



# MSR/SOI Report

Buena Park Library District &  
Placentia Library District

November 9, 2005

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# EXECUTIVE SUMMARY

## Introduction

The purpose of this report is to provide a comprehensive review of the municipal services provided by the county's two independent library districts – the Buena Park Library District and Placentia Library District. To comply with the requirements of the Cortese-Knox-Hertzberg Act of 2000, the following report includes the municipal service reviews and sphere of influence (SOI) reviews/updates for the Buena Park Library District and Placentia Library District.

This report is organized into eleven sections:

1. *Executive Summary* – Provides an overview of the report's structure and content.
2. *Introduction* – Explains the statutory requirements related to municipal service and sphere of influence reviews and a summary of the environmental review required under the California Environmental Quality Act (CEQA).
3. *Agency Overviews* – Presents the history of library service provision in Orange County and an overview of the Buena Park Library District and Placentia Library District.
4. *Review and Analysis of Service Provision, Buena Park Library District* – Thoroughly examines the Buena Park Library District's structure and service provision as they pertain to the nine municipal service review (MSR) determinations required by law.
5. *The Nine Determinations, Buena Park Library District* – Summarizes LAFCO staff's nine MSR determinations based on the analysis of the Buena Park Library District's structure and service provision.
6. *Review and Analysis of Service Provision, Placentia Library District* – Thoroughly examines the Placentia Library District's structure and service provision as they pertain to the nine municipal service review (MSR) determinations required by law.
7. *The Nine Determinations, Placentia Library District* – Summarizes LAFCO staff's nine MSR determinations based on the analysis of the Placentia Library District's structure and service provision.



8. *Sphere of Influence Update, Buena Park Library District* – Provides staff analysis and recommendations related to the Buena Park Library District's sphere of influence update.
9. *Statement of Determinations, Buena Park Library District* – Addresses the four sphere of influence determinations that LAFCO must by law address in completing a sphere of influence review and update for the Buena Park Library District.
10. *Sphere of Influence Update, Placentia Library District* – Provides staff analysis and recommendations related to the Placentia Library District's sphere of influence update.
11. *Statement of Determinations, Placentia Library District* – Addresses the four sphere of influence determinations that LAFCO must by law address in completing a sphere of influence review and update for the Placentia Library District.

### **MSR Summary – Buena Park Library District**

The Buena Park Library District is one of two independent library districts operating in Orange County. The nine determinations for BPLD are examined in great detail beginning on page 16 of this report. Based on its analysis of the BPLD's structure and service provision, LAFCO staff came to the following conclusions:

- ♦ BPLD's infrastructure is sound and adequate for the district to provide library services and programs.
- ♦ BPLD's expenditures appear to be based on efficient methods of operation. The district is fiscally solvent and has adequate revenues.
- ♦ BPLD organizational structure is sound, and it provides efficient and cost effective services.
- ♦ BPLD's fee schedule is very much in line with those of other public libraries throughout the county. As a non-enterprise district, its revenues are primarily derived from property tax revenue rather than fees. BPLD has the option of charging patrons that reside beyond the district's service boundaries an annual library card fee. While this would likely result in an additional revenue stream for the district, the district's collaborative partnership with the Santiago Library System prohibits BPLD from charging library card fees. Further, if the district began charging library card fees, it could jeopardize certain state grants and subsidies for which it currently qualifies.



- ◆ BPLD commissioned independent consolidation studies in 1994 aimed at exploring different governance options. The consolidation study's final recommendation was that BPLD continue to function as independent special district. Staff found no evidence to suggest that any of the factors examined in the consolidation study have changed and would result in a different finding if the district commissioned a new consolidation study today.
- ◆ BPLD operates with a high degree of transparency and is highly accountable to the public. The district could improve its website by listing the Board members names and terms of office, as well as posting the Board's monthly meeting time and location and including links to the Board's monthly agendas and meeting minutes.

### **SOI Summary – Buena Park Library District**

The Buena Park Library District's sphere of influence was established by LAFCO on November 12, 1975 and has not been comprehensively reviewed since. While the district's actual service territory is mostly confined to the City of Buena Park, there are areas of the district's territory that overlap with the cities of Anaheim, Fullerton, and La Palma.

There are no laws mandating that the library district's service territory be contiguous with that of the City of Buena Park. However, there should not be an overlap in service boundaries between the library district and these cities, as these cities maintain and operate their own libraries or belong to the Orange County Public Library system. Similarly, the entirety of the City of Buena Park should logically be included in BPLD's service territory.

BPLD would lose approximately \$46,694 in property tax revenue annually if it were to concurrently annex the entirety of Buena Park AND detach its service territory in the Cities of Anaheim, La Palma, and Fullerton. The majority of the revenue loss would come from the city of Fullerton (\$53,325).

Staff is reluctant to make any recommendations that would adversely impact the district's revenue stream. Therefore, staff recommends that the Commission modify the Buena Park Library District's existing sphere of influence as follows:

1. Modify the Buena Park Library District's sphere of influence boundaries to include the entirety of the City of Buena Park.
2. Modify the Buena Park Library District's sphere of influence boundaries to exclude territory in the City of Anaheim.





3. Modify the Buena Park Library District's sphere of influence boundaries to exclude territory in the City of La Palma.
4. Designate the areas that overlap between the Buena Park Library District's boundaries with the City of Fullerton as special study areas until the next sphere of influence update or until the two agencies reach an agreement. This will enable the district and city to investigate the "spill over" territory, discuss the adverse fiscal impacts to the district should the city pursue detachment at some time in the future, and negotiate a mutually agreeable resolution.

### **MSR Summary – Placentia Library District**

The Placentia Library District is one of two independent library districts operating in Orange County. The nine determinations for PLD are examined in great detail beginning on page 37 of this report. Based on its analysis of the PLD's structure and service provision, LAFCO staff came to the following conclusions:

- ♦ PLD's infrastructure is sound and adequate for the district to provide library services and programs. However, after nearly 30 years at the same location, the library is outgrowing its building space. The district's Board of Trustees is exploring the construction of a new facility as well as remodeling, renovation, and expansion options for its current facility.
- ♦ PLD's expenditures appear to be based on efficient methods of operation. The district is fiscally solvent and has adequate revenues.
- ♦ PLD organizational structure is sound, and it provides efficient and cost effective services.
- ♦ PLD's fee schedule is very much in line with those of other public libraries throughout the county. As a non-enterprise district, its revenues are primarily derived from property tax revenue rather than fees. PLD has the option of charging patrons that reside beyond the district's service boundaries an annual library card fee. While this would likely result in an additional revenue stream for the district, the district's collaborative partnership with the Santiago Library System prohibits PLD from charging library card fees. Further, if the district began charging library card fees, it could jeopardize certain state grants and subsidies for which it currently qualifies.
- ♦ PLD commissioned independent consolidation studies in 1994 aimed at exploring different governance options. The consolidation study's final recommendation was that PLD continue to function as independent special district. Staff found no evidence to suggest that any of the factors examined in



the consolidation study have changed and would result in a different finding if the district commissioned a new consolidation study today.

- ♦ PLD operates with a high degree of transparency and is highly accountable to the public.

## SOI Summary – Placentia Library District

The Placentia Library District's sphere of influence was established by LAFCO on November 26, 1975 and has not been comprehensively reviewed since. While the district's actual service territory is mostly confined to the City of Placentia, there is an area of the district's service territory that overlaps the City of Anaheim. Further, there is an area within the City of Placentia's corporate boundaries that is not included in the library district's service territory.

There are no laws mandating that the Placentia Library District's service territory be contiguous with that of the City of Placentia. However, there should not be an overlap in service boundaries between the library district and the city, as Anaheim maintains and operates an independent city library. Similarly, the entirety of the City of Placentia should logically be included in PLD's service territory.

PLD would suffer no adverse fiscal impacts if it were to concurrently annex the entirety of Placentia AND detach its service territory in the City of Anaheim. Therefore, staff recommends that the Commission modify the Placentia Library District's existing sphere of influence as follows:

1. Modify the Placentia Library District's sphere of influence boundaries to *include* the entirety of the City of Placentia.
2. Modify the Placentia Library District's sphere of influence boundaries to *exclude* territory in the City of Anaheim.





# INTRODUCTION

## Statutory Requirements

In 2000, the state of California Legislature broadened LAFCO's authority by directing the agency to conduct comprehensive reviews of the delivery of municipal services provided in the County and any other area deemed appropriate by the Commission. Additionally, legislators directed LAFCOs to complete sphere of influence reviews and updates of agencies under LAFCO's jurisdiction not less than every five years.

### *Overview of Municipal Service Review (MSR) Law—Government Code §56430*

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that LAFCO review municipal services before updating the spheres of influence and to prepare a written statement of determination with respect to each of the following:

1. Infrastructure needs or deficiencies;
2. Growth and population projections for the affected area;
3. Financing constraints and opportunities;
4. Cost avoidance opportunities;
5. Opportunities for rate restructuring;
6. Opportunities for shared facilities;
7. Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers;
8. Evaluation of management efficiencies; and
9. Local accountability and governance.

The MSR process does not require LAFCO to initiate changes of organization based on service review findings; it only requires that LAFCO make determinations regarding the provision of public services per Government Code Section 56430. MSRs are not subject to the provisions of the California Environmental Quality Act (CEQA) because they are only feasibility or planning studies for possible future action that LAFCO has not approved (Cal. Pub. Res. Code § 21150). The ultimate outcome of conducting a service review, however, may result in LAFCO taking discretionary action on a change of organization or reorganization.



### *Overview of Sphere of Influence (SOI) Law—Government Code §56425*

LAFCO is also charged with adopting a sphere of influence for each city and special district within the county. A sphere of influence is a planning boundary that designates the agency's probable future boundary and service area. Spheres are planning tools used by LAFCO to provide guidance for individual proposals involving jurisdictional changes. Spheres ensure the provision of efficient services while discouraging urban sprawl and the premature conversion of agricultural and open space lands. The Cortese-Knox-Hertzberg (CKH) Act requires LAFCO to develop and determine the sphere of influence of each local governmental agency within the county, and to review and update the SOI every five years. In determining the SOI, LAFCO must address the following:

1. Present and planned land uses in the area, including agricultural and open-space lands;
2. Present and probable need for public facilities and services in the area;
3. Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide; and
4. Existence of any social or economic communities of interest in the area if LAFCO determines that they are relevant to the agency.

### **Environmental Review**

Municipal service reviews (MSR) are subject to the California Environmental Quality Act (CEQA) and LAFCO is the lead agency. The MSR proposal is considered Categorically Exempt from CEQA pursuant to section 15306 of the CEQA guidelines. This section exempts basic data collection, research, experimental management, and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource. This type of exemption may be used strictly for information gathering purposes, or as part of a study leading to an action that a public agency (in this case LAFCO) has not yet approved, adopted, or funded. The information gathered for the municipal service reviews will not have an effect upon any environmental resource.

The sphere of influence updates, if approved, will modify the boundaries of the library districts' existing spheres slightly. However, no environmental impacts will result and Section 15061b(3) of the CEQA Guidelines would apply since there is no possibility that the SOI update will have a significant effect on the environment.



## AGENCY OVERVIEWS

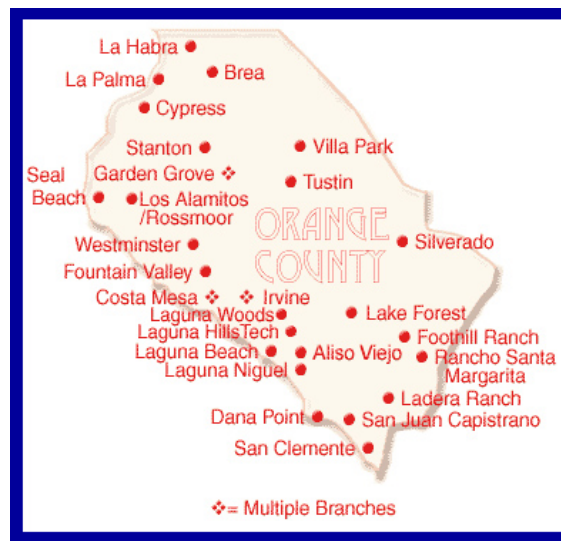
### Library Service Provision in Orange County

Eleven separate entities provide library services to Orange County's citizenry:

- The Orange County Public Library branches has nearly 30 library throughout Orange County
- Eight Orange County cities maintain independent city libraries. Those are the cities of Anaheim, Fullerton, Huntington Beach, Mission Viejo, Newport Beach, Orange, Santa Ana, and Yorba Linda.
- The county also has two public library districts, the Buena Park Library District and Placentia Library District.

