BELVEDERE-TIBURON LIBRARY AGENCY

BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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BELVEDERE-TIBURON LIBRARY AGENCY
BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Belvedere-Tiburon Library Agency
Tiburon, California

Opinions

We have audited the accompanying financial statements of the governmental activities and General Fund of the Belvedere-Tiburon Library Agency (Agency) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and General Fund of the Agency as of June 30, 2022, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management's for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other required supplementary information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Maze & Associates

Pleasant Hill, California
January 23, 2023

BELVEDERE TIBURON LIBRARY AGENCY

(A California Joint Exercise of Powers Agency of the Town of Tiburon and the City of Belvedere and A California Community Facilities District)

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FINANCIAL HIGHLIGHTS

From the Statement of Net Position on page 10

The Government-Wide Statement of Net Position shows the Agency's assets of $24,014,010; Deferred Outflows of $407,117; Liabilities of $2,963,393; Deferred Inflows of $694,810; and a Net Position of $20,762,924 as of June 30, 2022.

The Agency's Cash, Cash Equivalents, and Investments totaled $4,518,696 and Net Capital Assets totaled $19,314,543 at June 30, 2022, representing 19% and 80% of the Agency's Total Assets, respectively.

The Agency's liabilities totaled $2,963,393 as of June 30, 2022 and consist primarily of net pension liability, accrued bonds and capital lease, compensated absences, accounts payable, and post-employment benefit (OPEB) liability. Subsequent to the June 30, 2022 year-end, liabilities increased by $2,000,000 due to Expansion Line of Credit borrowing to fund the remaining Expansion costs through January 2023.

From the Statement of Activities on page 11

Total Revenues were $5,659,499 ($3,134,499 Operating Revenue and $2,525,000 Capital Grants). Total Operating Expenses were $2,732,500, including Depreciation on Capitalized Assets of $221,693. Since the Expansion Project has not been completed, Capitalized Expansion Costs (shown in the Statement of Net Position) have not yet been depreciated.

Operating Revenues totaled $3,134,499 (General Revenues $3,124,422, Program Revenues $1,294, and Operating Designated Grants of $8,783). Operating Expenses were $2,732,500. Net Operating Activity was $401,999.

Capital grant revenue totaled $2,525,000, and, combined with the Net Operating Activity of $401,999, provided an Increase in Net Position of $2,926,999.

Expansion Activity Note:

Reserve contributions to the Expansion were $1,000,000 and Line of Credit Borrowing was $1,000,000, added to the Grant Revenue of $2,525,000 totaled Capital Project inflow of $4,525,000. Capitalized expansion expenditures (Construction in Progress, Note 5) totaled $4,425,837. **Although Grant Activity IS included in the Statement of Activities, Reserve Activity, Borrowing, and Capitalized Expenditures are NOT included on the Statement of Activities, but DO affect the Balances in the Statement of Net Position.**

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

OVERVIEW OF FINANCIAL STATEMENTS

From the Governmental Funds Statements on pages 12 and 14 and Budget Analysis on page 40

General fund balances decreased by $823,036, a variance of $841,035 under budget, mostly due to Expansion variances.

Operations: Library Operating activity resulted in a Net Income of $92,594, which was $74,595 over budget.

Expansion: Expansion Grants were under budget by $1,529,161. Borrowing inflow was under budget by $1,992,837 due to a delay in borrowing until after year-end. Expansion Cost Capitalizations were $2,621,161 under budget due to delayed completion of the project until after year-end. Net Capital Activities were under budget by $915,630.

Grants from the Belvedere Tiburon Library Foundation totaled $2,225,000 in Expansion Grants only. Additional Expansion Contributions received were $150,000 from the Town of Tiburon and $150,000 from the City of Belvedere. Inception to date grant details are found in Note 10 to the financial statements on page 37.

Personnel costs include Staffing, Retirement and Health Benefits, Payroll Tax Expense, Insurance, and Professional Development Costs. The total Personnel costs were $1,919,557 in 2021 and $2,144,991 in 2022, a 12% increase over the prior year mostly due to vacation payout for Library Director Retirement.

Services and Supplies include circulation materials and data, except for book acquisitions which are capitalized, i.e., included in capital assets on the statement of net position rather than in expenditures. The capitalized collection is depreciated over 7 years.

Total Resource Expenditures before this capitalization of books were $361,098 in 2021 and $380,695 in 2022, a 5% increase due to an increase in purchases for the Expansion Grand Opening.

Capitalized Resource Costs (books) totaled $98,097 in 2021 and $113,817 in 2022, a 16% increase, due to an increase in purchases for the Expansion Grand Opening.

Expensed Resource Collection Costs including print subscriptions, digital content, and database costs were $263,001 in 2021 and $$266,878 in 2022, a 1% increase.

The Services and Supplies category also includes Programs, Facilities, and non-capitalized Technology and Equipment and Maintenance costs.

Total Services and Supplies was $587,947 in 2021 and $766,746 in 2022, a 30% increase from the prior year due to hiring of monthly Technical Support Contractor, Building Insurance doubling, and Temporary Restroom and Collection Storage costs.

Debt Service Cost for the year on the limited obligation bonds was $117,550 for principal and interest, plus $11,869 in fiscal agent fees in accordance with the CFD1995-1 Bond Issue Agreement. Expansion Debt Service has not yet commenced at fiscal 2022 year-end.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
OVERVIEW OF FINANCIAL STATEMENTS

The Agency's basic financial statements are comprised of four components: government-wide financial statements, governmental funds financial statements, notes to the financial statements, and supplementary information.

