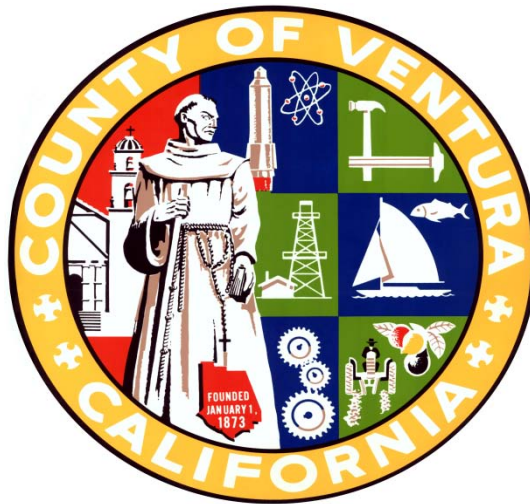


# **Ventura County Grand Jury 2009 - 2010**



## **Final Report**

### **Ventura County Library System**

**June 14, 2010**

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## Ventura County Library System

*"If you have a garden and a library, you have everything you need."*  
- Cicero

### Summary

The 2009-2010 Ventura County Grand Jury (Grand Jury) chose to investigate the Ventura County Library System (VCLS).

The Grand Jury concluded that in spite of the financial hardships that have beset the VCLS, the Library System Director (Director) and the Library Services Commission (Commission) have been able to maintain a consistent level of service.

The Grand Jury concluded that the City of Ventura (City), in conjunction with the VCLS, explored numerous options in an attempt to keep the Wright Library open, and that there is no evidence of improper actions on the part of either party.

The Grand Jury recommends that the Ventura County Board of Supervisors (BOS) and the Commission take actions as necessary to ensure that adequate library services are provided to the citizens of the Ventura County Library System.

### Background

Based on articles that have appeared in the press and on public complaints received regarding the closure of the Wright Library in Ventura, the Grand Jury chose to investigate the VCLS.

On April 9, 1915, the BOS established a County Free Library.

The various library locations were established as follows:

- 1916 - Ojai, Simi Valley, Piru, Fillmore, Saticoy, Moorpark, Ventura
- 1917 - Newbury Park
- 1919 - Camarillo
- 1924 - Conejo Branch (Thousand Oaks)

In 1982, the City of Thousand Oaks withdrew from the VCLS.

In 1997, the seven cities served by the VCLS entered into a partnership with the BOS, establishing a library services commission to advise on budgetary and policy matters.

Now in its 95<sup>th</sup> year of operation, the VCLS is made up of 14 branches serving a population of 440,000, with 850,000 volumes and an annual circulation of 1.5 million items.

### Methodology

The Grand Jury received a briefing from the current Library Director and various staff members. The Grand Jury thoroughly reviewed a variety of information

regarding the VCLS operation. The Grand Jury reviewed numerous newspaper articles and information available on the internet.

## **Findings**

### **General Library Information**

- F-01.** On April 9, 1915, the BOS voted unanimously to establish a County Free Library.
- F-02.** The current VCLS is operated based on a 1998 Memorandum of Understanding (MOU) between the County and the seven cities of Camarillo, Fillmore, Moorpark, Ojai, Port Hueneme, San Buenaventura, and Simi Valley. [Ref-01]
- F-03.** The purpose of the MOU was to provide improved library services and establish a Commission. [Ref-01]
- F-04.** The Commission is structured as follows:  
[Ref-01]
- one member from each city council
  - one member from the BOS\*
- \* with a 4/5 vote the BOS can override a vote of the Commission.
- F-05.** The MOU grants the Commission the following recommendation powers:  
[Ref-01]
- to oversee the policy matters of the Library System and make recommendations to the BOS
  - to participate in the selection of the Director
  - to review the annual performance evaluation of the Director and forward any recommendations to the BOS
- F-06.** The MOU provides the following:  
[Ref-01]
- all city property taxes are returned to the respective cities
  - each city also receives property taxes from unincorporated service areas
  - changes are only made by unanimous vote of the Commission
- F-07.** County libraries are organized under the County Free Library Law, Education Code §19100 *et seq.* [Ref-02]
- F-08.** City libraries are organized under the Municipal Library Law, Education Code §18900 *et seq.* or, for charter cities, under the constitutional "municipal affairs doctrine," California Constitution, Article II, §3 and pursuant to a charter adopted by the city's voters. [Ref-02]
- F-09.** This County operates as a *County Dedicated Property Tax Library*, one of 24 California counties which imposed a separate property tax for

libraries before Proposition 13 (1978). This property tax rate still generates revenues, all of which are dedicated to county library services. [Ref-02]

