

Response to Grand Jury Report



Report Title: **THE LIBRARY**

Report Date: May 27, 2015

Response by: Chief Executive Officer

Findings

I (we) agree with the findings numbered: 13

I (we) disagree wholly or partially with the findings numbered: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14

Attach a statement specifying the findings or portions of the findings that are disputed, and include an explanation of the reasons therefor.

Recommendations

Recommendations numbered 1, 2 have been implemented.

Attach a statement describing the implement actions.

Recommendations numbered xxx have not yet been implemented, but will be implemented in the future.

Attach a statement with the schedule for implementation(s).

Recommendations numbered 5 require further analysis.

Attach an explanation, and the scope and parameters of the analyses or studies, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

Recommendations numbered 3, 4, 6, 7, 8 will not be implemented because they are not warranted or are not reasonable.

Attach an explanation.

Signature: Carmel J. Angelo Date: 7-23-15

Number of pages attached: 63

FINDINGS

F1. “The County is not required by any law or regulation to charge the Library A-87 costs. The decision to charge A-87 costs is solely within the authority of the Board of Supervisors. The County Auditor develops and supplies to the County Executive Office the A-87 State Cost Plan. The CEO prepares and recommends the budget to the Board of Supervisors.”

I (we) disagree partially with this finding. All California counties are required to have either a provisionally or a formally approved countywide cost allocation plan from the State Controller before any indirect costs or direct billings for central support services.

The Library is a “Special Revenue Fund” but uses the General Fund to help pay for their day-to-day operations. A Special Revenue Fund is, “an account established by a government to collect money that must be used for a specific project. Special revenue funds provide an extra level of accountability and transparency to taxpayers that their tax dollars will go toward an intended purpose” (County of Mendocino, Final Budget 2014-15, pg. J-8). A-87 costs are used in the development of departmental fees in order to capture the true, complete cost of providing the services. All Special Revenue funds (including the Library) reimburse the General Fund by paying their appropriate share of A-87 Costs. The Executive Office does not determine A-87 costs and accepts the information provided by the Auditor-Controller as prescribed in State statute as accurate.

Department budgets are developed by each Department Head and submitted to the Executive Office for review and inclusion into the Chief Executive Officer’s (CEO)’s budget recommendations presented to the Board of Supervisors for consideration and adoption (Appendix A – Mendocino County Code, Section 2.28.050 (B)(10)). The CEO incorporates by reference the Auditor-Controller’s response to Finding 1.

F2. “The application of the State Cost Plan to the County budget is the decision of the Board of Supervisors. The staff preparing the budget for the Supervisors’ consideration, and the Board of Supervisors itself, has an obligation to fully understand the difference between direct billing and the purpose and applicability of A-87 costs when charged to the Library budget.”

I (we) disagree partially with this finding. All California counties are required to have either a provisionally or a formally approved countywide cost allocation plan from the State Controller before applying any indirect costs or direct billings for central support services. The plan allows counties to determine the complete costs of the services provided by all departments. Special Revenue Fund’s, such as the Library, use the General Fund to help pay for day-to-day operations, and then reimburse the General Fund by paying the appropriate share of the A-87 costs.

Current staff preparing the budget have been trained on the differences between direct billing, building use allowance, equipment use allowance and other operating expenses associated with the applicability of A-87 costs when charged to the Library or other Special Revenue Funds. The CEO incorporates by reference the Auditor-Controller’s response to Finding 2.

F3. “The County charges the Library for A-87 use costs for buildings and building improvements even if the County did not spend a dime of the County General Fund. These are charges the Grand Jury finds are inappropriate and unacceptable.”

I (we) disagree wholly with this finding. Any donations or grant funding specifically intended for the construction or improvement of these buildings are taken into account by the Auditor-Controller before calculating the Library’s Building Use Cost. The CEO incorporates by reference the Auditor-Controller’s response to Finding 3 and 4.

F4. The donations from the public for the Fort Bragg Library building and the Federal grant for the Willits Library are used by the County as a basis for computing A-87 costs. The Grand Jury specifically finds these charges as inappropriate and unacceptable.

I (we) disagree wholly with this finding. Any donations or grant funding specifically intended for the construction or improvement of these buildings, are taken into account by the Auditor-Controller before calculating the Library’s Building Use Cost. The CEO incorporates by reference the Auditor-Controller’s response to Findings 3 and 4.

F5. “Inappropriate and unacceptable A-87 charges for equipment and buildings divert the Library’s dedicated funds to the General Fund, reducing the amount the Library has to spend for services to the public.”

I (we) disagree wholly with this finding. The Auditor–Controller is responsible for the calculation and administration of A-87 costs. The CEO does not have oversight responsibility for the Auditor-Controller, nor access to any information to support this finding. The Executive Office accepts the information provided by the Auditor-Controller as prescribed in State statute as accurate. The A-87 costs are charged for services provided including purchasing, maintenance, and replacement costs for equipment and buildings. All of the above services are needed for the Library to operate. The CEO incorporates by reference the Auditor-Controller’s response to Finding 5.

F6. The Grand Jury concludes from the County Auditor’s answers to interview questions and the Grand Jury report from 2013-14, that as far as the acquisitions prior to 1996 are concerned, the County has been and is still collecting A-87 charges for equipment use that are not permitted per the A-87 Handbook.

I (we) disagree wholly with this finding. The CEO has no information to support this finding. The Auditor–Controller is responsible for the calculation and administration of A-87 costs. The CEO incorporates by reference the Auditor-Controller’s response to Finding 6.

F7. “The A-87 charges for fixed and other assets not paid for by the General Fund should be waived. Doing otherwise constitutes a tax levied on all grants, donations, and the Library’s dedicated funds until the County General Fund receives the full amount of all external sources of money. The essential characteristics of a tax are defined by Black’s Law

Dictionary as: “A charge, usually Monetary, imposed by the government on persons, entities, transactions, or property to yield public revenue.” The statutory authority of the Board of Supervisors over the Library is “general supervision”; it does not include the power to tax without voter approval.”

I (we) disagree wholly with this finding. A-87 is not a tax. It is a process used for collecting costs associated with operating a department or special district, etc., that are borne by the County (F1, F2). As for assessing A-87 costs, the Auditor-Controller takes into consideration donations or grant funding specifically intended for the construction or improvement of these buildings (F4). The amount of the grant that was used to help pay for a fixed asset or other A-87 costs are not included in determining the cost for cost allocation purposes.

F8. “The State Legislature has passed laws providing that the County Free Libraries are special districts. The State Librarian has consistently maintained that the County Free Libraries are special districts. The Grand Jury finds that the Mendocino County Free Library is a dependent special district.”

I (we) disagree partially to this finding. County Free Libraries may be considered a “special district” for tax and revenue purposes only (Appendix B – Revenue and Taxation Code 2201-2216). The Mendocino County Library continues to operate under the policy set by the Board of Supervisors and in compliance with State law regarding County Free Libraries (Appendix D – Education Code 19100 to 19180). The CEO incorporates by reference the Auditor-Controller’s response to Finding 8.

F9. “By law, the Mendocino County Free Library, a special district, is entitled to a pro-rata share of the property taxes.”

I (we) disagree partially with this finding. Under the Revenue and Taxation Code, Sections 2215 and 2216, the Mendocino County Library may be considered a “special district” for tax and revenue purposes only (Appendix B – Revenue and Taxation Code 2201-2216). This designation as a “special district” means that the County Library retains a proration of taxes that were in effect prior to the implementation of Prop. 13 in 1978. The Mendocino County Free Library is a “dedicated property tax library,” and the County therefore ensures that the Library receives their pro rata share of designated property tax (Appendix F – CA Public Library Organization 2013, p.5). As a point of clarification, a separate Library District is a distinct “Special District” brought forward by the County’s voters and approved by the Board of Supervisors (Appendix C – Education Code 19402). No such action has occurred in Mendocino County. The pro rata share of property tax does not transform the essential nature of the Mendocino County Library from a County Free Library to a “Library District” or “Special District.” The Mendocino County Library continues to operate under the general supervision, rules, and regulations regarding policy set by the Board of Supervisors and in compliance with State law regarding County Free Libraries, under which the library was chartered (Appendix D – Education Code 19100 to 19180). The CEO incorporates by reference the Auditor-Controller’s response to finding 9.

F10. Absent adequate explanation of the position taken by some County Officials that the Library is not a special district, the Grand Jury does not see a valid reason for the current Board of Supervisors supporting this position.

I (we) disagree wholly with this finding. In 1963, the Mendocino County Free Library was established for the unincorporated areas of the County of Mendocino under the County Free Library Law (Appendix D – Education Code 19100 to 19180). The Mendocino County Free Library continues to operate under the general supervision, rules and regulations regarding policy set by the Board of Supervisors and in compliance with State law regarding County Free Libraries. Library Districts are organized under Education Code 19400; therefore Education Code 19400 does not apply to the Mendocino County Free Library. Mendocino County, along with 22 other California counties, operates a County Free Library with a dedicated property tax (Appendix F – CA Public Library Organization 2013, pg. 21). As noted in Finding 9, the County therefore ensures that the Library receives a pro rata share of designated property tax. Under the Revenue and Taxation Code, the Mendocino County Library may be considered a “special district” for tax and revenue purposes only (Appendix B – Revenue and Taxation Code 2201-2216). While the County Library may be a “special district” for tax and revenue purposes, it still is a County Free Library and operates under Education Code Sections 19100 to 19180. The CEO incorporates by reference the Auditor-Controller’s response to finding 10.

F11. The County Officials’ interpretation of the Education Code §19147, accomplished by changing the statutory language, has resulted in paying the County Librarian from the Library’s dedicated funds rather than the General Fund. Further, County Officials also ignore the companion section, §19148.

I (we) disagree wholly with this finding. All Mendocino County Officers are paid in the same manner and out of the fund in which they work. For example, the Chief Executive Officer is paid out of the general fund, the Director of Transportation is paid out of the road fund; the Air Pollution Control Officer is paid out of the air quality fund. Paying the County Librarian out of the County Library fund is in compliance with §19147. Section 19148 does not change this. If the legislature had wanted the County Librarian to be specifically paid from the general fund, they could easily have stated that in §19147.

Education Code § 19147 states: “The salary of the county librarians shall be paid by each of the counties in equal monthly installments, at the same time and in the same manner and out of the same fund as the salaries of other county officers are paid.”

Education Code §19148 states that: “The board of supervisors of a county over 400,000 population, as determined by the 1960 decennial census, maintaining a county free library may provide that the salary of the county librarian be paid from the same fund used for maintaining and operating the county free library. . .”

Education Code § 19148 does not state that only counties with populations in excess of 400,000 in 1960 are allowed to use library funds to pay the librarian’s salary. It states that counties with a population over 400,000 in 1960 may authorize that the salary of the county librarian be paid

from the same funds used for maintaining and operating the County Free Library. The CEO incorporates by reference the Auditor-Controller's response to Finding 11.

F12. Paying the County Librarian from the Library funds improperly limits the money available for the Library and is contrary to statutory interpretation principles.

I (we) disagree wholly with this finding. As noted in Finding 11, paying the Librarian from the Library funds is an appropriate use of funds. The CEO incorporates by reference the Auditor-Controller's response to Findings 11 and 12.

F13. Measure A sales taxes are being appropriately used to update the library collections, services, providing new programs, and hiring needed staff.

I (we) agree with this finding.

F14. "Some responses to Findings and Recommendations of the Grand Jury 2013-14 report do not conform to the standards in the Penal Code §933.05. By conforming to the standards of the Penal Code, public officials would actually inform the public as to the issues at hand."

I (we) disagree wholly with this finding. The CEO responses to Findings 5 and 6 of the 2013-14 Grand Jury report entitled, "The Mendocino County Free Library," are accurate. The Auditor-Controller, as an elected official, is responsible for the accounting methods and procedures and the handling of property tax apportionment. The CEO does not have knowledge that supports the finding that there is a breach in following the intent and/or requirements of the law. The information provided by the Auditor-Controller is used during preparation of the County budget. The CEO did not incorporate, by reference, the Auditor's responses to recommendation 4, 5 and 8. The CEO stated, "This recommendation requires further analysis by the Auditor-Controller (F2, F3, F5, F6)" (Appendix E – CEO Response to the 2013-14 Grand Jury Report). The CEO, in response to Recommendation 9, cited Finding 2 and Finding 3 as explanation for the recommendation not being implemented (Appendix E – CEO Response to the Grand Jury Report). The CEO incorporates by reference the Auditor-Controller's response to Finding 14.

RECOMMENDATIONS

R1. "All respondents conform to Penal Code §933.05. (F14)"

This recommendation has been implemented. The responses conform to Penal Code §933.05.

R2. "The Board of Supervisors and all staff responsible for budget planning and implementation be trained in the difference between direct billing and A-87 costs, including the difference between overhead and use costs, for the Library. (F2)"

This recommendation has been implemented. As noted in Finding 2, current County staff responsible for budget planning and implementation have been trained on A-87 costs. The CEO incorporates by reference the Auditor-Controller's response to Recommendation 2.

R3. “The Board of Supervisors with the CEO remove all A-87 charges for equipment from the Library Budget. (F1, F5, F6, F7)”

This recommendation will not be implemented because it is not warranted. The Library’s A-87 Building and Equipment Use charges are an appropriate use of Library Funds. All Special Revenue Funds, including the Library, must reimburse the General Fund by paying their full share of the A-87 General Fund costs.

R4. “A-87 costs for building use be based only on those amounts that are documented as actually paid from the County General Fund. (F1, F3, F4, F5, F7)”

This recommendation will not be implemented because it is not warranted. All A-87 costs for the Library’s building use charges are based on amounts paid out of the General Fund. The CEO incorporates by reference the Auditor-Controller’s response to Recommendation 4.

R5. “The Board of Supervisors, the County Auditor, and the CEO recognize that insurance proceeds, grants, and donations are not General Fund monies for the purposes of A-87 costs charged to the Library. (F1, F2, F3, F4, F5, F7)”

This recommendation requires further analysis by the Auditor-Controller to review past application to determine if adjustments are necessary. All insurance proceeds, donations or grant funding specifically intended for the construction or improvement of a building, are taken into account by the Auditor-Controller before calculating A-87 Building Use Costs. The CEO incorporates by reference the Auditor-Controller’s response to Recommendation 5.

R6. “The Board of Supervisors with the County Auditor establish a specific tax rate for the Library as a dependent Special District. (F8, F9, F10)”

This recommendation will not be implemented because it is not reasonable. The Auditor-Controller as an elected official retains full authority to implement accounting methods and procedures and to determine the methodology to record property tax apportionment. The CEO incorporates by reference the response to Recommendation 6 by the Auditor-Controller.

R7. “The Board of Supervisors with the County Auditor revise the procedures to require the budget to show the Library revenues as a pro-rata share of the property tax. (F8, F9, F10)”

The recommendation will not be implemented because it is not warranted. The pro-rata share of property tax is determined by the Auditor-Controller and is already included in the budget as an operating transfer in to account 827802. The CEO incorporates by reference the Auditor-Controller’s responses to Recommendations 6 and 7.