Government-wide financial statements are found on pages 10-11.
The Government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances in a manner similar to a private-sector business. There are two government-wide financial statements: The Statement of Net Position and the Statement of Activities and Changes in Net Position. These statements take into account Capital Asset and Long-Term Debt activities.

The Statement of Net Position presents information on all of the Agency's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The Statement of Activities presents information showing how the Agency's net position changed during the fiscal year. Accruals of revenue and expenses are taken into account regardless of when cash is received or paid. As in a private-sector business, capital assets are depreciated, principal payments on debt are not an expense, and compensated absences and other post-employment benefits are expensed in the period earned.

Governmental funds financial statements are found on pages 12 and 14.
A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The governmental funds statements do not include capital assets and long-term liabilities and give an indication of the Agency's Operating Position.

Reconciliations between the two types of financial statements are found on pages 13 and 15.
The major differences between fund financial statements and government-wide financial statements are the ways in which capital outlay, debt service, bond issuance costs, compensated absences, retirement costs, and other post-employment benefits are recorded.

Notes to the basic financial statements are found on pages 17-38.
The notes provide additional information and detail that is essential to a full understanding of the data provided in the financial statements.

Required supplementary information is found on pages 40-43.
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information: A Budget-to-Actual Results Comparison, CalPERS Pension Plan Information, and CalPERS Post-Employment Health Plan Information.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position
From the Statement of
Net Position on
Page 10

	Governmental Activities 2022	Governmental Activities 2021	Total Percent Change
Cash, cash equivalents and investments	$ 4,518,696	$ 4,992,700	-9%
Capital assets, net	19,314,543	14,981,789	29%
Other assets	180,771	816,277	-78%
Total assets	**24,014,010**	**20,790,766**	16%
Deferred outflows (Pension & OPEB)	407,117	397,199	2%
Total deferred outflows	**407,117**	**397,199**	**2%**
Series 1996 bonds & capital lease, net	500,000	588,839	-15%
Expansion Line of Credit	1,000,000	0	
Net Pension liability	578,652	1,312,187	-56%
Net Postemployment benefit (OPEB)	400,078	328,480	22%
Other liabilities	484,663	973,724	-50%
Total liabilities	**2,963,393**	**3,203,230**	**-7**%
Deferred inflows (Pension & OPEB)	694,810	148,810	367%
Total deferred outflows	**694,810**	**148,810**	367%
Net investment in capital assets	17,814,543	14,392,950	24%
Restricted and Unrestricted	2,948,381	3,442,975	-14%
Net position	**$ 20,762,924**	**$ 17,835,925**	**16%**

Net position serves over time as a useful indicator of the Agency's financial position: Assets exceeded liabilities by $20,762,924 as of June 30, 2022. This number is comprised of three components:

Net investment in capital assets	17,814,543
Restricted Assets	90,250
Unrestricted assets	2,858,131
Total net position	$20,762,924

Net investment in capital assets consists of capital assets less any related debt that is still outstanding. Unrestricted assets are used to finance day-to-day operations, including debt service.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Changes in Net Position
From the Statement of Activities on Page 11

	Governmental Activities 2022	Governmental Activities 2021	$ Change	% Change
PROGRAM EXPENSES:				
Library Services				
Personnel Cost	$2,144,990	$1,919,557	$225,433	12%
Pension and OPEB Adjustments	(328,441)	307,307	(635,748)	-207%
Total Personnel Services	1,816,549	2,226,864	(410,315)	-18%
Materials and Programs	652,929	493,823	159,106	32%
Depreciation and Amortization	221,693	247,646	(25,953)	-10%
Bond Interest & Fiscal Agent Fees	41,329	46,743	(5,414)	-12%
Total Program Expenses	**2,732,500**	**3,015,076**	**(282,576)**	**-9%**
PROGRAM REVENUES:				
Charges for Services	1,294	573	721	126%
Grants and Contributions	2,533,783	7,314,196	(4,780,413)	-65%
Total Program Revenues	**2,535,077**	**7,314,769**	**(4,779,692)**	**-65%**
GENERAL REVENUES:				
Property Taxes	3,111,722	2,941,213	170,509	6%
Investment Earnings	12,700	22,230	(9,530)	-43%
Total General Revenues	**3,124,422**	**2,963,443**	**160,979**	**5%**
Increase in Net Position	**2,926,999**	**7,263,136**	**(4,336,137)**	**-60%**
Net Position - Beginning of Year	17,835,925	10,572,789	7,263,136	69%
Net Position - End of Year	**$20,762,924**	**$17,835,925**	**$2,926,999**	**16%**

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

GOVERNMENTAL FUNDS CHANGES ANALYSIS

From the Statement of Revenues, Expenditures, and Changes in Fund Balances on Page 14

The following schedule presents a comparison of general fund revenues and expenditures for the fiscal year ended June 30, 2022 to the prior fiscal year.