**F-10.** Since a substantial portion of their revenues are guaranteed and cannot be spent on other county activities, county dedicated property tax libraries enjoy a greater degree of financial independence and certainty. [Ref-02]

**F-11.** Property taxes, governed by California state law, are collected by the County. The County Tax Collector collects taxes on behalf of the following entities: the County, most of the County's 10 incorporated cities, 20 school districts, and all other taxing agencies located in the County including special districts (e.g., flood control districts, sanitation districts). [Ref-02]

**F-12.** Upon collection of these taxes by the County, appropriate distribution is made to the various taxing agencies. [Ref-02]

**F-13.** Property taxes were allocated by Fiscal Years (FY) as follows:

	FY 92-93	FY 93-94 to 08-09	FY 09-10
Schools	46%	54%	54%
County	26%	18%	19%
Districts	20%	19%	18%
Cities	8%	9%	9%

**F-14.** The three major components of the VCLS's discretionary operating revenues are:

- property taxes
- General Fund contribution
- Public Library Fund (PLF)

**F-15.** Additional revenues are received as follows:

- fees for past due materials, library card replacement, and meeting room rentals
- various grants
- city contributions

**F-16.** The current VCLS consists of 14 libraries, located as follows: [Ref-03]

- Unincorporated branches:
  - Meiner's Oaks
  - Oak View
  - Saticoy
  - El Rio
  - Oak Park

- Piru
- City Libraries
  - Camarillo
  - Fillmore
  - Ojai
  - Port Hueneme
  - Simi Valley
  - Ventura (Avenue and Foster)

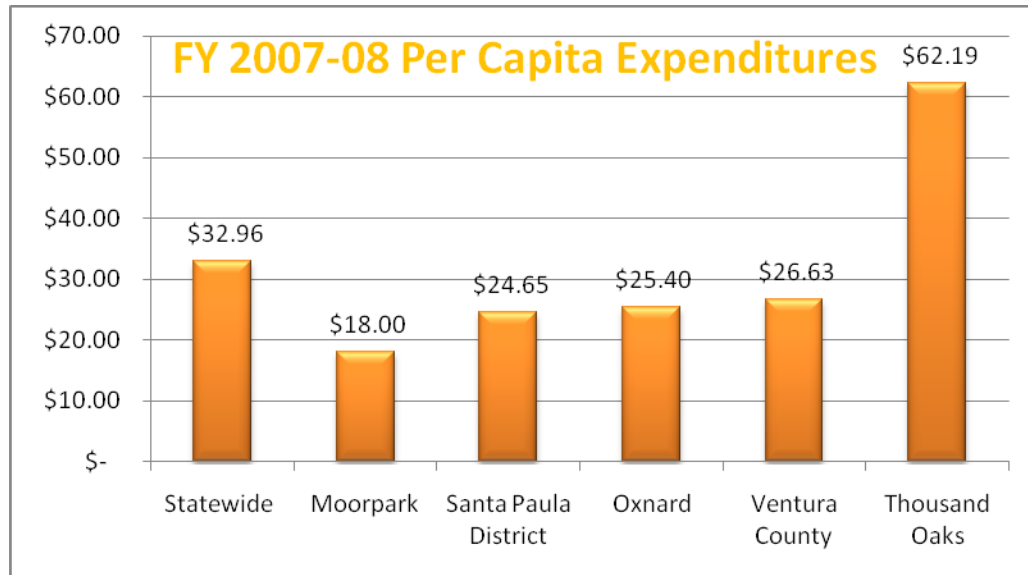
**F-17.** In 2007, the City of Moorpark withdrew the Moorpark City Library from the VCLS.