The Orange County Public Library system has 28 library branches operating in unincorporated county territory and 22 cities: Aliso Viejo, Brea, Costa Mesa, Cypress, Dana Point, Fountain Valley, Garden Grove, Irvine, La Habra, La Palma, Laguna Beach, Laguna Hills, Laguna Niguel, Laguna Woods, Rancho Santa Margarita, San Clemente, San Juan Capistrano, Seal Beach, Stanton, Tustin, Villa Park, and Westminster. (See *Figure 3a, OCPL Branch Map*.)

*Figure 3a, OCPL Branch Map*





The County of Orange funds the Orange County Public Library system (OCPL). The Board of Supervisors adopts a budget annually, allocating a certain amount of the county's general fund to the operation and maintenance of the OCPL's branches countywide. The property tax revenues that the County receives for the provision of library services are augmented by \$1 million in revenues contributed by the City of Irvine annually.

The cities of Anaheim, Fullerton, Huntington Beach, Mission Viejo, Newport Beach, Orange, Santa Ana, and Yorba Linda are not part of the Orange County Public Library system. These eight cities have opted instead to operate and maintain independent libraries. Much in the way the County allocates a percentage of its general fund to the OCPL system, these cities' respective city councils adopt an annual budget and designate funds to the operation and maintenance of their independent libraries.

In the case of the County of Orange and the eight cities that maintain libraries as a department of the city, the property tax apportionment that the city/county receives for the provision of library services is combined with the agency's overall property tax apportionment, to be allocated by the agency's governing board across all of the agency's departments in whatever fashion its board sees fit. This means that an agency may ultimately decide to utilize funding earmarked for libraries for another service/department.

## Independent Library Districts

Although most California public libraries, including those in Orange County, are organized as departments of general city or county government as previously described, a small number are organized as single-purpose districts separate from their respective counties and/or cities. The state has twelve independent library districts. Those districts are governed by independent Boards of Trustees and receive their own separate property tax funding.

The need for library services near what are now the cities of Buena Park and Placentia preceded the incorporation of the respective cities. As such, the Buena Park Library District (BPLD) and Placentia Library District (PLD) are two of the five independent library districts in the state of California formed under Education Code §§19600-19734, *Library Districts and Museums in Unincorporated Towns and Villages*. (As stated previously, the state has twelve total library districts. The other seven were formed under different sections of the Education Code.)

As independent special districts, BPLD and PLD's principal source of income is property tax revenue. Each district's funding is independent of its respective city's





funding and that of the County of Orange. Unlike the Orange County Public Library system and the eight independent city library systems operating countywide, BPLD and PLD's property tax apportionments belong solely to each library district and are therefore safeguarded from being shifted to a purpose other than library services.

## Buena Park Library District

The Buena Park Library District's mission is as follows:

*The Buena Park Library District is committed to meeting the information needs of its culturally diverse community.*

- We provide a vast array of resources in a variety of formats representing diverse points of view.*
- We employ a dedicated, responsive staff that takes pride in providing expert service.*
- We provide programs and services that are based on community needs.*

The Buena Park Library District was founded in 1919 under Education Code §§19600-19734, *Library Districts and Museums in Unincorporated Towns and Villages*. The district, which celebrated its 85<sup>th</sup> anniversary in 2004, began as a town library comprised primarily of donated books in 1905. Nearly fifteen years later, members of the Buena Park Women's Club formed a committee to explore the establishment of a public library, and in 1919, following a community vote, the Buena Park Library District was officially founded. The formation of the library district far precedes the City of Buena Park itself, which did not incorporate until 1953.

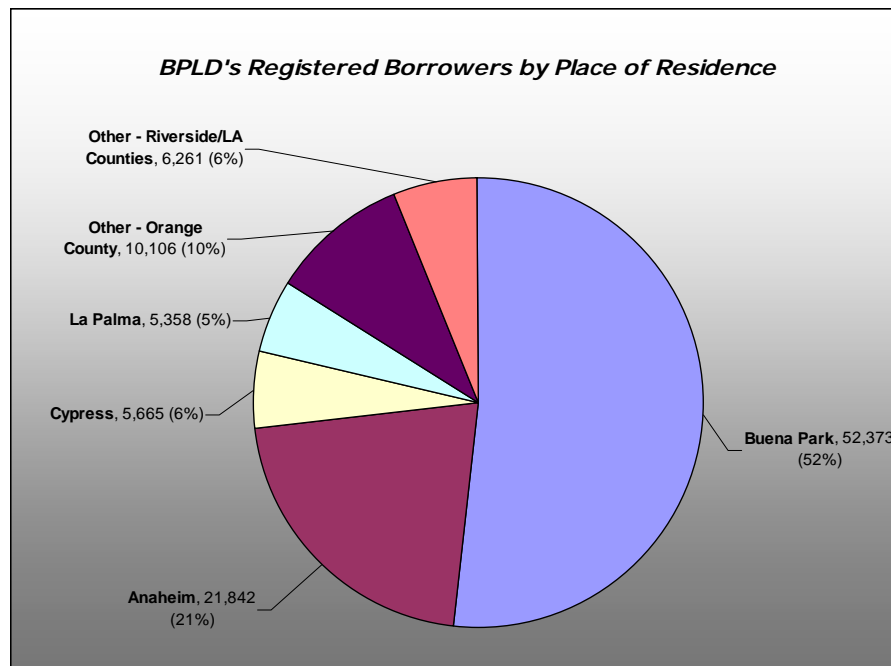
The current library building at 7150 La Palma Avenue in Buena Park opened to the public in 1969, just in time for the library district's 50<sup>th</sup> anniversary. The library had gone from a meager 283 books in 1920 to more than 100,000 volumes.





BPLD's service territory today spans approximately 12.4 square miles and encompasses an estimated population of 80,600 people. While the district's actual service territory is mostly confined to the City of Buena Park, the district provides library services to people all over southern California. The district serves the Buena Park and Centralia School Districts, as well as two elementary school districts, Savanna and Cypress School Districts, and two high school districts, Anaheim Union and Fullerton Joint Union School Districts. Further, as is demonstrated in *Chart 3b* below, BPLD has more than 100,000 registered borrowers in more than 20 cities in Orange County as well as cities throughout Los Angeles and Riverside counties.

*Chart 3b, BPLD's Registered Borrowers\* by Place of Residence*



\*Registered borrowers represent ALL registered cardholders in the BPLD's circulation system.

The Buena Park Library District is open to the public 54 hours per week: Monday through Thursday, 10 a.m. to 8 p.m. and Friday and Saturday, 10 a.m. to 5 p.m. The district's current collection has more than 150,000 books, magazines, musical CDs, videos, and Internet resources.

Beyond its extensive collection, BPLD provides a wide range of other programs and services to its users. Children 0-14 years of age represent more than 49 percent of the district's registered user, so the district puts a lot of emphasis on programming for this demographic. Children's services offered by the district include movie screenings,

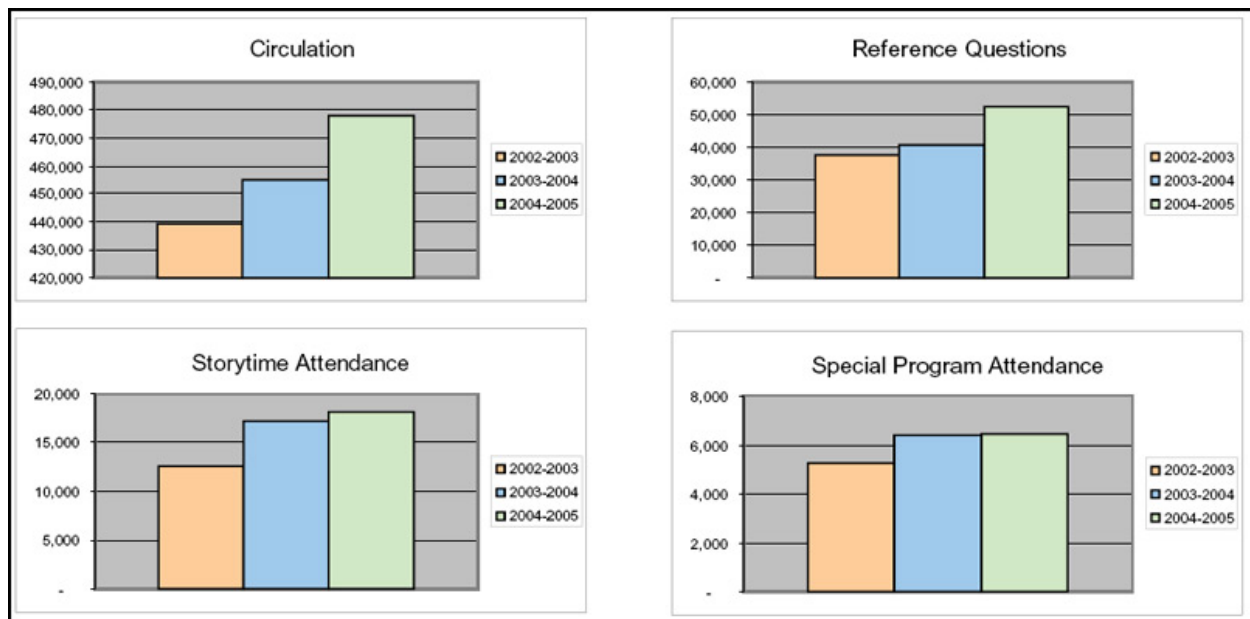




clubs, homework help, seasonal reading programs, and weekly story times. The district sponsors teen services and programs, which include reading programs, college research and résumé writing workshops, and SAT preparation seminars. The district also offers special programs and workshops geared for its adult patrons, including classes on financial planning, historical speakers, and fine arts programs.

As *Chart 3c, BPLD Use Statistics*, demonstrates, the district has experienced circulation increases over the past several years and a corresponding increase in reference questions and program attendance.

*Chart 3c, BPLD Use Statistics*



\* SOURCE: BPLD 2004-2005 Annual Report

A five-member Board of Trustees governs the Buena Park Library District. The district's Library Director, Louise Mazerov, appointed by the district's Board in 2003, oversees the district's day-to-day operations and manages the district's 20 full-time and 12 part-time staff members.



## Placentia Library District

The Placentia Library District's mission is as follows:

*To provide library services and materials that are responsive to the informational, recreational, educational and cultural needs of all members of the community.*

THE PURPOSE OF PLACENTIA LIBRARY DISTRICT IS TO:

- *Acquire, organize and maintain a collection of print and non-print materials to meet the informational, recreational, educational and cultural reading, listening and viewing needs of the residents of the District and other eligible users.*
- *Provide qualified staff to assist the public with the use of the collection and the information contained therein.*
- *Provide and operate the library facility that is free of physical barriers, to house the collection and services, to provide reading and study space for users, and to provide space for library and community programs.*
- *Collect, preserve and maintain a collection of published and unpublished material about the City of Placentia and contiguous communities about the current and prior residents of Placentia, and published materials by authors who reside or who have resided in Placentia.*

The Placentia Library District was established on September 2, 1919 under Education Code §§19600-19734, *Library Districts and Museums in Unincorporated Towns and Villages*. The formation of the library district precedes the City of Buena Park itself, which did not incorporate until 1926.