	Governmental Funds Analysis		$	%
	2022	**2021**	**Change**	**Change**
Basic Library Tax	$2,213,304	$2,081,998	$131,306	6%
Parcel Tax	277,599	277,316	283	0%
ERAF	620,819	581,899	38,920	7%
Total intergovernmental	3,111,722	2,941,213	170,509	6%
Private Grants & Contributions:				
BTLF and Local government	2,525,000	7,299,475	(4,774,475)	-65%
Miscellaneous Grants & Contributions	8,783	14,721	(5,938)	-40%
Charges for Services	1,294	573	721	126%
Investment Earnings	12,700	22,230	(9,530)	-43%
Total Revenues	**5,659,499**	**10,278,212**	**(4,618,713)**	**-45%**
Salaries and Benefits	2,144,991	1,919,557	225,434	12%
Services and Supplies	766,746	587,947	178,799	30%
Principal	88,839	80,000	8,839	11%
Interest and Fiscal Agent Fees	41,329	46,743	(5,414)	-12%
Capital Outlay	4,440,630	7,372,994	(2,932,364)	-40%
Total Expenditures	**7,482,535**	**10,007,241**	**(2,524,706)**	**-25%**
Excess of Revenues over Expenditures	**(1,823,036)**	**270,971**	**(2,094,007)**	**-773%**
Proceeds from Line of Credit	**1,000,000**		**1,000,000**	
Net Change in Fund Balance	**(823,036)**	**270,971**	**(1,094,007)**	-404%
Fund Balances, Beginning of Year	5,181,412	4,910,441	270,971	6%
Fund Balances, End of Year	**$4,358,376**	**$5,181,412**	**($823,036)**	**-16%**

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

GOVERNMENTAL FUNDS SUMMARY
From the Balance Sheet on Page 12

	June 30, 2021	Increase / (Decrease)	June 30, 2022
Nonspendable deposits	$ 39,633	$ (8,933)	$ 30,700
Restricted for building expansion	1,000,000	(1,000,000)	-
Restricted for debt service	102,550	(12,300)	90,250
Restricted for library programs	66,155	(66,155)	-
Committed for operations	3,381,740	288,892	3,670,632
Committed for Insurance	274,540	(24,540)	250,000
Committed for building	316,794	-	316,794
	$ 5,181,412	$ (823,036)	$ 4,358,376

HISTORY AND ECONOMIC FACTORS

The history of the Agency organization is described in Note 1 to the financial statements. The main source of revenue for the Agency is property taxes as described in Note 1 to the financial statements. The return of excess ERAF is not assured on an annual basis into the future. The Agency also relies on annual grants from the Belvedere Tiburon Library Foundation, which may vary from year to year.

Building reserves are normally being funded on a yearly basis to pay for building upgrades and maintenance, including roofing, carpeting, or other important facility items. In Fiscal Year 2022, no amount was added to the Building Reserve, as financial focus was on the building expansion. In Fiscal Year 2018, $500,000 of the Building Reserve and $500,000 of previously Unassigned Reserves were transferred to a newly established Library Expansion Reserve of $1,000,000, and any remaining funds each year will be Reserved for Operations per Agency Resolution No. 235-2017. Insurance Reserves were increased in 2021 to meet the SDRMA Policy flood deductible at that time. The $1,000,000 Expansion Reserve was used in full in Fiscal Year 2022 toward the funding of the Project.

The Agency is presently completing the final minor touches on the expansion of the library in December 2022 and January 2023. The final environmental impact report for this project was approved in August 2011. The Tiburon Town Council approved the site plan and architectural drawings in August 2012. Substantial completion of the expansion was achieved in September of 2022. For additional information regarding the progress of the expansion project, please refer to the Agency's website under "Library Expansion."

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest in the Agency's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Library Director
Belvedere Tiburon Library Agency
1501 Tiburon Blvd
Tiburon, CA 94920.

BELVEDERE-TIBURON LIBRARY AGENCY

(A California Joint Exercise of Powers Agency of the Town of Tiburon and the City of Belvedere and A California Community Facilities District)

STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
ASSETS	
Current assets:	
Cash, cash equivalents and investments (Note 3)	$4,518,696
Accounts and interest receivable (Note 4)	150,071
Prepaids	20,189
Security deposit	10,511
Total current assets	4,699,467
Noncurrent assets:	
Nondepreciable capital assets (Note 5)	18,490,470
Depreciable capital assets, net (Note 5)	824,073
Total capital assets, net of accumulated depreciation	19,314,543
Total Assets	24,014,010
DEFERRED OUTFLOWS OF RESOURCES	
Related to pension (Note 8)	291,158
Related to OPEB (Note 9)	115,959
Total Deferred Outflows of Resources	407,117
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	341,091
Long-term debt - due within one year (Note 6)	159,487
Total current liabilities	500,578
Non-current liabilities:	
Compensated absences - due in more than one year (Note 2F)	143,572
Long-term debt - due in more than one year (Note 6)	1,340,513
Net Pension Liability (Note 8)	578,652
Net OPEB Liability (Note 9)	400,078
Total Liabilities	2,963,393
DEFERRED INFLOWS OF RESOURCES	
Related to pension (Note 8)	625,748
Related to OPEB (Note 9)	69,062
Total Deferred Inflows of Resources	694,810
NET POSITION (Note 7A)	
Net investments in capital assets	17,814,543
Restricted	90,250
Unrestricted	2,858,131
Total Net Position	$20,762,924

See accompanying notes to financial statements

BELVEDERE-TIBURON LIBRARY AGENCY

(A California Joint Exercise of Powers Agency of the Town of Tiburon and the City of Belvedere and A California Community Facilities District)

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Governmental Activities
PROGRAM EXPENSES:	
Library services:	
Personnel services	$1,816,549
Materials and services	652,929
Depreciation and amortization	221,693
Interest	41,329
Total Program Expenses	2,732,500
PROGRAM REVENUES:	
Charges for services	1,294
Operating grants and contributions	8,783
Capital grants and contributions	2,525,000
Total Program Revenues	2,535,077
Net Program Income (Loss)	(197,423)
GENERAL REVENUES:	
Property taxes	3,111,722
Investment earnings	12,700
Total General Revenues	3,124,422
Increase in Net Position	2,926,999
Net position - beginning of year	17,835,925
Net position - end of the year	$20,762,924

See accompanying notes to basic financial statements.