R8. “The Board of Supervisors pay the Librarian’s salary from the General Fund. (F11, F12)”

This recommendation will not be implemented because it is not warranted. As noted in the CEO’s response to Finding 11, the Education Code does not require that the Librarian’s salary be paid out of the General Fund. The CEO incorporates by reference the Auditor-Controller’s response to Recommendation 8.

Appendix

- A. Mendocino County Code, Section 2.28.050 (B)(10)
- B. Revenue and Taxation Code, Section 2201-2216
- C. Education Code, Section 1942
- D. Education Code 19100-19180
- E. CEO Response to the Grand Jury's 2013-14 Report
entitled, "The County Free Library"
- F. California Public Library Organization 2013

Appendix A

Sec. 2.28.050 - Duties and Responsibilities.

- (A) The CEO is accountable for the effective administration and management of all governmental affairs of the County, which may legally be placed in the CEO's charge and control, by the Board of Supervisors. Nothing in this Section shall preclude or impinge the authority of a majority of the Board of Supervisors from giving direction to the CEO in public session. The primary duties and responsibilities of the CEO shall be to plan, organize, control and direct the overall operation of the County; prepare, present and monitor the County budget; promote County activities and affairs with government and private entities, community organizations, industry and the general public; and serve on various committees and agencies. The CEO shall have authority to require and receive any and all information from any County department that the CEO may deem necessary to fulfill the above-enumerated duties and responsibilities.
- (B) Duties and responsibilities of the CEO shall include, but are not limited to, the following:
- (1) **Policy Formation.** The CEO shall develop and recommend policy and policy alternatives to the Board of Supervisors for consideration. It shall be the role of the CEO to advise the Board of Supervisors in the development of policy matters through the analysis, development and presentation of policy alternatives, including the anticipated consequences of such alternatives and the cost-benefit analysis of such alternatives. Furthermore, the CEO shall attend all Board meetings and advise on matters of policy and administration; unless excused by the Chair.
 - (2) **Policy Implementation.** The CEO shall implement the policies adopted by the Board of Supervisors and shall ensure they are properly distributed and explained to all affected personnel.
 - (3) **Departmental Duties and Responsibilities.** To the extent permitted by law, the CEO shall:
 - (a) Be authorized to assign or delegate the administration of duties to any CEO designee within the CEO's office.
 - (b) Receive projects that the Board of Supervisors has directed to the CEO for action, and refer those projects to the appropriate department.
 - (c) Monitor and report to the Board regarding the performance of County departments.
 - (d) Evaluate all proposed departmental programs and recommend those to the Board of Supervisors for approval the CEO feels should be approved or modified; periodically evaluate existing departmental programs and recommend changes to the Board for approval where they are indicated.
 - (e) Evaluate departmental organizations on a continuous basis, subject to the limitations of state law or the directives of the Board of Supervisors; with prior Board approval, initiate changes in interdepartmental organizations and structure.
 - (f) Authorize budgeted out-of-County travel and in-County business expense in accordance with rules and regulations based upon policies established by the Board.
 - (g) There will be an annual review of non-elected department heads in closed session with the CEO, the Board of Supervisors and department head. After Board comment and recommendations, the Chief Executive Officer will prepare the annual performance evaluation based on mutually agreed goals and objectives. The County Counsel, Clerk of the Board and Chief Executive Officer will be reviewed directly by the Board of Supervisors.
 - (h) Appoint, transfer, discipline, suspend or dismiss, as appropriate, any non-elected department head who is not required to be appointed by the Board of Supervisors, after meet and confer with the Board of Supervisors. The following departments report directly to the CEO:
 - (i) Department of Transportation;

- (ii) General Services Agency;
 - (iii) Health and Human Services;
 - (iv) Human Resources;
 - (v) Planning and Building Services.
- (i) Meet on a regular basis with each department head for the purpose of communicating County policies and issues.
 - (j) In cases where the Board of Supervisors is the appointing authority of a department head, the CEO shall recommend to the Board of Supervisors for its consideration and appointment, qualified candidate(s) to fill any vacancies.
 - (k) Promote the development of team management systems within the County organization and strive to develop leadership opportunities among department heads so as to build a management team, which can plan for and respond to future challenges.
- (4) Management of the County's Executive Office. The CEO, through its Executive Office, shall coordinate the activities of all County departments, preparing recommendations to the Board and executing the Board directives as they relate to the departmental operations. The Executive Office personnel, under direction of the CEO, shall also provide support, advice and assistance to all County departments. The CEO shall serve as a problem-solver, coordinator, mediator or other role(s) as determined appropriate by the Board of Supervisors in serving the needs of each County department and County government overall.
 - (5) Staff to the Board of Supervisors. The CEO and Executive Office personnel shall provide staff support to the Board of Supervisors.
 - (a) The CEO, under the direction of the Board of Supervisors, shall represent the Board of Supervisors and the County generally in public relations, at the local level, regionally, Federal and in County-State matters.
 - (b) As staff to the Board, the CEO shall ensure that all Board agenda requests are complete and that all relevant information is available for effective decision-making. The CEO furthermore has authority to request and receive justification of an item from a department head, as the CEO deems appropriate to effectively and efficiently conduct County business.
 - (c) The CEO shall report to the Board of Supervisors, not less than semiannually, the status of the budget expenditures and revenues and recommend adjustments as necessary.
 - (d) All requests for changes in the annual budget shall first be submitted to the CEO who shall transmit them to the Board of Supervisors together with recommendation.
 - (6) Legislative Activity. The CEO shall monitor legislative matters as they relate to County and local government, economic development, and other County issues. It is expected that individual Board members should have ready access to legislative matters, including current, pending and proposed matters, through and with assistance of the CEO and Executive Office personnel. Furthermore, the CEO shall perform legislative analysis and coordinate the development of recommendations to the Board concerning legislative activities.
 - (7) Employee Bargaining. The CEO shall participate as necessary with the designated Board employer-employee representative in the meet-and-confer process with employee representatives.
 - (8) Emergency Services. The CEO serves as the Director of Emergency Services and exercises control of County government in extreme emergencies when there is not sufficient opportunity for the Board of Supervisors to act, hire necessary extra personnel and purchase necessary supplies and equipment to meet such emergencies.

- (9) Administrative Policy Manual. The CEO shall supervise and direct the preparation and maintenance of a County administrative policy manual which sets forth the policies and procedures of the Board of Supervisors regarding the administrative affairs of the County.
- (10) Budget. As the County budget officer, the CEO shall supervise and direct the preparation of the annual County budget. In the performance of this duty the CEO shall review and evaluate all departmental request and all items in the proposed budget including expenditures, revenues and reserves. The CEO shall submit the proposed budget to the Board of Supervisors together with a written report and recommendations which shall be based on Board of Supervisors policy direction, revenue projections, budget targets, and proposed goals, objectives, work programs and projects developed by the various departments.

(Ord. No. 4140 (part), adopted 2005; Ord. No. 4182 (part), adopted 2007.)

REVENUE AND TAXATION CODE

SECTION 2201-2216

Appendix B

2201. Unless the context otherwise requires, the definitions contained in this article govern the construction of this chapter. The definition of a word applies to any variants thereof; the singular tense of a word includes the plural.

2202. "Ad valorem property taxation" means any source of revenue derived from applying a property tax rate to the assessed value of property.

2203. "City" means any city whether general law or charter, except a city and county.

2204. "Classification of property" means any enumeration or grouping of property by a statute which results in it being treated differently from other property for purposes of taxation.

2205. "Costs mandated by the courts" means any increased costs incurred by a local agency or school district in order to comply with a final court order issued after January 1, 1973, or with a final court order issued prior to July 1, 1972, if the costs incurred by a local agency or school district as a result thereof are not incurred until after June 30, 1973. "Costs mandated by the courts" do not include (i) costs incurred as a result of a judgment in an eminent domain or condemnation proceeding, (ii) costs incurred in order to comply with a final court order mandating the specific performance, or awarding damages as a result of nonperformance, of any contract or agreement entered into after January 1, 1973, and (iii) costs incurred as a result of a final court order which requires a local agency or school district to comply with a state-mandated program or service enacted after January 1, 1973, which the court has determined that the local agency or school district has failed to comply with prior to such order.

2206. "Costs mandated by the federal government" means any increased costs mandated specifically by the federal government upon a local agency or school district after January 1, 1973, in order to comply with requirements of federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact such law or regulation to meet specific federal program or service requirements would result in substantial monetary penalties or loss of funds to public or private persons in the state. "Costs mandated by the federal government" does not include costs which are specifically reimbursed or funded by the federal or state government or programs or services which may be implemented at the option of the

state, local agency, or school district.

2206.5. "Costs mandated by the voters" means any increased costs expressly mandated upon a local agency or school district after September 2, 1975, by any statute or any amendment to the State Constitution adopted or enacted pursuant to the approval of a statewide ballot measure by the voters. "Costs mandated by the voters" does not include costs which are specifically reimbursed or funded by the terms of such ballot measure.

2208. "County" means any chartered or general law county. "County" includes a city and county.

2208.5. "School district" means any school district, community college district, or county superintendent of schools.

2209. "Executive order" means any order, plan, requirement, rule or regulation issued:

(a) By the Governor, or

(b) By any officer or official serving at the pleasure of the Governor, or

(c) By any agency, department, board or commission of state government; provided that the term "executive order" shall not include any order, plan, requirement, rule or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code.

It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available.

"Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

2210. "Law enacted after January 1, 1973," means any statute enacted by the Legislature after January 1, 1973.

2211. "Local agency" means any city, county, special district, authority or other political subdivision of the state.

2212. "Percentage change in the cost of living" means the percentage change from April 1 of the prior year to April 1 of the

current year in the California Consumer Price Index for all items, as determined by the California Department of Industrial Relations.

2213. "Property tax rate" means any rate of tax or assessment which is levied per unit of assessed value of property. "Property tax rate" includes any rate or assessment which is levied on the value of land only, as well as any rate or assessment which is levied on the value of land and improvements.

2214. "Sales tax exemption" means any provision which causes a reduction in revenue to a city or county under Part 1.5 (commencing with Section 7200) of Division 2.

2215. "Special district" means any agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone or area, formed for the purpose of designating an area within which a property tax rate will be levied to pay for a service or improvement benefiting that area. "Special district" does not include a city, a county, a school district or a community college district. "Special district" does not include any agency which is not authorized by statute to levy a property tax rate or receive an allocation of property tax revenues. However, for the purpose of the allocation of property taxes pursuant to Chapter 6 (commencing with Section 95) of Part 0.5, and notwithstanding Section 2237, any special district authorized to levy a property tax or receive an allocation of property tax by the statute under which the district was formed shall be considered a special district.

2216. County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code; areas receiving county fire protection services pursuant to Section 25643 of the Government Code; and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code, shall be considered "special districts" for all purposes of this chapter.

EDUCATION CODE SECTION 1940-1946

1940. The county superintendent of schools may, with the approval of the county board of education, expend county school service funds for the purpose of administering and accounting for the county school service fund, or he may, with the approval of the county board of education, contract with and pay the board of supervisors for services rendered in administering and accounting for the county school service fund.

1941. The county superintendent of schools may, with the approval of the county board of education, provide services to school districts or community college districts in screening and directing teachers to the schools under his jurisdiction.

1942. The county superintendent of schools may, with the approval of the county board of education, pay actual and necessary travel expenses incurred in connection with curricular and special services by the county superintendent of schools or by his designated staff members in accordance with regulations established by the Superintendent of Public Instruction.

1943. The county superintendent of schools may, with the approval of the county board of education, employ personnel to conduct research in connection with the activities of the county superintendent of schools, and to develop systems, procedures and methods for applying such research findings to improve the effectiveness of those activities.

1944. The county superintendent of schools may with the approval of the county board of education provide for the publication of materials that are necessary in connection with the curricular and special services that the superintendent of schools is authorized to perform in the county. The county superintendent of schools may, in accordance with regulations adopted by the county board of education and for educational use, sell or give away the published materials or may exchange them for similar published materials. Unless restricted by the regulations of the county board of education, the sale or gift may be made to, and the exchange may be made with, any person, political subdivision, public officer or agency, or educational institution. The distribution of the published materials in accordance with this section is declared to be a public purpose and in furtherance of Article IX, Section 1, of the California Constitution.

1945. The county superintendent of schools may, with the approval of the county board of education, provide advisory services in school business administration activities, in maintenance of school building and grounds, and in the processing of special problems concerning credentials as designated by the State Department of Education.

1946. The county board of education may enter into agreements with the governing boards of any of the school districts or community college districts in the territory under the jurisdiction of the office of the county superintendent of schools for the conduct, under the direction of that office, of centralized in-service training programs for both certificated and classified employees of the school districts and community college districts and of that office.

Centralized in-service training program operations of the office of the county superintendent of schools shall be financed through the county school service fund, and shall be included in the budget prepared pursuant to Article 3 (commencing with Section 14050) of Chapter 1 of Part 9.

EDUCATION CODE

SECTION 19100-19116

Appendix D

19100. The boards of supervisors of the several counties may establish and maintain, within their respective counties, county free libraries pursuant to this chapter.

19101. The board of supervisors of any county may establish at the county seat or elsewhere in the county, a county free library for that part of the county lying outside of cities maintaining free public libraries, and outside of library districts maintaining district libraries, and for all such additional portions of the county as may elect to become a part of, or to participate in, the county free library system as provided in this chapter.

19102. At least once a week for two successive weeks prior to taking any action, the board of supervisors shall publish, in a newspaper designated by it and published in the county, notice of the contemplated action, giving the date of the meeting at which the action is proposed to be taken.

19103. After the establishment of a county free library, the board of trustees, common council, or other legislative body of any city in the county maintaining a free public library, or the board of trustees of any library district maintaining a district library, may notify the board of supervisors that the city or library district desires to become a part of the county free library system. Thereafter the city or library district shall be a part of the system and its inhabitants shall be entitled to the benefits of the county free library, and the property within the city or library district shall be liable to taxes levied for county free library purposes.

19104. (a) The board of trustees, common council, or other legislative body of a city or the board of trustees of a library district may, on or before January 1 of any year, notify the county board of supervisors that the city or library district no longer desires to be a part of the county free library system. The notice shall be accompanied by a statement complying with the requirements of Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code. The clerk of the board of supervisors shall file the statement with the county assessor and the State Board of Equalization. Thereafter the city or library district shall cease to participate in the benefits of the county free library system, and the property situated in the city or library district shall not be liable for taxes for county free library purposes.

(b) If the board of trustees, common council, or other legislative body of a city or the board of trustees of a library district intends to withdraw from the county free library system and operate the city's or the district's library or libraries with a private contractor that will employ library staff to achieve cost savings, the requirements of Section 19104.5 shall apply, unless the library or libraries are funded only by the proceeds of a special tax imposed by the city or library district pursuant to Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code.

19104.5. (a) The board of trustees, common council, or other legislative body of a city or the board of trustees of a library district in which a withdrawal from the county free library system becomes effective on or after January 1, 2012, shall comply with all of the following requirements before entering into a contract to operate the city's or the district's library or libraries with a private contractor that will employ library staff to achieve cost savings:

(1) At least once a week for four consecutive weeks before taking any action, the board of trustees, common council, or other legislative body of the city or the board of trustees of the library district shall publish, in a newspaper designated by it and circulated throughout the city or library district, notice of the contemplated action, giving the date and place of the meeting at which the contemplated action is proposed to be taken.