While the library was established in 1919, the library didn't have a facility until the following January, when it opened a reading room for which it paid \$60 per month in rent. The library's first employee, Sara Rideout, was hired at 25 cents an hour to staff the reading room and act as the janitor. The library's entire collection was a meager 198



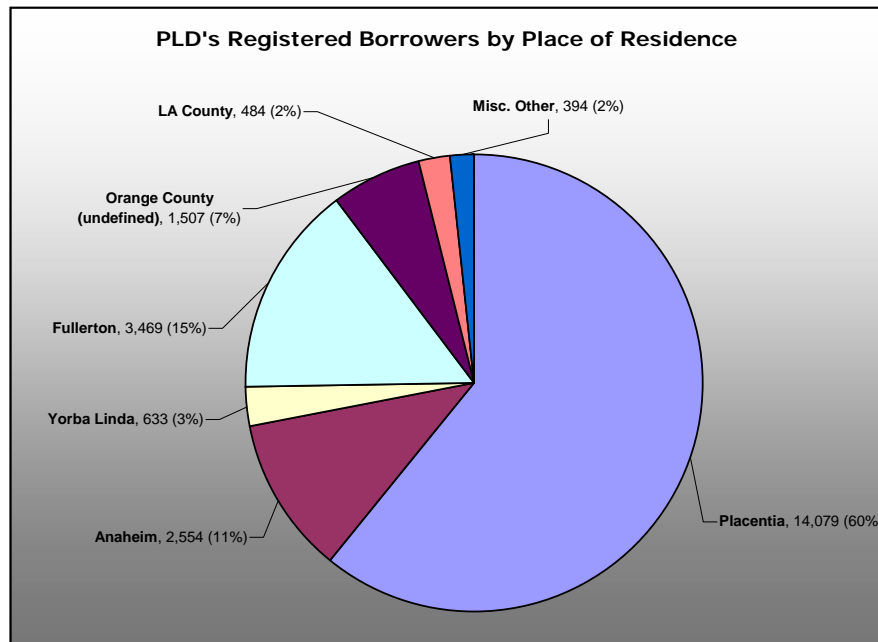
books. The library grew little by little in its first years, and the district soon constructed a library building of its own, which opened to the public in February 1927.

The current library building at 411 East Chapman Avenue in Placentia opened to the public in September 1974, 55 years after the district's founding. Author Ray Bradbury spoke at the library's dedication presentation.



PLD's service territory today spans approximately 7 square miles and encompasses an estimated population of 53,200 people. While the district's actual service territory is mostly confined to the City of Placentia and the city's one large unincorporated island, the district provides library services to residents all over southern California. As is demonstrated in *Chart 3d* below, PLD has 23,120 total registered borrowers in more than 10 cities in Orange County as well as cities throughout Los Angeles, Riverside, and San Diego counties. The district also serves the Yorba Linda-Placentia Unified School District.

*Chart 3d, PLD's "Active" Registered Borrowers\* by Place of Residence*



\*"Active" borrowers are those who have used their library card within the last 24 months.

According to the district's 2004-2006 annual report, Placentia residents accounted for 60 percent of the district's circulation figures, Anaheim and Yorba Linda another 17 percent, and residents of other communities accounted for 23 percent.

The Placentia Library District's facility on East Chapman Avenue is located in the City of Placentia's Civic Center complex adjacent to the Placentia City Hall. It is open to the public 57 hours per week. Its hours of operation are as follows:

- Monday through Wednesday, 9 a.m. to 9 p.m.
- Thursday, 9 a.m. to 6 p.m.
- Friday, CLOSED



- Saturday, 9 a.m. to 5 p.m.
- Sunday, 1 p.m. to 5 p.m.

The Placentia Library District's current collection has more than 125,000 books, magazines, musical CDs, videos, and Internet resources. The district's total circulation for FY 2003-2004 was 177,565, which equates to more than 3,000 items per week and exceeds 34,000 items per librarian per year.

Beyond its extensive collection, PLD provides a wide range of other programs and services to its users, including passport services, seasonal reading programs for children and teens, as well as tutoring and homework help. The district offered 250 total activities in FY 2004-2005. Total participation for all the districts programs and activities combined was nearly 11,000.

The crown jewel of the district's programs and services is the Placentia Library Literacy Services (PLLS), for which the district was awarded the California Special District Association's "Innovative Program Award" in September 2005. Initiated in 1984, PLLS is the only full-service, library-based literacy program in north Orange County and annually serves more than 600 children, adults, and families who reside in eleven different cities throughout the county. The program offers a wide range of services at the Placentia Library and local schools, including one-on-one tutoring for children as well as adults and English Language and Literacy Intensive (ELLI) tutoring. PLLS services also include Families for the Literacy and the Placentia Rotary Reading Enrichment Program.



PLD is also committed to preserving the community's historical treasures. The district operates the Placentia History Room at its Chapman Avenue location and proudly serves as the official record keeper of the community's rich past. The History Room creates public exhibits throughout the year and engages in important research projects in an effort to educate and inform the public.

A five-member Board of Trustees governs the Placentia Library District. The district's Library Director, Elizabeth Minter, oversees the district's day-to-day operations and manages the district's 14 full-time and 16 part-time staff members.



# REVIEW & ANALYSIS OF SERVICE PROVISION – BUENA PARK LIBRARY DISTRICT

This section of the report addresses the nine determinations in accordance with Government Code Section 56430. The determinations are statements that draw conclusions, based on data related to agency operations and services, infrastructure, population and growth projections, and fiscal data. The nine municipal service review determinations are interdependent and some of the issues related to each of the nine determinations may overlap.

## Infrastructure Needs or Deficiencies

This determination addresses the adequacy of existing and planned infrastructure needed to accommodate future growth and the efficient delivery of public services.

The Buena Park Library District maintains a collection of over 150,000 books, magazines, musical CDs, videos, and Internet resources to its more than 100,000



registered users from all over southern California. The district also offers a wide variety of programs to its children, teen, and adult patrons, including weekly story times, reading programs, and teaching workshops highlighting topics ranging from college preparation to first aid and safety to financial planning.

The district's collection of books and multi-media resources are kept at 7150 La Palma Avenue in Buena Park. This is BPLD's sole facility, and its 45,750 square feet serve as a library and the district's administrative offices. It also houses an auditorium and public meeting room.

The district's Board of Trustees adopts an annual budget and earmarks funds for the necessary capital improvement projects. Through this process, the Board has ensured





that the building, which opened to the public in 1969, has kept pace with the community's growing and changing demographics over more than three decades.

Capital improvements in FY 2003-2004 totaled nearly \$24,000. Recent improvement projects include the installation of emergency lighting, remodeled restrooms, and parking lot resurfacing. The district's Board has directed the Library Director to develop a five-year capital expenditure plan for its review and approval. Capital improvements on the horizon include the potential construction of a disabled access ramp and the installation of an independent air conditioning system for the library's computer room.

Staff finds that the district's infrastructure and facilities are adequate to serve its registered patrons now and into the foreseeable future.

## **Growth and Population Projections**

The Buena Park Library District's service territory very closely aligns with the City of Buena Park's corporate boundaries. The City of Buena Park is primarily built-out. Even so, according to projections prepared by Cal State Fullerton's Center for Demographic Research, the population of Buena Park will increase by just over 10,000 people in the next twenty years, growing from 81,608 residents to 91,642 from 2005 and 2025.

While BPLD's actual service territory very nearly mirrors the City of Buena Park, it is important to note that the district provides services to more than just Buena Park residents. BPLD has more than 100,000 registered card users in more than 20 cities in Orange County as well as cities throughout Los Angeles and Riverside counties. Only 52,373 of the district's 101,605 total library cardholders reside in Buena Park. Another 21,842 reside in Anaheim, and nearly 14,000 others reside in Cypress, La Palma, and Fullerton.

Orange County currently has over three million residents and is expected to grow to 3.5 million people by the year 2020. While it is difficult to predict how big an impact countywide population growth will affect the district, the district's total registered borrowers will undoubtedly increase somewhat with the population.

The district will primarily be affected by population growth occurring in Buena Park and the cities in close proximity to the district's library. Currently, approximately 64 percent of Buena Park residents are patrons of the BPLD. If the ratio remains the same, BPLD will gain about 6,400 registered borrowers due to Buena Park's population growth. Anaheim, as another example, is projected to experience an increase of nearly 40,000 by 2025. Only 6.4% of Anaheim's current population are patrons of BPLD. If the





ratio remains stagnant, BPLD will gain an additional 2,560 registered cardholders due to Anaheim's population growth.

## Financing Constraints & Opportunities

As a non-enterprise special district, the Buena Park Library District's principal source of income is a property tax proration, or a portion of the basic secured and unsecured property taxes levied on properties and improvements within the district's boundaries. The district's funding sources consist of four elements:

1. Property Taxes
2. Revenue from other Agencies
3. Interest Earnings
4. Other Revenue

As demonstrated in *Table 4a, BPLD Revenues vs. Expenses*, BPLD is currently in a stable financial position.

*Table 4a, BPLD Expenses vs. Revenues (FY 2003-2004)*

<b>BPLD – Operating Revenues vs. Expenses (FY 2003- 2004)</b>			
<b>REVENUES:</b>			
	<b>General Revenue:</b>	\$	1,623,715
(property taxes and assessments, interest earnings)			
	<b>Program/Service/Other Revenue:</b>	\$	180,594
(grants, contributions, and charges for services)			
	<b>TOTAL REVENUE:</b>	\$	<b>1,804,309</b>
<b>EXPENSES:</b>			
	<b>Employee Salaries/Benefits:</b>	\$	1,064,020
	<b>Other Expenses:</b>	\$	681,838
(materials and services, facilities, depreciation)			
	<b>TOTAL EXPENSES:</b>	\$	<b>1,745,858</b>
	<b>TOTAL REVENUE:</b>	\$	1,804,309
	<b>TOTAL EXPENSES:</b>	\$	1,745,858
	<b>FY 2003-2004 SURPLUS:</b>	\$	<b>58,451</b>
<b>SOURCE:</b> FY 2003-2004 BPLD Audited Financial Statements			

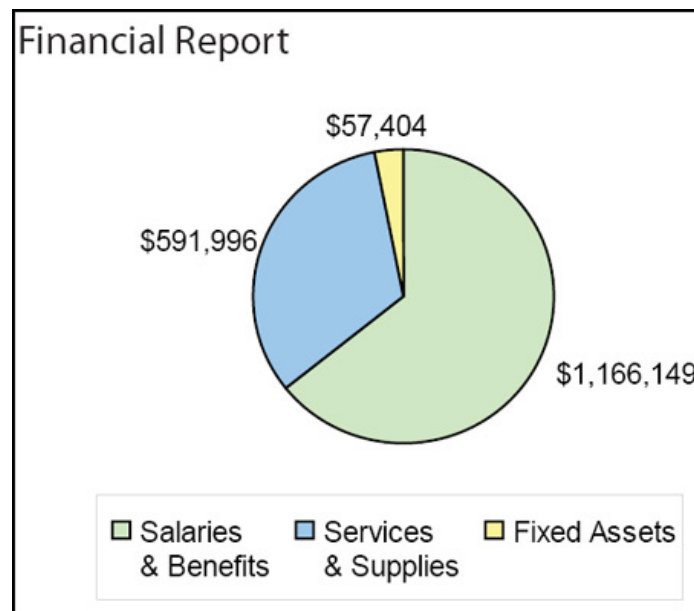
Total revenues outpaced total expenses in FY 2003-2004 by \$58,451. Revenues in the amount of \$1,804,309 in FY 2003-2004 represented a 1.3 percent increase over FY 2002-2003. Further, revenues totaling \$1,780,688 in FY 2002-2003 represented a 4.2 percent



increase over FY 2001-2002. These revenue increases are primarily attributed to increases in property tax and assessment revenues.

Expenditures for FY 2004-2005 have remained relatively stagnant, as is demonstrated in *Chart 4b* below.

*Chart 4b, BPLD Expenditures by Category, FY 2004-2005*



To ease state revenue shortfalls, the state required the Buena Park Library District (and all other California special districts) to return a portion of its property tax revenue to the state's coffers in FY 2003-2004 and FY 2004-2005. BPLD returned a total of \$723,135 in FY 2003-2004 and another \$749,526 in FY 2004-2005.