BELVEDERE-TIBURON LIBRARY AGENCY

(A California Joint Exercise of Powers Agency of the Town of Tiburon and the City of Belvedere and A California Community Facilities District)

BALANCE SHEET
GOVERNMENTAL FUND - GENERAL FUND
JUNE 30, 2022

ASSETS	
Cash, cash equivalents and investments (Note 3)	$4,518,696
Accounts and interest receivable (Note 4)	150,071
Prepaids	20,189
Deposits	10,511
Total Assets	$4,699,467
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable and accrued liabilities	$341,091
Total Liabilities	341,091
Fund Balances (Note 7B):	
Nonspendable for prepaids and deposits	30,700
Restricted for:	
Debt service	90,250
Committed for:	
Operations	3,670,632
Insurance	250,000
Building maintenance	316,794
Total Fund Balances	4,358,376
Total Liabilities and Fund Balances	$4,699,467

See accompanying notes to basic financial statements

BELVEDERE-TIBURON LIBRARY AGENCY

(A California Joint Exercise of Powers Agency of the Town of Tiburon and the City of Belvedere and A California Community Facilities District)

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position June 30, 2022

Total Fund Balances - Governmental Funds		$4,358,376
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources. Therefore, they are not reported in the Governmental Funds Balance Sheet.		
Capital assets	$24,470,544	
Less: Accumulated depreciation	(5,156,001)	19,314,543
Deferred outflows of resources related to pension		291,158
Deferred outflows of resources related to OPEB		115,959
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the Governmental Funds Balance Sheet.		
Long-term debt	(1,500,000)	
Compensated absences	(143,572)	
Net Pension Liability	(578,652)	
Net OPEB Liability	(400,078)	
Deferred inflows of resources related to pension	(625,748)	
Deferred inflows of resources related to OPEB	(69,062)	(3,317,112)
Net Position - Governmental Activities		$20,762,924

See accompanying notes to basic financial statements

BELVEDERE-TIBURON LIBRARY AGENCY

(A California Joint Exercise of Powers Agency of the Town of Tiburon and the City of Belvedere and A California Community Facilities District)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUND - GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

REVENUES	
Intergovernmental:	
Basic library tax	$2,213,304
Parcel tax	277,599
ERAF	620,819
Total Intergovernmental	3,111,722
Grants and contributions (Note 10):	
Belvedere-Tiburon Library Foundation	2,225,000
City of Belvedere - expansion	150,000
Town of Tiburon - expansion	150,000
Miscellaneous gifts and donations	8,783
Charges for service	1,294
Investment earnings	12,700
Total Revenues	5,659,499
EXPENDITURES	
Current - Library Services:	
Personnel costs	2,144,991
Services and supplies	766,746
Debt service:	
Principal	88,839
Interest	41,329
Capital outlay	4,440,630
Total Expenditures	7,482,535
Excess (Deficiency) of Revenues over Expenditures before Other Financing Sources (Uses)	(1,823,036)
OTHER FINANCING SOURCES (USES)	
Proceeds from Line of Credit	1,000,000
Total Other Financing Sources (Uses)	1,000,000
Net Change in Fund Balance	(823,036)
Fund Balances, Beginning of Year	5,181,412
Fund Balances, End of Year	$4,358,376

See accompanying notes to basic financial statements.

BELVEDERE-TIBURON LIBRARY AGENCY

(A California Joint Exercise of Powers Agency of the Town of Tiburon and the City of Belvedere and A California Community Facilities District)

Reconciliation of the Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position For the Fiscal Year Ended June 30, 2022

Net Changes in Fund Balances - Governmental Funds		($823,036)
Amounts reported for governmental activities in the Statement of Activities and Changes in Net Position are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities and Change in Net Position the cost of these assets is allocated over their estimated useful lives and recorded as depreciation expense.		
Capital outlay	$4,440,630	
Services and supplies (Books)	113,817	
Depreciation and amortization expense	(221,693)	4,332,754
Some expenses reported in the Statement of Activities and Changes in Net Position do not require the use of financial resources and therefore are not reported as expenditures in governmental funds.		
Change in compensated absences		202,587
Change in pension liabilities		169,173
Change in OPEB liabilities		(43,318)
Series 1996 bond and capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Proceeds from line of credit are deducted from fund balance		(1,000,000)
Principal repayments on Series 1996 Bonds		88,839
Changes in Net Position - Governmental Activities		$2,926,999

See accompanying notes to basic financial statements.

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NOTE 1 – ORGANIZATION

The Belvedere-Tiburon Library Agency (the "Agency"), and Community Facilities District No. 1995-1 ("CFD"), were organized in 1995 by a joint power agreement between the Town of Tiburon and the City of Belvedere. The Agency was created to construct and operate a library facility which was completed April 13, 1997. Financing for the construction of the facility was primarily through a grant from the Belvedere-Tiburon Library Foundation and the issuance of limited obligation bonds. The Agency is governed by a Board of Trustees, which adopted a resolution authorized by a registered-voter election to levy a special tax against parcels of land within the CFD. This tax and other property taxes will provide for repayment of the bonds and provide operational funding for the Agency which receives payments from the County of Marin Tax Collector through the Town of Tiburon and the City of Belvedere. The Agency is subject to the laws, regulations and guidelines that are set forth by the California State Controller's Office.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Agency have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Boards ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting principles are described below.

A. Government-Wide Financial Statements

The government-wide financial statements include all of the activities of the Agency. The Agency has no component units (other governments under the Agency's oversight or control). The statement of net position and the statement of activities display information about the reporting government as a whole. They display the Agency's activities on a full accrual accounting basis and economic resource measurement focus.

