

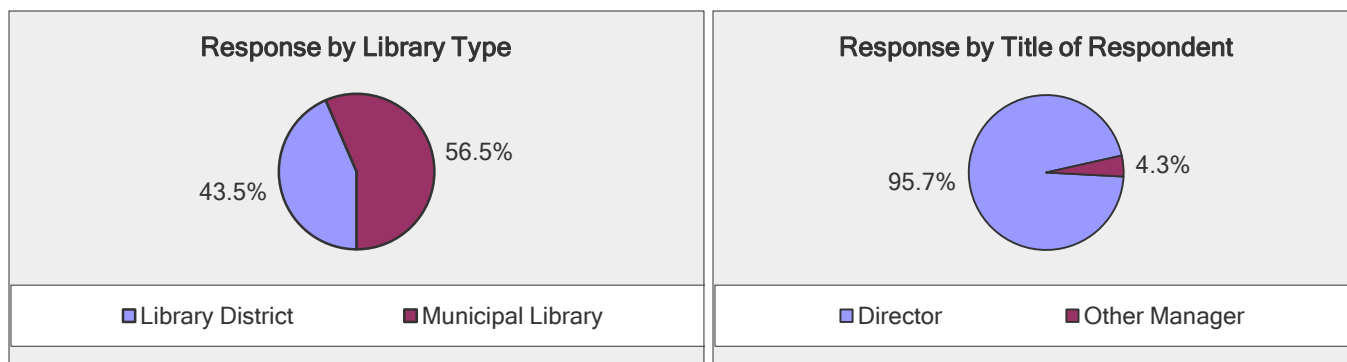
How Libraries Are Coping During Difficult Economic Times December 2010 Survey of Washington Public Libraries

The December 2010 survey of Washington public libraries is a nonscientific survey. It asked respondents to compare two different sets of time periods and share their impressions with regard to their library's budget, staffing, services, materials, and outlook for the coming year. Respondents were asked to:

- Compare the levels of library budget, staffing, services, and materials for their libraries in 2010 to what levels had been in 2009; and
- Compare the outlook for their libraries for 2011 to what it had been for 2010.

Respondents were also asked to name the biggest challenges facing their libraries in 2011 and were invited to share additional comments.