The Buena Park Library District is committed to maintaining and strengthening its existing library services. Under the direction of the district's Board of Trustees, the Library Director is investigating means to augment the district's revenue. BPLD is pursuing grants through the Library Services and Technology Act as well as grants offered by the community's major companies. Further, the district is preparing to offer Passport Acceptance Services beginning in January 2006, a program that has the potential to generate extra revenue for the district. For example, the county's other public library district, the Placentia Library District, began offering such services in 1998 and has since generated net profits exceeding \$700,000 from the program, more than \$200,000 in FY 2004-2005 alone.



BPLD also formed its own Volunteer Guild, a non-profit support organization dedicated to helping the library provide enhance its service provision without incurring additional costs. The guild also raises money for the library through various fundraising campaigns and the combination bookstore/coffee shop it operates on the library's second floor.

## **Evaluation of Management Efficiencies / Cost Avoidance / Opportunities for Shared Facilities**

While these are three separate determinations, management efficiencies, cost avoidance, and facilities sharing are inter-related. As public agencies, special districts must maintain an efficient management system while providing services in a cost effective and logical manner.

The Buena Park Library District's charge is to provide library service to its constituents. It does so in an effective and fiscally efficient manner. All of BPLD's expenditures appear to be based on efficient methods of operation. The majority of costs associated with district operation and service provision are related to staff salaries and benefits (nearly 61 percent). BPLD has 20 full-time and 12 part-time employees and has done what it can to minimize staffing costs while retaining a capable and knowledgeable work force. The district has been diligent in minimizing costs while augmenting services through the employ of its Volunteer Guild.



The district's organizational structure is sound and efficient. A five-member Board of Trustees elected at large governs the Buena Park Library District. The Board employs a Library Director who has full authority and responsibility for the district's daily operations and overall management of district staff. The district's operational and administrative services are organized into four units: 1) Reference and Children Services, 2) Circulation Services, 3) Technical Services, and 4) Maintenance Services.

Regarding other cost avoidance mechanisms, the library district's unique charge makes it difficult for the district to share facilities, equipment, staff, etc. However, the district collaborates with many organizations within the community at many different levels, including partnerships with the Centralia and Buena Park School Districts (e.g., Project Safe-T and the Even Start Program) and the City of Buena Park (e.g., the city's Fine Art's



Commission and Parks and Recreation department). The library is also a member of the Buena Park Chamber of Commerce and the Buena Park Women's Club.

As an aside, BPLD participates in interlibrary loan services. However, according to the Library Director, BPLD's collection is current enough that the library gets very few requests to borrow materials from other libraries.

### **Opportunities for Rate Restructuring**

The nature of library service provision makes it difficult for the Buena Park Library District, or any library service provider for that matter, to generate revenue. While BPLD generated \$1,804,309 in FY 2003-2004, most of that was in the form of property tax revenue and state subsidies granted for the provision of library services. Only \$87,166 came from service fees charged by the library district.



Potential patrons can receive a library card free of charge with the verification of a current address. The district charges \$1.00 for the replacement of a lost card. All other district services are free of charge with the exception of fines for overdue materials and the replacement of lost or damaged materials. The district charges 20 cents per day, per item for overdue materials, with the exception of DVDs and videotapes, for which a fine of \$2.00 per day, per title is incurred. The district charges a \$10 fee for lost materials, plus the cost of replacing the item. The district's fee schedule is very much in line with those from other libraries throughout the county. The district's various programs are free to the public.

BPLD has the option of charging patrons that reside beyond the district's service boundaries an annual library card fee. The Santa Ana Public Library, for example, charges visitors and non-residents \$15 for a one-day library pass and \$45 for an annual pass. While this would likely result in a substantial revenue stream for the district given the number of patrons it services beyond its service territory, the district's Board of Trustees is opposed to charging fees of this nature. The Board has a strong "open access" philosophy and believes in keeping library services free to the public. Further, if the district began charging library card fees, it could jeopardize certain state grants and subsidies for which it currently qualifies. Further, the district would be forced to leave the Santiago Library System and would then lose the membership benefits of being affiliated with the organization.





## Government Structure Options

Several government structure options are different from the Buena Park Library District's current government structure:

- BPLD could remain an independent special district.
- BPLD could merge with the City of Buena Park.
- BPLD could become a subsidiary district of the City of Buena Park.
- BPLD could merge with the Orange County Public Library system.

The Buena Park Library District and Placentia Library District each commissioned independent consolidation studies in 1994 aimed at exploring these different governance options. The final report on the BPLD consolidation feasibility study, prepared by BSI Consultants of Santa Ana, dismissed the three consolidation options:

- "Consolidation of the Library District with the City of Buena Park would at best produce only minimal cost savings and would generate no new revenues for the library. The alternative of merging the library district with the city would not resolve the district's funding crisis either."
- "Establishing the library district as a subsidiary district of the city would secure the library's share of local property tax revenue for library purposes. However, other library revenues could be reallocated to other city needs as directed by city council policy."
- "Further consideration of consolidating the library district with the Orange County Public Library should be discontinued, as this alternative would not improve the library district's short or long-term financial prospects."

The consolidation study's final conclusion was that both independent library districts had effectively managed their resources and that the districts' management policies had resulted in the delivery of high-level, cost efficient library services in both service areas.

The 1994 consolidation study recommended that both the Buena Park Library District and Placentia Library District dismiss the potential consolidation options and continue to function as independent special districts. Staff found no evidence to suggest that any of the factors examined in the consolidation study have changed and would result in a different finding if the districts commissioned new consolidation studies today.



## Local Accountability & Governance

A five-member Board of Trustees elected at-large governs the Buena Park Library District. Each serves a fixed four-year term on the BPLD Board of Trustees, and Board members may serve more than one term without limit if reelected. The Orange County Board of Supervisors appoints mid-term replacements only. *Table 4c, BPLD Board of Trustees*, details the current composition of the district's Board.

*Table 4c, BPLD Board of Trustees*

Board Trustee	Election/Appt. Details	Term Details	Compensation
<b>Bob Niccum, President</b>	Elected by the voters of Buena Park	11/4/2002 – 11/6/2006	The Education Code prohibits library district Trustees from receiving any compensation or benefits.  Trustees' travel and education expenses, however, are paid by the library district.
<b>Lucinda Alibrandi, PhD</b>	Elected by the voters of Buena Park	11/4/2002 – 11/6/2006	
<b>Patricia Ganer</b>	Appointed by BOS in lieu of election	12/05/2004 – 12/05/2008	
<b>Donna Miller</b>	Appointed by BOS in lieu of election	12/05/2004 – 12/05/2008	
<b>Dennis Salts</b>	Appointed by BOS in lieu of election	12/05/2004 – 12/05/2008	

The district's Board of Trustees convenes on the first Tuesday every month at 5:30 p.m. in the Library Board Room. All Board meetings are open to the public.

The Board employs a Library Director who has full authority and responsibility for the district's day-to-day operations, which include the administration and control of revenues and expenditures, execution of district policies and procedures, and overall



management of the district's 32 full- and part-time employees. The district's current Library Director, Louise Mazerov, has been in that capacity since 2003.

The Buena Park Library District maintains its own public website at <http://www.buenapark.lib.ca.us/>. The website features easily accessible information about the library's location, its hours of operation, a monthly newsletter, links to community resources, and

information on the district's programs and services, including teen and children's calendars. The website is equipped with a searchable database listing of the library





district's entire collection. Unfortunately, the district's website neglects to highlight information on the Board of Trustees. The website does not list the Board members, detail the Board's monthly meeting time and location, or include the Board's meeting agendas or minutes.



# THE NINE DETERMINATIONS – BUENA PARK LIBRARY DISTRICT

## Infrastructure Needs or Deficiencies

The Buena Park Library District's infrastructure is sound and adequate for the district to serve the county. The district's Board of Trustees adopts an annual budget and earmarks funds for the necessary capital improvement projects. Through this process, the Board has ensured that its 45,750 square foot library facility, which opened to the public in 1969, has kept pace with the community's growing and changing demographics over more than three decades. Further, the district's Board has directed the Library Director to develop a five-year capital expenditure plan for its review and approval.

The district does not appear to have any infrastructure needs or deficiencies that would prevent it from providing library services to its patrons.

## Growth and Population Projections

The Buena Park Library District's service territory very closely aligns with the City of Buena Park's corporate boundaries. The City of Buena Park is primarily built-out, but the population of Buena Park is projected to increase by just over 10,000 people in the next twenty years, growing from 81,608 residents to 91,642 from 2005 and 2025.

While BPLD's actual service territory very nearly mirrors the City of Buena Park, it is important to note that the district provides services to more than just Buena Park residents. Only 52,373 of the district's 101,605 library cardholders reside in Buena Park. Another 21,842 reside in Anaheim, and nearly 14,000 others reside in Cypress, La Palma, and Fullerton. The district will primarily be affected by population growth occurring in Buena Park and cities in close proximity to the district's library.

## Financing Constraints & Opportunities

The Buena Park Library District's revenues are adequate to provide library services to its service area. The district is financially solvent and operates efficiently. The district's



audited financial statements for FY 2003-2004 and FY 2002-2003 both demonstrated a surplus in revenues over expenditures, which can be primarily attributed to increases in property tax and assessment revenues while the district has kept service costs low.

To ease state revenue shortfalls, the state required the Buena Park Library District (and all other California special districts) to return a portion of its property tax revenue to the state's coffers in FY 2003-2004 and FY 2004-2005. BPLD returned a total of \$723,135 in FY 2003-2004 and another \$749,526 in FY 2004-2005.

The district will begin offering Passport Acceptance Services in 2006 as a means to generate more revenue. The district may also want to consider adding notary services, much like the Placentia Library District is planning to do, as another revenue source.

Staff did not identify any financial constraints.

### **Cost Avoidance Opportunities**

All of the Buena Park Library District's expenditures appear to be based on efficient methods of operation. The majority of costs associated with district operation and service provision are related to staff salaries and benefits. The district's staff is appropriate for service levels. The district has been diligent in minimizing costs by employing a Volunteer Guild to augment service provision without cost to the district.

Staff did not identify any cost avoidance mechanisms. The library district's unique charge makes it difficult for the district to share facilities, equipment, staff, etc. with other agencies of its kind.

### **Opportunities for Rate Restructuring**

The nature of library service provision makes it difficult for the Buena Park Library District, or any library service provider for that matter, to generate revenue. Most of the Buena Park Library District's "revenue" is in the form of property tax revenue and state subsidies granted for the provision of library services. Very little resulted from service fees charged by the library district.

BPLD has the option of charging patrons that reside beyond the district's service boundaries an annual library card fee. While this would likely result in a substantial revenue stream for the district given the number of patrons the district serves beyond its service territory, the district's Board of Trustees is opposed to charging fees of this nature. The Board has a strong "open access" philosophy and believes in keeping library services free to the public. Further, if the district began charging library card fees, it could jeopardize certain state grants and subsidies for which it currently



qualifies. Further, the district would be forced to leave the Santiago Library System and would lose the membership benefits of being affiliated with the organization.

The district's fee schedule is very much in line with those of other libraries throughout the county. Staff did not identify any opportunities for rate restructuring.

### **Opportunities for Shared Facilities**

The Buena Park Library District's 45,750 square foot library facility at 7150 La Palma Avenue in Buena Park houses the district's library and district offices as well as an auditorium and small meeting room that is open for public use. The space is adequate for the district's current functions and services. The library district's unique charge makes it difficult for the district to share facilities, equipment, staff, etc.

### **Government Structure Options**

The Buena Park Library District commissioned independent consolidation studies in 1994 aimed at exploring four different governance options: 1) BPLD could remain an independent special district; 2) BPLD could merge with the City of Buena Park; 3) BPLD could become a subsidiary district of the City of Buena Park; or 4) BPLD could merge with the Orange County Public Library system.

The consolidation study's final recommendation was that the Buena Park Library District continue to function as independent special district. Staff found no evidence to suggest that any of the factors examined in the consolidation study have changed and would result in a different finding if the district commissioned a new consolidation study today.

### **Evaluation of Management Efficiencies**

The Buena Park Library District's organizational structure is sound and efficient. A five-member Board of Trustees elected at large governs the district. The Board employs a Library Director who has full authority and responsibility for the district's daily operations and overall management of the district's 32 full- and part-time employees.