The statement of net position includes long-term assets as well as long-term debt and other obligations. The Agency's net position is reported in two parts: (1) net investment in capital assets and (2) unrestricted net position.

The activities of the Agency are supported primarily by general government revenues (property taxes and intergovernmental revenues). The statement of activities presents gross program expenses (including depreciation) and deducts related program revenues, operating and capital grants to indicate the net cost of operations. Program revenues include (a) fees and charges paid by recipients for services and (b) operating grants include operating-specific and discretionary (either operating or capital) grants while capital grants reflect capital- specific grants.

The government-wide focus is more on the sustainability of the Agency as an entity and the change in the Agency's net position resulting from the current year's activities.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Financial Statements

The financial transactions of the government are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues and expenditures. The Agency only reports one fund as follows:

General Fund is the general operating fund of the Agency. It is used to account for all financial resources and activities of the Agency.

C. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

Accrual

The governmental activities in the government-wide financial statements are presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

D. Budget Process and Expenditures in Excess of Appropriations

The Library Director, with the assistance of the Agency Treasurer and the Administrative Assistant to the Library Director, annually prepare a preliminary budget for review by the Board of Directors and the Library Foundation. The final budget is voted on by the full Board at the June board meeting, prior to the beginning of the new fiscal year on July 1st of every year.

During fiscal year ended June 30, 2022, operating expenditures exceeded of the Agency's budget in the amount of $12,428, however, revenues were sufficient to cover the expenditures.

E. Cash and Cash Equivalents

The Agency has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with maturity dates within three months of the acquisition date.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Compensated Absences

Earned vacation payable upon termination or retirement are accrued as a compensated absences liability. Regular employees earn vacation hours based on years of continuous service and scheduled weekly hours worked. Also, regular employees are given credit for seven- and one-half hours of sick leave each month of employment with a maximum pro-rated accumulation of 90 days. During fiscal year ended June 30, 2022, as a result of the COVID-19 pandemic, the Agency allowed employees to accrue more than their maximum hours. This allowance is expected to be temporary.

At the close of each fiscal year, a liability is recorded based on the accumulated time for employees at their current salary. The General Fund has been used to liquidate compensated absences. The balance of accrued compensated absences as of June 30, 2022 was $143,572.

G. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and governmental funds balance sheet sometimes reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of net position and governmental funds balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

H. Leases

A lease is defined as a contract that conveys control for the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles and equipment. The Agency will record significant leases.

I. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

J. Property taxes

Operation of the library facility is funded by that portion of County ad valorem real estate taxes which previously was funding County of Marin library services. The 1996 Special Tax Bonds (discussed in Note 6) are to be repaid through the collection of a special library tax which is $66 per parcel per annum in the City of Belvedere and the Town of Tiburon. Any portion of the special parcel tax which is not needed to service the bonds is used for operations.

The County of Marin, which collects all taxes paid to the Agency, levies property taxes each November 1 on the assessed value of real property as of prior March 1. Taxes are due in two equal installments on December 10 and April 10 following the levy date. The County operates under the permission of Section 4701-4717 of the California Revenue and Taxation Code (the "Teeter Plan"). In accordance with the Teeter Plan, all subdivisions of the County for which the County collects tax revenues are credited with 100% of their respective treasuries' cash positions and are additionally protected by a special fund into which all County-wide delinquent penalties are deposited.

K. Use of Estimates

The basic financial statements have been prepared in conformity to generally accepted accounting principles and therefore include amounts based on informed estimates and judgments of management. Actual results could differ from those estimates.

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Agency's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the Agency's name and places the Agency ahead of general creditors of the institution.

The Agency's investments are carried at fair value, as required by generally accepted accounting principles. The Agency adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS Continued)

Cash, cash equivalents and investments consist of the following at June 30, 2022:

Held by Agency:	
Petty cash and change fund	$200
Deposits with financial institutions	920,653
Local Agency Investments Fund	3,380,487
Held by Fiscal Agent:	
Money Market Mutual Fund	217,356
Total Cash, Cash Equivalents and Investments	$4,518,696

B. Investments Authorized by the California Government Code and the District's Investment Policy

The Agency's Investment Policy and the California Government Code allow the Agency to invest in the following, provided the credit ratings of the issuers are acceptable to the Agency, and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the Agency's Investment Policy where the Agency's Investment Policy is more restrictive.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	N/A	100%	None
Certificates of Deposit	2 years	N/A	50%	None
State Local Agency Investment Fund	None	N/A	100%	None

C. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity is of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Agency generally manages its interest rate risk by holding investments to maturity.

All of the Agency's investments mature in less than twelve months. The Agency is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The Agency reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are maintained on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2022, these investments matured in an average of 311 days.

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS Continued)

D. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. None of the Agency's investments are subject to credit ratings.

E. Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Agency would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the Agency's name, and held by the counterparty. The Agency's investment securities are not exposed to custodial credit risk because all securities are held by the Agency's custodial bank in the Agency's name.

F. Fair Value Hierarchy

The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The California Local Agency Investment Fund is exempt from the fair value hierarchy and is valued based on the fair value factor provided by the Treasurer of the State of California, which is calculated as the fair value divided by the amortized cost of the investment pool.

NOTE 4 – ACCOUNTS AND INTEREST RECEIVABLE

Accounts and interest receivable consist of the following at June 30, 2022:

Parcel Tax	$4,333
Basic Tax	46,560
ERAF	56,572
LAIF Interest	5,362
Library Expansion	34,385
Other Receivables	2,859
	$150,071

It is the practice of the Agency to expense uncollectibles only after exhausting all efforts to collect the amounts due. No allowance for doubtful accounts is used and management believes all amounts will be collected in full.