(2) The board of trustees, common council, or other legislative body of a city or the board of trustees of a library district shall clearly demonstrate that the contract will result in actual overall cost savings to the city or library district for the duration of the entire contract as compared with the city's or library district's actual costs of providing the same services, provided that, in comparing costs, all of the following occur:

(A) The city's or library district's additional cost of providing the same services as proposed by the contract shall be included. These additional costs shall include the salaries and benefits of additional staff that would be needed and the cost of additional space, equipment, and materials needed to perform the necessary functions of the library.

(B) The city's or library district's indirect overhead costs shall not be included unless those costs can be attributed solely to the function in question and would not exist if that function was not performed by the city or library district. For purposes of this subparagraph, "indirect overhead costs" means the pro rata share of existing administrative salaries and benefits, rent, equipment costs, utilities, and materials.

(C) The cost of a contractor providing a service for any continuing city or library district costs that would be directly associated with the contracted function shall be included. Continuing city or library district costs shall include, but not be limited to, costs for inspection, supervision, and monitoring.

(3) The contract shall not be approved solely on the basis that savings will result from lower contractor pay rates or benefits. Contracts shall be eligible for approval if the contractor's wages are at the industry's level and do not undercut city or library district pay rates.

(4) The contract shall not cause an existing city or library district employee to incur a loss of his or her employment or

employment seniority, a reduction in wages, benefits, or hours, or an involuntary transfer to a new location requiring a change in residence.

(5) The contract shall be awarded through a publicized, competitive bidding process.

(6) The contract shall include specific provisions pertaining to the qualifications of the staff that will perform the work under the contract, as well as assurances that the contractor's hiring practices meet applicable nondiscrimination standards.

(7) The contract shall provide that it may be terminated at any time by the city or library district without penalty if there is a material breach of the contract and notice is provided within 30 days of termination.

(8) If the contract is for library services in excess of one hundred thousand dollars (\$100,000) annually, all of the following shall occur:

(A) The city or library district shall require the contractor to disclose all of the following information as part of its bid, application, or answer to a request for proposal:

(i) A description of all charges, claims, or complaints filed against the contractor with any federal, state, or local administrative agency during the prior 10 years.

(ii) A description of all civil complaints filed against the contractor in any state or federal court during the prior 10 years.

(iii) A description of all state or federal criminal complaints or indictments filed against the contractor, or any of its officers, directors, or managers, at any time.

(iv) A description of any debarments of the contractor by any public agency or licensing body at any time.

(B) The city or library district shall include in the contract specific, measurable performance standards and provisions for a performance audit by the city or library district, or an independent auditor approved by the city or library district, to determine whether the performance standards are being met and whether the contractor is in compliance with applicable laws and regulations. The city or library district shall not renew or extend the contract before receiving and considering the audit report.

(C) The contract shall include provisions for an audit by the city or library district, or an independent auditor approved by the city or library district, to determine whether and to what extent the anticipated cost savings have actually been realized. The city or library district shall not renew or extend the contract before receiving and considering the audit report.

(9) The term of the contract shall not be more than five years from the date on which the board of trustees, common council, or other legislative body of a city or the board of trustees of a library district approves the contract.

(b) This section does not preclude a city, library district, or local government from adopting more restrictive rules regarding the contracting of public services.

(c) This section shall not apply to contracts between a city or library district and a nonprofit organization if both of the following requirements are met:

(1) The nonprofit organization shall not be a parent or subsidiary of a for-profit entity.

(2) The contract shall prohibit the nonprofit organization from subcontracting the obligation to operate the library or libraries and to employ and supervise library staff.

(d) This section shall not apply to a library or libraries that are funded only by the proceeds of a special tax imposed by the city

or library district pursuant to Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code.

(e) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

19105. If the notice is given after January 1st of any year, the property situated in the city or library district shall be liable to taxes for county free library purposes during the immediately succeeding year, and the notice shall not be effective until the next succeeding year, and library service shall be rendered in the city or library district during the year for which taxes are levied for library purposes in the city or library district.

19106. Before any board of trustees, common council, or other legislative body of any city, or the board of trustees of any library district gives notice that the city or library district desires to become a part of the county free library system, or gives notice of withdrawal from the system, the board of trustees, common council, or other legislative body of the city or the board of trustees of the library district shall publish at least once a week for two successive weeks prior to the giving of either notice, in a newspaper designated by the board of trustees, common council, or other legislative body of the city or the board of library trustees of the library district, and circulating throughout the city or library district, notice of the contemplated action, giving the date and the place of the meeting at which the contemplated action is proposed to be taken.

19107. The board of supervisors of any county in which a county free library has been established may enter into contracts with any city maintaining a free public library, and any such city, through its board of trustees or other legislative body, may enter into contracts with the county to secure to the residents of the city the same privileges of the county free library as are granted to, or enjoyed by, the residents of the county outside of the city, or such privileges as are agreed upon in the contract, upon such consideration named in the contract as is agreed upon, to be paid into the county free library fund. Thereupon the residents of the city shall have the same privileges with regard to the county free library as the residents of the county outside of the city, or such privileges as are agreed upon by the contract.

19108. The board of supervisors of any county in which a county free library has been established may enter into a contract with the board of supervisors of any other county to secure to the residents of the other county such privileges of the county free library as are agreed upon by the contract and upon such considerations as are agreed upon in the contract to be paid into the county free library fund. Thereupon the inhabitants of the other county shall have such privileges of the county free library as are agreed upon by the contract.

19109. The board of supervisors of any county may enter into a contract with the board of supervisors of another county in which a county free library has been established, and may levy a library tax, for the purpose of carrying out the contract.

19110. The board of supervisors of any county may contract with the board of supervisors of any other county or two or more other counties to provide for the services of a single qualified librarian to serve simultaneously as the county librarian of each county.

19111. The making of the contract shall not bar the board of supervisors of the county during the continuance of the contract from establishing a county free library under the provisions of this chapter if none is already established. Upon the establishment of any county free library, the contract may be terminated upon such terms as may be agreed upon by the parties thereto, or may continue for the term thereof.

19112. Instead of establishing a separate county free library, the board of supervisors may enter into a contract with the board of library trustees or other authority in charge of the free public library of any city and the board of library trustees, or other authority in charge of the free public library, may make such a contract. The contract may provide that the free public library of the city shall assume the functions of a county free library within the county with which the contract is made, including cities in the county. The board of supervisors may agree to pay annually into the library fund of the city such sum as may be agreed upon. Either party to the contract may terminate the contract by giving six months' notice of intention to do so.

19113. After a county free library has been established, it may be disestablished in the same manner as it was established. At least once a week for two successive weeks prior to taking any action, the board of supervisors shall publish, in a newspaper designated by them, and published in the county, notice of the contemplated action, giving therein the date of the meeting at which the contemplated action is proposed to be taken.

19114. Whenever any of the territory being served by a county free library is annexed to, or otherwise included within, any municipal corporation not served by the county free library, the board of supervisors of the county shall order the county free library to continue to serve the territory annexed to, or otherwise included within the municipality, until the end of the fiscal year or years for which a tax has been levied upon the property of the annexed

territory for the support of the county free library.

19115. The board of supervisors may establish a reasonable fee to be collected from persons who desire to participate in the services and benefits of the county free library and who are not residents of the territory in the county which is liable for taxes for county free library purposes. In establishing the fee, the board may also prescribe such regulations or limitations applicable to the use of the county free library by such persons as may reasonably be necessary.

19116. (a) (1) Sections 19104 and 19105 are not applicable to the withdrawal of a city or library district from the county free library system in Los Angeles County or Riverside County. The legislative body of a city or the board of trustees of a library district, whose jurisdiction is within the County of Los Angeles or the County of Riverside, may notify the board of supervisors for Los Angeles County or Riverside County, as appropriate, that the city or library district no longer desires to be a part of the county free library system. The notice shall state whether the city or library district intends to acquire property pursuant to subdivision (c). The board of supervisors shall transmit a copy of the notice to the Los Angeles County Assessor or Riverside County Assessor, as appropriate, the Los Angeles County Auditor or Riverside County Auditor, as appropriate, and the State Board of Equalization.

(2) The legislative body of a city or the board of trustees of a library district in which a withdrawal from the county free library system in Los Angeles County or Riverside County becomes effective on or after January 1, 2012, shall comply with the requirements of Section 19104.5 before entering into a contract to operate the city's or the district's library or libraries with a private contractor that will employ library staff to achieve cost savings, unless the library or libraries are funded only by the proceeds of a special tax imposed by the city or library district pursuant to Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code.

(b) When a city or library district files a notice pursuant to subdivision (a), it shall remain a member of the county free library system until July 1 of the base year or the date on which property is transferred pursuant to subdivision (c), whichever date is later. Upon ceasing to be a member of the county free library system, the city or library district shall not participate in any benefits of the county free library system, and shall assume the responsibility for the provision of library services within its jurisdiction. Unless otherwise agreed by July 1 of the base year in writing by the Board of Supervisors of Los Angeles County or the Board of Supervisors of Riverside County, as appropriate, and the withdrawing city or library district, an amount of property tax revenue equal to the property tax revenues allocated to the county free library pursuant to Article 2 (commencing with Section 96) of Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code in the fiscal year before the base year and that were derived from property situated within the boundaries of the withdrawing entity shall be allocated to and used to maintain library services by the withdrawing entity in the base year and, adjusted forward, in each fiscal year thereafter at the same time allocations are made pursuant to Article 2 (commencing with Section 96) of Chapter 6 of Part 0.5 of Division 1 of the Revenue

and Taxation Code. This subdivision shall not apply to property tax revenues that have been pledged to repay bonded indebtedness of the county free library system.

(c) If there are one or more county library facilities within the territorial boundaries of the withdrawing entity at the time the withdrawing entity provides notice pursuant to subdivision (a), the withdrawing entity shall have the right to acquire any or all of those facilities from the county and the county shall, no later than July 1 of the base year, transfer to the withdrawing entity each facility to be acquired and the personal property therein related to the provision of library services. If the facility or personal property was purchased with bond proceeds or other forms of indebtedness, acquisition shall only take place if the withdrawing entity assumes any remaining indebtedness and in no way impairs the repayment thereof. If the withdrawing entity opts not to acquire any facilities or personal property, the county at its discretion may dispose of the facilities or personal property or convert the use of those facilities or personal property, including transferring collections and other personal property to other sites and converting facilities to other purposes. If the withdrawing entity opts to acquire any facilities or personal property, the acquisition prices shall be as follows unless otherwise provided for by statute or contract:

(1) Each county library facility which, for purposes of this section, shall include the real property upon which the facility is located and any fixtures therein and shall not include computer systems and software, shall be transferred for the lesser of:

(A) No cost, if the facility was donated to the county by the withdrawing entity.

(B) The price paid to the withdrawing entity by the county for the facility, if the county bought the facility from the withdrawing entity. However, if the county constructed capital improvements to the facility after it was bought from the withdrawing entity, the county's total out-of-pocket costs for the capital improvement excluding any costs for routine repairs, restoration, or maintenance, shall be added to the price.

(C) The fair market value of the facility. However, if any portion of the facility was donated to the county by the withdrawing entity or if any moneys were donated by the withdrawing entity toward the county's construction or acquisition of the facility or any portion thereof, the value of the donation shall be subtracted from the fair market value.

(2) Any personal property within the facility related to the provision of library services, including books and resource materials, computer systems and software, furniture, and furnishings, shall be transferred for the lesser of:

(A) No cost, if the property was donated to the county by the withdrawing entity.

(B) The fair market value of the personal property. However, on or before the March 1 preceding the July 1 of the base year, the county librarian may designate collections of resource books and materials that are unique in, and integral to, the county free library system to be special collections. The special collections shall be acquired by the withdrawing entity only upon mutually agreeable terms and conditions.

(d) If a facility transferred pursuant to subdivision (c) serves residents of surrounding jurisdictions, the board of supervisors governing the county free library system may require, as a condition of transferring the facility, that the library services provided by the withdrawing entity to its residents also be available on the same

basis to the residents of the surrounding jurisdictions. However, if the withdrawing entity contributes to the provision of library services from other city funds, or through taxes, assessments, or fees of its residents, the withdrawing entity may provide additional services to its residents. If the requirement to provide regional services is imposed and, unless otherwise agreed in writing by the county and the withdrawing entity by July 1 of the base year, an amount of property tax revenues equal to the property tax revenues derived from property situated in the surrounding jurisdictions that were, in the fiscal year before the base year, allocated to the county free library system pursuant to Article 2 (commencing with Section 96) of Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code shall be allocated to and used to maintain library services by the withdrawing entity in the base year and, adjusted forward, in each fiscal year thereafter at the same time other allocations are made pursuant to Article 2 (commencing with Section 96) of Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code. This subdivision shall not apply to property tax revenues that have been pledged to repay bonded indebtedness. If a surrounding jurisdiction subsequently provides notice of its intent to withdraw from the county free library system pursuant to subdivision (a), on the date the surrounding jurisdiction ceases to participate in the benefits of the county free library system pursuant to subdivision (b), the withdrawing entity shall no longer be required to make library services available to the residents of the surrounding jurisdiction and property tax revenues derived from property situated in the surrounding jurisdiction shall no longer be allocated to the withdrawing entity pursuant to this subdivision.

(e) For purposes of this section, the following terms are defined as follows:

(1) "Base year" means the fiscal year commencing on the July 1 following the December 2 following the date of the notice given pursuant to subdivision (a) of this section.

(2) "Fair market value" means:

(A) Any value agreed upon by the withdrawing entity and the county.

(B) If no agreement as to value is reached by the March 1 preceding the July 1 of the base year, the value assigned by an appraiser agreed upon by the withdrawing entity and the county.

(C) If no agreement as to the appointment of an appraiser is reached pursuant to subparagraph (B) by the April 1 preceding the July 1 of the base year, the value assigned by an appraiser agreed upon between the withdrawing entity's appraiser and the county's appraiser.

(D) If no agreement as to the appointment of an appraiser is reached pursuant to subparagraph (C) by the May 1 preceding the July 1 of the base year, the value assigned by a state-certified appraiser designated by the withdrawing entity. The designated appraiser shall provide the appraisal in writing to the county no later than the June 1 preceding the July 1 of the base year.

(E) The withdrawing entity shall reimburse the county for any appraisal costs the county incurs in determining the fair market value pursuant to this section.

(3) "Surrounding jurisdictions" means cities and library districts that are adjacent to the withdrawing entity and tax rate areas in unincorporated areas of the county that are wholly or partially within the withdrawing entity's sphere of influence, that are within the county free library system, and that have no facility within their territorial boundaries providing library services at the time the withdrawing entity provides notice pursuant to subdivision (a).

EDUCATION CODE

SECTION 19140-19150

19140. Upon the establishment of a county free library, the board of supervisors shall appoint a county librarian.

19141. If any county adopts a civil service system or a limited civil service system for county officers and employees, the county librarian shall be entitled to the benefits of such civil service system.

This section does not limit any powers conferred on any county by charter.

19142. No person may be appointed to the office of county librarian on or after January 1, 1987, unless he or she possesses both of the following qualifications:

(a) Graduation from a graduate library school program accredited by the American Library Association.