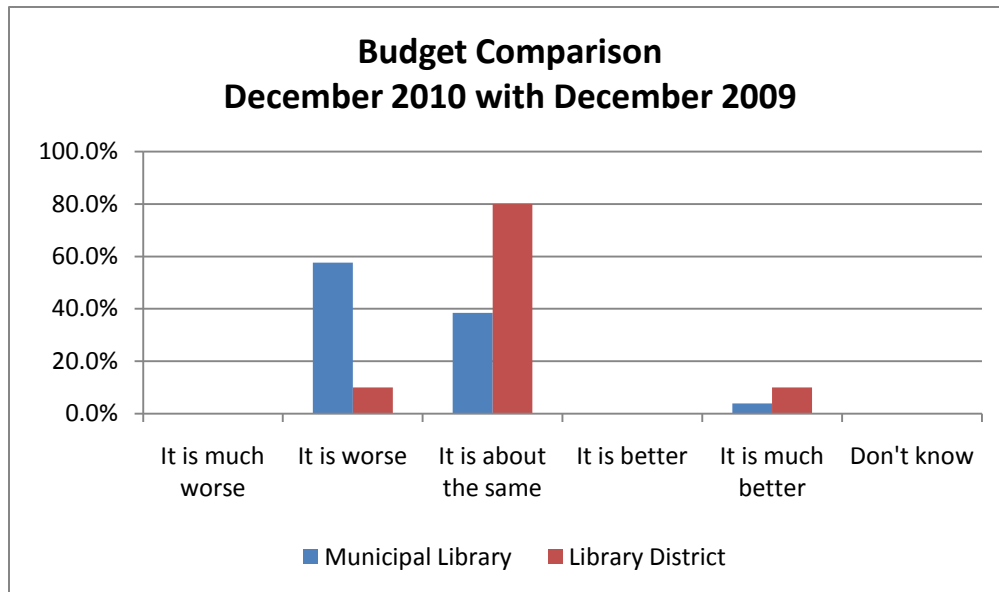
Who Responded



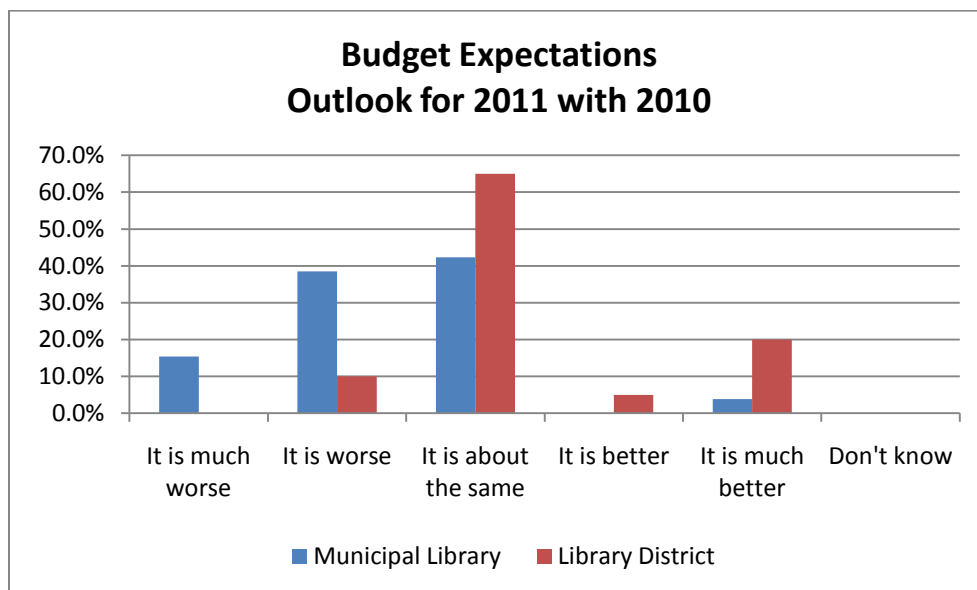
In total, 46 of 63 (73%) public libraries responded to this survey. Of those responding, 26 of 46 (56.5%) were from municipal libraries and 20 of 46 (43.5%) were from library districts. Based on 2009 public library statistics, this represents 26 of 38 (68.4%) municipal libraries and 20 of 25 (80%) library districts.

In almost all cases, the director of the public library was the person responding to the survey.