NOTE 5 – CAPITAL ASSETS

Governmental activity capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated.

Depreciation of capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, accumulated depreciation, is reported on the Statement of Net Position as a reduction in the book value of capital assets.

Depreciation of capital assets in service is provided using the straight-line method, which means the cost of the asset is divided by its expected useful life in years, and the result is charged to expense each year until the asset is fully depreciated. The Agency has assigned the useful lives listed below to capital assets:

Books	7 years
Building and improvements	30 years
Computers and equipment	3-5 years
Furniture and fixtures	7 years
Website	7 years

Capital asset activity for the year ended June 30, 2022, was as follows:

	Balance June 30, 2021	Additions/ Transfers	Balance June 30, 2022
Non-depreciable assets:			
Land	$1,606,560		$1,606,560
Construction-in-progress	12,458,073	$4,425,837	16,883,910
Total non-depreciable assets	14,064,633	4,425,837	18,490,470
Depreciable assets:			
Books	2,868,171	113,817	2,981,988
Buildings and improvements	2,351,952		2,351,952
Computers and equipment	173,656		173,656
Furniture and fixtures	314,396	1,974	316,370
Website	143,289	12,819	156,108
Sub-total	5,851,464	128,610	5,980,074
Accumulated depreciation:			
Books	(2,518,072)	(106,171)	(2,624,243)
Buildings and improvements	(1,881,553)	(78,398)	(1,959,951)
Computers and equipment	(155,174)	(8,257)	(163,431)
Furniture and fixtures	(292,546)	(6,566)	(299,112)
Website	(86,963)	(22,301)	(109,264)
Sub-total	(4,934,308)	(221,693)	(5,156,001)
Total depreciable assets, net	917,156	(93,083)	824,073
Capital assets, net	$14,981,789	$4,332,754	$19,314,543

NOTE 5 – CAPITAL ASSETS (Continued)

Construction in progress costs include planning and pre-development costs (architectural, environmental reporting, planning, etc.) related to the expansion of the existing library facility. The Agency entered into an agreement with the Town of Tiburon in 2007 to transfer the rights to use adjacent property to facilitate the expansion project which expired on July 5, 2013. The Agency amended the agreement on December 5, 2012 which extended the expiration date to August 1, 2017. The Agency subsequently amended the agreement on May 15, 2017 which extended the expiration date to August 1, 2022. The Town shall transfer the title of the property to the Agency within sixty (60) days of written notice of obtaining satisfactory evidence of sufficient funds to complete the expansion project. As of January 2023, the final details of the library expansion project are near completion.

NOTE 6 – LONG-TERM DEBT

The following is a summary of long-term debt transactions of the governmental activities for the year ended June 30, 2022:

	Balance June 30, 2021	Additions	Payments	Balance June 30, 2022	Due within one year
Governmental Activities:					
Series 1996 Special Tax Bonds	$585,000		$85,000	$500,000	$90,000
2016 Copier Capital Leases	3,839		3,839		
Expansion Line of Credit		$1,000,000		1,000,000	69,487
	$588,839	$1,000,000	$88,839	$1,500,000	$159,487

1996 Special Tax Bonds

In April 1996, the Agency issued $1.6 million in limited obligation bonds. The bond agreement calls for an interest rate ranging from 4 to 6% per annum, with interest payable semi-annually on March 1 and September 1, beginning March 1, 1998. The bonds mature on varying dates and in varying amounts from September 1, 1999 through September 1, 2026, and are repayable from ad valorem property taxes.

Payments on the bonds for the succeeding five years and thereafter are as follows:

Fiscal Year	Principal	Interest	Total
2023	$90,000	$27,300	$117,300
2024	95,000	21,750	116,750
2025	100,000	15,900	115,900
2026	105,000	9,750	114,750
2027	110,000	3,300	113,300
Total	$500,000	$78,000	$578,000

NOTE 6 – LONG-TERM DEBT (Continued)

Equipment Lease – Color Copier

In October 2016, the Agency entered into a lease purchase agreement with Discovery Office Systems to finance a Kyocera 4550ci copier/printer. The lease provides for 60 monthly payments of $924 plus tax, including principal and interest, commencing November 2016 and ending October 2021. The lease was fully paid off as of June 30, 2022.

Mechanics Bank Line of Credit – Direct Borrowing

In February 2018, the Agency was approved for a line of credit (LOC) in an amount not to exceed $4,000,000, for the purpose of bridging fundraising efforts of the capital campaign for the library expansion. The LOC bears interest of 4.5-5.0%. As of June 30, 2022, the Agency drew down $1,000,000 on the LOC, and paid $2,600 in interest during the fiscal year.

In August 2022, subsequent to year-end, the Agency borrowed an additional $2,000,000, and will commence making monthly payments of principal and interest of $16,000 in September 2022, with a balloon payment for the remaining balance due on February 7, 2026.

NOTE 7 – NET POSITION AND FUND BALANCE

A. Net Position

Net Position is the excess of all the Agency's assets and deferred outflows over all its liabilities, deferred inflows, regardless of fund. Net Position is divided into two captions. These captions apply only to Net Position, which is determined only at the Agency-wide level, and are described below:

Net Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the Agency's capital assets.

Restricted describes the portion of the Net Position which is restricted by external creditors, grantors, contributors or laws or regulations of other governments.

Unrestricted describes the portion of Net Position which is not restricted to use.