**The VCLS Financial Condition**

**F-18.** The VCLS has been experiencing financial difficulties for some time, as illustrated as follows:

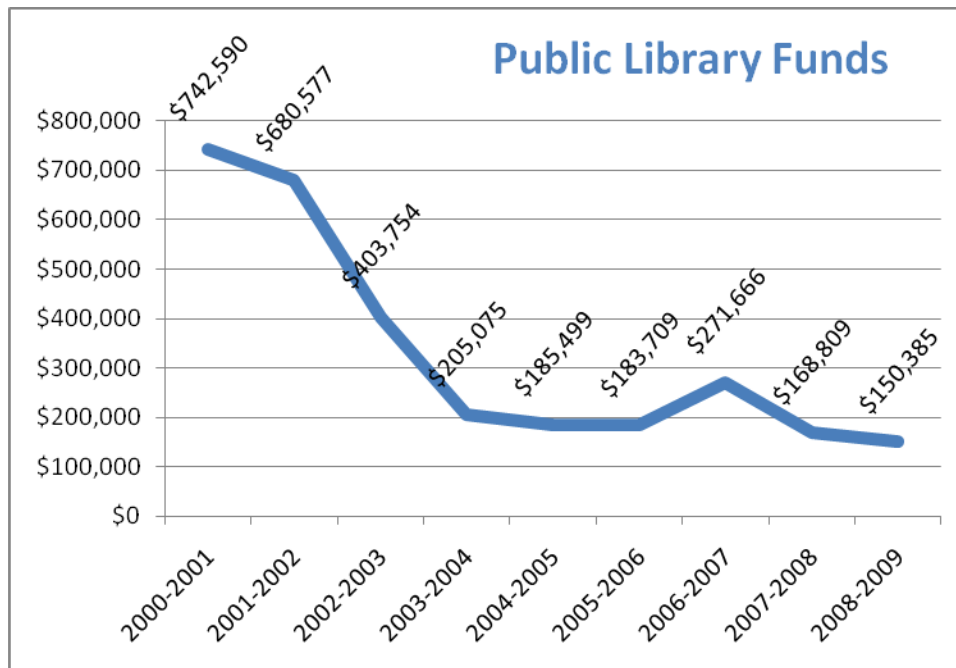
- 1978 - on June 6th nearly two-thirds of California's voters passed Proposition 13, reducing property tax rates on homes, businesses and farms by about 57%
- 1992 - the California State Library (CSL) lost \$2 million annually when the State shifted half of the Special District Augmentation Fund to balance the State budget
- 1993 - the CSL lost almost half of its funding (an additional \$3 million annually)
- 1995 - as a result of serious budget difficulties, the BOS determined that rather than closing seven small neighborhood libraries, supplementary General Fund monies would be provided to operate them for 75% of the new fiscal year
- 2001 - the County adopted and approved a Living Wage Ordinance for County staff which caused major adjustments to staffing budgets in the VCLS
- 2002 - funding for utilities throughout the VCLS increased 43% over 2001
- 2003 - problems in the State budget caused a cut of 50% of the PLF from the previous year's allocation
- 2005 - The State discontinued using the Vehicle Licensing Fee (VLF) to partially fund libraries. In lieu of the VLF, the County began contributing \$600,000 from the General Fund, which was equal to the funding the library had been receiving through VLF at that time.

- F-19.** In FY 2007-2008, per capita mean<sup>1</sup> for library materials expenditures for the State, the various city libraries, and the VCLS is shown below:



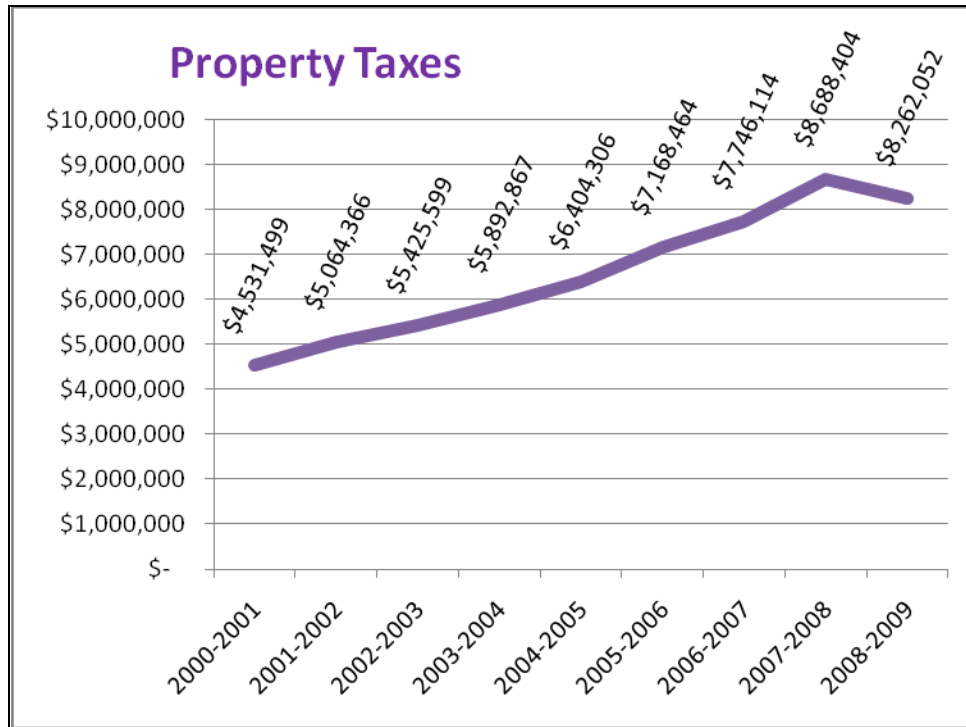
- F-20.** In 2006, the per capita income for the County was \$42,476 and ranked 15<sup>th</sup> overall in the State.

