at each individual game and it guarantees the legal payment of the referees/umpires and that associated income taxes, etc. are reported.

Impact of Non-approval - The impact of not approving this would be to force the continuation of the current system with teams/participants paying fees at the time of registration and then paying referees/umpires in cash at each individual league game.

\$140,388 Priority No. 1

City of Torrance
Community Services Department
RECREATION DIVISION

**ADULT SPORTS PROGRAM
UMPIRE & REFEREE FEES FOR FY '10-11
EXPENSE & REVENUE**

EXPENSES for Umpires & Referees:

BASKETBALL REFEREES:

	WINTER			SUMMER			FALL		
	# of Games X Fees Per Games = Total Fees Per Games Per Season								
Referee Fees	294	\$66	\$19,404	295	\$66	\$19,470	295	\$66	\$19,470
	4	\$17	\$68	4	\$17	\$68	4	\$17	\$68
			\$19,472			\$19,538			\$19,538
SubTotal for Adult Basketball: \$58,548									

SOFTBALL UMPIRES:

	WINTER			SUMMER			FALL		
	# of Games X Fees Per Games = Total Fees Per Games Per Season								
Umpire Fees	578	\$31	\$17,918	1031	\$31	\$31,961	1031	\$31	\$31,961
SubTotal for Adult Softball: \$81,840									

TOTAL (Basketball & Softball): \$140,388

REVENUES Registration and Fees for Umpires & Referees:

FEES COLLECTED FROM TEAMS			
# of Teams X Team Fee (Registration & Official)	Registration Fee + Ump/Ref Fees = Subtotal		
BASKETBALL(3 seasons): 138 teams X \$715 per team	\$40,082	\$58,548	\$98,630
SOFTBALL(Summer & Fall): 350 teams X \$600 per team	\$146,078	\$63,922	\$210,000
SOFTBALL (Winter): 160 Teams X \$340 per team	\$36,482	\$17,918	\$54,400
	\$222,642	\$140,388	\$363,030
		TOTAL:	\$363,030

City Council Finance and Governmental
Operations Committee
City Hall
Torrance, California

Members of the Committee:

SUBJECT: Community Services – Approve the Library Division
Consolidation Final Report

RECOMMENDATION

Recommendation of the Community Services Director that the Council Finance and Governmental Operations Committee approve the Library Division Consolidation Final Report and authorize the Library Division to:

- a) Establish a second Principal Librarian position (Operations Manager) equivalent to the current Principal Librarian in charge of public services; and
- b) Fund the position through the deletion of one (1) Senior Librarian and one part-time (0.5) Junior Library Clerk I.

Funding

No additional funding required.

BACKGROUND

In 2005, the City Council approved a recommendation proposed by the City Manager to implement a *Community Services Department* through a consolidation of the former Parks and Recreation and Library Departments. One of the outcomes of the consolidation was the phased elimination of several key administrative positions from the Library: the Department Head (City Librarian), and a Library Services Manager position. The incumbent City Librarian retired on December 16, 2004, and the Library Services Manager retired in mid-September 2009.

At the time of the consolidation, new positions were established to streamline operations and effect organizational efficiencies. With the Library Department becoming a division, responsibility for overall management of library services was assigned to a Division Head (still titled City Librarian), and a new position was created to oversee the public services functions of the division - Principal Librarian in charge of Public Services. The recently retired Library Services Manager continued to oversee the internal operations of the Division (e.g., automation, electronic services, and technology planning; support services,

facility management; budget; safety; and supervision of the Katy Geissert Civic Center Library).

At the May 25, 2005 City Council meeting, the Council approved a review period to allow the Community Services Director to form a department subcommittee to study the appropriate classification level of the Principal Librarian position, and to investigate the potential need for two Principal Librarian positions instead of one (once the Library Services Manager retired). After the review, the committee would make a final recommendation to Council, complete with a funding strategy, for any necessary adjustments to the long-term structure of the Torrance Public Library.

ANALYSIS

In January 2009, a Consolidation Committee comprised of Library Division supervisors (Senior Librarians and Supervising Librarians), and Community Services Department administrators (Community Services Director, City Librarian, Library Services Manager, Principal Librarian, and the Senior Business Manager) was convened to review the Council-approved Consolidation Plan and to solicit/study organizational structure options pending the retirement of the Library Services Manager. In addition, this Committee solicited, reviewed, and considered a variety of efficiency suggestions generated by *all* Library staff for budget reduction scenarios, as well as for short-term and long-term strategies for organizational effectiveness.

Two major options were considered to address the retirement of the Library Services Manager:

Option A:

Library Services Manager retires – All tasks and responsibilities are assumed by subordinates (Option A was an element of the original consolidation plan proposed by the City Manager in 2005).

Option B:

Library Services Manager retires - Create a *second* Principal Librarian position, similar and equivalent to the Principal Librarian of Public Services, that would primarily be responsible for internal operations.

After a thorough review of similar-sized municipal library systems within Southern California, the Consolidation Committee determined that the Library Services Division operated effectively utilizing the Library Services Manager position (duties outlined in Attachment A), and would operate most efficiently continuing to use the services of a second manager (Principal Librarian) to act as the internal operations manager (Attachment B). Attached are Organization Charts (Attachments C & D) that display the proposed Principal Librarian - Operations addition.