Staff did not identify any issues regarding the district's management efficiency.

### **Local Accountability & Governance**

The Buena Park Library District's Board of Trustees is elected by the district's constituents and is therefore held accountable to the citizens of the district. All district meetings are conducted in public in accordance with the Brown Act.



While the district maintains a public website providing general information, the district should add a section its website highlighting information on the Board of Trustees. The website should list the Board members names and terms of office, as well as detail the Board's monthly meeting time and location and include the Board's monthly agendas and meeting minutes.





# REVIEW & ANALYSIS OF SERVICE PROVISION – PLACENTIA LIBRARY DISTRICT

This section of the report addresses the nine determinations in accordance with Government Code Section 56430. The determinations are statements that draw conclusions, based on data related to agency operations and services, infrastructure, population and growth projections, and fiscal data. The nine municipal service review determinations are interdependent and some of the issues related to each of the nine determinations may overlap.

## Infrastructure Needs or Deficiencies

This determination addresses the adequacy of existing and planned infrastructure needed to accommodate future growth and the efficient delivery of public services.

The Placentia Library District maintains a collection of over 125,000 books, magazines, musical CDs, videos, and Internet resources to its more than 22,000 registered users from all over southern California. The district also offers a wide variety of programs to its children, teen, and adult patrons, including weekly story times, reading programs, and teaching workshops. The district also operates the award-winning Placentia Library Literacy Services, north Orange County's only full-service, library-based literacy program.

The district keeps its collection of books and multi-media resources at 411 East Chapman Avenue in Placentia. The district opened this 22,800 square foot building, PLD's sole facility, in June 1974. It serves as a library and the district's administrative offices and also houses the Placentia History Room. After nearly 30 years at this location, the library is outgrowing this facility. The district's Board of Trustees is exploring the feasibility of constructing a new facility in the Placentia Old Town Redevelopment Project. If construction of a new facility is infeasible, the Board will study remodeling, renovation, and expansion options for its current facility. In the meantime, the district will implement minimal cost facility projects that will improve



staff productivity and enhance the public's ability to use the library and access its many resources.

The district's Board of Trustees adopts an annual budget. While the district does not have a separate capital improvement budget, it earmarks funds for the necessary capital improvement projects on an annual basis. This year, for example, the Board allocated approximately \$200,000 to replacing the facility's security gates and installing radio frequency identification to safeguard its library collection. To date, the Board has utilized its budget process to ensure that the building, which opened to the public in 1974, has kept pace with the community's growing and changing demographics. However, the district's Board has directed the Library Director to develop a multi-year capital expenditure plan for its review and approval as part of the Board's annual strategic planning process.

## **Growth and Population Projections**

The Placentia Library District's service territory very closely aligns with the City of Placentia's corporate boundaries. The City of Placentia is primarily built-out. Even so, according to projections prepared by Cal State Fullerton's Center for Demographic Research, Placentia's total population will increase by nearly 5,000 people in the next twenty years, growing from 49,864 residents to 54,756 from 2005 and 2025.

While PLD's actual service territory very nearly mirrors the City of Placentia, it is important to note that the district provides services to more than just Placentia residents. Circulation numbers for FY 2004-2005 demonstrated that Placentia residents accounted for 60 percent of the district's total annual library circulation. Residents from Anaheim and Yorba Linda collectively accounted for 17 percent, and people from other communities accounted for the final 23 percent.

Orange County currently has over three million residents and is expected to grow to 3.5 million people by the year 2020. While it is difficult to predict how big an impact countywide population growth will affect the district, the district's total cardholders will undoubtedly increase somewhat with the population.

The district will primarily be affected by population growth occurring in Placentia, Anaheim, and Yorba Linda – the cities closest in proximity to the district's library and accounting for most of the district's current registered borrowers. While Placentia's population growth is projected to be negligible, Anaheim is projected to experience an increase of nearly 40,000 residents by 2025, and Yorba Linda is projected to gain nearly 10,000 new residents within the next twenty years.



## Financing Constraints & Opportunities

As a non-enterprise special district, the Placentia Library District's principal source of income is a property tax proration, or a portion of the basic secured and unsecured property taxes levied on properties and improvements within the district's boundaries. The district's funding sources consist of three elements:

1. Property Taxes
2. Local Revenue
3. State Library Grants

As demonstrated in *Table 6a, PLD Revenues vs. Expenses*, the Placentia Library District is currently in a stable financial position.

*Table 6a, PLD Expenses vs. Revenues*

<b>PLD – Operating Revenues vs. Expenses (FY 2003- 2004)</b>			
<b>REVENUES:</b>			
	<b>General Revenue:</b>	\$	1,505,245
	(property taxes and assessments)		
	<b>Program/Service/Other Revenue:</b>	\$	251,823
	(grants, contributions, and charges for services)		
	<b>State Library Grants:</b>	\$	110,739
	<b>TOTAL REVENUE:</b>	\$	<b>1,867,807</b>
<b>EXPENSES:</b>			
	<b>Employee Salaries/Benefits:</b>	\$	1,013,193
	<b>Supplies &amp; Services:</b>	\$	505,453
	<b>Books &amp; Materials:</b>	\$	174,627
	<b>Equipment:</b>	\$	27,783
	<b>TOTAL EXPENSES:</b>	\$	<b>1,721,056</b>
	<b>TOTAL REVENUE:</b>	\$	1,867,807
	<b>TOTAL EXPENSES:</b>	\$	1,721,056
	<b>FY 2004-2005 SURPLUS:</b>	\$	<b>146,751</b>
<b><i>SOURCE:</i></b> PLD's FY 2004-2005 Annual Report			

Total revenues outpaced total expenses in FY 2004-2005 by \$146,751.

To ease state revenue shortfalls, the state required the Placentia Library District (and all other California special districts) to return a portion of its property tax revenue to the



state's coffers in FY 2003-2004 and FY 2004-2005. PLD returned a total of \$1,304,043 in FY 2003-2004 and another \$1,410,900 in FY 2004-2005.

The Placentia Library District is committed to maintaining and strengthening its existing library services. Beginning in FY 1998-1999, the library district began offering Passport Acceptance Services. The district processed more than 32,500 passports since the program's inception, generating nearly \$735,000. In FY 2004-2005 alone, the district received \$200,510 net profit from passport services. PLD will begin offering notary services in 2006 as an additional revenue stream.

PLD has its own private foundation, the Placentia Library Foundation, which is governed by an independent, eight-member Board of Directors. The foundation was established in 1994 for the purpose of ensuring the future provision of resources and library services through building and managing endowment and capital funds. The foundation provides grants to the Placentia Library District from these funds for circulation materials, library facilities and equipment purchases, and special programs and projects. The foundation received \$46,401 in total contributions from 484 donors in FY 2004-2005.

### **Evaluation of Management Efficiencies / Cost Avoidance / Opportunities for Shared Facilities**

While these are three separate determinations, management efficiencies, cost avoidance, and facilities sharing are inter-related. As public agencies, special districts must maintain an efficient management system while providing services in a cost effective and logical manner.

The Placentia Library District's charge is to provide library service to its constituents. It does so in an effective and fiscally efficient manner. All of PLD's expenditures appear to be based on efficient methods of operation. The majority of costs associated with district operation and service provision are related to staff salaries and benefits (nearly 59 percent). PLD has 14 full-time and 16 part-time employees and has done what it can to minimize staffing costs while retaining a capable and knowledgeable work force.

The district has been diligent in minimizing costs while augmenting services by operating a volunteer program. The library's 500+ volunteers provide valuable assistance with their unique talents and abilities, enabling paid staff to focus on the enhancement of services and programs. Volunteer contributions for FY 2004-2005 were significant and include:

- 27,000 total hours of community service



- 4,805 service hours donated to the Friends Bookstore by 61 volunteers
- 16,000 instructional hours provided to 800 students by 300 adult and teen tutors
- Nearly 2,500 hours of check-in, sorting, and shelving of library materials by 89 volunteers
- 702 hours of time donated by 42 volunteers to the district's summer reading program

The district's organizational structure is sound and efficient. A five-member Board of



Trustees elected at large governs the Placentia Library District. The Board employs a Library Director, Elizabeth Minter, who has full authority and responsibility for the district's daily operations and overall management of district 30 staff members. The district's operational and administrative services are organized into five units: 1) Administrative Services, 2) Adult Services, 3) Children Services, 4) Circulation Services, and 5) Technical Services.

The Placentia Library District is one of three libraries that form the Tri-City Library Network. The other two libraries are the Anaheim Public Library and Yorba Linda Public Library. The three libraries share a computer system that tracks the libraries' inventories and circulation records. The system also

uses the same library card, so that a patron of any one of the three libraries may use his/her card throughout the Tri-City Library Network.

Regarding other cost avoidance mechanisms, the library district's unique charge makes it difficult for the district to share facilities, equipment, staff, etc.

## **Opportunities for Rate Restructuring**

The nature of library service provision makes it difficult for the Placentia Library District, or any library service provider for that matter, to generate revenue. While PLD generated \$1,867,807 in FY 2003-2004, most of that was in the form of property tax revenue and state subsidies granted for the provision of library services. Only \$251,823 came from service fees charged by the library district and other local revenues. This includes over \$200,000 in net profits generated by the district's passport services program.





Potential patrons can receive a library card free of charge with the verification of a current address. The district charges \$1.00 for the replacement of a lost card. The district charges fines for overdue materials and the replacement of lost or damaged materials. The district charges 20 cents per day, per item for overdue materials up to a maximum of \$10 per day. The district charges a \$2-5 fee for lost materials, plus the cost of replacing the item. The district offers other services to its patrons for a nominal fee, including laminating, photocopying, and meeting room space. The district's fee schedule is very much in line with those of other libraries throughout the county.

PLD has the option of charging patrons that reside beyond the district's service boundaries an annual library card fee. The Santa Ana Public Library, for example, charges visitors and non-residents \$15 for a one-day library pass and \$45 for an annual pass. While this would likely result in a substantial revenue stream for the district given the number of patrons it services beyond its service territory, the district's collaborative partnership with the Santiago Library System prohibits PLD from charging library card fees. If the district began charging library card fees, it could also jeopardize certain state grants and subsidies for which it currently qualifies.

## **Government Structure Options**

Several government structure options are different from the Placentia Library District's current government structure:

- PLD could remain an independent special district.
- PLD could merge with the City of Placentia.
- PLD could become a subsidiary district of the City of Placentia.
- PLD could merge with the Orange County Public Library system.

The Buena Park Library District and Placentia Library District each commissioned independent consolidation studies in 1994 aimed at exploring these different governance options. The final report on the PLD consolidation feasibility study, prepared by BSI Consultants of Santa Ana, dismissed the three consolidation options:

- "Consolidation of the Library District with the City of Placentia would at best produce only minimal cost savings and would generate no new revenues for the library. The alternative of merging the library district with the city would not resolve the district's funding crisis either."
- "Establishing the library district as a subsidiary district of the city would secure the library's share of local property tax revenue for library purposes. However,



other library revenues could be reallocated to other city needs as directed by city council policy.”

- “Further consideration of consolidating the library district with the Orange County Public Library should be discontinued, as this alternative would not improve the library district’s short or long-term financial prospects.”

The consolidation study’s final conclusion was that both independent library districts had effectively managed their resources and that the districts’ management policies had resulted in the delivery of high-level, cost efficient library services in both service areas.

The 1994 consolidation study recommended that both the Buena Park Library District and Placentia Library District dismiss the potential consolidation options and continue to function as independent special districts. Staff found no evidence to suggest that any of the factors examined in the consolidation study have changed and would result in a different finding if the districts commissioned new consolidation studies today.

As an aside, the creation of the Placentia Library Foundation as a means to augment funding was another factor examined as part of the consolidation study. The district subsequently established the foundation in 1994.

## Local Accountability & Governance

A five-member Board of Trustees elected at-large governs the Placentia Library District. Trustees are elected to staggered terms during the General Election held every even year. Each serves a fixed four-year term on the PLD Board of Trustees, and Board members may serve more than one term without limit if reelected. *Table 6b, PLD Board of Trustees*, details the current composition of the district’s Board.