(b) Demonstrated knowledge of principles and practices of public administration, including county government, and of the laws applicable to library service in this state.

19143. At the time of his or her appointment, the county librarian need not be a citizen of the State of California.

19145. The county librarian shall, prior to entering upon his duties, file the usual oath, and he shall be required to file an official bond in an amount determined by the board of supervisors, unless he is covered by a master bond pursuant to Section 1481 of the Government Code.

19146. The county librarian shall, subject to the general rules adopted by the board of supervisors, build up and manage, according to accepted principles of library management, a library for the use of the people of the county, and shall determine what books and other library equipment shall be purchased.

19147. The salary of the county librarians shall be paid by each of the counties in equal monthly installments, at the same time and in the same manner and out of the same fund as the salaries of other county officers are paid.

19148. The board of supervisors of a county over 400,000

population, as determined by the 1960 decennial census, maintaining a county free library may provide that the salary of the county librarian be paid from the same fund used for maintaining and operating the county free library.

Nothing in this section shall be construed as modifying the status of the county librarian as a county official pursuant to Section 24000 of the Government Code.

19149. The county librarian and his assistant shall be allowed actual and necessary traveling expenses incurred on the business of the office.

19150. Except when the county librarian is temporarily absent, no person shall serve in the position of county librarian under the title of acting county librarian, or assistant librarian in charge, or any other such title, unless the person meets the qualifications set forth in Section 19142.

In the event qualified candidates for the position of the county librarian cannot be found, the county supervisors shall secure a written permission from the State Librarian to appoint an unqualified person to the position. This written permission may be granted by the State Librarian for a period of time up to but not exceeding one year. The State Librarian may from time to time in his or her discretion renew the permit.

EDUCATION CODE

SECTION 19160-19180

19160. The county free library is under the general supervision of the board of supervisors, which may:

(a) Make general rules and regulations regarding the policy of the county free library.

(b) Establish, upon the recommendation of the county librarian, branches and stations throughout the county and may locate the branches and stations in cities wherever deemed advisable.

(c) Determine the number and kind of employees of the library.

19167. The county free libraries are under the general supervision of the State Librarian, who shall from time to time, either personally or by one of his or her assistants, visit the county free libraries and inquire into their condition. The actual and necessary expenses of the visits shall be paid out of the moneys appropriated for the support of the California State Library.

19168. The State Librarian shall annually call a convention of county librarians, to assemble at such time and place as he deems most convenient, for the discussion of questions pertaining to the supervision and administration of the county free libraries, the laws relating thereto, and such other subjects affecting the welfare and interest of the county free libraries as are properly brought before it. All county librarians shall attend and take part in the proceedings of the convention. The actual and necessary expenses of the county librarians attending the convention shall be paid out of the county free library fund.

19169. The county librarian shall, on or before August 31st, in each year, report to the board of supervisors and to the State Librarian on the condition of the county free library, for the year ending June 30th preceding. The reports shall, in addition to other matters deemed expedient by the county librarian, contain such statistical and other information as is deemed desirable by the State Librarian. For this purpose the State Librarian may send to the several county librarians instructions or question blanks so as to obtain the material for a comparative study of library conditions in the state.

19171. The county board of supervisors of any county may in its discretion allocate and appropriate any funds received by the county under the State and Local Fiscal Assistance Act of 1972 (Public Law 92-512) for the purpose of establishing, maintaining, and purchasing property for the county free library.

19173. The board of supervisors may create special taxing zones

within the territory of the county subject to taxation for county free library purposes for the purpose of levying special taxes within the zones when it is found by the board that the territory within the zones require special services or special facilities in addition to those provided generally by the county free library system and that the special tax levy is commensurate with the special benefits to be provided in the zones.

Taxes levied pursuant to this section, together with taxes levied pursuant to Section 19170, shall not exceed the higher of the limit provided by Section 19170 or the applicable provisions of Section 2263 of the Revenue and Taxation Code.

19174. The board of supervisors may receive, on behalf of the county, any gift, bequest, or devise for the county free library, or for any branch or subdivision of the library.

19174.5. Notwithstanding any other provision of law, funds from the county general fund may be used to support the county free library.

19175. The title to all property belonging to the county free library is vested in the county. All laws applicable to the collection of county taxes shall apply to the collection of the taxes provided in Section 19170. All moneys of the county free library, whether derived from taxation or otherwise, shall be in the custody of the county treasurer.

19176. Each claim against the county free library fund shall be authorized and approved by the county librarian, or in his absence from the county by his assistant. It shall then be acted upon in the same manner as other claims against the county.

19177. In any county of this state where a law library exists under the provisions of Chapter 5 (commencing with Section 6300) of Division 3 of the Business and Professions Code, the board of supervisors of the county may enter into contracts, or agreements with the board of law library trustees of the law library for the cooperation of the law library and the county free library, and, in that connection, may contract or agree with the board of law library trustees of the law library that the county librarian and other employees of the county free library perform the duties required to be done or performed by the officers and employees of the law library for a compensation to be named in the contract or agreement, and to be paid into the county free library fund.

19178. The board of supervisors may accept on behalf of the county free library, all books and other property of school libraries and of the teachers' library, and may manage and maintain them as a part of

the county free library.

19179. Any county library which was established and existed on April 26, 1911, under the provisions of an act entitled "An act to provide county library systems," approved April 12, 1909, is continued under the provisions of this chapter and shall be considered the same as if established under the provisions of this chapter. If a contract has been entered into between any county board of supervisors and any city pursuant to this article, the contract shall continue in force, and the provisions of Section 19112 shall be applicable thereto, until the establishment and equipment of a county free library under the provisions of this chapter, unless sooner terminated.

19180. The board of supervisors of any county in which there has been established a county free library which does not serve the entire county may, on behalf of the county free library, construct, build, repair or refurnish buildings to be used for county free library purposes, payment for which may be made from the general fund of the county. If payment is made from the county's general fund, the county auditor shall each fiscal year thereafter transfer from the county free library fund to the county's general fund as a prior claim against the county free library fund for as many years as are determined by the board of supervisors but not to exceed 20, an equal annual installment in such amount that over the designated period of years the entire payment from the county's general fund will be completely repaid. Payment of the costs of the construction of a county free library building may also be made from the employees retirement fund of a retirement system established under the authority of the County Employees Retirement Law of 1937 as an investment of that fund and under the conditions specified in that law.

Response to Grand Jury Report

Report Title: **1.1 The Mendocino County Free Library**

Report Date: **June 9, 2014**

Response by: **Carmel J. Angelo, Chief Executive Officer Mendocino County**

Findings

I (we) agree with the findings numbered: 1, 4

I (we) disagree wholly or partially with the findings numbered: 2, 3, 5-12

Attach a statement specifying the findings or portions of the findings that are disputed, and include an explanation of the reasons therefor.

Recommendations

Recommendations numbered 7 have been implemented.

Attach a statement describing the implement actions.

Recommendation numbered 16 has not yet been implemented, but will be implemented in the future.

Attach a statement with the schedule for implementation(s).


Recommendations numbered 4, 5, 8 require further analysis.

Attach an explanation, and the scope and parameters of the analyses or studies, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

Recommendations numbered 1-3, 6, 9, 10-15, 17-19 will not be implemented because they are not warranted or are not reasonable.

Attach an explanation.

Signature: _____



Date: July 17, 2014

Number of pages attached: 48

Response to Grand Jury Report

Report Title: 1.1 The Mendocino County Free Library

Report Date: June 9, 2014

Response by: Carmel J. Angelo, Chief Executive Officer Mendocino County

FINDINGS

F1. “The benefits of Measure A are permitting the County Free Library to survive.”

I (we) agree with this finding. The Board of Supervisors has historically supported the County Free Library within the resources and means available, and the County both recognizes and appreciates the efforts of the Friends of the Library, the Library Advisory Board, and others in their support of Measure A to ensure the viability of the Mendocino County Free Library.

F2. “The A-87 costs charged to the County Free Library are not clearly identified in the budget and the amount charged is questionable.”

I (we) disagree wholly with this finding. The Executive Office does not determine A87 costs and accepts the information provided by the Auditor-Controller as prescribed in State statute as accurate. As an elected County official, the Auditor-Controller works autonomously and does not fall under the general supervision of the Board of Supervisors nor the CEO. The Library budget is developed by the County Librarian and submitted to the Executive Office for review and inclusion into the CEO’s recommended County annual budget for Board of Supervisors approval (Appendix A – Mendocino County Code, Section 2.28.050(B)(10)).

F3. “The County Free Library is being deprived of its dedicated funds due to improper A-87 charges, thus unjustly enriching the General Fund.”

I (we) disagree wholly with this finding. The Auditor-Controller is responsible for the calculation and administration of A87 costs. The CEO does not have oversight responsibility for the Auditor-Controller, nor access to any information to support this finding.

F4. “The Board of Supervisors and the CEO have historically and continuously failed to recognize or treat the County Free Library as a Special District.”

I (we) agree that the County has not treated the County Free Library as a Special District because it is not a Special District. Mendocino County’s Library was established as a County Free Library by the Board of Supervisors, pursuant to California Education Code (“Education Code”) Sections 19100 to 19180. A County Free Library is not, as a matter of law, a separate Library District (“Special District”). County Free Libraries are established by, and operate under the general supervision of, the County Board of Supervisors which retains the authority to: (1) Make general rules and regulations regarding the policy of the County Free Library; (2) Establish, upon

recommendation of the librarian, library branches and stations; and (3) Determine the number and kind of employees of the library (Appendix B – Education Code 19100; 19160).

F5. “The property tax apportionment due the County Free Library is not clearly identified and the amount provided is questionable. The current method of computing the apportionment leads to the compounding of errors and underfunding.”

I (we) disagree wholly with this finding. The CEO and the Executive Office have no authority over the Auditor-Controller’s accounting methods and procedures or the handling of property tax apportionment. Additionally, the CEO has no knowledge to support the Grand Jury’s finding of computing errors and underfunding affecting the library’s budget.

F6. “The accounting methods and procedures used by the County for the County Free Library do not follow either the intent or requirements of law.”

I (we) disagree wholly with this finding. The CEO has no information regarding the accounting methods and procedures used by the Auditor-Controller. The CEO also does not have knowledge that supports the finding that there is a breach in following the intent and/or requirements of the law.

F7. “The authority of the County Librarian has been usurped at the direction of the Board of Supervisors to the extent that the Librarian is impeded from performing many of the professional duties as manager of the County Free Library.”

I (we) disagree wholly with this finding. The assertion that the County Librarian’s authority was usurped is totally inaccurate and unsupported. The County Librarian is appointed by the Board of Supervisors and enjoys the benefits of the County’s civil service system, the same as other county officers and employees (Education Code 19140, 19141). To the extent the Grand Jury contends that the Librarian should have unfettered authority to “manage” the County Library, the Librarian’s duties are to apply accepted principles of library management to build up and manage a library for the use of the people of the county and determine what books and other library equipment are to be purchased, and these duties are subject to the general rules adopted by the Board of Supervisors (Appendix B – Education Code 19146).

Contrary to the Grand Jury’s Report, the County Librarian was never prohibited from contacting individual Supervisors either in person, via email, telephone or other means (Appendix A – Mendocino County Code, Section 2.28.070). The Board of Supervisors and the CEO have not, nor would they, interfere with the Librarian’s expertise of library management principles in determining what books or specific library equipment would be beneficial to the library and the public it serves. The Report notes that the Librarian decided the library needed a color printer. The Librarian and the County had a difference of opinion on how to procure a color printer, and the Librarian ultimately chose a private donor over the County’s option. However, the County did not dispute that the Library should or would receive a color printer. Additionally, the Librarian reported monthly on the extensive acquisition of books and media to update the library collection and replace or upgrade equipment for library facilities and the Bookmobile. All improvements were appreciated and unfettered by the Board of Supervisors and the CEO.

Contrary to the Grand Jury Report, the Librarian was not prevented from travel for professional training/seminars but was required to submit travel requests and receipts for reimbursement of travel costs, which is standard practice for all County employees, including the CEO (Appendix A – Mendocino County Code, Section 2.28.070(A) and (B)).

F8. “Contrary to the intent and utility of having an advisory board, the Board of Supervisors and the CEO neither sought nor took the advice of the Library Advisory Board.”

I (we) disagree wholly with this finding. The Board of Supervisors appointed the County Librarian as an ex-officio member of the Library Advisory Board (LAB) and as such the County Librarian acts as a liaison between the LAB, the BOS and the CEO (Appendix E – Qualifications of Current County Librarian). The County Librarian is responsible for bringing the Library Advisory Board’s comments forward to the BOS. The BOS reviews all comments in support or opposition prior to taking an action. Additionally, individual Supervisors periodically attend LAB meetings, whenever time permits. As noted in the Grand Jury report, LAB members also have the opportunity to address the BOS during public comment at regularly scheduled Board meetings and are free to call, email or schedule a time to meet with individual Supervisors.

F9. “The County has deprived the County Free Library of at least \$1,000,000 for the period 1998 through 2013, contrary to statements made by the CEO to the Board of Supervisors.”

I (we) disagree wholly with this finding. The CEO incorporates by reference the Auditor-Controller’s response to the funding concerns raised by the Grand Jury relative to the County Free Library system (attached).

F10. “The Board of Supervisors is not following State law regarding County Free Libraries.”

I (we) disagree wholly with this finding. Mendocino County is a dedicated property tax library, and the County therefore ensures that the Library receives a pro rata share of designated property tax. Under the Revenue and Taxation Code, Sections 2215 and 2216, Mendocino County Library may be considered a “special district” for tax and revenue purposes only (Appendix C – Revenue and Taxation Code). This designation as a “special district” means that the County Library retains a proration of taxes that were in effect before 1978’s Prop 13. As a point of clarification, a separate Library District is a distinct “Special District” brought forward by the County’s voters and approved by the Board of Supervisors (Appendix B – Education Code 19402). No such action has occurred in Mendocino County. The County’s Library does receive a pro rata share of property tax revenue, and is treated as a “special district” for revenue and tax purposes only. This does not transform the essential nature of the Mendocino County Library from a County Free Library to a “Library District” or “Special District”. Mendocino County Library continues to operate under the general supervision, rules and regulations regarding policy set by the Board of Supervisors and in compliance with State law regarding County Free Libraries (Appendix B – Education Code 19100 to 19180).

F11. “The position of permanent County Librarian is currently vacant.”

I (we) disagree partially with this finding. The position of County Librarian is currently filled with an interim appointment. The authority to appoint a County Librarian resides with the Board of Supervisors (Appendix B – Education Code 19140). In the meantime, to ensure stability following the departure of the former County Librarian, the BOS appointed a qualified individual on an interim basis who meets the educational qualifications and has demonstrated knowledge of principles and practices of public administration, including county government, and of the laws applicable to library services in this state (Appendix B – Education Code 19142 and Appendix D – Qualifications of Current County Librarian).

F12. “The A-87 equipment costs currently assessed are erroneous.”

