



# ANNUAL REPORT

## 2008

### Business is Booming at the Library!

It has been almost two years since our community celebrated the opening of the new Redding Library. The response by residents to library services and resources has been overwhelming! The statistics speak for themselves:

- Total registered borrowers at all three libraries: 83, 322 with over 1,000 NEW library cards issued each month.
- Over 11,000 reservations EACH month for the public computers (50 in Redding, 13 in Anderson, 5 in Burney) (not including wireless Internet access at all three libraries).
- 2008 circulation – 553,262 – a 102% increase over circulation in the old library.

Clearly the usage speaks to the continuing demand by our community for outstanding library services. Yet we, as a community, spend 2/3 LESS than the state per capita mean on our library and our collection is about 1/2 the size it should be for our population. Although we expect our local government to adequately fund basic library services, we also know that it will take a partnership with the private sector to meet the growing and changing informational needs of Shasta County.

The Shasta Library Foundation is actively working to enhance the public library as a community resource by

funding special projects and by building an endowment that SUPPLEMENTS the public support of the Shasta Public Libraries. Private gifts to the Endowment Fund allow our community to have the programs, books, materials and technology tools that will make our library flourish today and for generations to come. The assets of the Shasta Library Foundation have increased by 339%

in the past five years, fueled by the anticipation and achievement of a new library in Redding. This is proof that the citizens in our community agree with the importance of sustaining the library. By providing a permanent source of income for the Library, endowment gifts leave a legacy that will enrich our community and create life-long learning opportunities for all of us.

### How Does the Endowment Support the Library?

People are often confused about the role of the Friends of the Library and the Shasta Library Foundation. The Foundation works in close partnership with the Friends of the Libraries in Redding, Anderson, and Burney to meet the present and future needs of the Library. The main difference is that while the Friends spend funds as they are raised, the Foundation is restricted in the amount that can be spent.

The Foundation's purpose is to create an endowment – a fund that provides permanent income for the public library. The Shasta Library Foundation Endowment Agreement is a legal document stipulating that all donations to the Endowment Fund may NEVER be spent - only a percentage of the EARNINGS can

be used to provide funds for the Library. The goal is have permanent growth of the Endowment Fund - through reinvestment of earnings, increased value of assets, and new contributions. *(continued on page two)*



**Our future is an  
open book.**

## How Does the Endowment Support the Library? *(continued from page one)*

The Foundation had almost \$5,000 in endowment fund earnings in 2007 that was eligible to be spent in 2008 (this represented 25% of the earnings; the remaining 75% of the earnings was reinvested). After a review of all unfunded library needs and given budget shortfalls that were projected for the branch budgets, the

Foundation earmarked those funds to support the Anderson and Burney Libraries. Because the Redding Library is a new facility that received additional materials as part of the capital project, the Foundation concluded that endowment funding should go for priority furniture and equipment needs in the Burney and

Anderson Libraries.

The Foundation's goal is to raise \$4 million for the Endowment Fund and as the fund balance increases, its earnings - the resources available to enrich the libraries by supplementing (not replacing) other funding sources - will also increase.

## Your Gifts, Large and Small, Matter!

The Shasta Library Foundation raises funds to support library services and resources in a variety of ways and, in 2008, received over \$128,500 from hundreds of donors.

**Events:** The Shasta Library Foundation was the recipient of the first "Life is Short: Eat Dessert First" sponsored by the Record Searchlight. Several hundred people attended this event, enjoyed decadent desserts provided by several local bakeries, and supported the Library through a silent auction and a dutch raffle. A signature event for the Library to be held in 2010 is being planned by the Shasta Library Foundation.

**Public Appeals:** Memorial contributions, book tributes, participation in eScrip, and advertisements are some of the ways citizens support the Library's endowment fund. A "Bucks for Books" receptacle has been placed in the Redding Library to accept cash donations by library patrons. Of the proceeds, 2/3 go to the Friends of the Redding Library to immediately purchase new books for the Library and 1/3 goes to the Shasta Library Foundation's Book Fund to provide collection development funds for the future.