*Table 6b, PLD Board of Trustees*

<b>Board Trustee</b>	<b>Term Details</b>	<b>Compensation</b>
<b>Al Shkoler, President</b>	First term 12/04/1992 - 12/02/1996. Present term expires 12/06/2006.	The Education Code prohibits library district Trustees from receiving any compensation or benefits.  Trustees’ travel and education expenses, however, are paid by the library district.
<b>Richard DeVecchio</b>	First term 07/21/2003. Present term expires 12/20/2004.	
<b>Margaret (Peggy) V. Dinsmore</b>	First elected 11/06/1979. Present term expires 12/03/2004.	
<b>Betty Escobosa</b>	First term 12/14/2002. Present term expires 12/06/2006.	
<b>Gaeten Wood</b>	First elected 11/03/1998. Present term expires 12/03/2004.	

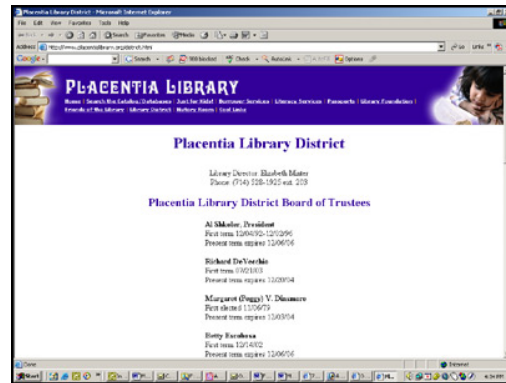
The district’s Board of Trustees meets on the third Wednesday of each month at 6:30 p.m. in the Library Board Room. All Board meetings are open to the public. The Board



Book, containing the agenda, calendar of events, public notices, and the previous month's minutes is available at the library's reference desk.

The Board employs a Library Director who has full authority and responsibility for the district's day-to-day operations, which include the administration and control of revenues and expenditures, execution of district policies and procedures, and overall management of the district's 30 full- and part-time employees. The district's current Library Director, Elizabeth Minter, has been in that capacity since August 1991.

The Placentia Library District maintains its own public website at <http://www.placentialibrary.org/>. The website features easily accessible information about the library's location, its hours of operation, and information on the district's programs and services, including children's and literacy services. The website is equipped with a searchable database listing of the Tri-City Library Network's entire collection. The district's website also highlights information on the Board of Trustees, including a Board member listing, the Board's monthly meeting time and location, and the Board's agendas and meeting minutes.





# THE NINE DETERMINATIONS – PLACENTIA LIBRARY DISTRICT

## Infrastructure Needs or Deficiencies

The Placentia Library District's infrastructure is sound and adequate for the district to serve the county. The district's Board of Trustees adopts an annual budget and earmarks funds for the necessary capital improvement projects. Through this process, the Board has ensured that its library facility has kept pace with the community's growing and changing demographics. Even so, the Board has directed the Library Director to develop a multi-year capital expenditure plan for its review and approval as part of the Board's annual strategic planning process.

After nearly 30 years at this location, the library is outgrowing its building space. The district's Board of Trustees is exploring the feasibility of constructing a new facility in the Placentia Old Town Redevelopment Project. If construction of a new facility is infeasible, the Board will study remodeling, renovation, and expansion options for its current facility.

## Growth and Population Projections

The Placentia Library District's service territory very closely aligns with the City of Placentia's corporate boundaries. The City of Placentia is primarily built-out, but the population of Placentia is projected to increase by nearly 5,000 people in the next twenty years, growing from 81,608 residents to 91,642 from 2005 and 2025.

While PLD's actual service territory very nearly mirrors the City of Placentia, it is important to note that the district provides services to more than just Placentia residents. The district also has a large number of registered borrowers who reside in Anaheim and Yorba Linda. The district will primarily be affected by population growth occurring in Placentia, Anaheim, and Yorba Linda – the cities closest in proximity to the district's library and accounting for most of the district's current registered borrowers. While Placentia's population growth is projected to be negligible, Anaheim is projected to experience an increase of nearly 40,000 residents by 2025, and Yorba Linda is projected to gain nearly 10,000 new residents within the next twenty years.



## Financing Constraints & Opportunities

The Placentia Library District's revenues are adequate to provide library services to its service area. The district is financially solvent and operates efficiently. The district's audited financial statements for FY 2003-2004 demonstrated a surplus in revenues over expenditures, which can be primarily attributed to revenues generated by the district's passport services program and the Placentia Library Foundation's fundraising efforts. The district will add notary services next year to generate additional revenue.

To ease state revenue shortfalls, the state required the Placentia Library District (and all other California special districts) to return a portion of its property tax revenue to the state's coffers in FY 2003-2004 and FY 2004-2005. PLD returned a total of \$1,304,043 in FY 2003-2004 and another \$1,410,900 in FY 2004-2005.

Staff did not identify any financial constraints.

## Cost Avoidance Opportunities

All of the Placentia Library District's expenditures appear to be based on efficient methods of operation. The majority of costs associated with district operation and service provision are related to staff salaries and benefits. The district's staffing levels are appropriate. The district has been diligent in minimizing costs by employing a numerous volunteers to augment service provision without cost to the district.

Further, the district, along with the Anaheim Public Library and Yorba Linda Public Library, is part of the Tri-Cities Library Network. These three libraries share a computer system that tracks the libraries' inventories and circulation records. The system also uses the same library card, so that a patron of any one of the three libraries may use his/her card throughout the Tri-City Library Network.

Staff did not identify any additional cost avoidance mechanisms for the district to explore. The library district's unique charge makes it difficult for the district to share facilities, equipment, staff, etc. with other agencies of its kind.

## Opportunities for Rate Restructuring

The nature of library service provision makes it difficult for the Placentia Library District, or any library service provider for that matter, to generate revenue. Most of the Placentia Library District's "revenue" is in the form of property tax revenue and state subsidies granted for the provision of library services. Of \$1,867,807 in revenue, just over \$250,000 resulted from service fees charged by the library district in FY 2004-2005, of which more than \$200,000 came from the district's passport services program.





PLD has the option of charging patrons that reside beyond the district's service boundaries an annual library card fee. While this would likely result in an additional revenue stream for the district, the district's collaborative partnership with the Santiago Library System prohibits PLD from charging library card fees. Further, if the district began charging library card fees, it could jeopardize certain state grants and subsidies for which it currently qualifies.

## **Opportunities for Shared Facilities**

The Placentia Library District's library facility at 411 East Chapman Avenue in Placentia houses the district's library and district offices as well as the Placentia History Room. The space is currently adequate for the district's functions, though the district is exploring relocation and expansion options for the future.

The district, along with the Anaheim Public Library and Yorba Linda Public Library, is part of the Tri-Cities Library Network. These three libraries share a computer system that tracks the libraries' inventories and circulation records. The system also uses the same library card, so that a patron of any one of the three libraries may use his/her card throughout the Tri-City Library Network.

The library district's unique charge makes it difficult for the district to share additional facilities, equipment, staff, etc.

## **Government Structure Options**

The Placentia Library District commissioned independent consolidation studies in 1994 aimed at exploring four different governance options: 1) PLD could remain an independent special district; 2) PLD could merge with the City of Placentia; 3) PLD could become a subsidiary district of the City of Placentia; or 4) PLD could merge with the Orange County Public Library system.

The consolidation study's final recommendation was that the Placentia Library District continue to function as independent special districts. Staff found no evidence to suggest that any of the factors examined in the consolidation study have changed and would result in a different finding if the district commissioned a new consolidation study today.

## **Evaluation of Management Efficiencies**

The Placentia Library District's organizational structure is sound and efficient. A five-member Board of Trustees elected at large governs the district. The Board employs a



Library Director who has full authority and responsibility for the district's daily operations and overall management of the district's 30 full- and part-time employees.

Staff did not identify any issues regarding the district's management efficiency.

### **Local Accountability & Governance**

The Placentia Library District's Board of Trustees is elected by the district's constituents and is therefore held accountable to the citizens of the district. All district meetings are conducted in public in accordance with the Brown Act. Further, the district maintains a public website, which provides the necessary general information. The website is equipped with a searchable database listing of the Tri-City Library Network's entire collection. The district's website also highlights information on the Board of Trustees, including a Board member listing, the Board's monthly meeting time and location, or include the Board's agendas and minutes.

Staff did not identify any issues regarding the district's local accountability and governance.



# SPHERE OF INFLUENCE UPDATE – BUENA PARK LIBRARY DISTRICT

Government Code Section 56425 identifies the following factors that should be considered by LAFCO when determining an agency's sphere of influence:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The statement of determinations, which is outlined in the next section of this report, is based on the analysis of the Buena Park Library District's municipal service provision, which precedes this section of the report.

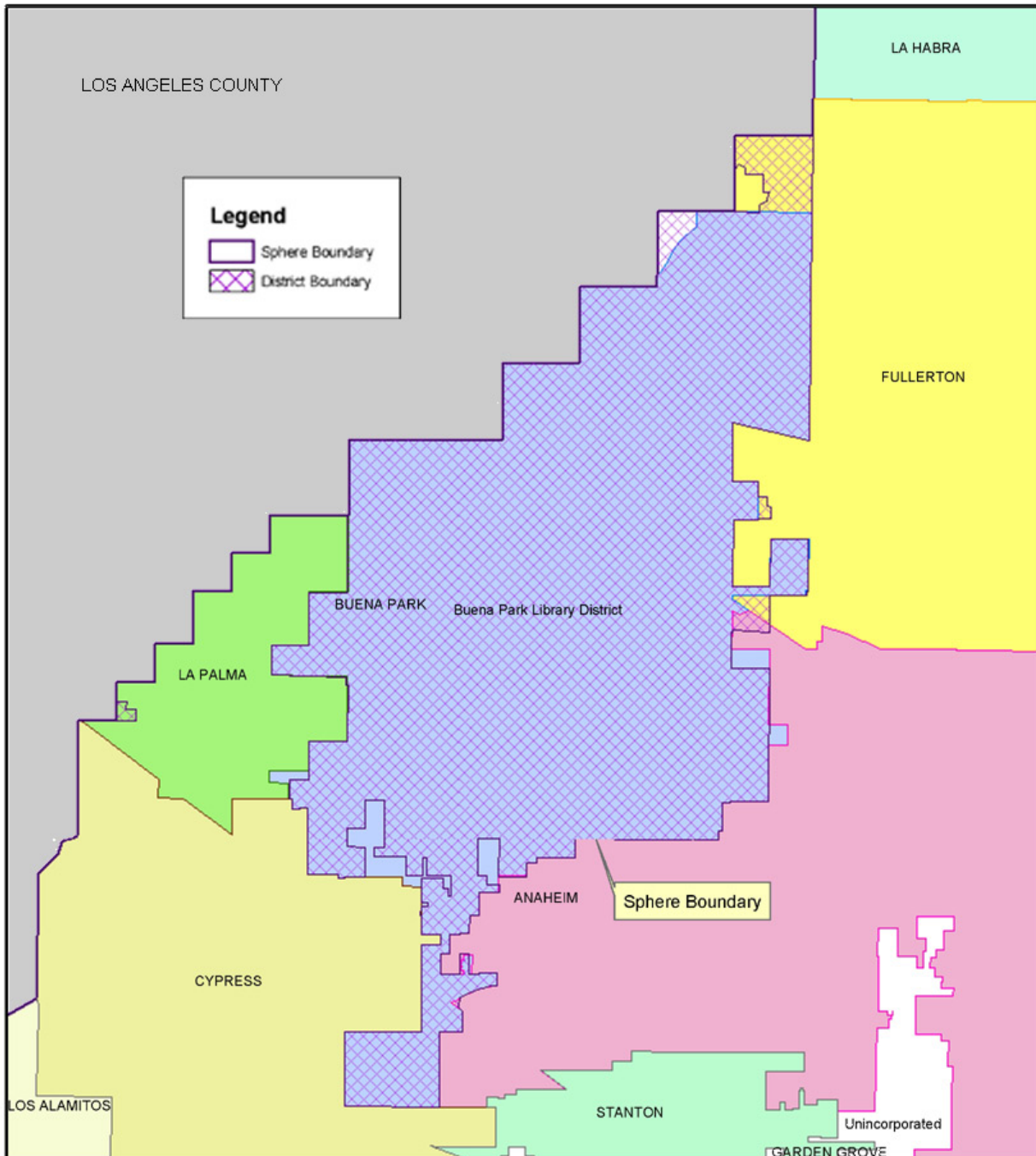
## Analysis

The Buena Park Library District's sphere of influence was established by LAFCO on November 12, 1975 and has not been comprehensively reviewed since. The district's service territory today spans approximately 12.4 square miles and encompasses an estimated population of 80,600 people. The district also serves students and staff of the Buena Park and Centralia School Districts.