I (we) disagree wholly with this finding. The Auditor-Controller has responsibility for assessing A87 costs, and the CEO incorporates by reference the Auditor-Controller’s response. (F2, F3, F6)

RECOMMENDATIONS

R1. “The County Free Library be recognized and treated as a special district in the budget documents, on the county website, in accounting systems and in management.” (F3, F4, F5, F6, F10)

This recommendation will not be implemented because it is not warranted. The County’s Free Library is properly identified as a County Free Library, and not as a Special District. The designation of the Library as a Special District would not be factually or legally accurate and the Office of the CEO declines to support such action. (F4 and F10)

R2. “The Board of Supervisors immediately begin to recruit a County Librarian.” (F11)

This recommendation will not be implemented because it is not warranted. The County Librarian position is currently filled with an interim appointment meeting all essential requirements for a County Librarian (Appendix B – Education Code 19142; Appendix D – Qualifications of Current County Librarian). A decision to initiate recruitment and/or to make a permanent appointment rests solely with the Board of Supervisors.

R3. “The County Auditor, CEO, Board of Supervisors, and the new County Librarian together establish the Library’s legal pro rata share of property taxes. The legal pro rata amount be reflected in detail in the County budget documents.” (F4, F5, F6, F10)

This recommendation will not be implemented because it is not reasonable. The Auditor-Controller as an elected official retains full authority to implement accounting methods and procedures and to determine the methodology to record property tax apportionment.

R4. “Separate line items for A-87 costs appear in the Library’s budget.” (F2, F12)

This recommendation requires further analysis by the Auditor-Controller. (F2, F3, F5, F6)

R5. “The County Treasurer establish an account for the Library in the County Investment Pool.” (F6)

This recommendation requires further analysis by the Auditor-Controller (F2, F3, F5, F6)

R6. “The County Auditor immediately develop an accounting system that differentiates between the General Fund and the Library’s dedicated tax revenues.” (F6)

The CEO incorporates by reference the Auditor-Controller’s response to this recommendation. (F5, F6)

R7. “The General Services Agency clearly record the source of the funds for any capital improvements or equipment purchases.” (F2, F3, F6)

The CEO incorporates by reference the GSA Director’s response to this recommendation. (F5, F6)

R8. “The County not charge any A-87 equipment and building use costs for equipment and building improvements paid for by donations or the Library’s dedicated funds, now or in the future.” (F2, F3, F6, F12)

This recommendation requires further analysis by the Auditor-Controller. (F2, F3, F5, F6)

R9. “The Board of Supervisors issue a letter to all Friends of the Library organizations assuring them that any donations in the future will not result in an increase in the Library’s A-87 costs.” (F3)

This recommendation will not be implemented because it is not warranted. (F2, F3)

R10. “The records in the books of the Auditor and the General Services Agency pertaining to fixed assets and buildings be changed to reflect, as accurately as possible, the historical reality of which expenditures came from the General Fund and which from donations, grants, and Library dedicated funds.” (F2, F3, F6, F9, F12)

The CEO incorporates by reference the Auditor-Controller’s response to this recommendation. (F2, F3, F6, F12)

R11. “The Auditor use the proper cost figures when developing the County-wide Cost Plan and accompanying narrative.” (F2, F3, F6, F12)

The CEO incorporates by reference the Auditor-Controller’s response to this recommendation. (F2, F3, F6, F12).

R12. “No A-87 charges be levied for purchases or improvements after FY 2010-2011 and any that were levied be reimbursed.” (F2, F3, F6, F9, F12)

The CEO incorporates by reference the Auditor-Controller’s response to this recommendation. (F2, F3, F6)

R13. “After implementation of the new accounting procedures, proper and accurate A-87 service costs be paid but care taken that County decisions do not inflate these charges.” (F2, F3, F6, F9, F10)

The CEO incorporates by reference the Auditor-Controller’s response to this recommendation. (R1, R3, R4, R6, R8)

R14. “The County Librarian position be reinstated as the sole manager of the County Free Library as per state law and recognized as such by the CEO and the Board of Supervisors.” (F4, F7, F10, F11)

This recommendation will not be implemented because it is not warranted. The County Librarian is not the sole manager of the County Free Library. The Library is under the general supervision of the Board of Supervisors, which may make rules and regulations regarding the Library’s policy, establish branches, and/or determine the number and kind of employees of the library (Education Code 19160). (F4, F7, F10 and F11.)

R15. “The County Librarian not be required to use the County’s purchasing department for every transaction per Education Code §19146.” (F7, F10)

This recommendation will not be implemented because it is not warranted. As stated in the Education Code, “The Librarian is tasked, subject to the general rules adopted by the Board of Supervisors, with building up and managing the library according to accepted principles of library management, and determines which books and other library equipment will be purchased” (Education Code 19146). Thus, the Librarian is expected to comply with general county provisions including purchasing protocols and the hiring of staff.

R16. “The Board of Supervisors schedule semi-annual workshops with the Library Advisory Board, the agenda to be set by the chairs of the two bodies.” (F8)

This recommendation has not yet been implemented, but will be implemented in the future. The Board of Supervisors (BOS) and their Chief Executive Officer (CEO) value and appreciate the time commitment of each and every member of the Library Advisory Board (LAB). The BOS has appointed the County Librarian as an ex-officio member of the Library Advisory Board and as such acts as a liaison between the LAB, the BOS and the CEO. It has become clear during the past year that some members of the Library Advisory Board feel ignored and superfluous, therefore, the CEO supports this recommendation. The CEO believes it would be helpful to all parties involved to clearly delineate the roles and responsibilities of the BOS, LAB, CEO and County Librarian as it relates to library services. The Executive Office will prepare a

recommendation for review and action by the Board of Supervisors no later than October 31, 2014.

R17. “The Board of Supervisors consult with the Library Advisory Board before making any decisions about the County Free Library, thereby benefiting from the Library Advisory Board’s perspectives and knowledge.” (F8)

This recommendation will not be implemented because it is not reasonable and contrary to California Law. The Board of Supervisors is legally responsible for general supervision of the Library, and is empowered to make general rules and regulations regarding policy; establish, with the recommendation of the Librarian, branches and stations; and determine the number and kind of employees of the library (Appendix B – Education Code 19160). The Board of Supervisors established the Library Advisory Board (Appendix E – Resolution 70-181) to act in an advisory capacity to the Board of Supervisors, County Administrator (CEO) and the County Librarian. The County Librarian is the liaison between the Board of Supervisors, the CEO and the Library Advisory Board. All library-related actions brought forward to the Board of Supervisors for their consideration are a matter of public record. The County Librarian is accountable for garnering input from the Library Advisory Board prior to an action item coming before the Board of Supervisors. The BOS then considers the recommendation along with other factors before making a decision to accept and implement a specific recommended action. There are also ample avenues available to Library Advisory Board members as well as the public to provide input and advice prior to an action being taken including email, telephone and office visits.

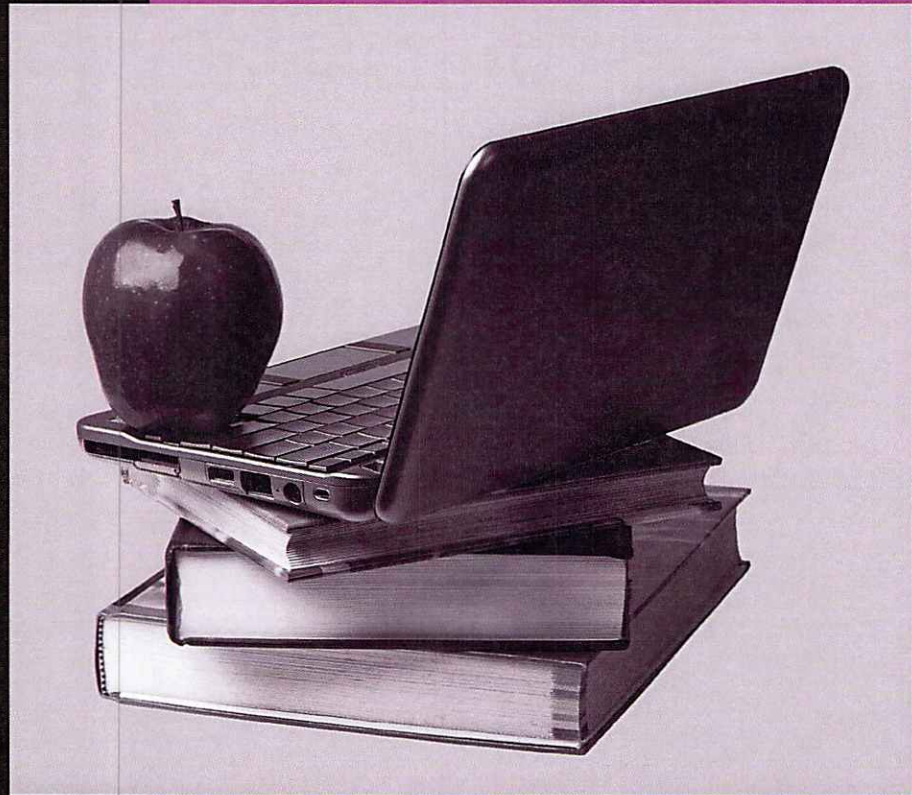
R18. “The Library be allowed to hire an information systems manager as a County Free Library employee.” (F7, F8)

This recommendation will not be implemented because it is not warranted. The Board of Supervisors determines the number and kind of employees for the library (Appendix B – Education Code 19160(c)). The County Librarian may submit a requisition for a dedicated Information Systems Technician or Specialist, but recruitment and appointment to fill the position must follow County policy and procedures (Appendix B).

R19. “The County Librarian’s salary be paid from the General Fund as required by State Law.” (F4, F6, F9, F10)

This recommendation will not be implemented because it is not warranted. The Education Code does not require that the Librarian’s salary be paid out of the General Fund, but that it is paid “at the same time and in the same manner and out of the same fund as the salaries of other county officers are paid” (Appendix B – Education Code 19147). The CEO incorporates by reference the Auditor-Controller’s response to Finding F9.

California
Public
Library
Organization
2013



**CALIFORNIA PUBLIC LIBRARY ORGANIZATION 2013
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INTRODUCTION

From Yreka in the north, where rural poets gather at a workshop to improve their craft, to Calexico in the south, where residents come to learn new computer skills, local public libraries play a critical role in the lives and learning of all Californians.

Libraries promote the free flow of information – one of the pillars of freedom in American society. Libraries disseminate ideas and information, encourage a life-long pursuit of knowledge and discovery, and inspire people of all ages, cultures, and economic circumstances to broaden their understanding of our world. California's public libraries are in the midst of exciting transformations, adapting and innovating in creative ways, while at the same time staying true to who they've always been: institutions of learning, advancement, and community revitalization. Local libraries confer profound and wide-ranging benefits on our modern society by:

- Connecting residents to information, ideas and people around the globe by supplying access to books, magazines, newspapers, the Internet and online resources;
- Providing a valued service of free access to the Internet and computers;
- Informing and enriching people's lives by tutoring students and teaching English language learners;
- Creating community by promoting civic engagement through speakers, programs, workshops, and maker spaces;
- Supporting early childhood literacy and encouraging love of reading in children with story times, educational programs, and access to resources to support the formal educational process;
- Supporting economic and workforce development in our communities through resources, programs and partnerships;
- Engaging mid-life adults with new services and resources matched to their interests and abilities;
- Providing a local community gathering place for seniors' lifelong learning;
- Preserving and expanding our culture by collecting and providing access to resources highlighting our music, literature, and films; and,
- Sharing services and knowledge and public-private partnerships.

How is it that libraries succeed in enriching our society in these and so many other ways?

Each of our diverse local libraries shares a common reliance on a limited number of state laws and constitutional provisions that outline their governance, funding, services, and service area. Identifying and understanding these laws is important not only for local officials and library staff, but residents and patrons as well. Each library type has its own unique form of organization, affecting resources and services. Some library types, such as county libraries, demonstrate efficiencies in serving larger populations, while others, such as city and special district libraries, exhibit a greater sense of local control. A library's legal authority, combined with its historical and political circumstances, shapes who controls the library and makes decisions about its activities, which revenues will support library services and facilities and how library funds will be spent, as well as how, when and where each library will provide services.

In 1994, the California State Library published the original California Public Library Organization. Written by Linda Wood, the Alameda County Librarian, the report provided an overview of the different types of libraries, described their commonalities and statistical characteristics, and identified relevant policy issues. In 2007 the document was updated to reflect changes in legislation and statistical data, with the assistance of an Advisory Group of public library directors. This new document updates and modernizes the 2007 report. Specifically, this publication identifies the different types of local public libraries and compares their characteristics, operations, service area, services, and revenues. An organizational outline highlights the essential legal authority, formation, governing board, local financing, and service area of each library type. Statistics, charts, graphs and examples highlight the variations in results that these factors produce.

As libraries evolve to meet the public's always changing needs and preferences, this document will help citizens and policymakers gain a better understanding of how local libraries organize, operate, and provide services in California's diverse communities. It may also help educate and inspire Californians to participate in and improve their own local public libraries.

June 2013

California State Library

Gerald Maginnity, Acting State Librarian

Darla Gunning, Acting Assistant Bureau Chief, Library Development Services

Project Consultant - Anne Marie Gold, Municipal Resource Group

All data in the report is from FY 2011/12, available at <http://library.ca.gov/lrs/librarystats.html>. Copies of this publication are available on the California State Library website at www.library.ca.gov, or by contacting the California State Library at 916-653-8443.

CALIFORNIA PUBLIC LIBRARY ORGANIZATION was supported in whole or in part by the U.S. Institute of Museum and Library Services under the provisions of the Library Services and Technology Act, administered in California by the State Librarian. The opinions expressed herein do not necessarily reflect the position or policy of the U.S. Institute of Museum and Library Services or the California State Library, and no official endorsement by the U.S. Institute of Museum and Library Services or the California State Library should be inferred.

CALIFORNIA'S PUBLIC LIBRARIES: ORGANIZATION, FUNDING & SERVICE AREA

A handful of state statutes and constitutional provisions dictate local public libraries' formation procedures, governance structures, local financing, and service area. This report classifies library agencies into one of four categories, based on their legal authority and administrative structure: county libraries, city libraries, independent special district libraries, and joint powers of authority (JPA) libraries. It also summarizes the provisions associated with each library type and notes additional variations that may occur within each category. For a list of the statutory code sections and constitutional citations for each type of library agency, see Appendix A, page 20.

LEGAL AUTHORITY

County Libraries

County libraries are organized under the County Free Library Law. In addition, the County Service Area (CSA) Law allows for the creation of a separate legal entity for library services, or a mechanism to provide financing flexibility within an existing county library system.

City Libraries

City libraries are organized under the Municipal Library Law or, for charter cities, under the constitutional "municipal affairs doctrine," and pursuant to a charter adopted by the city's voters.

Independent Special District Libraries

Independent special district libraries may be organized under the following laws:

- The Library District Law
- The Library and Museum District Law;
- The Union and Unified High School District Library District Law; and
- The Community Services District (CSD) Law.

Joint Powers Of Authority (JPA) Libraries

Joint Powers of Authority (JPA) libraries are organized according to an agreement between the governing boards of two or more governmental entities, pursuant to the Joint Exercise of Powers Act. A member of a JPA may also be organized as a County, City or Independent Special District Library.

FORMATION

County Libraries

Under the County Free Library Law, county supervisors must publish notice of their intent to establish a county free library system and must vote on the proposal at a public meeting.