Municipal Libraries Compared to Library Districts

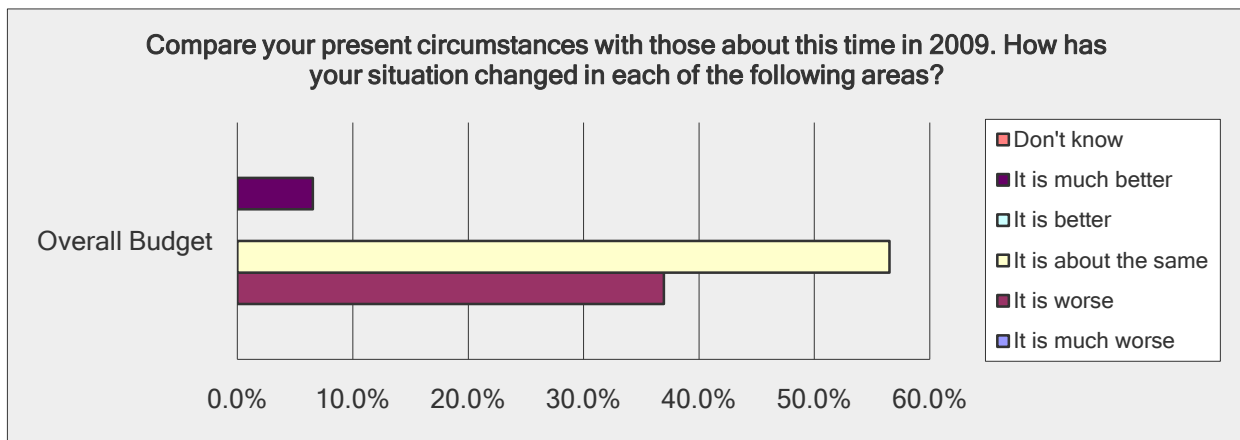


When compared to their municipal counterparts, library districts seem to be faring somewhat better. Eighty percent (16 of 20) of the library districts that reported indicated that their overall budget was about the same in 2010 when compared to the same period in 2009. Ten percent indicated that their overall budget was worse and another 10 percent indicated that their situation was better or much better. This compares with municipal libraries, which during the same period indicated that only 38.5 percent (10 of 26) remained about the same. More than 57 percent indicated that their overall budget was worse than the previous period. Only one library indicated that its overall budget situation was better or much better.



When comparing the outlook for 2011 with that of 2010, 25 percent (5 of 20) of the library districts indicated that the situation looked better or much better. For 65 percent (13 of 20) of the districts, the overall budget looks about the same. For 10 percent (2 of 20) of the districts, the overall budget looks worse. Municipal libraries follow the same pattern as that seen in the previous time period. Only one municipal library indicated that its overall budget looked better or much better. A majority, 53.9 percent (14 of 26), indicated that their overall budget was worse or much worse. A smaller percentage, 42.3 percent (11 of 26), of the municipal libraries indicated the overall budget remained about the same.

Overall Summary



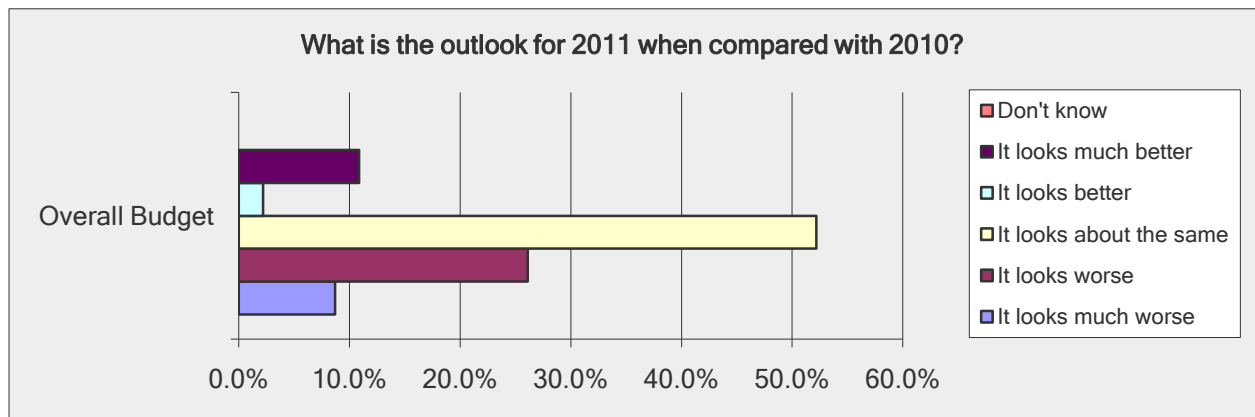
When comparing the present circumstances in December 2010 with those about this time in 2009, a majority of respondents (56.5 percent, or 26 of 46) indicated that their overall budget was about the same. A majority also stated that staffing, services, and materials were also about the same although the number of respondents was slightly smaller. Only a small percentage of respondents (6.5 percent, or 3 of 46) indicated that their situation was better or much better. On the other hand, 37 percent (17 of 46) stated their budget situation was worse or much worse.

In addition, staffing and materials were also worse or much worse (26.8 percent and 24.4 percent, respectively). Services were worse in approximately 10 percent (4 of 46) of the responses. The following selection of comments represents some of the concerns of those responding to this question:

- We are a municipal stand-alone library. All city departments have been asked to suspend any unnecessary spending for the rest of the year in order to save money for next year's budget. The library has suspended materials purchasing, unless funds were already committed, for the rest of 2010.
- We (City as a whole and library department as a department) continue to be under the same stressors as last year, predominantly bad sales tax revenue and lack of new building activity. As some effects are

cumulative, things that we tried to keep up with the hope that we could make do until the "turnaround" are being lost or are in jeopardy because that turnaround has not happened.