- F-21.** The revenues which the County receives from the State through the PLF have been steadily decreasing over the past 10 years, as shown below:

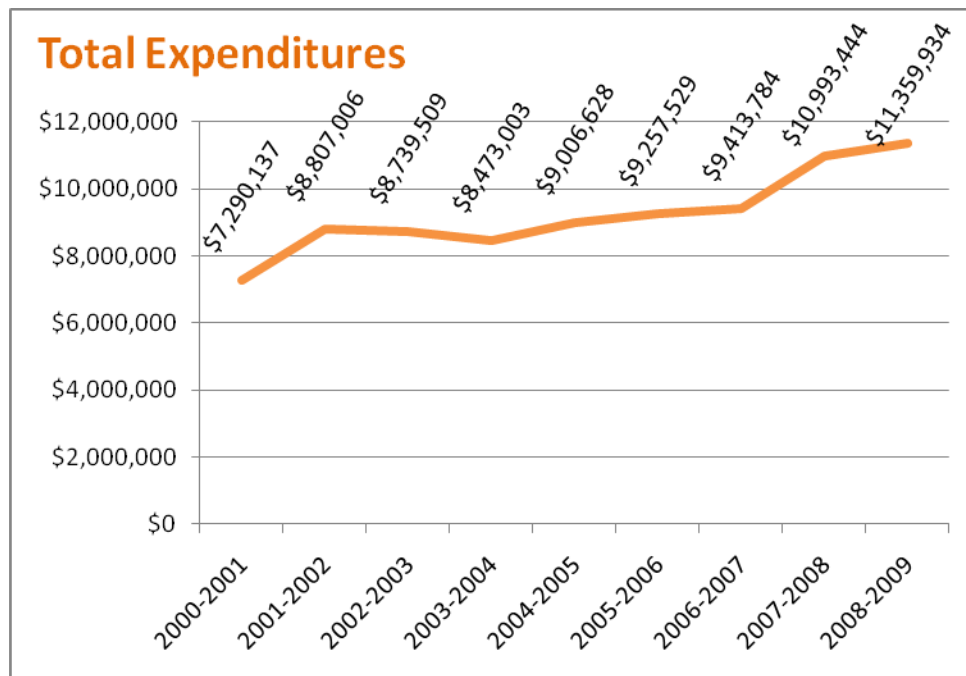


<sup>1</sup> The most common expression for the mean is the mathematical average of all the terms. To calculate the mean, add up the values of all the terms and then divide by the number of terms. This expression is also called the arithmetic mean.

- F-22.** The revenues the VCLS received through property taxes over the past nine years are shown as follows:

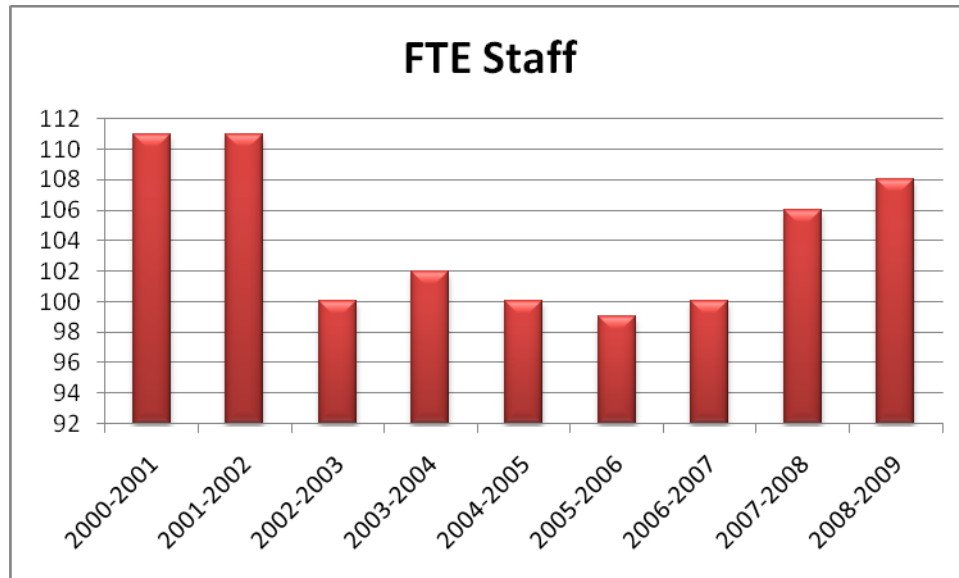


- F-23.** The total annual expenditures for the VCLS are shown below:

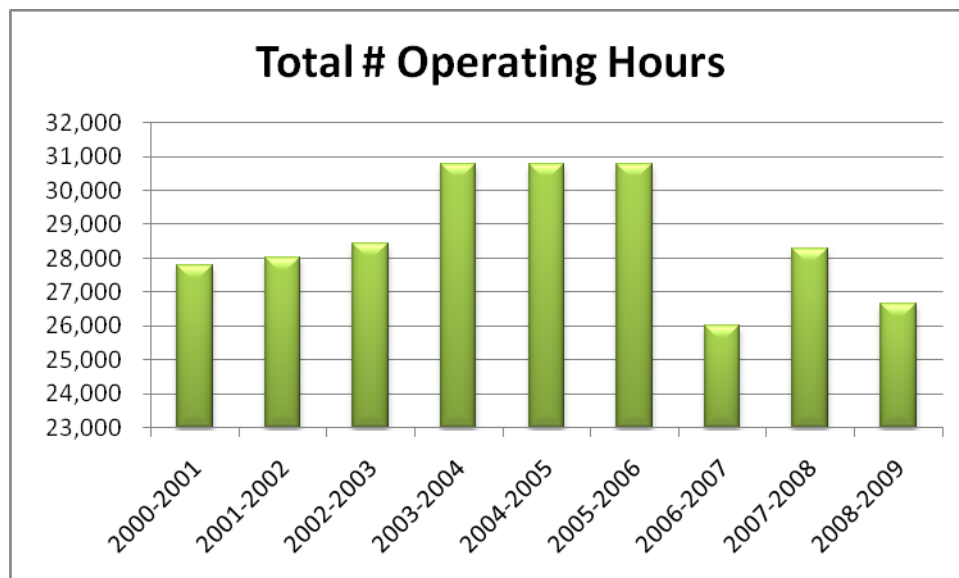




**F-24.** The Full Time Equivalent (FTE) employee staffing has remained fairly constant over the past nine years:



**F-25.** There has been a 9.1% reduction in the average annual operating hours for the last three years in comparison to the previous six years :



**F-26.** The current MOU appears to have certain shortcomings:  
[Ref-04]

- there are additional costs to administer the library system
- there is no opportunity for "economies of scale" in purchasing materials including books
- may create inequities in library service, based on wealth of individual communities
- penalizes growth

- penalizes high circulation, rewards low circulation
- rewards deficit libraries

**F-27.** A subgroup of the Commission, comprised of the city managers, was formed at the October 1, 2009 meeting for the purpose of exploring an alternative funding formula to alleviate the current drawbacks of the MOU. [Ref-04]

### **The Wright Library**

**F-28.** The City of Ventura (City) had been operating multiple libraries:

- Helen P. Wright
- E.P. Foster
- Ventura Avenue Library (primarily funded by a \$150,000 City contribution from Community Development Block Grant resources)

**F-29.** The cities in the MOU operate under a “return-to-source” formula. As a result, there have been insufficient funds to operate multiple City libraries. [Ref-05]

**F-30.** For the last several years, the need for additional funding to maintain library hours in the City has been an annual budgetary issue for both the VCLS and the City. [Ref-05]

**F-31.** In the past, when there were critical shortages of funds, some groups have stepped forward to provide one-time, stop-gap funding. Funds have been provided by:  
[Ref-05]

- VCLS
- the City
- Ventura auto dealers
- San Buenaventura Friends of the Library (Friends)

**F-32.** In FY 2008-2009, the VCLS provided an additional \$280,000 to maintain the City’s library service levels. [Ref-05]