Shasta Library Foundation was the recipient of the Record Searchlight's 2008 "Eat Dessert First"

**Community Campaigns:** The first "Renew Your Support" campaign was held in September to personally contact donors to let them know how important their past and future support is to the Library's endowment fund. Plans are underway to launch a community-wide appeal in 2009. Annual campaign donors will be recognized on a kiosk that is being designed for the Redding Library.

**Large Donations:** The Shasta Library Foundation continues to host receptions in private homes to communicate the educational, economic, and public health impact of library services and resources to our community and the importance of an endowment fund to sustain those services and resources. Most large donations are multi-year pledges of support.



**Bequests:** The "Legacy Society" honors those individuals whose bequest to the Endowment provides support for the library in perpetuity. The Shasta Library Foundation Endowment Fund was created with the assets of the Redding Woman's Club upon its dissolution in 1999. Other members of the Legacy Society include the Elizabeth Hyatt Trust and the Norma Benoit Trust.

**"I believe in reading and books. By leaving a legacy to the Shasta Library Foundation, I know that I will be providing the means for others who share my love of books to borrow them any time they want. Through my legacy gift, imaginations will be nurtured and my love of books will live on." Deborah Smiddy**

## The Power of Partnerships

The Shasta Library Foundation has been successful in seeking grant funds to meet special needs at the Library:

**Wireless Internet Access in the Burney and Anderson Libraries and Additional Ports at the Redding Library:** A \$7,901 grant from The McConnell Foundation Fund at the Shasta Regional Community Foundation was matched with funds from the Shasta Library Foundation (\$1,500), the Friends of Shasta County Libraries (\$620), the Friends of the Anderson Library (\$500) and the Friends of the Intermountain Libraries (\$500) to bring wireless Internet access to the branch libraries and to add ports housed in the Redding Library. Thus, additional public computers could be added in all three libraries. This collaboration lets residents in the Burney and Anderson areas to enjoy the same wireless Internet access that has been available in the new Redding Library. Both branch libraries have now seen an increase in use.

As the Shasta Public Libraries face increased demand for online resources, the wireless capability provided by this grant expands the ability of the Library to meet the tremendous public demand for access to information and library services via the Internet.

**Family Literacy Services:** A generous contribution of \$44,500 from six Rotary Clubs in Shasta County, the Ducky Derby Foundation and Rotary District 5160 matching grant funds is supporting important one-on-one tutoring services for adults and students in Shasta County. With an estimated 17% of the adult population functionally illiterate and over 50% of children beginning kindergarten without essential pre-reading skills, these funds address a serious need in our community. Grant funds have purchased computers, software and literacy books for services being provided in all three libraries. Other public and private funding sources for the Family Literacy Program include the Redding School District, Shasta College, Scripps Howard Foundation, California State Library, and private donations. This successful collaboration has helped 96 adult learners and 40 students gain important skills that promote life-long learning and responsible citizenship, and will help end generational illiteracy and poverty in Shasta County that lead to crime and drug abuse.



*Wireless Internet greatly enhances the services of the Burney Library. Now, in addition to our five public access computers, patrons can go online with their laptops – both in the Library during open hours and in the parking lot when the Library is closed. It is a service that is also enjoyed by teachers and students who regularly use the Library as well as tourists to the area.*

**Deb Dean**  
**Burney Branch Manager**

## All Gifts, Over Time, Make a Difference

Donors who make cumulative contributions of more than \$5,000 are permanently recognized on the Shasta Library Foundation wall at the entrance to the Redding Library. We appreciate our donors who have qualified for this recognition with their cash contributions:

**Literary Society** (gifts from \$25,000 to \$49,999)

- Ellen & Charles Chain
- Mary Lou Nutley
- In Memory of Lester & Martha Rea by Bob & Lori Rea McDaniel
- Steve Ramie Trust – Kit Hamblin, Trustee

**Book Society** (gifts from \$10,000 to \$24,999)

- Sue Asbill
- Kate & Jaxon Baker
- Dugan & Terry Barr
- F.M. & Dorothy Brunemeier
- Carol Fielding
- Ken & Sally Gifford
- Philip G. Haigh & Mary R. Haigh
- Missy McArthur & Rob Milton
- Barbara & Kelly Pierce