Without a second Principal Librarian, oversight of all support services functions would by necessity be distributed among multiple managers/supervisors at varying levels within the organization. This approach would be disjointed and inefficient and severely impede

workflow, delay important technology improvements, and likely result in the eventual elimination of public services and programs, as present managers could not assume more responsibilities. Further, it would not be feasible or advisable for the current Principal Librarian or City Librarian to assume direct supervision of the additional Senior Librarian personnel in addition to their current tasks and responsibilities.

With the decision to create a second Principal Librarian position, the Consolidation Committee set about identifying a funding strategy that would not require additional funding to support this proposal. It should be noted that the Committee felt that none of the alternatives suggested represent the optimal configuration for the Division, nor completely fund the entire amount of money needed without some negative effects on public service. However, the Committee made every attempt to preserve the integrity of the Library Division within the budget limitations imposed and has sought to identify as many savings/efficiencies as possible.

One of the organizational efficiencies implemented was the integration of Audiovisual Department staff into corresponding functional areas of the Library. Personnel from the AV work unit were reassigned to work within areas that utilize employees that perform the same basic job functions and tasks; for example, the Audiovisual Department Library Pages were reassigned to the Circulation Department to perform shelving and check-in duties, the Junior Library Clerk I (JLCl) was reassigned to the Technical Processing area, the Audiovisual Library Assistant I (LA I) was reassigned to the Support Services Division, etc. Reassigning these employees as part of a larger pool of workers has led to greater efficiency in workflow, more flexibility in staff coverage, and has facilitated cross-training at a time when staff resources have been reduced.

The funding options below were identified as the most viable of the proposals studied:

Funding Strategy #1

Delete a vacant Senior Librarian position and assign a current Senior Librarian to supervise two branches; delete one part-time (0.5) Junior Library Clerk 1 position.

Delete Senior Librarian (Branch Senior Librarian)	\$118,500
Delete part-time (0.5) Junior Library Clerk I	<u>17,250</u>
	\$135,750
Funds needed (Principal Librarian with benefits)	\$130,000

Narrative/Impact Statement:

Presently, the Library operates five branch libraries but employs only four Senior Librarians to manage the five facilities; thus, one Senior Librarian is currently assigned the supervision of two branches. While this is not an optimal situation, previous budget cuts post-Proposition 13 necessitated shifting supervisory staff to cover areas of highest need with the result that Walteria and El Retiro Libraries were supervised by the same Senior Librarian. To insure daily operations were maintained at a high level of public service at both locations, a *Supervising Librarian* position was established at El Retiro. The Supervising Librarian position is assigned from the Librarian classification and any of

its three sub classifications: Youth Services Librarian, Reference Librarian, or Librarian Cataloger may qualify for the position.

Funding strategy #1 is dependent on a *second* Senior Librarian assuming supervision of two branch libraries. Because of activity levels and geographic distances, the present assignments for dual supervision would most likely shift to the following configuration:

- ⇒ **Southeast/Walteria** (would need to identify and reassign staff to assume the Supervising Librarian position)
- ⇒ **Henderson/El Retiro** (Supervising Librarian already assigned to El Retiro)

North Torrance Library is extremely busy (it and Henderson Library have the highest activity levels in the branch library system) and it is located further away from other branches. It would not be desirable for one Senior Librarian to supervise both of these very challenging locations.

The Library would need to assign a Supervising Librarian to staff a branch (most likely Walteria) where the Senior Librarian would more often be absent. This Supervising Librarian would be reassigned from one of the Library's present Librarian positions and such re-assignment would have direct negative impacts on public service regardless of whether a Youth Services or Reference Services Librarian was selected.

Reassigning a Youth Services Librarian from Katy Geissert Civic Center Library would result in the elimination of morning and weekend programming as sufficient personnel would not be available to simultaneously staff the Youth Services Reference Desk and conduct library programs. Other operations affected would be the cataloging and processing of Youth Services materials resulting in delayed access to new materials, and cutbacks to, or curtailment of, the Library's school relations and outreach services to Torrance Unified School District and other educational institutions.

The impact of reassigning a Reference Librarian to a branch Supervising Librarian would have equally negative consequences; for example the Library would be required to reduce the number of hours the Reference Desk was staffed, as well as affect staff's ability to effectively select and maintain portions of the materials collections thereby limiting availability and accessibility of items. Public programming and outreach activities would also be greatly reduced.

If funding strategy #1 is chosen, there would need to be appropriate compensation for the Supervising Librarian positions. The incumbent in the current Supervising Librarian position at El Retiro Library has day-to-day supervisory responsibilities for branch operations including the provision of all public service functions (community relations and outreach, etc.), oversight for the safety and security of the facility, management of and accounting for financial transactions, assigning and scheduling work, and supervision of employees including documentation, evaluation, and discipline. While the Senior Librarian assists with broader planning and decision-making and visits El Retiro Library at least once per week, it is the Supervising Librarian that manages the ongoing workflow. This supervisory position is assigned to TLEA and supervises other TLEA members.