- Because we passed a levy in 2009, our budget is in relatively good shape. The problem we fear, and are hearing, is that our contracting towns are struggling to make their annual payments. We are also concerned with the funding we've always worked to attain from outside sources, private, state and federal.
- In Feb 2010 we lost \$125K out of our budget, about 11%. In addition, our 2010 budget was based on 2009 dollars spent. I was very conservative, so lost even more. Basically, if something is broken, the odds are pretty good that it won't be fixed.
- My budget for buying books went down; however, with the audiobooks provided by the state through NetLibrary, my patrons have access to more audio titles than I could afford to buy.
- We recently had a levy failure and had to reduce staff, decrease the materials budget, and reduce hours. We have also seen a huge increase in patrons in the last year and have been scrambling to accommodate that - especially in the area of computers, classes, etc.
- In the fall of 2009 our library was closing, uncertain as to when we would open again. Some local young adults got together and created an overwhelming response from neighboring communities in and out of Washington. These donations allowed the library to remain for 2010. Now that the year is nearly over the library is now facing budget cuts from a minimal budget. The staff now consists of just one, the library director. Three hours have been cut from a fifteen hour schedule. This coming year could be similar to 2009, more hours cut, less money to purchase needed books and materials, creating less service to our patrons.



When comparing the outlook for 2011 with the situation in 2010, a slim majority of respondents (52.2 percent, or 24 of 46) indicated that the outlook for their overall budget was about the same as 2010. In addition, a majority of respondents indicated that staffing, services, and materials would remain about the same.

More respondents indicated that their 2011 budget outlook was better or much better than in 2010 but this still remained a relatively small percentage (13.1 percent, or 6 of 46). On the other hand, 34.8 percent stated that the budget outlook for 2011 was worse or much worse (34.8 percent, or 16 of 46). As a result, when reporting on

maintaining services to library customers, more libraries reported that the 2011 outlook was worse or much worse (34.3 percent, or 14 of 42).

About half of the respondents stated that their budget for 2011 was already adopted. Many of the rest indicated that their budget would be adopted later in December 2010. The information presented on the outlook for 2011 should be viewed with a fairly high level of confidence.

Additional information from the survey shows that of those who said that the budget situation was worse or much worse in 2010 compared to 2009, 76.5 percent again indicated that the budget situation was worse or much worse in the outlook for 2011 when compared to 2010. The other 23.5 percent indicated that their budget outlook remained about the same as the previous period when they indicated worsening circumstances. Four additional libraries were added to the 2011 outlook as worse or much worse.

Concerns over the coming year were reflected in the following comments:

- Department heads and the city council will be meeting in January to determine if the 2011 budget needs to be reduced. Revenues have not held up to projections. The library is re-examining core services and the resources needed to maintain those in order to be ready for those discussions. The county commissioners contract for services for unincorporated area residents. They are considering cutting the library funding by 20 percent for 2011.
- Our budget has been slashed to 2007 levels or lower, 22 percent. We are awaiting budget hearings that may decrease our open hours to 24 or 32 hours per week and make the two full-time employees, the director and circ supervisor, part-time with no benefits. We have offered to slash the materials budget by 50 percent and the staff has offered to take a 10 percent pay cut.
- Materials budget reduced 33 percent. Lowest per capita expenditures on materials since 1985! Lowest dollar amount since 1998.
- The final budget for 2011 has not been finalized yet, but it is anticipated that there will be significant cuts in operating supplies, the book budget, and hours. 2011 will be a year that the library just takes things day by day.
- We plan to re-run the levy in 2011, but it will be a tough year. With timber tax nearly gone, investment interest gone, little new construction, and a 1 percent cap on property tax revenue increases, we simply cannot keep pace with the increased costs of things like gas, utilities, library materials, etc. As long as costs go up by more than 1 percent, and we are limited to a 1 percent increase, we cannot sustain services.