To form a CSA, voters, landowners, or local officials must initiate the formation and the county Local Agency Formation Commission (LAFCO) must approve the proposal. In some cases, an election is required.

City Libraries

Under the Municipal Library Law, a city council can create a city library system by adopting an ordinance. If 25% of the city's voters petition to create a city library, council members must establish a library system.

Libraries in charter cities may also be formed according to the provisions contained within the city's charter.

A city cannot withdraw from a county library system to form its own municipal library before giving notice to the county board of supervisors (before January 1), negotiating a division of property tax revenues, and publishing two newspaper notices of its intent to withdraw. In 2011, a requirement was added for any city or library district that intended to withdraw from a county library, which also intended to operate the library with a private contractor, that it must meet certain requirements regarding demonstrated cost savings and other operational issues.

Formation of a city library requires a city council vote at a public meeting.

Independent Special District Libraries

Although each law is unique, forming a new independent special district usually requires the following four steps:

- Initiation by voters, landowners, or local officials;
- Local Agency Formation Commission (LAFCO) review and approval;
- Public protest hearing; and
- Election.

Joint Powers of Authority (JPA) Libraries

JPA's are formed when the governing boards of two or more governmental entities agree to jointly manage a library system. A JPA contract may be limited to certain organizational or operational aspects of a library system while also maintaining some separate functions within the participating entities, or it may form a new entity to handle all aspects of library organization and operation.

GOVERNING BOARD

County Libraries

County supervisors govern libraries established under the County Free Library Law or as a CSA.

City Libraries

Libraries formed under the Municipal Library Law are managed by a five-member board of trustees appointed by the mayor or city manager, with the city council's consent. The city council may appoint its own members as the library trustees and then may also create an advisory board to help govern the library system.

Libraries formed according to a city charter are governed according to the provisions of the charter.

Independent Special District Libraries

Under the Library District Law, libraries are governed by a three- or five-member board of trustees which is directly elected by the district's voters.

Under the Library and Museum District Law, libraries are governed by a five-member board of trustees elected by the district's voters.

Under the Union and Unified High School District Library District Law, libraries are governed by the high school district's trustees.

Under the CSD Law, libraries are governed by a five-member board of directors elected by CSD voters.

Joint Powers of Authority (JPA) Libraries

The JPA contract specifies the structure and terms of the governing board.

For example, the San Mateo County Library JPA designates a twelve member governing board, with one member appointed by the governing body of each of the twelve participating jurisdictions, including eleven cities and the County of San Mateo.

ADVISORY BOARD

In addition to the governing board that runs the library, many libraries also have a community advisory board that provides advice and assistance for library governance and operations. In some county libraries which serve several cities, there may be multiple community advisory boards.

LOCAL FINANCING FOR OPERATIONS

County Libraries

County library systems are divided into two separate categories for purposes of local operational funds: general fund libraries, and libraries with a dedicated property tax rate. This distinction is very important because it profoundly affects the amount and predictability of funds received by county library agencies.

County General Fund Libraries. The twenty-two county general fund libraries rely primarily on allocations from the county General Fund. Because of this, County General Fund libraries compete with other local service priorities, such as public safety, roads, and health services, for funding. To give libraries more certainty or increased revenues, county supervisors or voters may earmark a percentage of the county general fund, or a portion of a particular local revenue source, for county libraries.

County Dedicated Property Tax Libraries. Twenty-three counties imposed a separate property tax for libraries prior to voter approval of Proposition 13 in 1978. Post-Proposition 13, these libraries initially received the same percentage of the 1% property tax rate as they received prior to 1978. However, these percentages were further reduced by the State when it established the "Educational Revenue Augmentation Fund" ("ERAF") in 1992, which shifts a portion of city, county and special district property taxes, including County dedicated property tax libraries property taxes, to schools. The property tax rate still generates revenues, which are dedicated to county library services. Because a substantial portion of their revenues are guaranteed and cannot be spent on other county activities, county dedicated property tax libraries enjoy a somewhat greater degree of financial independence and certainty.

Voter-Approved Taxes. In addition to county libraries' reliance on the general fund or dedicated property tax revenue, their budgets can be increased by voter-approved special taxes for library services. All special taxes imposed specifically for library services, including sales, hotel, utility use, and parcel taxes (flat rate property taxes), require 2/3 voter approval. Many voter approved taxes include a Maintenance of Effort (MOE) provision which requires a continuing base level of funding from the jurisdiction in order for the new tax to be levied. If a county's voters want to generate additional income for the county General Fund (for the

support of any county function, and which may or may not be spent on libraries), the voters can impose the general tax by a simple majority vote.

County libraries can also generate revenues by providing library services to other jurisdictions.

County Service Area (CSA) Funding. Though CSA's can be created as legally separate library providers, in practice, they are used to divide an existing county library system into different funding zones. Using a CSA, the county board of supervisors can propose a parcel tax within some or all of the library zones. After the election requiring a 2/3 vote, new and enhanced library services can then be targeted specifically to the zones that approved the taxes.

CSA's used for library funding rely primarily on special (parcel) taxes imposed within parts or all of their service area, but county supervisors can also allocate the local (non-property tax) revenues generated within the district's boundaries to the CSA.

Community Facility District (CFD) Funding An additional option for voter approved financing is through a Community Facilities District (CFD), frequently referred to as a Mello-Roos District. CFD's allow local jurisdictions (cities, counties, library districts, JPA's) to finance needed facilities and services through the levy of voter approved special taxes. All such voter approved taxes require an election with a 2/3 vote approval.

City Libraries

Municipal libraries rely primarily on allocations from the city General Fund, competing with other local service priorities, such as public safety, roads, and parks for funding.

City council members can fund library services from any source of revenue in the city General Fund. To provide greater resources or revenue certainty for libraries, city council members and voters can earmark a portion of the city's general revenues, or a portion of a specific revenue source, to support the city library. In charter cities, this earmarking can be placed into the city charter.

Council members may also ask voters to impose or increase taxes to provide additional revenues for the city library. If council members want to impose or increase a tax specifically for library services, including a parcel tax, 2/3 of the city voters must concur. If city voters want to generate additional income for the city general fund (for the support of any city activity, including libraries), the voters can impose a general tax with a simple majority vote.

City libraries can also utilize CFD funding for library services, with any such special tax requiring an election with a 2/3 vote approval.

City libraries can also generate revenues by providing library services to other jurisdictions.

Independent Special District Libraries

Independent library districts that existed and imposed a property tax prior to Proposition 13 in 1978 receive a share of local property tax revenues based on their percentage of property taxes prior to 1978 (and subject to additional ERAF shifts of property taxes to schools). Independent districts created after 1978 do not receive property taxes.

Library district governing boards may enhance local library funding by asking their voters to approve a special (parcel) tax for library service. Parcel taxes require 2/3 voter approval.

CSD's, like library CSA's in counties, are usually formed in areas with existing library services, as a way to divide library service areas into different funding zones in order to better target services to the communities that want additional or enhanced services and are willing to pay for them. Alternately, CSD's can be used as a mechanism to raise money to provide facilities or purchase services from other library entities.

District libraries can also generate revenues by providing library services to other jurisdictions.

Joint Powers of Authority (JPA) Libraries

JPA libraries may be funded by any revenues streams available to its member agencies. Funding for JPA libraries is specified in the JPA agreement.

For example, the San Mateo County Library JPA is funded through a dedicated property tax rate imposed by the County in 1915, and also from state revenues, fines, fees, City and County contributions, gifts and grants, interest, and other sources that its member agencies allocate to the JPA.

Library JPA governing boards, if authorized in the enabling agreement, may enhance local library funding by asking voters to approve a special tax for library service, which requires 2/3 voter approval.

Library JPA governing boards, if authorized in the enabling agreement, can also utilize CFD funding for library services, with any such special tax requiring an election with a 2/3 vote approval.

LIBRARY GENERATED REVENUES

Most libraries of all types charge fines and fees for materials that are lost or returned late. Some libraries also engage in more entrepreneurial activity such as renting out meeting rooms and reception halls and selling library merchandise, such as coffee mugs and book bags. Community support groups, such as Friends of the Library and library foundations, provide important sources of additional funding for libraries, as do direct donations from residents, patrons, and businesses.

CAPITAL FUNDING

County Libraries

To finance capital facilities, such as a new library building, a bookmobile, or large equipment purchase, county supervisors may ask the voters to approve a general obligation bond. General obligation bonds are secured by property taxes and require 2/3 voter approval. Counties may also utilize Certificates of Participation, a tax exempt lease financing agreement for capital projects, which can be issued by a vote of the Board of Supervisors. County Certificates of Participation are repaid by the county's existing revenues, and because they do not rely upon new taxes, do not require voter approval.

In areas with significant growth, developers may be required to provide funding, via development mitigation impact fees, for the cost of the portion of the library that is attributable to the future growth population. A Development Agreement, if approved by a developer and the governing board, may be used to increase the developer's fair share of the cost of a library facility. Community Facility Districts (CFD) can also be a condition of a Development Agreement to provide capital funding.

Counties can also use other capital funding mechanisms such as revenue bonds, or direct allocations from other one time or ongoing revenue sources.

Counties can also use CSA's to divide the county into separate zones for general obligation voter-approved bond measures.

City Libraries

To fund capital facilities, council members can ask the city's voters to approve a general obligation bond. General obligation bonds require 2/3 voter approval. Cities may also utilize Certificates of Participation, a tax exempt lease financing agreement for capital projects, which can be issued by a vote of the City Council. City Certificates of Participation are repaid by the city's existing revenues, and because they do not rely upon new taxes, do not require voter approval.

In areas with significant growth, developers may be required to provide funding, via development mitigation impact fees, for the cost of the portion of the library that is attributable to the future growth population. A Development Agreement, if approved by a developer and the governing board, may be used to increase the developer's fair share of the cost of a library facility. Community Facility Districts (CFD) can also be utilized with Developer Agreements to provide capital funding.

Cities can also use other capital funding mechanisms such as revenue bonds, or direct allocations from other one time or ongoing revenue sources.

Independent Special District Libraries

Library district governing boards can propose a general obligation bond for funding library capital facilities. General obligation bonds require 2/3 voter approval.

Library CSD's can also create several different zones for voter-approved general obligation bond measures.

Joint Powers of Authority (JPA) Libraries

Capital funding options for a JPA depend on the specific authority provided in the Joint Exercise of Powers Agreement for each JPA, and cannot exceed the authorities allowed under law for the individual JPA members.

SERVICE AREA

County Libraries

County libraries serve unincorporated areas and cities, or areas within cities, which are neither served by a city library nor within the boundaries of independent library districts.

Cities and library districts can ask to become part of the county library system. A county library may also contract with city or other county libraries to provide services. County libraries that contract to provide services to city residents are sometimes called city-county libraries.

Although in practice CSA's are used as a financing tool, they can provide separate library services and facilities throughout the boundaries set by the LAFCO during the CSA's formation. CSA boundaries can

include all of the county's unincorporated area or just one or more small communities. Cities can pass a resolution asking to be included within a CSA's boundaries.

City Libraries

City libraries serve within the city's boundaries but can contract with neighboring city or county libraries to provide services. City libraries that contract to provide services to county residents are sometimes called city-county libraries.

Independent Special District Libraries

Independent special district libraries provide service within the boundaries set by LAFCO at the time of their formation.

Library districts created under the Library and Museum District Law serve in unincorporated areas. This law also allows districts to contract with cities, counties, and other districts to provide services.

Library districts formed under the Library District Law and the Union or Unified High School District Library District Law may serve incorporated and/or unincorporated service areas (and need not be coterminous with the school district's boundaries). The districts may contract with neighboring city, county, and district libraries to provide services.

CSD libraries can serve in incorporated and/or unincorporated areas. CSD libraries may contract with other public agencies to provide services.

Joint Powers of Authority (JPA) Libraries

The JPA agreement designates the library service area. For example, the Santa Cruz City-County Library JPA specifies a service area that includes the County's unincorporated area and the cities of Capitola, Santa Cruz, and Scotts Valley, but not the City of Watsonville.

EXAMPLES

County Libraries

Libraries governed by the County Free Library Law include Alpine and Kern Counties (general fund libraries), and dedicated property tax libraries in Fresno and San Bernardino Counties.

In addition to their county free libraries, library CSA's exist in El Dorado and Solano counties to provide additional funding flexibility.

City Libraries

Municipal libraries include the Berkeley Public Library (Alameda County), the Los Angeles Public Library (Los Angeles County), and the Woodland Public Library (Yolo County).

The San Francisco Public Library is organized and operated under the City's charter, which reflects a consolidated city-county form of governance.

Independent Special District Libraries

Libraries formed as independent special districts include:

- The Palo Verde Valley Library District (Riverside County).
- The Buena Park Library District (Orange County).
- The Altadena Library District (Los Angeles County).

In addition, CSD's exist in Glenn and Siskiyou Counties to provide facilities or funding for library services provided by other library entities.

Joint Powers of Authority (JPA) Libraries

In addition to those JPA libraries previously mentioned, the Sacramento Public Library, the Santa Clara County Library District, the Sonoma County Library and the Belvedere-Tiburon Library are JPA libraries.

The Santa Clara County Library District includes additional CFD financing for library services.

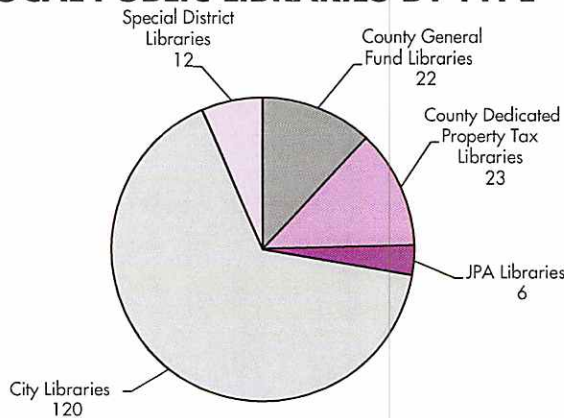
LIBRARIES IN OUR COMMUNITIES: POPULATIONS SERVED, LOCAL FINANCING, AND EXPENDITURES, BY LIBRARY TYPE

California’s 183 local public libraries serve over 37 million people. Libraries are organized in one of four different categories: county libraries, city libraries, independent special district libraries, and Joint Powers of Authority (JPA) libraries. A library’s organization, coupled with its historical, political, and community influences, determines the library’s service area, funding, and spending levels.

The following pages highlight the number and types of California local public libraries and examine the specific service areas, funding levels, and expenditure patterns associated with each library type. The accompanying charts allow readers to compare and contrast the characteristics and challenges that typify the different library types.

1. How Many Libraries and What Type?

LOCAL PUBLIC LIBRARIES BY TYPE



Given the limited number of statutory and constitutional options provided for local library organization, it is surprisingly difficult to quantify and classify the number and types of local libraries. The California State Library recognizes 183 distinct local public libraries agencies. Other local library agencies that exist are either obsolete, exercise a ministerial role in approving a contract with another library agency, or serve as a financing mechanism.