With the type and level of responsibilities associated with the Supervising Librarian position, it would be appropriate to assign an hourly premium over the current Librarian salary grid. Presently, there is no financial incentive for staff in the *Librarian* classification to accept such an assignment if a Senior Librarian position is eliminated and a second branch Supervising Librarian position is created. A Supervising Librarian is responsible for all day-to-day operations at the Branch Library while the Senior Librarian is not present four of the five days of service. Members of the Consolidation Committee believe that appropriate compensation for the position would help a Supervising Librarian establish authority, generate a higher level of respect from those they supervise, provide an incentive to compete for such positions, and provide career and job growth for employees who might otherwise be plateaued. Premiums have been established in other Departments to compensate individuals assigned supervisory responsibilities.

While the elimination of a Senior Librarian would provide a substantial portion of the funding required to implement a second Principal Librarian position, the remaining \$12,500 deficit would require a second staff elimination, the deletion of a part-time 0.5 Junior Library Clerk I (would be achieved through attrition).

Funding Strategy #2

Fund a Principal Librarian of Internal Operations by deleting a vacant Senior Librarian position (Support Services Supervisor) and shift all internal operations duties to the Principal Librarian; delete one part-time (0.5) Junior Library Clerk 1.

Staff Efficiencies

Delete Senior Librarian (Support Services Supervisor)	\$118,500
Delete part-time (0.5) Junior Library Clerk I	<u>17,250</u>
	\$135,750

Funds needed (Principal Librarian with benefits) \$130,000

Narrative/Impact Statement:

Following the retirement of the Library Services Manager in September 2009, the Library Division employed a variety of unique staff configurations to maintain library operations. The branch libraries underwent renovation and during the 3-month period each was closed, staff from the closed location was reassigned to the Katy Geissert Civic Center Library to fill personnel gaps. As such, critical issues that would normally result from sustaining the current Senior Librarian (Support Services Supervisor) vacancy were not fully realized because the temporarily-transferred branch Senior Librarian(s) assumed the duties of Reference Services Supervisor (RSS) in order for the incumbent RSS to perform the duties of the Support Services Supervisor.

For the past several months, Library Administration has been testing a pilot staffing configuration utilizing the Support Services Supervisor, a Senior Librarian, as an 'Operations Manager', asking the present incumbent to also assume most of the building supervision of the Katy Geissert Civic Center Library. To date, the incumbent has been successfully performing the higher level duties required of a Principal Librarian while continuing the ongoing duties that are typically performed by the Support Services Supervisor. It was necessary to shift some duties to the Librarian-Cataloger who also supervises technical operations (cataloging, barcoding, and processing of library materials) in the Support Services Division; however, a large number of high-level administrative and personnel tasks were performed by the Support Services Supervisor who, during this interim period, sought out an assignment for professional growth. This pilot staffing configuration has proven successful providing staffing efficiencies, but cannot be considered a permanent solution without the conversion of this position to a Principal Librarian position.

With the branch refurbishment project completed, Community Services Department managers and the Consolidation Committee are extremely concerned there is not sufficient administrative support staff to maintain and/or plan for the many new and ongoing automation projects the Library requires, especially if that individual is also needed to supervise the Reference function. In addition, the elimination of the Library Services Manager position has resulted in disjointed and inefficient management of the Katy Geissert Civic Center Library. Responsibility for day-to-day operations of this large facility has fallen to the City Librarian and the current Principal Librarian, with support from the Senior Administrative Assistant (Administrative Secretary).

Moreover, the Library has frequently consulted with Communications and Information Technology personnel and while CIT staff is willing to support specific projects, they are not able to perform the overall planning and direction functions the Library Services Manager was previously responsible for. Among current automation projects are the redesign of the Library's website including setting up a Wiki and FAQ section; Sirsi (the Library's integrated library system) improvements such as placing the Library card application online and enabling e-mail notification to patrons; digitizing of historic newspapers and city directories; the "wayfinder" project; altering/improving printing and copying services; and lastly, installing Microsoft Office software on all public computers. The high level of technical proficiency and administrative skill needed to keep these and other projects on track, in addition to planning for the future, require a management-level position.

In order to bridge the gap between the cost of the Senior Librarian and the Principal Librarian, it will be necessary to eliminate one part-time 0.5 Junior Library Clerk I position. While the staff cut is regrettable and will be handled through attrition, the Consolidation Committee believes current and future automation/technology efficiencies achieved by the Principal Librarian will offset the loss of the part-time staff position (see table below).

For example, establishing an on-line library card application form and registration procedure will save staff time for KGCCCL Circulation Desk workers, as they will not have to key in personal data for on-line registrants. Electronic notification (e-mail) to patrons providing due date reminders for library materials, overdue notices, and notices for pick-up of requested materials will eliminate the need for staff to print, fold, and mail paper notices, as well as substantially cut back on staff time allocated for telephoning patrons regarding their items on hold. Another technology project planned is the ability to pay fines, fees, and requests (holds) by credit card, allowing patrons to manage their accounts remotely through the Library's website. Patrons handling such financial transactions from their home computers will not need to visit the Library to interact with staff at the Circulation Desk.

Function	Average hours saved per day	Average number days saved per month	Average number of hours saved per month
Overdues	2.5	22	55
ILL	4	22	88
Fines and fees	4	22	88
Library card registrations	4	22	88
Total			319

While the potential savings indicated in the table above is substantial, planned technology projects will be implemented incrementally and the total time savings will not be immediate, but will be achieved over a period of one to two years. During this transition period, staff will be needed to input and verify e-mail address information and to help develop procedures for the electronic overdue and hold notification process.