While the district's actual service territory is mostly confined to the City of Buena Park, there are areas of the district's territory that overlap other surrounding Orange County cities. These areas are shown on *Figure 8a*, a map demonstrating the district and cities' service boundaries.



Figure 8a, BPLD Service Territory



The Buena Park Library District's service territory is depicted in purple crosshatch. Areas where the district's service territory overlaps the Cities of Anaheim, Fullerton,



and La Palma are clearly visible, as are the areas in within the City of Buena Park which are not part of the library district's service territory.

- ♦ **City of Anaheim:** There is a small area on the district's southeast service boundary that overlaps with the City of Anaheim's corporate boundaries and another larger area on the district's eastern boundary. Anaheim operates and maintains its own independent library. The Buena Park Library District received **\$1,596** in property tax revenue from the areas located within the City of Anaheim.
- ♦ **City of Fullerton:** There are three areas along the district's north and eastern service boundaries that overlap with the City of Fullerton's corporate boundaries. Like Anaheim, Fullerton operates and maintains its own independent library. The Buena Park Library Districts received **\$53,325** in property tax revenue in FY 2005-2006 from its service area located in the City of Fullerton.
- ♦ **City of La Palma:** There is a small area in southwestern La Palma that is included as part of the district's service territory. The area is not contiguous to the remainder of the district's service territory. While LAFCO detached the City of La Palma from BPLD's service territory in February 1981, it is likely that the area in question was not yet part of the City of La Palma and therefore remained part of the BPLD's service territory. The City of La Palma does not have an independent city library but is part of the Orange County Public Library system. The Buena Park Library District received **\$5,813** in property tax revenue from the La Palma area in FY 2005-2006.

Further, there are several areas within the City of Buena Park that are not part of the district's sphere of influence nor its service territory. In FY 2005-2006, the Orange County Public Library system received **\$4,039** in property tax revenue from these areas.

There are no laws mandating that the library district's service territory be contiguous with that of the City of Buena Park. In fact, the Buena Park Library District has more than 100,000 registered borrowers in more than 20 cities in Orange County. However, the Cities of Anaheim, Fullerton, and La Palma each operates its own independent city library or belongs to the Orange County Public Library system, and there should not be an overlap in service boundaries between the library district and these cities. Similarly, the entirety of the City of Buena Park should logically be included in BPLD's service territory. *Table 8b* summarizes the current property tax allocations among the district, cities, and county.





*Table 8b, "Spill Over" Tax Allocations Related to Library Service Provision*

"Spill Over" Tax Allocations Related to Library Service Provision		
	+	-
Buena Park to Orange County Public Library System	\$ 14,039	
Anaheim to the Buena Park Library District		\$ 1,596
La Palma to the Buena Park Library District		\$ 5,812
Fullerton to the Buena Park Library District		\$ 53,325
	\$ 14,039	\$ 60,733
<b>TOTAL TAX LOSS TO BPLD: \$ 46,694</b>		

As is demonstrated in *Table 8b*, the Buena Park Library District would lose approximately **\$46,694** in property tax revenue annually if it were to concurrently annex the entirety of Buena Park AND detach its service territory in the Cities of Anaheim, La Palma, and Fullerton.

## Conclusions

### City of Buena Park

The Buena Park Library District is the sole agency designated to provide library services in the City of Buena Park, as the city has neither a city library nor a branch of the Orange County Public Library. Since residents in the areas in the city of Buena Park but outside the BPLD currently use the district's facilities, all property tax revenue generated for library services in Buena Park should rightfully be allocated to BPLD.

The BPLD's sphere of influence boundaries should be modified to *include* the entirety of Buena Park. Should the district or city pursue the annexation of these territories to the district in the future, the district would gain approximately \$14,000 in property tax revenue annually.

### City of Anaheim

The Buena Park Library District's sphere of influence boundaries should be modified to *exclude* the entirety of Anaheim. Should the district or city pursue the detachment of these territories from the district in the future, the city would gain approximately \$1,600 in property tax revenue annually.

### City of La Palma

The Buena Park Library District's sphere of influence boundaries should be modified to *exclude* the entirety of La Palma. Should the district or County pursue the detachment of



this territory from the district in the future, the County would gain approximately \$5,800 in property tax revenue annually.

### City of Fullerton

Should the area located within the city of Fullerton and within the Buena Park Library District be detached from the district in the future, the district would lose nearly \$53,500 in property tax revenue annually.

Staff received communication from the City of Fullerton requesting that LAFCO consider detaching these areas from the Buena Park Library District's sphere of influence. While the BPLD noted that it understands the city's position, it has concerns regarding the revenue loss.

The district reports that 2,830 Fullerton residents are patrons of the Buena Park Library District. Those patrons checked out a total 9,200 items during FY 2004-2005.

Staff recommends that the Commission designate special study areas where the agencies' service territories overlap. This will enable the district and city to investigate the "spill over" territory, discuss the adverse fiscal impacts to the district should the city pursue detachment at some time in the future, and negotiate a mutually agreeable resolution.

## **Recommendations**

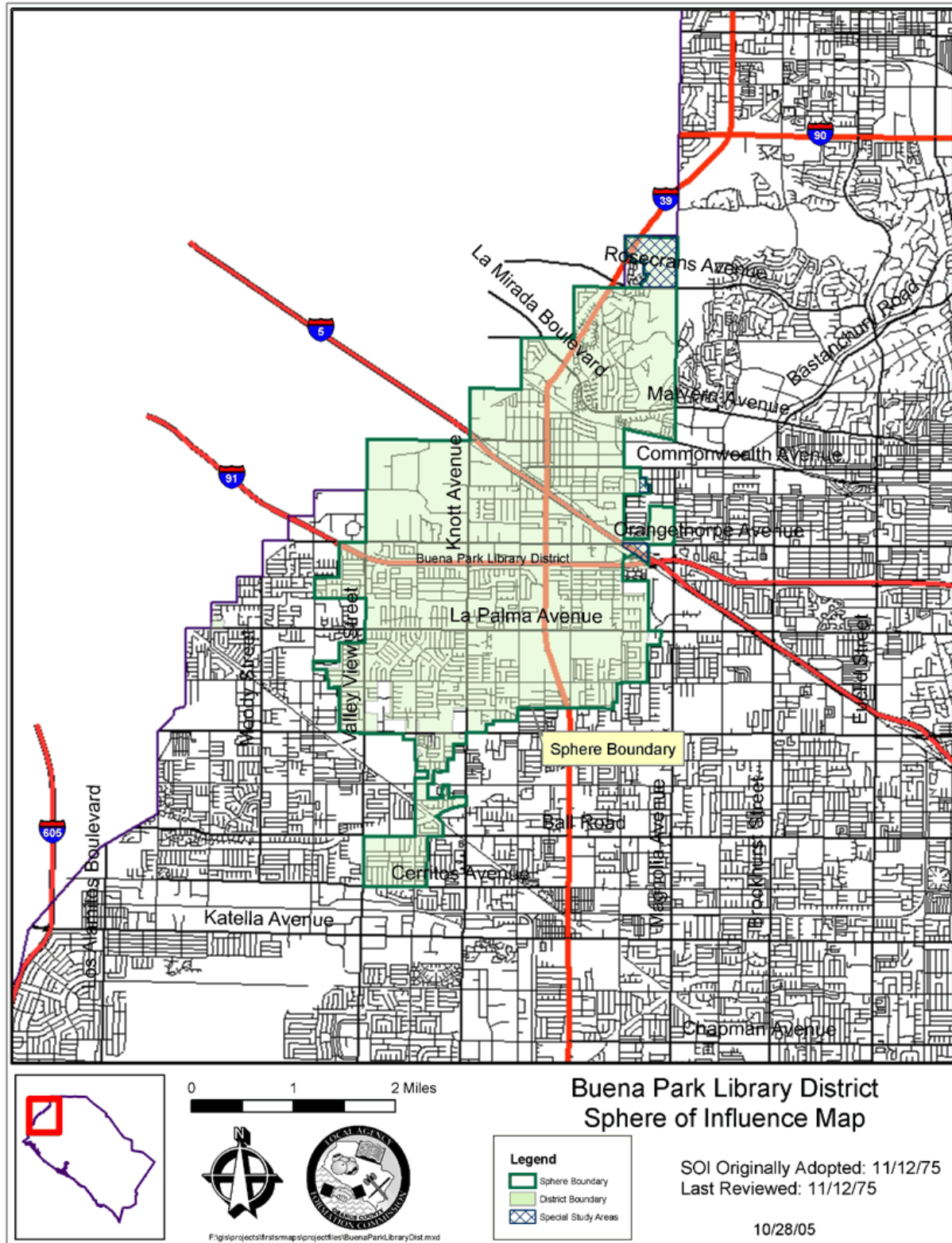
Staff recommends that the Commission modify the Buena Park Library District's existing sphere of influence as follows:

1. Modify the Buena Park Library District's sphere of influence boundaries to *include* the entirety of the City of Buena Park.
2. Modify the Buena Park Library District's sphere of influence boundaries to *exclude* territory in the City of Anaheim.
3. Modify the Buena Park Library District's sphere of influence boundaries to *exclude* territory in the City of La Palma.
4. Designate the areas that overlap between the Buena Park Library District's boundaries with the City of Fullerton as special study areas until the next sphere of influence update or until the two agencies reach an agreement.

The Buena Park Library District's proposed sphere of influence boundaries are depicted in *Figure 8c*.



Figure 8c, Buena Park Library District's Proposed Sphere of Influence





## STATEMENT OF DETERMINATIONS – BUENA PARK LIBRARY DISTRICT

The statement of determinations that follows is based on the analysis of the Buena Park Library District's municipal service provision, which precedes this section of the report.

### **The present and planned land uses in the area, including agricultural and open-space lands**

The Buena Park Library District's service territory today spans approximately 12.4 square miles and encompasses an estimated population of 80,600 people. The district also serves the Buena Park and Centralia School Districts.

The district's actual service territory is mostly confined to the City of Buena Park. The predominant land uses within the City of Buena Park is single- and multi-family residential, commercial, industrial, public, and semi-public. The city is almost entirely built-out and future land uses are expected to remain relatively constant.

### **The present and probable need for public facilities and services in the area**

The Buena Park Library District's Board of Trustees and management staff address the present need for facilities and services through its annual planning processes, which include strategic planning, development of annual reports, and the adoption of an annual budget and capital improvement plan. The probable need for library services is expected to remain relatively static since the City of Buena Park and the other cities surrounding the district are almost entirely built-out.

### **The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide**

The Buena Park Library District has adequate capacity and facilities to provide library services its patrons.



**The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency**

Orange County LAFCO did not identify any social or economic communities of interest for the Buena Park Library District during the municipal service review and sphere processes.





# SPHERE OF INFLUENCE UPDATE – PLACENTIA LIBRARY DISTRICT

Government Code Section 56425 identifies the following factors that should be considered by LAFCO when determining an agency's sphere of influence:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The statement of determinations, which is outlined in the next section of this report, is based on the analysis of the Placentia Library District's municipal service provision, which precedes this section of the report.