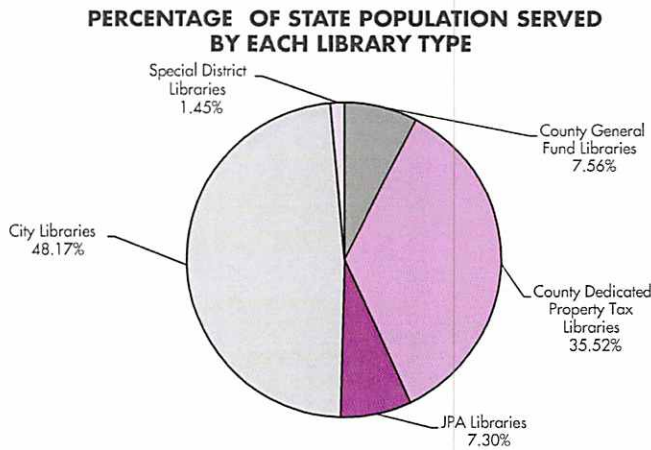
This document organizes local public library agencies into different categories depending on the library’s underlying statutory or constitutional authority and the governing board that administers its operations. Using the state’s list of local libraries, and applying this framework, there are: 120 city libraries, 45 county libraries (22 county general fund libraries, 23 county dedicated property tax libraries), 12 independent special district libraries, and 6 JPA libraries. A complete list of local public libraries by type is found in Appendix B on pages 21-22.

For the most part, public libraries fall clearly within a single category, such as a municipal library formed to serve city residents, such as those in Berkeley and Long Beach, or a county library created to provide service to residents in unincorporated areas, as in Alpine and Trinity Counties. In some cases, however, a library’s organization and operation is more complicated. For example, the Stockton-San Joaquin County Library, classified as a city library, provides library services to the City of Stockton, the unincorporated area of the County of San Joaquin, as well as others cities within the county. The City of Stockton is the operating entity and the County of San Joaquin contracts with Stockton for library services. In recent years, as city and counties have experienced fiscal challenges in funding libraries, innovative models relating to governance and funding have emerged to ensure the continuing provision of library services to residents. In Siskiyou County, the County continues to operate the County Library but has taken on the primary role of providing backbone support services to local libraries, such as computer system services, with the cities or special districts taking on the funding and operating responsibility for local library services. In Shasta County, the City of Redding provides library services to the cities and

the County, with the County contracting with the City for such services, and the City contracting with a private library services provider for all library services.

II. Libraries and Their Communities

Each library’s permissible service area is defined under the statutory authority used to create that type of library system. However, all library formation laws contain flexibility which allows libraries, once formed, to contract or combine with other agencies, including private entities, for the provision of library services. For a list of state laws and constitutional provisions authorizing the formation of library agencies, see Appendix A on page 20.

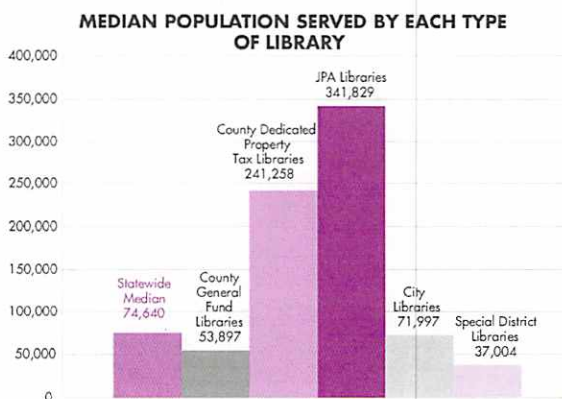


In reality, library service areas are based on the library’s authorizing law, historical and political influences, and citizen preferences. For example, the Santa Barbara Public Library is organized under the city’s charter, but provides services by contract with surrounding communities. Alternately, in Glenn County, the Board of Supervisors contracts with other government entities to provide library services to local residents, rather than operating a county library system. For a list of libraries by type, see Appendix B on pages 21-22.

City and county library systems serve more than 90% of California residents, with city libraries serving about 48% and county libraries serving about 43%. JPA and special district libraries provide services to a much smaller segment of the population: 7.3% and 1.45%, respectively.

Examining the median number of people served by each library type shows JPA libraries, which are regional by nature, have the biggest service populations (about 342,000 people per JPA library system). County dedicated property tax libraries, with their relatively large boundaries, serve a median of 241,000 people. City libraries, with relatively smaller boundaries, serve about 72,000 people, on median. And special district libraries, with their very small service areas, provide service to a median of only 37,000 people.

III. Focus on Local Funding



California libraries rely on a variety of federal, state, and local sources, as well as private contributions.

Federal funds come primarily in the form of grants to individual libraries that meet specified criteria, generally through the federal Library Services and Technology Act.

At the state level, the Public Library Fund (PLF) has historically provided per capita allocations to public libraries and the California Library Services Act (CLSA)

provided partial reimbursements for direct and interlibrary loans, as well as funding for regional library systems and services. Additionally, some targeted funding has been available for adult and family literacy services provided through public libraries. All of these funding sources are dependent on an annual allocation in the state budget; these allocations have significantly decreased in recent years.

Locally, libraries receive revenues very differently depending on their type. City and county general fund libraries follow one pattern, while special district and county dedicated property tax revenue libraries tend to exhibit a different trend. JPA libraries generally include a blend of both funding patterns. **Because there are two distinct financial patterns associated with the state's 45 county libraries, the following discussion of revenues and expenditures examines county general fund libraries and county dedicated property tax libraries separately.**

Allocations from Local Governments. City libraries and the 22 county general fund libraries depend primarily on allocations from local governments: the city council, in the case of cities, and the county board of supervisors, for county general fund library systems. Library allocations come from the city or county general fund, as well as additional other local funding sources. In most cases, this means that libraries must compete each year with other local services to obtain funds. In cities, libraries compete with overall public safety, parks, streets, and other programs. In counties, the competition for resources is even greater; in addition to local county needs, federal and state government mandates require counties to spend significant percentages of their budget on national or state programs.

To give libraries some budget certainty, some city and county governing boards, or voters, have voted to set aside a portion of local revenues, such as a percentage of the general fund or a portion of their property tax revenues, exclusively for library purposes.

JPA libraries, made up of city, county and/or special district members, also rely on their members' allocations for funding. A JPA agreement may call for participating members to pay a certain amount annually, or it may require the governing boards of its members to commit a certain revenue stream to the JPA library. As an example, for the Sacramento Public Library Authority, primary funding comes from an annual allocation from the City of Sacramento general fund, a City of Sacramento voter approved special tax for enhanced services in the City of Sacramento, and a dedicated share of the property tax in the County of Sacramento for library services in the unincorporated area and other incorporated cities, exclusive of the City of Sacramento.

Dedicated Property Tax Revenues. Special districts created prior to Proposition 13 and the 23 county dedicated property tax libraries rely on the revenues generated from the agencies' percentage of the property tax rate imposed prior to Proposition 13 in 1978, and as further reduced by ERAF shifts to schools. These historical property tax revenues are restricted for library uses only. With this guaranteed revenue source, special district and county dedicated property tax libraries have somewhat more predictable funding, but their funding is still subject to local economic conditions (such as property values). Some of these libraries also receive some general fund revenues that also can be affected by local economic conditions. These local economic conditions which may affect library funding for all types of libraries include recessionary impacts, housing market downturns, and, historically, state changes in property tax allocation formulas.

Voter-Approved Taxes. In addition to local government allocations and historical property tax rates, local libraries of all types also rely on voter-approved tax increases to expand library budgets. Voter-approved measures can include sales, hotel, utility use, and parcel taxes (flat rate property taxes). Revenue from local library tax measures constitutes a significant portion, and in some cases, a majority of, local library funding. A list of library tax measures is available on the California State Library website at <http://library.ca.gov/lids/lids.html#Ballot>.

Proposition 13 in 1978, a series of court cases, and Proposition 218 in 1996 tightened the requirement for local tax proposals, requiring library special tax measures to achieve 2/3 voter approval and prohibiting the use of library property assessments that do not require voter approval.

Libraries are not only dependent on local voters’ willingness to impose library taxes, but they are also dependent on the taxing authority and local tax base available to libraries of each particular library type.

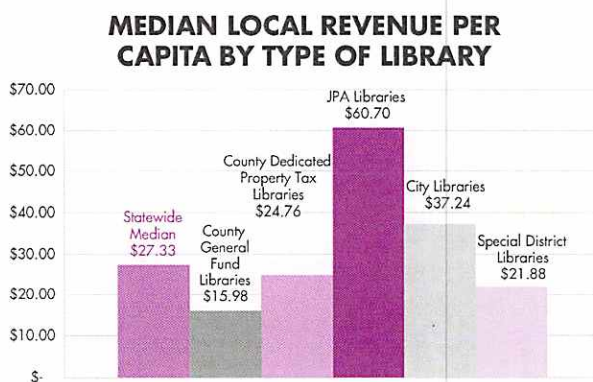
Cities and counties have the broadest taxing powers, with the ability to impose taxes on businesses, utilities, hotels, sales, property, and other sources to fund library services. This broad taxing authority can benefit city and county libraries that receive allocations from the city or county governments. And because cities and counties create and fund JPA libraries, these libraries also benefit from these broad taxing powers.

Complementing their broad tax powers is cities’ more expansive tax base. Cities also tend to have the most concentrated economic activity within their boundaries, and therefore, a more productive and diverse tax base. This tax base enables cities, and the JPA’s in which they participate, to broaden and diversify their tax structure to produce the best mix and amount of revenues. Some urbanized counties also enjoy this robust tax base, whereas rural counties do not.

Conversely, library special districts have narrow taxing power and a limited tax base. When utilizing voter approved taxes, special districts rely almost exclusively on parcel taxes (flat rate property taxes) to support library operations. And since special districts tend to have smaller boundaries than other library agencies, there are relatively fewer parcels to tax.

Per Capita Revenue

Statewide, median local library revenue per capita is \$27.33.



JPA libraries enjoy the highest per capita local revenues of all the library types at \$60.70 per capita. Several reasons may account for this. All JPA’s have city participants and can therefore take advantage of the municipal revenues, taxing power and broader tax bases. Five of the six JPA’s include the membership of county dedicated property tax libraries, which brings a guaranteed revenue source. The combination of multiple funding sources, large population base and some historically well-funded libraries helps create the significant local funding base.

City libraries have the second highest per capita local income at \$37.24 per capita. City libraries' relatively high level of funding reflects their revenue capacity and expansive tax base. Support for libraries may also be stronger in cities because voters may view libraries as a core function of city government.

County libraries per capita revenues are in a range, with substantial differences based on their financial status. County dedicated property tax libraries receive significantly more funds on a per capita basis (\$24.76 per capita) than county general fund libraries (\$15.98 per capita) that must face competing demands for the county's resources.

Special district libraries per capita local revenues fall in the middle range of public libraries at \$21.88 per capita. District libraries benefit from a relatively small population (slightly more than 1% of the state) and few competing service demands, but are limited by their narrow taxing authority and base.

IV. Capital Costs

Libraries need facilities in which to house their materials, to provide spaces for patrons, as well as the ever-increasing array of services and resources, such as computers, that today's library patrons need and want. To provide, upgrade, and equip those facilities, they turn to various funding mechanisms.

At the State level, libraries have taken advantage of two state bond measures providing matching funds for public library construction and renovation. The State Library Bond Act Board provided 65% of a local project's costs, and the local jurisdiction provided the remaining 35% of the costs from their own funds. Proposition 85, a \$75 million bond approved by the voters in 1988, funded 24 libraries. Proposition 14, the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000, authorized the sale of \$350 million of state bonds for public libraries and 45 library projects were funded.

Locally, library jurisdictions of all types have the authority to issue general obligation bonds for capital expenditures. General obligation bonds, secured by ad valorem (value-based) property taxes, require 2/3 voter approval. Library jurisdictions may use general obligation bonds to finance the acquisition and improvement of real property and to furnish and equip facilities.

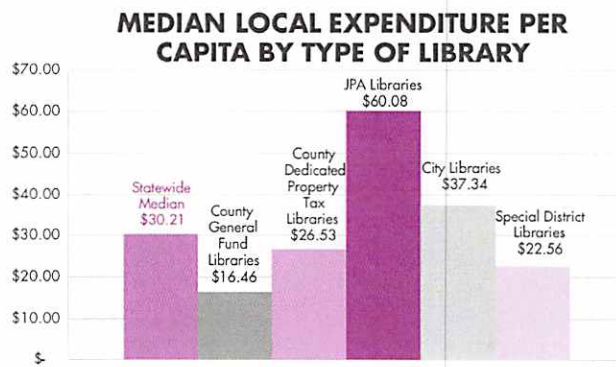
Library jurisdictions may also utilize Certificates of Participation, a tax exempt lease financing agreement for capital projects, which can be issued by a vote of the governing board. Certificates of Participation are repaid by the agency's existing revenues, and because they do not rely upon new taxes, do not require voter approval.

In areas with significant growth, developers may be required to provide funding, via development mitigation impact fees, for the cost of the portion of a library that is attributable to the future growth population. A Development Agreement, if approved by a developer and a City or County, may be used to increase the developer's fair share of the cost of a library facility. Community Facility Districts (CFD) can also be utilized with Developer Agreements to provide capital funding.

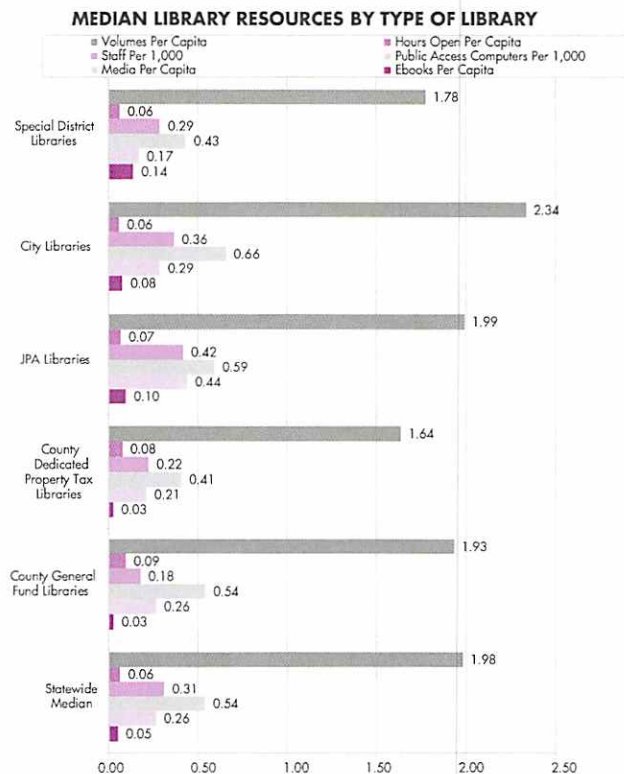
Cities and counties can also use other capital funding mechanisms such as direct allocations from other one time or ongoing revenue sources

V. Examining Expenditures

Each library type has daily operational expenses including employee salaries, materials, supplies, utilities, technology, and other items. Comparative expenditures can vary widely in libraries as other jurisdictional departments, such as IT departments, may absorb library related operating costs, or other jurisdictions served, e.g. cities served by a county library, may pay for all or a portion of facility related costs. These expenditures are reflected in the number of service hours a library provides, the number and type of materials available, access to digital and online resources, and staff, all of which shapes the community's library experience.