Library Administration is also considering implementing an "ambassador" program whereby volunteers will assist patrons with self-service features available at the Civic Center Library, e.g. self check-out machines, copiers/printers, the on-line registration feature, "wayfinding" computer terminal, etc. Helping Library visitors to navigate simple functions will save staff time and free personnel to handle more complex transactions at the Circulation Desk

The Consolidation Committee examined supervision and reporting relationships associated with this option, as some members believed the new Principal Librarian (Operations Manager) might be overtaxed with an enlarged span of control and fewer direct supervisors available to call upon (see organization chart, Attachment C).

However, further study revealed that with improved utilization of the reassigned Audiovisual staff, the proposed Operations branch of the organization (Attachment D) will provide six subordinate supervisors through which the Principal Librarian can assign and direct work. In particular, the Audiovisual Librarian (a Supervising Librarian) will report directly to the Principal Librarian (Operations) and continue to utilize audiovisual expertise to supervise the lower level Audiovisual Information Desk and will staff the Adult Reference Desk as needed. This individual will also serve in the capacity of 'Electronic Services Librarian,' assisting the Principal Librarian with the planning and implementation of new technology. The Principal Librarian (Operations) will also directly supervise the Supervising Librarian (Cataloger), and the Reference Services Supervisor (Senior Librarian), as well as three Library Assistant II positions. The Consolidation Committee is recommending the Principal Librarian (Operations) utilize the three Library Assistant II's assigned to Reference and AV/Electronic Services to jointly supervise the large corps of Library Pages at the main library which will help equalize workload.

Recommendations

The Torrance Public Library has operated as a highly efficient and effective division of the Community Services Department and has consistently met its performance goals. During the City's strategic planning process, a survey conducted by an independent agency reported that *Library Services* was rated just below fire and safety services in importance and value to the community. A chief factor for the Division's success has been the extreme dedication of its personnel, including the administrators and supervisors managing its operations. However, the loss of the Library Services Manager position has strained department operations and the continued long-term absence of a manager to oversee major functions of the Library such as automation/technology planning and implementation as well as facility management will negatively affect both the public and staff.

To continue the Library Division's high level of organizational effectiveness, the Community Services Director and the Consolidation Committee recommend the following option and funding alternative:

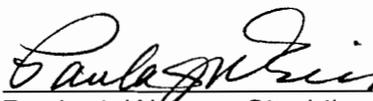
- **Option B:** Library Services Manager retires - create a second Principal Librarian position, similar and equivalent to the current Principal Librarian of Public Services, that would primarily be responsible for internal operations; and
- **Funding Strategy #2:** Fund the second Principal Librarian by eliminating the Senior Librarian position (Support Services Supervisor) and shift all internal operations responsibilities to the [second] Principal Librarian; eliminate one part-time 0.5 Junior Library Clerk I position.

The proposed recommendation was discussed with the Library Commission at their August 9, 2010 meeting and while they did not take formal action (the Chair clarified their role was advisory only), the members thoroughly reviewed the options and provided staff with positive feedback.

It is expected that the measures suggested here (creating a new Principal Librarian in charge of internal operations), will carry the Library forward for the next several years and allow it to fulfill the goals of the City's Strategic Plan and those of the Community Services Department and Library Division. At the close of the next budget cycle, staff is prepared to evaluate personnel and resource allocations and make further recommendations for organizational effectiveness based on the budget and resources available at the time.

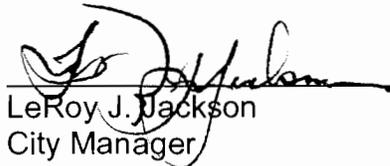
Respectfully submitted,

JOHN JONES
COMMUNITY SERVICES DIRECTOR

By 
Paula J. Weiner, City Librarian

CONCUR:


John Jones
Community Services Director


LeRoy J. Jackson
City Manager

Attachments: A: Library Services Manager's Responsibilities
B: Principal Librarian Position
C: Organization Chart – Consolidation Study
D. Organization Chart – Operations Branch

ATTACHMENT A

**[Retired - Norman Reeder]
Library Services Manager's Responsibilities**

Personnel Supervision:

- Together with Reference and Support Services Supervisors, coordinate move-ups, absence issues, and other non-recurring staff scheduling.
- Manage performance evaluation process, employee relations, and discipline issues for Katy Geissert Civic Center Library staff, excluding Youth Services staff.
- Counsel Division Supervisors regarding personnel matters.

Library Website:

- Together with the Senior Administrative Assistant (Administrative Secretary), input necessary changes to the Library website and create new pages as necessary (the creation of new pages is not an intuitive process in Red Dot).
- Create hyperlinks to the library catalog for book titles on bibliographies and book club reading lists (this takes considerable time, particularly prior to the annual Youth Services Summer Reading Program).

Automation responsibilities:

- Planning for and development of the Library's integrated automated system.
- Chief liaison with CIT Department - Coordinate with CIT on Library priorities as to what gets fixed first. Work with them on long-term strategies to get projects accomplished.
- Perform system upgrades, usually once a year. This takes three or four days reviewing the release notes (usually 150 pages), and the instructions. There are usually options to set at the end of the upgrade before the system can be used. The actual upgrade process takes six hours on average and the system must be shut down to do this.
- Log Sirsi automation problems as necessary (shared with Reference Services Supervisor). Work with Sirsi tech staff to fix issues.
- Perform system upgrades to the time out software (PC Reservation). This should happen once a year (they actually do two or 3 releases a year). We delay on upgrades due to the cumbersome environment that we have, especially at the branches. The firewall has to be turned off for the branches in order for the upgrades to complete. Every public PC that has PC Reservation on it has to be done

separately. There are roughly 56 public PCs at the Civic Center Library and 15 at the branch libraries.

