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March 19, 2019

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Receive and File a Report Back on the Status of the Museum of Ventura County

RECOMMENDATION:

Receive and File a report back by staff and the executive director of the Museum of Ventura County (MVC) as requested by your Board on June 12, 2018 that an update on the status of the Museum be provided prior to the completion of the annual budget process.

FISCAL IMPACT:

There is no fiscal impact related to this item. The \$200,000 annual contribution and a \$150,000 portion of the one-time contribution to the MVC will be included in the FY2019-20 Preliminary Budget.

BACKGROUND:

In June of 2017, the County received a written request from the MVC to provide \$2,250,000 or equivalent in-kind assistance over a five year period to support their ongoing operations while the Museum; 1) attempted to create an endowment fund that would help sustain the MVC on an ongoing basis, 2) fully assessed its collection, and 3) revitalized its programming to serve a more broad and inclusive audience.

In response to that request, on July 25, 2017, your Board approved a one-time contribution of \$125,000 to help sustain the Museum with the requirement that the MVC would assist the County to complete its due diligence to assess the status of the collection. In addition, your Board's motion directed the MVC to partner with the CEO to determine the resources required to appropriately catalog, store, and protect the collection, and determine the County's level of responsibility, and to develop a County art process.

Based upon the long history of the Museum and the nature of the relationship between the County and the MVC, specifically that the MVC has historically been empowered to "act as agent" of the County for purposes of the collection, your Board determined that the County

has a vested interest and a primary responsibility to see that the collection is properly cared for and maintained. In addition, supporting the Museum is consistent with the County's Economic Vitality Strategic Plan Item A.6 (approved by the Board on October 24, 2017), which plans to establish a countywide Arts and Culture Collaborative to enhance the arts and cultural opportunities that bring life to the community, attract visitors, and encourage businesses to stay in the County.

Consequently, on June 12, 2018, your Board approved a \$1,000,000 five-year funding plan and management agreement comprised of an annual \$200,000 contribution to the Museum, a five-year lease agreement which included in-kind rent of \$75,000 a year of a County owned building located at 77 N. California Street in the city of Ventura, \$25,000 in one time improvements to 77 N. California Street, and a one-time contribution of \$300,000 to be used towards the funding of an archives project, for a total contribution of \$1,325,000 in cash plus \$375,000 in-kind. As part of this contribution, your Board requested an annual report back on the status of the Museum prior to completion of the annual budget process.

DISCUSSION:

Over the past eight months the MVC has made considerable progress towards the goals of revitalization and sustainability while continuing to meet the milestones and objectives detailed within their management agreement with the County. As detailed in the letter to your Board dated February 11, 2019, the Museum has successfully launched its Reinvention Campaign by expanding programs and community engagement, increasing collaboration and partnerships, stabilizing financials and growing the endowment, and improving governance and operational transparency.

Governance and Transparency

The MVC has revised their Collections Policies and Procedures and strengthened the accessions and deaccessions process through the creation of committees for Accessions and Fine Arts. Engagement and transparency between the MVC and the County has also increased during this time. CEO staff is actively involved with fiscal governance with a seat on the Museum's Finance and Investment Committee. Along with the Museum Board of Directors, our office has oversight and visibility to accessions and deaccessions of the collection through reporting by the Museum Accessions Committee. In addition, staff meets monthly with the Executive Director and the Museum provides monthly status reports to our office.

Collection and Archives Project

In August of 2018 an RFP was distributed to the professional archivist community by the Museum resulting in a Memorandum of Understanding (MOU) with the consulting firm History Associates to begin the initial phases of the archives project. The scope of work includes a complete assessment of the Research Library and Archives, with a report

encompassing the size, scope, and condition of the collection. In addition to the assessment, the firm will supply the Museum with actionable work plans for the archiving and preservation of the collection.

The Museum has also signed an agreement with Matthew Cook who is the Associate Librarian at California State University Channel Islands (CSUCI). This agreement allows Mr. Cook to work with the Museum on the archives project with the goal of establishing a formal internship program between the Museum and CSUCI that will enable digitization and accessibility of the collection.

In addition to the MOU's with History Associates and Mr. Cook, the MVC has made considerable progress consolidating the collection and County artifacts. With the help of multiple County agencies including the Ventura County Library, the Assessor's Office, and the County Clerk & Recorder, the Museum successfully emptied 5 of the 12 storage locations that were utilized for collections and County documents and the contents relocated to 77 N. California Street. The remaining locations contain farm implements for the Ag Museum or fine art that were not intended to be in scope for the archives project.

Financials and Endowment

Support from both the County and the City of Ventura has contributed to the stabilization of finances at the Museum, allowing for the normal pace and activity of exhibits and events that are key to the MVC's long term sustainability.

Year to date through January of 2019, total support & revenues for the Museum were \$1.56M compared to total expenses of \$692k resulting in a surplus of \$872k. However, \$844k of the \$872k surplus is restricted donations & bequests for the endowment, leaving a net operating surplus of only approximately \$28k. Regarding the endowment, the Museum remains on track for the goal of achieving a \$10M funding level within the next five years, with the funding level having increased from approximately \$2.85M as of September 2017 to just over \$5.26M as of January 2019.

Since the June 12, 2018 financial contribution approved by your Board, the outlook for the MVC has improved and the endowment funding level increased. However, given that the MVC is only eight months into a 5-Year Reinvention Plan finances remain a concern and in a state of recovery. The financial support from both the City of Ventura and the County are critical for the MVC to continue its recovery and move forward with its plans for revitalization and sustainability.

SUMMARY:

These achievements are a testament to the commitment and dedication of Museum staff, the Museum Board of Directors, the City of Ventura, and your Board towards the Museum's mission of celebrating the art, history, and culture of Ventura County.

While our office acknowledges the many accomplishments achieved by the Museum, staff recognizes there is still much work left for the Museum to do, including:

- Achieving long term financial viability and sustainability
- Completing an Archives Project to revitalize and digitize the collection
- Increasing the Museum's partnerships with other organizations within the community
- Enhancing the Museum's relevancy to the residents and visitors of the Ventura County
- Strengthening the Museum's mission to better align with the diverse needs of Ventura County

Our office looks forward to continuing our partnership with the Museum. Based on progress to date, we believe the Museum is on the right path forward to accomplishing the goals of your Board and the objectives set forth in the Museum's Reinvention Plan.

This item has been reviewed by the Auditor-Controller's office and County Counsel. If you have any questions, please contact Mike Kumazawa at 805-477-7232 or Scott Powers at 805-677-8761.

Sincerely,



Mike Kumazawa
Program Management Analyst



Michael Powers
County Executive Officer