B. Fund Balance

The Agency's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the Agency to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the Agency prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

NOTE 7 – NET POSITION AND FUND BALANCE (Continued)

Nonspendables represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

Committed fund balances have constraints imposed by formal action of the Board of Trustees which may be altered only by formal action of the Board of Trustees.

Assigned fund balances are amounts constrained by the Agency's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Board of Trustees or its designee and may be changed at the discretion of the Board of Trustees or its designee. This category includes nonspendables, when it is the Agency's intent to use proceeds or collections for a specific purpose.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds. The Agency strives to maintain 50% of operating expenditures in reserves.

Fund balances classifications at June 30, 2022 are presented on the General Fund Balance Sheet.

NOTE 8 – PENSION PLAN

A. Plan Descriptions and Summary of Balances

Plan Description – The Agency only has one defined benefit pension plan, a Miscellaneous Plan. The Miscellaneous Plan is a Cost-Sharing Multiple Employer Plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan is established by State statute and Agency Ordinance.

CalPERS Plan - All qualified employees are eligible to participate in the Agency's Miscellaneous (Classic) or Miscellaneous (PEPRA) cost-sharing multiple employer defined benefit pension plans ("Plan").

Benefit provisions under the Plan is established by State statute and Agency resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

NOTE 8 – PENSION PLAN (Continued)

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Miscellaneous Plan and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Pension liabilities are liquidated by the funds that have recorded the liability. The long-term portion of the governmental activities pension liabilities are liquidated by the General Fund.

The Plan is discussed in detail below.

B. CalPERS Plan (Miscellaneous)

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the Plan are applied as specified by the Public Employees' Retirement Law.

Funding Policy – Active plan members in the Plan are required to contribute 6.75% or 7% of their covered salary for the Miscellaneous Plan. The Agency contributes 5% of the 7% CalPERS contribution required of Classic Members. The Agency does not contribute to the employee portion for PEPRA Members. The Agency is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The contribution requirements of plan members are established by State statute and the employer contribution is established and may be amended by CalPERS.

The Plan's provisions and benefits in effect at June 30, 2022 are summarized as follows:

	Miscellaneous	
	Classic	PEPRA
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-67 or older	52-67 or older
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.0%	6.75%
Required employer contribution rates	10.34%	7.59%

NOTE 8 – PENSION PLAN (Continued)

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Agency is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2022, the contributions recognized as part of pension expense for the Plan was as follows:

	Miscellaneous
Contributions - employer	$129,489

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - As of June 30, 2022, the Agency reported net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous - Classic & PEPRA	$578,652

The Agency's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Agency's proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2021 was as follows:

	Miscellaneous
Proportion - June 30, 2020	0.03111%
Proportion - June 30, 2021	0.01372%
Change - Increase (Decrease)	-0.01739%

NOTE 8 – PENSION PLAN (Continued)

For the year ended June 30, 2022, the Agency recognized pension expense of ($169,173). At June 30, 2022, the Agency reported deferred outflows of resources and deferred inflows of resources related to the Miscellaneous Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$129,489	
Differences between actual and expected experience	64,890	
Changes in assumptions		
Net differences between projected and actual earnings on plan investments		($505,133)
Net difference in actual contribution and proportion contributions		(120,615)
Adjustment due to differences in proportions	96,779	
Total	$291,158	($625,748)

$129,489 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The Agency does not incur any amount for pension contributions subsequent to measurement date related to deferred outflows of resources. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30	Annual Amortization
2023	($101,325)
2024	(103,502)
2025	(119,659)
2026	(139,593)
Total	($464,079)

NOTE 8 – PENSION PLAN (Continued)

Actuarial Assumptions – For the measurement period ended June 30, 2021, the total pension liability was determined by rolling forward the June 30, 2020 total pension liability. The June 30, 2021 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.5% (1)
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds (2)
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

(1) Net of pension plan investment and administrative expenses, including inflation.

(2) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability for each Plan was 7.15%. The projection of cash flows used to determine the discount rate for each Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, each Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all plans in the PERF. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability for each Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected rate of returns, net of pension plan investment expense and inflation) are developed for each major asset class.

NOTE 8 – PENSION PLAN (Continued)

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (Public Employees' Retirement Fund) cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short- term and long-term, the present value of benefits was calculated. The expected nominal rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class (1)	Assumed Asset Allocation	Real Return Years 1 - 10 (2)	Real Return Years 11+ (3)
Public Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation assets	0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0%	-0.92%
Total	100%		

(1) In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short Term Investments; Inflation Asssets are included in both Global Equity Securities and Global Debt Securities.
(2) An expected inflation of 2.00% used for this period.
(3) An expected inflation of 2.92% used for this period.

NOTE 8 – PENSION PLAN (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Agency's proportionate share of the net pension liability for each Plan, calculated using the discount rate 7.15%, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous
1% Decrease	6.15%
Net Pension Liability	$1,477,245
Current Discount Rate	7.15%
Net Pension Liability	$578,652
1% Increase	8.15%
Net Pension Liability	($164,202)

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Reduction of CalPERS Discount Rate - On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy approved by the CalPERS Board in 2015, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the CalPERS Board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense, but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the CalPERS Board. These new assumptions will be reflected in the CalPERS GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

NOTE 9 – POST-EMPLOYMENT HEALTH CARE BENEFITS

A. General Information about the Agency's Other Post Employment Benefit (OPEB) Plan

Plan Description – The Agency's Post Employment Benefit Plan is a single employer OPEB plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75.

