



**Supervisor Eugene A. Delgaudio**

**Loudoun County Board of Supervisors – Sterling District**

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## **UPDATED**

### **SUPPLEMENTAL INFORMATION ON LIBRARY SERVICES**

**How other localities have privatized library operations, still providing citizens with library service at little to no cost to the taxpayer**

#### **Case Study 1: Riverside County, CA - Contract Operations**

In 1997 Riverside County, California, became the first county in the nation to privatize its library operations. Maryland-based Library Systems and Services Inc. (LSSJ) is paid \$5.3 million annually for 1-year renewable contract to run the county's 25-branch, 85 year old library system. LSSI is a subsidiary of the publisher Follett Corporation and offers cataloging, purchasing, automation, and other services to libraries nationwide, including the Library of Congress, the Boston Public Library, and several federal agencies.

Riverside County's library system was previously run by the city of Riverside, but due to budget cutbacks, the city voted to drop the contract. The county decided to offer a new contract in a competition open to both public and private bidders. LSSI was the only private-sector bidder, competing against the Riverside County Office of Education and the San Bernardino County Library District.

Under the new contract, LSSI will **increase library hours by 25 percent and increase the annual book purchasing budget from \$144,000 to \$180,000**. The company is planning on investing **\$200,000 of its own money to improve library services** once a countywide assessment of library needs is completed. Other specific improvements will include more Internet terminals at county libraries and a better phone-up library reference service.

To maintain oversight of the library operations, Riverside County appointed its own county librarian, Gary Christmas, to work with LSSI. **All current library employees were offered employment at their current salaries, and some branches will even be hiring more employees.**

County officials say that LSSI can do more with less money because it is more efficient and has lower overhead. The city of Riverside took a 10 percent administration fee off the top of all library funding, whereas LSSI will generate its profits by keeping its costs lower than the \$5.3 million contract payment.

#### **Case Study 2: Seal Beach, CA — Volunteers/Asset Sale**

Once threatened with closure due to budget cuts, a small branch of the Seal Beach library system in Orange County was saved through privatization.

In July 1995, the private retirement community Leisure World's Golden Rain Foundation bought the Seal Beach library, finalizing an unusual private acquisition of a public library. Leisure World made a successful \$225,000 bid to save the Seal Beach library, plus an additional \$35,000



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to purchase the books. The former public librarians have been reassigned elsewhere in the public system, and volunteers are helping to run the now-private facility. "This is certainly a first, as far as I know," County Librarian John M. Adams told the Los Angeles Times. "We think it was a real win-win situation. Clearly, we have had to make as many reductions as we can."

The Seal Beach Library is crucial to the retirement community's 8,700 residents. "We plan to keep it open five days a week," said Gold Rain Foundation President Howard McCurdy. "Over half of our residents use this library. It's probably more used than any other function we have here."

### **Case Study 3: Palm Springs, CA — Volunteers/Transfer to Non-Profit**

In June 1992, the city closed the Welwood Murray Memorial Library and removed every book from its shelves. A day later, the library started a new life as a private volunteer library, run by a newly incorporated non-profit foundation.

**"They left us with nothing,"** says library trustee Jeanette Hardenburg, "And the building hadn't been properly maintained for years. **Volunteers did everything you see** here — refinished the ceiling, donated display cases." Palm Springs' volunteer library **now has more than double the number of books it had as a public library.**

The library now has 8,000 books in its collection — **5,000 more than it had as a publicly funded library — and more arrive every day.** "Every book in our collection was given to us by the city — I mean by the people — of Palm Springs. I don't want to give the city any credit," Hardenburg says.

The city's public librarian had earned almost \$70,000 annually to tend the 3,000-book collection; Hardenburg and the other trustees each serve as volunteer librarians one day a week. Community members volunteer to help with the Friday afternoon book sales and other fund-raising and outreach programs.

### **Case Study 4: Dayton, OH — Outsourcing**

The Wright State University Libraries in Dayton pioneered contracting out all of their cataloging. In November 1993, OCLC of Columbus, Ohio, took over the cataloging and saved the libraries about \$230,000 in their first year, or 63 percent, said Chris Watson, head of the libraries' administrative services. There was no job loss, and the libraries were able to eliminate all backlog.

Source – Reason Public Policy Institute