**F-33.** In early 2009, the Commission concluded that it could no longer continue to subsidize the City's two libraries without cutting hours and services at other libraries in the system. [Ref-05]

**F-34.** In January 2009, the VCLS staff developed a balanced budget for FY 2009-2010 which did not provide a funding subsidy for the City. [Ref-05]

**F-35.** At the same time, the City was involved in its second year of budget cuts and determined there was insufficient funding to support multiple libraries. [Ref-05]

**F-36.** In a January 2009 report from the Director, a recommendation was made to the City Council to keep the Foster Library open while closing the Wright Library, based on the following factors:  
[Ref-05]

- size: Foster is 35,000 square feet; Wright is 12,000 square feet
- accessibility: Foster is Americans with Disabilities Act compliant; Wright is not
- community space: Foster has a meeting room; Wright does not
- computers: Foster has 34 computer terminals; Wright has four
- long-term sustainability: the City owns the land on which Foster is sited; the land under Wright is rented under a lease expiring on March 15, 2015

**F-37.** There were a number of actions that were undertaken in an attempt to keep the Wright Library open:  
[Ref-05]

- a fund raising campaign was undertaken by the Friends
- the City Council appointed a “blue ribbon citizen committee” to make recommendations regarding a sales tax measure
- the City Library Advisory Commission (LAC) held a series of meetings to consider alternatives to closing Wright Library

**F-38.** On April 27, 2009, staff brought the LAC-recommended alternatives to the City Council. The alternatives were, in order of the staff's preference:  
[Ref-05]

- alternate days of service between Wright and Foster
- alternate hours of service between Wright and Foster
- maintain current service levels at both libraries through City funding, either in the form of a loan or a grant
- consolidate collections at Foster Library, and explore other sites as an alternative to Wright
- follow the County staff recommendation to close Wright and move all collections to Foster
- close Wright temporarily, leaving the collections in place and intact until an alternative funding source for libraries is identified

**F-39.** The City placed Measure A, a half-cent sales tax increase, on the ballot for the November 3, 2009 election. This measure was, in part, to provide funds to keep the Wright Library open. [Ref-05]

**F-40.** On November 3, 2009, Measure A was defeated. [Ref-05]

**F-41.** In a November 13, 2009 letter, the Director advised the Mayor of Ventura that the Wright Library would be closed effective November 30, 2009, if the City provided no additional funds. [Ref-05]

- F-42.** The Wright Library closed its doors on Monday, November 30, 2009 at 8:00 PM.

## **Conclusions**

- C-01.** For almost a century, the VCLS has provided library services to the citizens of the County. (F-01)
- C-02.** In the past, the VCLS has suffered from serious financial problems and those problems persist. (F-17)
- C-03.** For the past five years, the VCLS has operated in a deficit spending mode. (F-20 through F-23)
- C-04.** In spite of the financial problems that have beset the VCLS, the Director and the Commission have been able to maintain a consistent level of service. (F-24, F-25)
- C-05.** The Director and the Commission continue to explore methods to reduce the costs of VCLS operations. (F-26 through F-27)
- C-06.** The City, in conjunction with the VCLS, explored numerous options in an attempt to keep the Wright Library open. (F-29 through F-40)
- C-07.** There is no evidence of improper actions on the part of the City or the VCLS with respect to the closure of the Wright Library. (F-29 through F-40)

## **Recommendations**

- R-01.** The Ventura County Board of Supervisors and the Library Services Commission should take necessary actions to ensure that adequate library services are provided to the citizens of the Ventura County Library System.

## **Responses**

### Responses Required From:

Board of Supervisors, Ventura County (R-01)

### Responses Requested From:

Ventura County Library Commission (R-01)

## **References**

- Ref-01.** Ventura County Library website, Documents presented at the October 1, 2009 Commission meeting, Agenda Item 10  
<http://www.vencolibrary.org/commission>
- Ref-02.** California Public Library Organization Website  
<http://www.library.ca.gov/lds/docs/CAPubLibOrgRpt.pdf>
- Ref-03.** Ventura County Library website

<http://www.vencolibrary.org/locations>

**Ref-04.** Ventura County Library website, Documents presented at the October 1, 2009 Commission meeting, Agenda Item 10

<http://www.vencolibrary.org/commission>

**Ref-05.** Ventura City Council Agenda for Monday, November 23, 2009, Agenda item No. 12

<http://www.ci.ventura.ca.us/newsmanager/articlefiles/5554-item%2012.pdf>