- Subscribe to and read many listservs and e-mail discussion lists. These include: Sirsi's system admin list, circulation, cataloging, and serials lists, Envisionware's PC Reservation listserv, PUBLIB, WEB4LIB, and others. (Norm received probably 150 e-mails a day because of this)
- Coordinate with CIT on PC replacement and any possible PC additions. Schedule these in coordination with senior supervisors depending on where they are scheduled to be installed.
- Receive via e-mail, distribute, and store monthly statistics for database vendors (Gale, and SIRS, etc.) Keep these for State Library statistics.
- Download the OCLC monthly government documents cataloging for indexing by the Cataloger into the library system.
- Configure all staff accounts in Baker & Taylor's Title Source III software. Review renewal and budget issues.
- Download the authority control records from Backstage Library Works on a quarterly basis.
- When database vendors update search software, configure options using their website configuration tools (EBSCO, etc.).

Administrative duties including contract management:

- Prepare Council agenda Items as necessary. There are roughly five or six recurring each June/July for annual contracts for databases, Baker & Taylor, and supplies.
- Attend agenda meetings and present agenda items and other Division news and reports to City management staff.
- Attend weekly Community Services Department Management Team meetings.
- Serve as member of the Library's Management Team – assist with long and short-range planning, major policy and procedure development.
- Administer security guard service contract for Katy Geissert Civic Center Library (contract, payments, guard conduct).
- Work with AIM, the Library's Sunday staffing vendor, and scheduling of their staff. Create Torrance staff portion of Sunday schedule using volunteer/seniority sheets.

- Work with West Coast Copy, the Library's copy machine and public LAN printer vendor.
- Complete budget and tech statistics for annual State Library statistics report.
- Assist with Division emergency preparedness plan and response – position is back-up to City Librarian and would report to EOC if duration of disaster is more than one shift.
- Work with Library support groups – e.g., coordinate with the Friends of the Library and custodial staff re: room set up for Friends' quarterly book sales.
- Directly respond to patron concerns and inquiries regarding system automation issues (policies/procedures) and customer service at the Katy Geissert Civic Center Library.
- Keep abreast of legal issues such as Internet filtering or public liability issues for government.
- Move up to City Librarian, Community Services Director as needed.

Budget:

- Supervise and monitor budget expenditures (except personnel budget). Coordinate with Reference Services Supervisor on whether Reference staff wants to renew or look at new products as offers are made and check on budget availability.
- Create budget documents and update same, e.g. FEAPs, budget modifications
- Write justifications for quarterly budget review over- or under-expended accounts to package into the Community Services Department documents and reports.
- Approve library purchase requisitions and expenditures forwarded by Acquisitions Supervisor.
- Approve Office Depot orders for Library Division.

Facilities Planning and Maintenance:

- Plan/coordinate/implement building program for Katy Geissert Civic Center Library.
- Supervise the condition of the Katy Geissert Civic Center Library and coordinate with Building Maintenance together with Support Services and Reference Services Supervisors on service needs (via Senior Administrative Assistant [Administrative Secretary]).

ATTACHMENT B**Principal Librarian Positions****Principal Librarian in charge of Public Services (current incumbent - Hillary Theyer)**

- Extension Services – branch library supervision
- Youth Services (KGCCL and branch libraries)
- Public programming
- Outreach (including liaisons to community groups, Commissions)
- Public relations/public information (print/electronic including Library blog, Facebook page, Twitter, etc.)
- Public programs/services grants
- Volunteers (Division wide)

Principal Librarian in charge of Operations (PROPOSED NEW POSITION)

- Information services/electronic services/webpage management
- Collection development
- Support services (including Technical Processing, Circulation, Acquisitions)
- Technology management/automation projects and planning
- Facilities management/building projects
- Safety and risk management
- Emergency/disaster management and training
- Payroll process and budget management