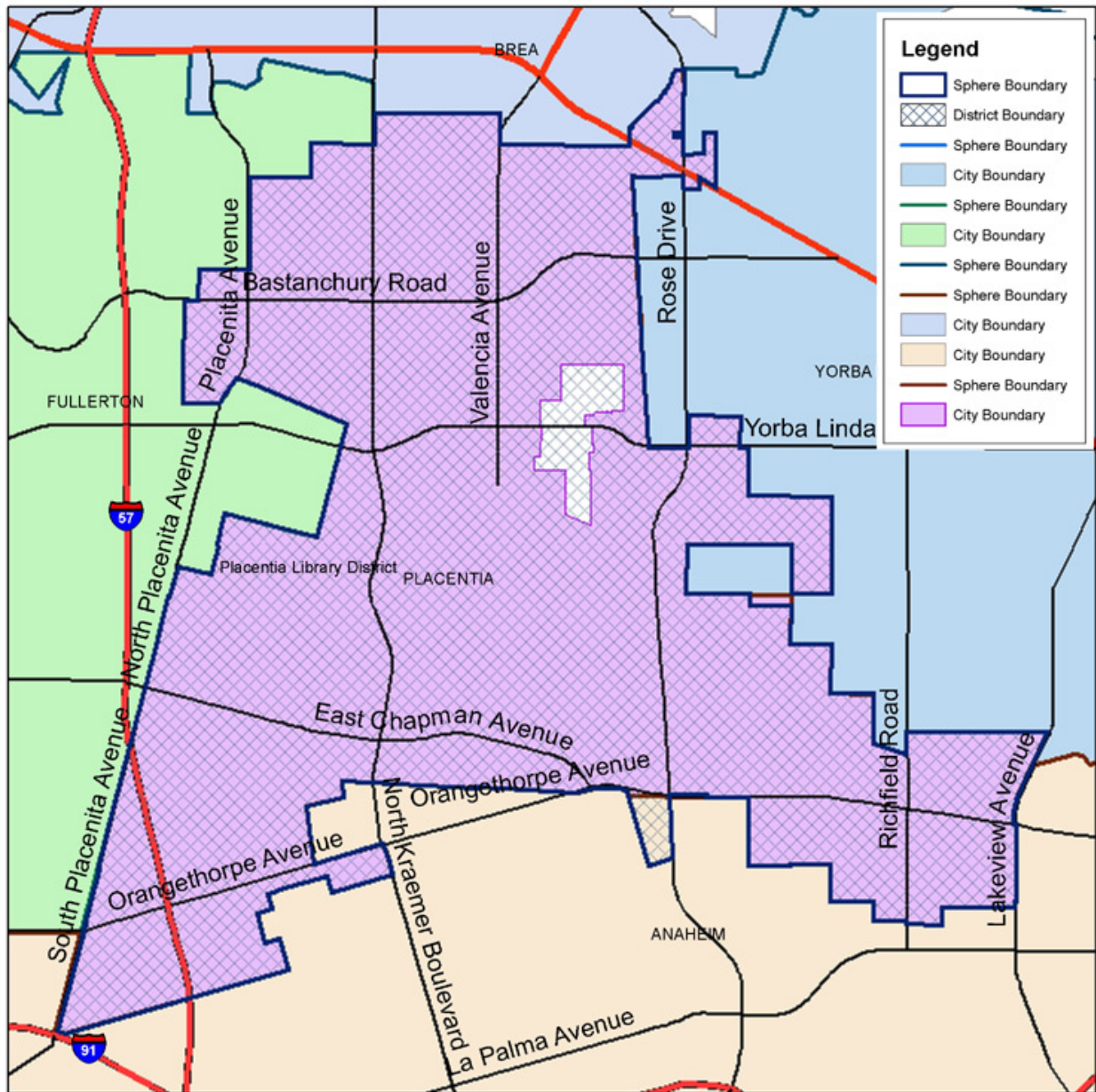
## Analysis

The Placentia Library District's sphere of influence was established by LAFCO on November 26, 1975 and has not been comprehensively reviewed since. The district's service territory today spans approximately 7 square miles and encompasses an estimated population of 53,200 people. The district also serves students and staff of the Placentia-Yorba Linda Unified School District.

While the district's actual service territory is mostly confined to the City of Placentia, there is an area of the district's service territory that overlaps the City of Anaheim. Further, there is an area within the City of Placentia's corporate boundaries that is not included in the library district's service territory. These areas are shown in *Figure 10a*, a map demonstrating the district and cities' service boundaries.



Figure 10a, PLD Service Territory



The Placentia Library District's service territory is depicted in blue crosshatch. The area where the library district's service territory overlaps the City of Anaheim is clearly visible, as is the areas in within the City of Placentia which is not part of the library district's service territory.



- ♦ **City of Anaheim:** There is a small area on the district's southern service boundary that overlaps with the City of Anaheim's corporate boundaries. Anaheim operates and maintains its own independent library. The Placentia Library District received a meager **\$24.94** in property tax revenue from the area located within the City of Anaheim in FY 2005-2006.
- ♦ **City of Placentia:** There is an area within the City of Placentia that is not part of the district's sphere of influence nor its service territory. In FY 2005-2006, the Orange County Public Library system received a mere **\$30.12** in property tax revenue from this area.

There are no laws mandating that the Placentia Library District's service territory be contiguous with that of the City of Placentia. In fact, the Placentia Library District has 23,120 total registered borrowers in more than 10 cities in Orange County, and 11 percent of the library district's active borrowers reside in Anaheim. However, the City of Anaheim operates its own independent city library, and there should not be an overlap in service boundaries between the library district and the city. Similarly, the entirety of the City of Placentia should logically be included in PLD's service territory.

The property tax revenues in question are negligible. In fact, the Placentia Library District would gain a paltry **\$5.18** in property tax revenue annually if it were to concurrently annex the entirety of Placentia AND detach its service territory in the City of Anaheim.

## Conclusions

### **City of Placentia**

The Placentia Library District is the sole agency designated to provide library services in the City of Placentia, as the city has neither a city library nor a branch of the Orange County Public Library. Since residents in the areas in the city of Placentia but outside the library district's service territory currently use the district's facilities, all property tax revenue generated for library services in Placentia should rightfully be allocated to PLD.

The Placentia Library District's sphere of influence boundaries should be modified to *include* the entirety of Placentia. Should the district or city pursue the annexation of these territories to the district in the future, the district would gain only \$30.12 in property tax revenue annually. It is doubtful that either agency would pursue such a proposal given effort and expense.



### City of Anaheim

The Placentia Library District's sphere of influence boundaries should be modified to *exclude* the entirety of Anaheim. Should the district or city pursue the detachment of these territories from the district in the future, the city would gain only \$24.94 in property tax revenue annually. It is doubtful that either agency would pursue such a proposal given effort and expense.

### **Recommendations**

Staff recommends that the Commission modify the Placentia Library District's existing sphere of influence as follows:

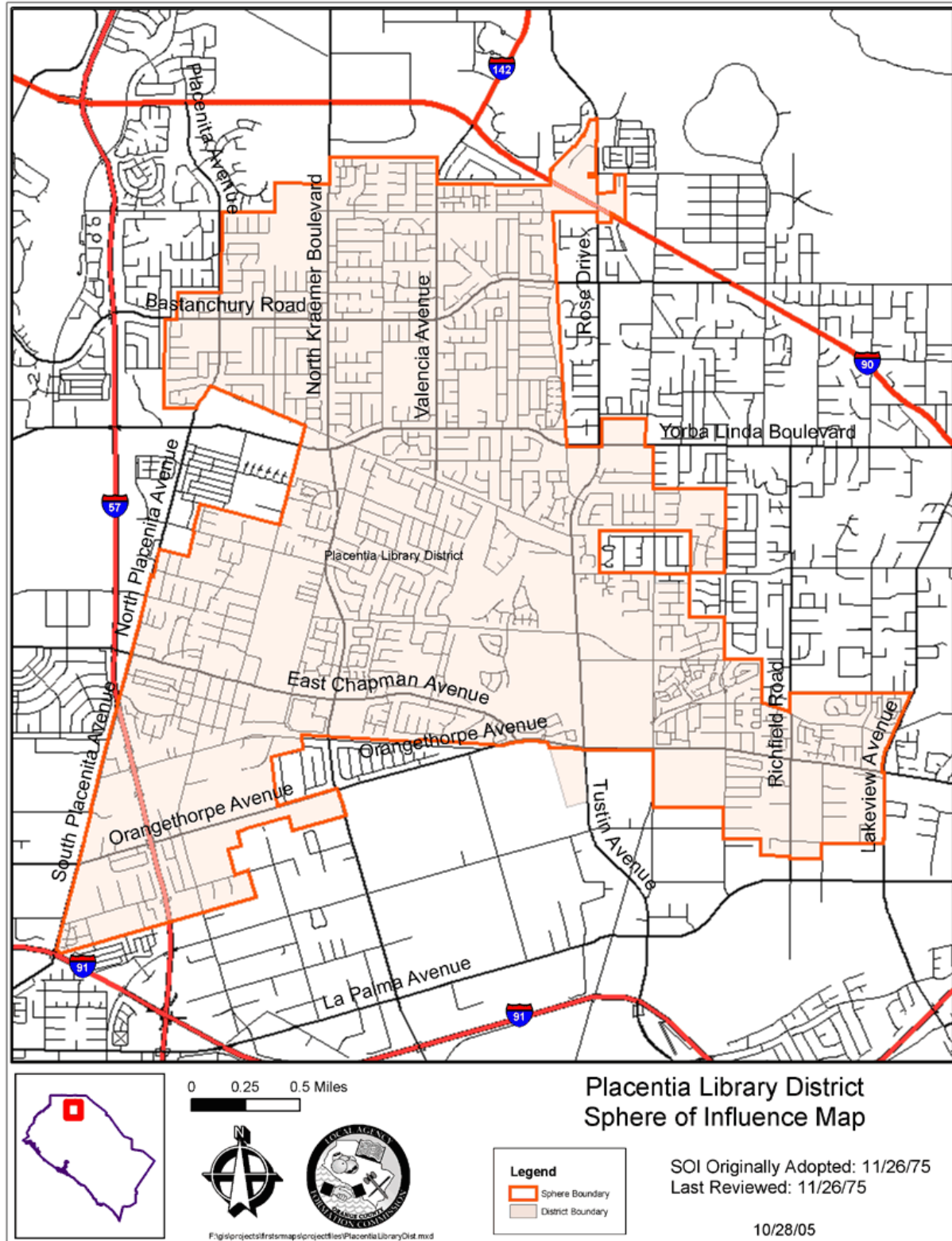
3. Modify the Placentia Library District's sphere of influence boundaries to *include* the entirety of the City of Placentia.
4. Modify the Placentia Library District's sphere of influence boundaries to *exclude* territory in the City of Anaheim.

The Placentia Library District's proposed sphere of influence boundaries are depicted in *Figure 10b*.





Figure 10b, Placentia Library District's Proposed Sphere of Influence







# STATEMENT OF DETERMINATIONS – PLACENTIA LIBRARY DISTRICT

The statement of determinations that follows is based on the analysis of the Placentia Library District's municipal service provision, which precedes this section of the report.

## **The present and planned land uses in the area, including agricultural and open-space lands**

The Placentia Library District's service territory today spans approximately 7 square miles and encompasses an estimated population of 53,200 people.

The district's actual service territory is mostly confined to the City of Placentia and the city's one large unincorporated island. The predominant land uses within the City of Placentia is single- and multi-family residential, commercial, industrial, public, and semi-public. The city is almost entirely built-out and future land uses are expected to remain relatively constant.

## **The present and probable need for public facilities and services in the area**

The Placentia Library District's Board of Trustees and management staff address the present need for facilities and services through its annual planning processes, which include strategic planning, development of annual reports, and the adoption of an annual budget and capital improvement plan. The probable need for library services is expected to remain relatively static since the City of Placentia and the other cities surrounding the district are almost entirely built-out.

## **The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide**

The Placentia Library District has adequate capacity and facilities to provide library services its patrons. However, after nearly 30 years at this location, the library is outgrowing its building space. The district's Board of Trustees is exploring several



options, including the construction of a new facility or possibly remodeling, renovating, and expanding its current facility.

**The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency**

Orange County LAFCO did not identify any social or economic communities of interest for the Placentia Library District during the municipal service review and sphere processes.