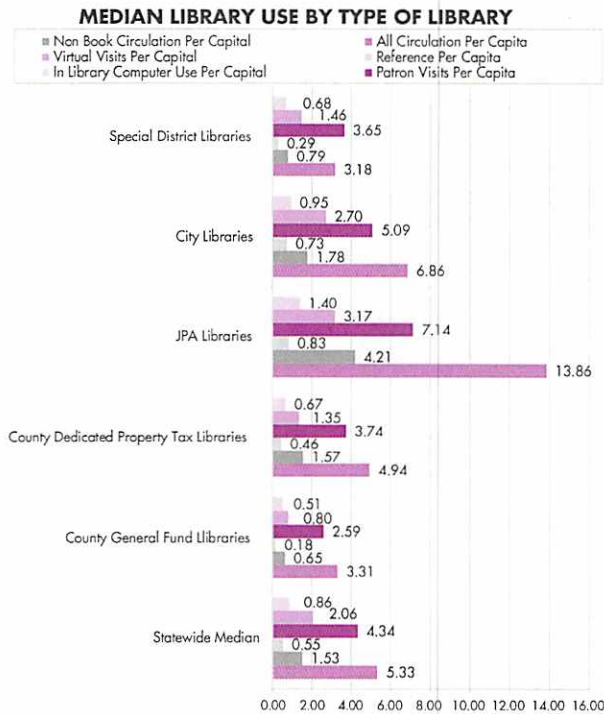
Statewide, the median expenditure per capita is \$30.21. Libraries' per capita operational expenditure levels mirror the pattern established by per capita revenue with JPA (\$60.08) and city libraries (\$37.34) expenditures per capita reaching the highest levels, special district (\$22.56) and county dedicated property tax libraries (\$26.53) per capita expenditures in the middle range, and county general fund libraries (\$16.46) with the lowest per capita expenditures. This pattern is not surprising, for the more money a library can generate, the more it can spend in support of its activities.



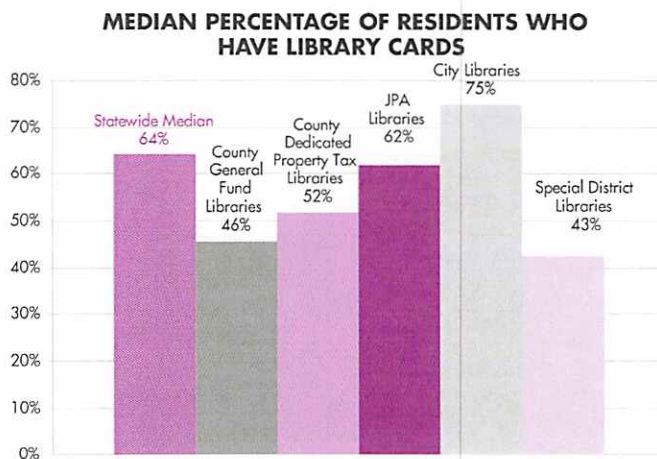
Library spending levels have a direct impact on the types and amounts of resources and services they provide, and the resulting use.

JPA and city libraries have the largest median collections per capita, as well as number of staff. In the last decade, libraries have also increased expenditures on technology, online and digital resources. The statewide median for public access computers per 1,000 residents is 0.54 with city libraries having the highest median number (0.66); the state wide median for media (non-print resources) per capita is 0.26 with JPA libraries having the highest median number (0.44). The resulting use levels reflect the resource levels, with city and JPA libraries again having the highest median total circulation and reference use per capita. The same pattern holds for use of digital resources, with JPA libraries having the highest median non-book circulation per capita (4.21) and highest median in library computer use per capita (1.40).

Californians visit their libraries in increasing numbers, with a statewide median of 4.34 patron visits per capita. As libraries have enhanced their presence through their websites, digital offerings and virtual branches, Californians have become virtual visitors to their libraries, with a statewide median of 2.06 patron visits per capita.



City libraries show a much higher percentage of the population holding library cards than any other type of library. However, under California’s universal borrowing system, library users are not necessarily residents of the library jurisdiction from which they hold a library card. The higher percentage of library card holders in city libraries may be a result of the higher funding and associated resources of city libraries, as well as the business base in cities, attracting users and workers from surrounding, less well funded library jurisdictions. However, with the decreased state funding for universal borrowing, some libraries of differing types have chosen to implement user fees for residents of other jurisdictions.



In addition to libraries’ operating expenses, they also have capital costs, including expenses associated with land, buildings, remodeling, vehicles, and equipment that costs more than \$5,000. Libraries finance their capital costs with a mix of allocations from local governments (for city, JPA, and county general fund libraries), bonds approved by the voters, and other financing mechanisms. For some county libraries, capital costs are funded by cities being served by the library. Local capital expenditures for libraries are difficult to quantify and compare since they are not accounted for or reported uniformly across the state. In city, county, and JPA libraries, capital spending is sometimes accounted for in the larger city or county budget, making comparisons between library capital spending more challenging and less useful.

FY 11/12 TYPE OF LIBRARY COMPARATIVE DATA

	State	County General Fund	County Dedicated Property Tax	JPA	City	Special District
TYPE/POPULATION						
Number of Libraries	183	22	23	6	120	12
Population						
Median	74,640	53,897	241,258	341,829	71,997	37,004
Low	120	1,097	14,391	11,149	120	26,332
High	3,825,297	850,006	3,344,311	1,362,428	3,825,297	81,460
% of State Population Served		7.56%	35.52%	7.30%	48.17%	1.45%
FUNDING/EXPENDITURES						
Local Revenue Per Capita						
Median	\$27.33	\$15.98	\$24.76	\$60.70	\$37.24	\$21.88
Low	\$3.39	\$5.19	\$7.20	\$21.74	\$4.56	\$3.39
High	\$308.31	\$212.13	\$95.90	\$127.71	\$308.31	\$87.70
Total Expenditures Per Capita						
Median	\$30.21	\$16.46	\$26.53	\$60.08	\$37.34	\$22.56
Low	\$3.66	\$5.19	\$6.33	\$23.05	\$3.94	\$3.66
High	\$301.38	\$213.50	\$88.56	\$160.46	\$301.38	\$110.97
RESOURCES						
Staff Per 1,000						
Median	0.31	0.18	0.22	0.42	0.36	0.29
Low	0.07	0.08	0.11	0.20	0.07	0.10
High	4.94	2.28	0.82	1.39	4.94	0.50
Hours Open Per Capita						
Median	0.06	0.09	0.08	0.07	0.06	0.06
Low	0.01	0.02	0.05	0.04	0.01	0.03
High	2.56	2.56	0.72	0.27	1.41	0.18
Volumes Per Capita						
Median	1.98	1.93	1.64	1.99	2.34	1.78
Low	0.41	1.16	0.90	1.11	0.41	1.02
High	21.99	21.99	7.27	5.11	15.71	2.83
Ebooks Per Capita						
Median	0.05	0.03	0.03	0.10	0.08	0.14
Low	0.0002	0.001	0.002	0.01	0.01	0.01
High	7.59	3.73	0.45	0.58	7.59	0.92

	State	County General Fund	County Dedicated Tax Property Tax	JPA	City	Special District
Media Per Capita						
Median	0.26	0.26	0.21	0.44	0.29	0.17
Low	0.03	0.03	0.03	0.14	0.04	0.05
High	4.10	4.10	1.15	1.48	2.80	0.50
Public Access Computers Per 1,000						
Median	0.54	0.54	0.41	0.59	0.66	0.43
Low	0.09	0.16	0.23	0.32	0.09	0.13
High	8.47	7.29	4.86	2.06	8.47	0.73
USE						
All Circulation Per Capita						
Median	5.33	3.31	4.94	13.86	6.86	3.18
Low	0.71	0.99	0.76	5.61	1.09	0.71
High	44.25	28.50	14.48	28.45	44.25	11.30
Non Book Circulation Per Capita						
Median	1.53	0.65	1.57	4.21	1.78	0.79
Low	0.04	0.21	0.04	0.98	0.05	0.04
High	22.60	8.10	4.89	13.80	22.60	2.10
Reference Per Capita						
Median	0.55	0.18	0.46	0.83	0.73	0.29
Low	0.01	0.01	0.07	0.16	0.02	0.01
High	8.64	0.95	1.15	3.02	8.64	1.07
Patron Visits Per Capita						
Median	4.34	2.59	3.74	7.14	5.09	3.65
Low	0.63	0.63	0.83	2.98	0.78	1.25
High	30.38	30.38	10.61	18.66	29.80	9.05
Virtual Visits Per Capita						
Median	2.06	0.80	1.35	3.17	2.70	1.46
Low	0.02	0.19	0.25	0.26	0.02	0.03
High	50.02	3.03	4.18	5.09	50.02	6.10
% of Residents Who Are Registered Borrowers						
Median	64%	46%	52%	62%	75%	43%
Low	16%	18%	16%	48%	19%	18%
High	235%	215%	93%	93%	235%	74%
In Library Computer Use Per Capita						
Median	0.86	0.51	0.67	1.40	0.95	0.68
Low	0.04	0.16	0.29	0.58	0.04	0.24
High	12.46	12.46	4.89	3.07	10.66	1.83

RESOURCES PER CAPITA								
	LOCAL REVENUE PER CAPITA	TOTAL EXP PER CAPITA	STAFF PER 1,000	HOURS OPEN	VOLUMES	EBOOKS	MEDIA	PUBLIC ACCESS COMPUTERS PER 1,000
Statewide Median	\$27.33	\$30.21	0.31	0.06	1.98	0.05	0.26	0.54
County General Fund	\$15.98	\$16.46	0.18	0.09	1.93	0.03	0.26	0.54
County Dedicated Property Tax	\$24.76	\$26.53	0.22	0.08	1.64	0.03	0.21	0.41
JPA	\$60.70	\$60.08	0.42	0.07	1.99	0.10	0.44	0.59
City	\$37.24	\$37.34	0.36	0.06	2.34	0.08	0.29	0.66
Special District	\$21.88	\$22.56	0.29	0.06	1.78	0.14	0.17	0.43

USE PER CAPITA							
	ALL CIRCULATION	NON BOOK CIRCULATION	REFERENCE	PATRON VISITS	VIRTUAL VISITS	BORROWERS	IN LIBRARY COMPUTER USE
Statewide Median	5.33	1.53	0.55	4.34	2.06	64%	0.86
County General Fund	3.31	0.65	0.18	2.59	0.80	46%	0.51
County Dedicated Property Tax	4.94	1.57	0.46	3.74	1.35	52%	0.67
JPA	13.86	4.21	0.83	7.14	3.17	62%	1.40
City	6.86	1.78	0.73	5.09	2.70	75%	0.95
Special District	3.18	0.79	0.29	3.65	1.46	43%	0.68

NOTE: = Highest library type; = Lowest library type

APPENDIX A: CONSTITUTIONAL AND STATUTORY PROVISIONS AUTHORIZING LOCAL PUBLIC LIBRARY ORGANIZATION

Charter City "municipal affairs doctrine"	California Constitution, Article II, §3
Community Services District Law	Government Code §61000 et seq.
Community Facility District Law	Government Code §53311 et seq.
County Free Library Law	Education Code §19100 et seq.
County Service Area Law	Government Code §25210.1 et seq.
Joint Powers of Authority Law	Government Code §6500 et seq.
Library District Law	Education Code §19400 et seq.
Library and Museum District Law	Education Code §19600 et seq.
Municipal Library Law	Education Code §18900 et seq.
Union and Unified High School District Library District Law	Education Code §18300 et seq.

APPENDIX B: CALIFORNIA PUBLIC LIBRARIES BY

COUNTY LIBRARIES (45)

Alameda County*	Los Angeles County*	San Benito County
Alpine County	Madera County	San Bernardino County*
Amador County	Marin County*	San Diego County*
Butte County	Mariposa County	San Luis Obispo County*
Calaveras County	Mendocino County*	Siskiyou County
Colusa County	Merced County	Solano County*
Contra Costa County**	Mono County*	Stanislaus County
El Dorado County	Monterey County*	Sutter County
Fresno County*	Modoc County	Tehama County
Humboldt County*	Napa County*	Trinity County
Imperial County*	Nevada County	Tulare County*
Inyo County	Orange County*	Tuolumne County
Kern County	Placer County*	Ventura County*
Kings County*	Plumas/Sierra County	Yolo County*
Lake County*	Riverside County*	Yuba County

* = dedicated property tax libraries (see page 5).

** = operated as a dedicated property tax library.

MUNICIPAL LIBRARIES (120)

Alameda	Glendale	Ontario	San Marino
Alhambra	Glendora	Orange	San Mateo
Anaheim	Hayward	Orland	San Rafael
Arcadia	Hemet	Oxnard	Santa Ana
Azusa	Huntington Beach	Pacific Grove	Santa Barbara
Benicia	Imperial	Palm Springs	Santa Clara
Berkeley	Inglewood	Palmdale	Santa Clarita
Beverly Hills	Irwindale	Palo Alto	Santa Fe Springs
Brawley	Larkspur	Pasadena	Santa Maria
Burbank	Lincoln	Paso Robles	Santa Monica
Burlingame	Livermore	Pleasanton	Sausalito
Calabasas	Lodi	Pomona	Shasta Public Libraries ¹
Calexico	Lompoc	Porterville	Sierra Madre
Camarillo	Long Beach	Rancho Cucamonga	Signal Hill
Carlsbad	Los Angeles	Rancho Mirage	South Pasadena
Carmel	Los Gatos	Redlands	South San Francisco
Cerritos	Menlo Park	Redondo Beach	St. Helena
Chula Vista	Mill Valley	Redwood City	Stockton-San Joaquin County Library ²
Colton	Mission Viejo	Richmond	Sunnyvale
Commerce	Monrovia	Riverside	Thousand Oaks
Corona	Monterey	Roseville	Torrance
Coronado	Monterey Park	Salinas	Tulare
Covina	Moorpark	San Anselmo	Upland
Daly City	Moreno Valley	San Bernardino	Vernon
Downey	Mountain View	San Bruno	Victorville
El Centro	Murrieta	San Diego	Watsonville
El Segundo	National City	San Francisco	Whittier
Escondido	Newport Beach	San Jose	Willows
Folsom	Oakland	San Juan Bautista	Woodland
Fullerton	Oceanside	San Leandro	Yorba Linda

¹ Shasta Public Libraries is operated by the City of Redding, and as such is classified as a Municipal Library; however, it provides services to Shasta County and cities therein by contract.

² Stockton-San Joaquin County Library is operated by the City of Stockton, and as such is classified as a Municipal Library; however, it provides services to San Joaquin County and cities therein by contract.

INDEPENDENT SPECIAL DISTRICT LIBRARIES (12)

Altadena Library District
Banning Unified School District Library District
Blanchard/Santa Paula Public Library District
Beaumont Library District
Buena Park Library District
Coalinga-Huron Unified School District Library District
Del Norte County Library District
Dixon Public Library District
Lassen Library District
Palo Verde Valley Library District
Palos Verdes Library District
Placentia Library District

JPA LIBRARIES (6)

Belvedere-Tiburon Library
Sacramento Public Library
San Mateo County Library
Santa Clara County Library District
Santa Cruz Public Libraries
Sonoma County Library