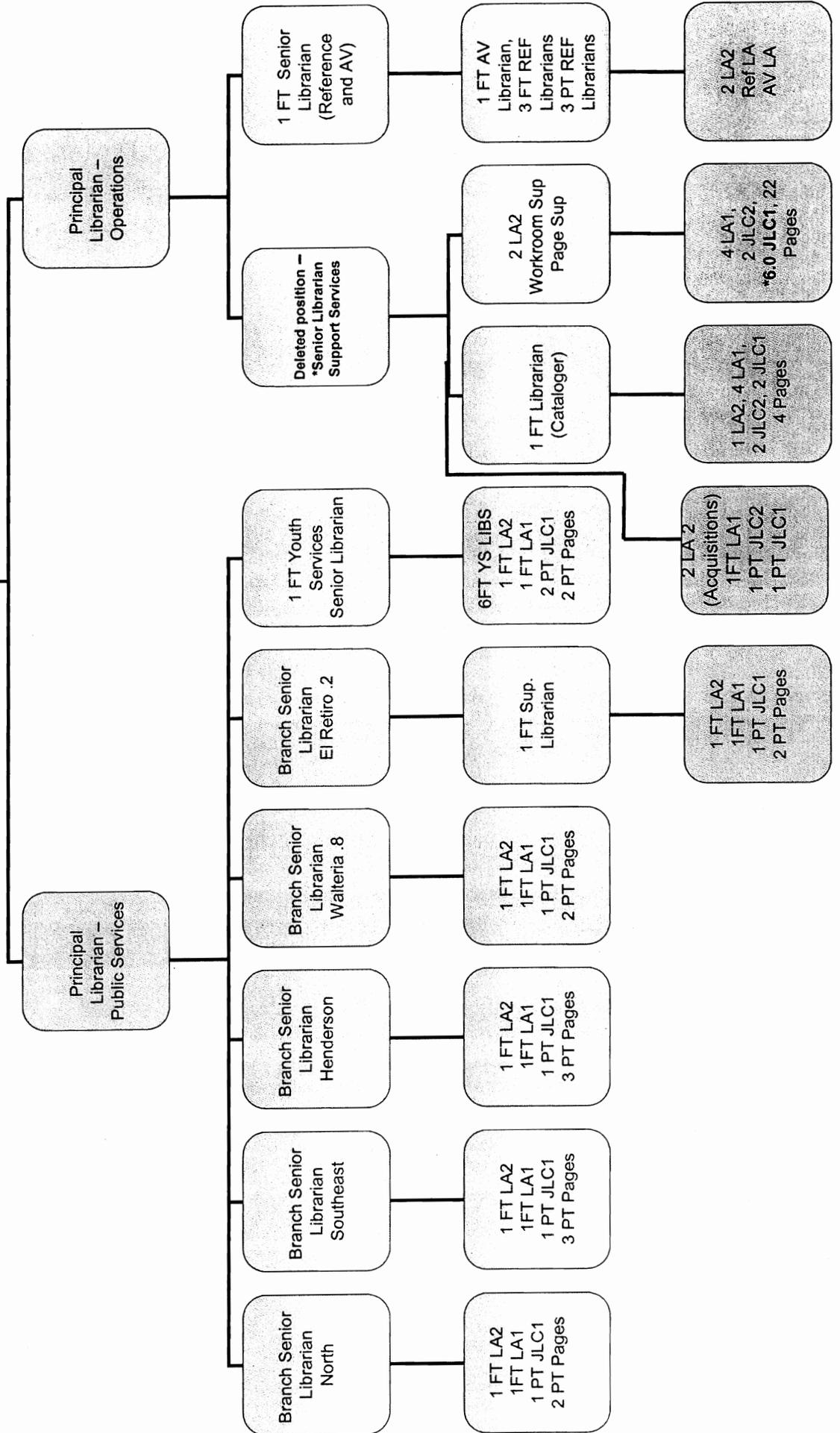
Both positions:

- Planning
- Policy-making
- Staff development

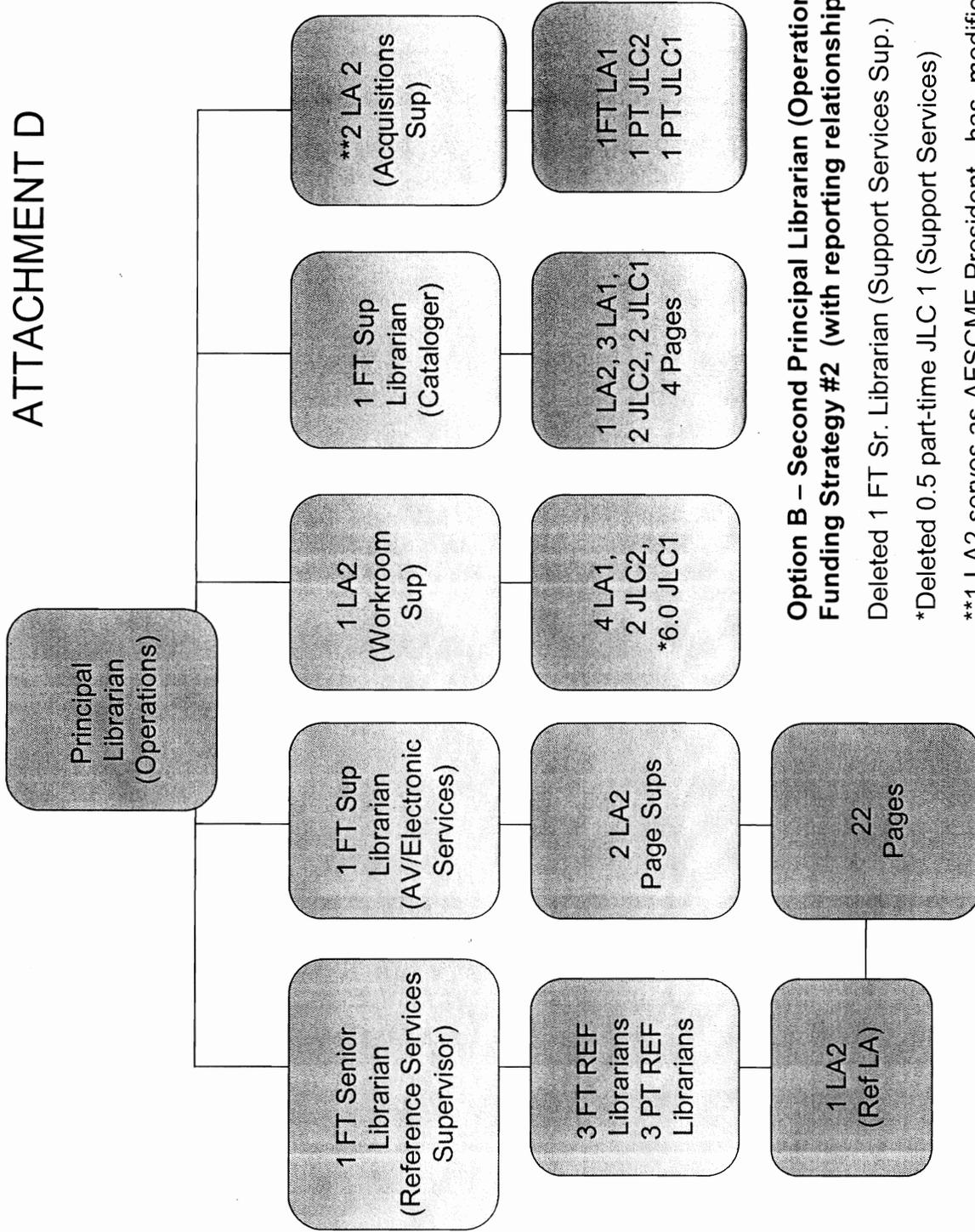
- Budget – at the program level
- Employee relations
- City committees/department committees