- Redding Bank of Commerce
- Redding Rancheria
- Diantha Reynolds & Family
- Robert R. Roberts Memorial Foundation
- Dr. Terry & Bev Rust & Family
- Shasta Association of Realtors
- Paul & Deborah Smiddy
- Richard & Mary Stimpel
- Mike & Nueme Wells
- Wells Fargo Bank

**Society of Scholars**

(gifts from \$5,000 to \$9,999)

- Carl & Lupe C. Arness Family
- Dennis & Sherrill Bambauer
- Thomas E. Daniel, M.D. & Paula A. Daniel

- Don & Doreeta Domke
- William W. Evans, D.M.D., M.D. & Family
- John & Betty Fitzpatrick
- Diane & Lou Gerard
- Rick & Pamela Hill
- Bruce & Debra Kittrick
- Gloria & Lee Lopez
- Dr. Leon C. & Donna J. Nelson
- Nielsen and Struve Families
- Archer & Eve Pugh
- Judith & Lee Salter
- Shasta Regional Medical Center
- Robert, Jana, Rob & Whitney Small
- Richard Van Ness in memory of Linda R. Peterson
- Sally Wells



## BOARD OF DIRECTORS

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### Ex-Officio

Jan Erickson, Library Director  
 Peggy O'Lea, Executive Director

**P.O. Box 993366**  
**Redding, CA 96099-3366**  
**530.246.0146**  
**libraryfoundation@shasta.com**

# How is the Shasta Library Foundation Coping with the Economy?

Experience shows that in times of economic downturns, the services provided free at the public library become even more vital. Libraries are busier than ever at the same time that funding become more vulnerable. "Traditionally, libraries have been taken for granted in affluent times," noted Linda Sitterding, library director in Madera County. "But when the wolf's at the door, you look at how you can improve your world without spending a lot of money. We can get you a job, we can entertain you, we can help you work on your resume."

With public funding constantly in jeopardy, the Shasta Library Foundation remains convinced that the key to long-term financial stability for our public library is the growth of the endowment fund. By supporting the Library's endowment, we are investing locally and getting REAL returns in the human and information resources of OUR community. "Although the state of the economy has impacted our fundraising efforts in the past six months, we continue to be amazed at the community support for the Library," commented Shanna

Cannon, President. "The amount an individual gives might be reduced, but the number of people donating continues to increase."

The Foundation currently has cash and pledged assets of just under \$900,000. Almost \$700,000 of that is in the Endowment Fund. There is over \$100,000 in a restricted Book Fund and the balance is in a small general fund for operational expenses and reserves.

The Foundation's investment portfolio is administered by a local professional financial advisor with close oversight by its Finance Committee comprised of qualified individuals representing the financial and legal sectors. This committee constantly monitors the asset allocation within the portfolio, researches the experience of similar endowment funds, and conservatively invests funds in publicly traded companies to meet long-term investment objectives and capital preservation requirements. As a result of this due diligence, the Shasta Library Foundation portfolio realized only a 13% loss in 2008 – far less than the majority of the financial sector.



**Knowledge allows us to spread our wings.**

### **General Fund Assets**

as of 12/31/2008 \$ 87,457.07 (unrestricted)

### **Book Fund Assets**

as of 12/31/2008 \$109,927.42 (restricted)

### **Endowment Fund Assets**

as of 12/31/2008 \$460,868.55 (restricted)

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**Subtotal \$658,253.04**

**Endowment Pledges \$220,087.56**

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**TOTAL \$878,340.60\***

### **\*Complete financial statements available upon request.**

Every effort is made to maintain low administrative overhead. Of the \$420,877.28 in contributions, grants and pledges in 2008, \$40,356.46 (9.6%) was spent on general administration and \$3,915.36 (.9%) was spent on fundraising expenses, substantially below the recommended industry standards. Our Board of Directors carefully reviews the financial status of the organization on a monthly basis and has strict financial controls in place. We take our stewardship responsibilities very seriously and are committed to our efforts to "sustain the Library's future" and to leave a legacy of which we can all be proud.