Trends Revealed in Comparison of 2009 to 2010, and the Outlook for 2011

In general, the few libraries (3 of 46) that reported their budget circumstances as better or much better in December 2010 when compared to the same period in 2009 continue to expect the outlook for 2011 to remain much better. In the case of those that reported their 2010 circumstances were about the same as 2009 (26 of 46), about 10 percent (3 of 26) reported that their fortunes had changed for the better. In the case of those who reported their 2010 circumstances were worse or much worse than in 2009 (17 of 46), the best that can be reported is that roughly 30 percent (5 of 17) are holding the line as part of the outlook for 2011. The other 70 percent (12 of 17) report that 2011 looks worse or much worse than 2010.

Biggest Challenges Facing Washington's Public Libraries in 2011

The December survey asked public libraries what their biggest challenges would be for the coming year. Responses included a broad range of concerns, as follows:

- As all of the fat is long since gone and all departments are cutting into the meat, our biggest challenge remains trying to survive with our core missions intact until the turnaround occurs. Our usage continues to be very strong (although lately stable and not escalating) and as we have lost two full-time positions now to attrition (February 2009 and July 2010) we are fighting to stay afloat.
- Keeping up with demand for open hours/staff, products, technology and services. The library is busier than ever and customers have great expectations. So long as we don't lose any funding, we should manage to get by. I fear any loss of revenue is going to "tip the apple cart."
- Staff stretched too thin. Doing more with less. Trying to respond to the public when our per capital materials is \$4.17 (state average is over \$7).
- Maintaining our viability and relevancy to our community with such reduced hours, staff, and services.
- Keeping up with increased costs and demands while our budget fails to grow. It is a juggling act.
- It looks likely that there will be less revenue due to the recent vote on adding a state income tax and decreasing property taxes. Property taxes = library revenue so this will impact us for sure.
- My small rural library is only open nine hours per week and we have only three computers available to the public. There are times when the wait for the computers is longer than the time allowed on the computers. Also, trying to keep a variety of books for the readers is difficult with the limited space and small budget. Also, as the only staff person at the library, managing the computers is a challenge because of my lack of knowledge and experience.
- Every cut causes someone to get angry. There are no winners or happy people. Dealing with these frustrations will be a challenge. Fewer new books, longer lines.

Effect of Prolonged Recession on Public Libraries

In short, the trend remains for budgets to remain static or to continue to worsen with the exception of a few bright spots. Only one library (a small municipal library) out of the 46 libraries responding indicated that it was in danger of failing.

A common concern is the impact that a prolonged recession will have on public libraries in Washington.

Comments included:

- The continuation of the recession. The longer it continues, the more of a challenge it is to maintain services, and the more pent-up demand there will be to fund projects across the entire city that were postponed due to the economy.
- We have wonderful publicly expressed support from Mayor and Council, Library Board, Friends, and the general public. So, no, I do not believe we are in danger of "failing" but the longer the downturn continues, the more tough things get.

- If the worst happens and we are reduced to 24 hours/week and lose our professional staff, we will be in very bad shape.
- If current trends continue [the library] will remain solvent through 2013. Following that, we will be forced into using our critical cash reserves to fund operations. We anticipate that we will have no reserves whatsoever at the end of 2016, unless we pass a levy lid lift sometime between 2011 and 2015.

Making a Difference in Difficult Times

Despite all of the challenges, public libraries in Washington continue to provide their communities with critical services during tough economic times. Survey comments provided examples of the dedication of Washington's public libraries to the state's citizens:

- We are still funded, and we are still used and beloved by the community. Our circulation of materials reached an all-time high in 2010 despite our cutbacks ...
- We have had wonderful support/advocacy from library users at our town and county 2011 budget meetings. Also -- the mayor and town council members seem to believe that the library helps draw retail customers to a struggling downtown and that we help people (especially those who cannot afford computers at home) with job seeking and other kinds of chores they need to do on-line. That has taken a whole lot of hard work away from the daily challenge of running the library but I believe that it is ultimately well worth the time spent.
- In 2010, we plugged budget shortfalls for programming and resources with private funding (Friends, Foundation, other donations.) All staff took a 5 percent reduction in hours and pay, without cutting library services - this reduction is planned to continue into 2011.
- Making the most of broadband coming to the library and maximizing the benefits of this for our community will be a strong focus.