Library Division
 Option B – Second Principal Librarian –
 Library Operations
 Funding Strategy #2 – using current reporting relationships
 * Delete 1 Senior Librarian (Support Services Supervisor)
 * Delete 0.5 pt-time Junior Library Clerk I (Support Services)

City Librarian



ATTACHMENT D



Option B – Second Principal Librarian (Operations) Funding Strategy #2 (with reporting relationships)

Deleted 1 FT Sr. Librarian (Support Services Sup.)

*Deleted 0.5 part-time JLC 1 (Support Services)

**1 LA2 serves as AFSCME President - has modified work schedule

Committee Meeting of
December 14, 2010

Honorable Chair and Members
of the Finance and Governmental Operations Committee
City Hall
Torrance, California

SUBJECT: General Services - Appropriation of Cultural Arts Center fund balance for facility repairs and equipment at the Cultural Arts Center.

Expenditure: \$50,000

RECOMMENDATION

Recommendation of the General Services Director that City Council approve an appropriation of \$50,000 from the Cultural Arts Center fund balance, to be used for facility repairs and equipment at the Cultural Arts Center.

FUNDING

Funding is available in the Cultural Arts Center Enterprise Fund Balance.

BACKGROUND AND ANALYSIS

Since its opening in 1991, the Cultural Arts Center has experienced heavy use from a variety of community, corporate, and private groups. With the passage of time and repeated wear, elements of the facilities and essential pieces of equipment have become deteriorated and in need of repair, replacement or upgrades to remain safe and effective.

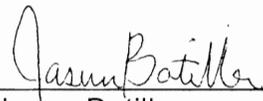
Due to the nature of equipment and services utilized at the Center, lump sum expenditures are often required at the time of replacement or repair. The Cultural Arts Center Enterprise Fund Balance has been traditionally designated for such purposes, and past appropriations have provided an effective method for addressing these matters.

As both routine and emergency items arise, these funds will allow the Center to respond promptly without causing undue strain to the operating budget when large one-time expenses are incurred. This is necessary not only to successfully operate the Center on a day-to-day basis, but also to accommodate the requests of current users, attract new patrons, and maintain optimal levels of functionality throughout the complex. Any expenditure of these funds will require approval by the City Manager.

For these reasons, it is the recommendation of the General Services Director that City Council approve an appropriation of \$50,000 from the Cultural Arts Center fund balance, to be used for facility repairs and equipment at the Cultural Arts Center. It is also recommended that these funds be replenished, as fund balance permits, at the beginning of each fiscal year.

Respectfully Submitted,

SHERYL BALLEW
General Services Director

By 
Jasun Botiller
Cultural Arts Business Manager

CONCUR:


Sheryl Ballew
General Services Director


LeRoy J. Jackson
City Manager

City of Torrance

FEAP Project Request Form

Type of Project:

Equipment Automation Infrastructure Facilities Other

Requesting Department: General Services

Managing Department: General Services

Project Leader: Jasun Botiller

Project Location:
Cultural Arts Center

Project Title: TCAC Facility Repairs and Equipment

Project Start Date: December 2010

Estimated Completion Date: December 2011

Description:

Repair and replacement of TCAC facilities and equipment.

Justification:

Since its opening in 1991, the Cultural Arts Center has experienced heavy use from a variety of community, corporate, and private groups. With the passage of time and repeated wear, elements of the facilities and essential pieces of equipment have become deteriorated and in need of repair, replacement or upgrades to remain safe and effective.

Impact of Non-Approval:

Event reservations at the Center would be compromised by a lack of functional equipment and poorly maintained facilities, leading to the likelihood of cancellations, fewer bookings, and decreased revenues.

Other Alternatives Considered:

- Withhold Purchases and Repairs to Critical Equipment: The success of this approach is limited by the nature of existing equipment damage and can pose safety and functionality risks.
- Delay Facility Repairs: Whenever possible, City staff mitigate facility issues and affect in-house repairs. While this provides a considerable benefit to the Center, the limits of expertise, staff levels, and available equipment make it impractical to rectify all facility related issues. Left unaddressed, such repairs become more extensive, costly, and hazardous over time.

Project Costs

Estimated Project Implementation Cost (ONE TIME COSTS)			Comments:
	Within Dept	Support Dept.	
Personnel Requirements # of Positions			
Labor Costs:	\$	\$	
Per Comp Detail Report-Total			
Date of Comp Detail Report <u>MM/DD/YY</u>			
Equipment	\$ 30,000	\$	
Materials	\$	\$	
Professional and contract services	\$ 20,000	\$	
Other:	\$	\$	
Other:	\$	\$	
TOTAL	\$ 50,000	\$	

Estimated Annual Ongoing Operating and Maintenance Costs (UPON PROJECT COMPLETION/IMPLEMENTATION)			Comments:
	Within Dept	Support Dept.	
<input checked="" type="checkbox"/> Not Applicable			
Personnel Requirements # of positions			
Annual Labor Costs:	\$	\$	
Per Comp Detail Report-Total			
Date of Comp Detail Report <u>MM/DD/YY</u>			
Materials	\$	\$	
Equipment	\$	\$	
Professional and contract services	\$	\$	
Other:	\$	\$	
Other:	\$	\$	
Other	\$	\$	
TOTAL	\$	\$	

Project Time Line

Fiscal Year Ending June 30

<u>Description</u>	2010-11	2011-12	2012-13	2013-14	2014-15
Survey/Design					
Plans/Specifications					
Purchase/Construction		x			
Other: _____					

Project Financing

Fiscal Year Ending June 30

<u>Financing Source</u>	2010-11	2011-12	2012-13	2013-14	2014-15	TOTAL
Cultural Arts Center Enterprise Fund	\$50,000					\$50,000
TOTAL COST	\$50,000					\$50,000

Requested by:	
Department Head <i>Sheryl Ballew</i>	Date <i>12/2/10</i>

Department Priority # :	High	Medium	Low
	x		

Type an X in the box if project is:
High, Medium or Low

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Committee Meeting of
December 14, 2010

SUPPLEMENTARY MATERIAL

Honorable Chair and Members
of the Finance and Governmental Operations Committee
City Hall
Torrance, California

Members of the Committee:

Subject: Community Services – Executive Summary to the program modification
to approve the Library Division's Consolidation Final Report

The attached has been included by the Community Services Director to provide an Executive Summary to their program modification to approve the Library Division's consolidation final report.

The original program modification can be found under the Program Modifications tab, page 131, of the 1st Quarter 2010-11 Budget Review Report.

We apologize for any inconvenience.

Respectfully submitted,



Eric E. Tsao
Finance Director

CONCUR:


LeRoy J. Jackson
City Manager

Committee Meeting of
December 14, 2010

City Council Finance and Governmental
Operations Committee
City Hall
Torrance, California

Members of the Committee:

**SUBJECT: Community Services – Executive Summary to a Recommendation to
Approve the Library Division Consolidation Final Report**

Expenditure: No additional funding required.

RECOMMENDATION

Recommendation of the Community Services Director that the Council Finance and Governmental Operations Committee approve the Library Division Consolidation Final Report and forward to the City Council for approval:

- a) Establish a second Principal Librarian position (Operations Manager) equivalent to the current Principal Librarian in charge of public services; and
- b) Fund the position through the deletion of one (1) Senior Librarian and one part-time (0.5) Junior Library Clerk I.

SUMMARY

In 2005, the City Council approved a recommendation to implement a *Community Services Department* through consolidation of the former Parks and Recreation and Library Departments. At the time of consolidation, an executive position was eliminated and new Division positions (City Librarian, Principal Librarian in charge of Public Services) were established to streamline operations and implement efficiencies. With the planned retirement of the Library Services Manager (LSM) in 2009, the Council approved a review period to investigate the necessity for a second Principal Librarian position, and if needed, devise a funding strategy.

A Consolidation Committee comprised of Division and Department managers and supervisors conducted a review of municipal library systems, as well as solicited organizational efficiency suggestions from Library staff. The committee determined the highly technical and professional level tasks performed by the LSM supported the need for a second manager to oversee the Division's internal operations (automation, electronic services, technology planning; support services; facility, safety, and emergency management; and supervision of the Katy Geissert Civic Center Library).

While several options were investigated, two funding strategies were considered with the latter, Strategy #2, considered the most viable:

- 1) Delete a vacant Senior Librarian position and assign a current Senior Librarian to supervise two branch libraries; or

- 2) Delete a vacant Senior Librarian position (Support Services Supervisor) and shift all internal operations duties to the new Principal Librarian.

With both strategies, the Committee is recommending the deletion of a part-time Junior Library Clerk I (0.5) to close the funding gap between the cost of a Senior Librarian and the Principal Librarian; all deletions will be achieved by either using an existing vacant position or by attrition; no employees will be laid off, and there is no additional cost to the City.

Approval of the recommendation will assist the Library Services Division to achieve the desired organizational effectiveness and efficiencies, build future organizational capacity through technology enhancement, and provide better public service.

Respectfully submitted,



John Jones
Community Services Director

CONCUR:



LeRoy J. Jackson
City Manager