Benefits Provided –The following is a summary of Plan benefits as of June 30, 2022:

Eligibility	• Retire directly from Library under CalPERS - Service - Age 50 & 5 years CalPERS service, or - Disability
Retiree Medical Benefit	Library contributes PEMHCA minimum retirees participating in PEMHCA medical plan: Year — PEMHCA Minimum 2019 — $ 136 2020 — 139 2021 — 143 2022+ — Increase at CPI-U Medical
Surviving Spouse Benefit	• Surviving spouse coverage based on retirement plan election • Same benefit continues to surviving spouse
Other OPEB	• No dental, vision, life insurance or Medicare reimbursement
Implied Subsidy	• Participating retirees pay active rates vs actual cost • Implied subsidy included in valuation

For the year ended June 30, 2022, the Agency's contributions to the Plan were $7,926.

Employees Covered by Benefit Terms – Membership in the plan consisted of the following at the measurement date of June 30, 2021:

Active employees	15
Inactive employees or beneficiaries currently receiving benefit payments	4
Inactive employees entitled to but not yet receiving benefit payments	3
Total	22

NOTE 9 – POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)

B. Total OPEB Liability

Actuarial Methods and Assumptions – The Agency's total OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation dated June 30, 2021 to determine the June 30, 2022 total OPEB liability as of June 30, 2021, based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Actuarial Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Assumptions:	
Discount Rate	- 2.16% at June 30, 2021 (Bond Buyer 20-bond Index) - 2.21% at June 30, 2020 (Bond Buyer 20-bond Index)
General Inflation	2.50% per annum
Salary Increases	- Aggregate - 2.75% annually - Merit - CalPERS 2000-2019 Experience Study
Mortality, Retirement, Disability, Termination	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Medical Trend	- Non-Medicare - 6.5% for 2023, decreasing to an ultimate rate of 3.75% in 2076 - Medicare - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076
PEMHCA Minimum Increase	4.00% per year
Medical Participation at Retirement	- Currently covered - 60% - Currently waived - 30%
Medical Plan at Retirement	- Currently covered - same as current election - Currently waived - Kaiser

NOTE 9 – POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)

C. Changes in Total OPEB Liability

The changes in the total OPEB liability follows:

	Total OPEB Liability
Balance at July 1, 2021 Reporting Date	$328,480
Changes Recognized for the Measurement Period:	
Service cost	40,773
Interest on the total OPEB liability	8,073
Actual vs. expected experience	61,418
Changes of assumptions	(30,782)
Benefit payments	(7,884)
Net changes	71,598
Balance at June 30, 2022 Reporting Date	$400,078

D. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Agency, as well as what the Agency's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

Total OPEB Liability/(Asset)		
Discount Rate -1% (1.16%)	Current Discount Rate (2.16%)	Discount Rate +1% (3.16%)
$469,870	$400,078	$343,960

The following presents the total OPEB liability of the Agency, as well as what the Agency's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Total OPEB Liability/(Asset)		
1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
$330,570	$400,078	$491,180

NOTE 9 – POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)

E. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Agency recognized OPEB expense of $43,318. At June 30, 2022, the Agency reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	$7,926	
Differences between actual and expected experience	54,594	($27,239)
Changes of assumptions	53,439	(41,823)
Total	$115,959	($69,062)

$7,926 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Fiscal Year Ended June 30	Annual Amortization
2023	$2,360
2024	2,360
2025	2,360
2026	5,088
2027	6,501
Thereafter	20,302
Total	$38,971

NOTE 10 –GRANTS AND CONTRIBUTIONS

Major funding for the building and for equipping the library facility is from the nonprofit Belvedere-Tiburon Library Foundation which has been formed through contributions and bequests from community members. Grants committed by the Foundation (from inception through June 30, 2022) consist of the following:

	Grant Revenue		
	Inception-to-Date June 30, 2021	Total Grants Fiscal Year 2022	Inception-to-Date June 30, 2022
Construction: Original Building 1997	$1,959,581		$1,959,581
Construction: Library Expansion 2019	11,443,675	$2,225,000	13,668,675
Collection - Original Book Collection 1997-2001	882,534		882,534
Collection -BTLF (Foundation) Annual Appeal	1,318,138		1,318,138
Collection - BTLF's Corner Books	224,000		224,000
Programs & Operations - BTLF Endowments	1,228,951		1,228,951
Programs - BTLF's Bookmarks	324,412		324,412
Total Belvedere Tiburon Library Foundation Grants	$17,381,291	$2,225,000	$19,606,291

Expansion grant revenues from other sources consist of the following:

	Inception-to-Date June 30, 2021	Total Grants Fiscal Year 2022	Inception-to-Date June 30, 2022
Town of Tiburon Expansion Contributions	$300,000	$150,000	$450,000
City of Belvedere Expansion Contributions		150,000	150,000
	$300,000	$300,000	$600,000

NOTE 11 – RISK MANAGEMENT

The Agency is a member of the Special District Risk Management Authority (SDRMA), which provides General and Auto Liability, Public Officials' and Employees' Errors and Omissions and Employment Practices Liability. The total risk financing limits are $5.0 million, with a combined single limit at $5.0 million per occurrence, subject to the following deductibles:

-$500 per occurrence for third party general liability property damage;
-$1,000 per occurrence for third party auto liability property damage;
-50% co-insurance of cost expended by SDRMA, in excess of $10,000 up to $50,000, per occurrence, for employment related claims.

The policy also includes Employee Dishonesty Coverage of $1,000,000 per loss; Property Loss insurance of one billion per occurrence, subject to a deductible of $1,000; Boiler and Machinery up to $100 million per occurrence, subject to a $1,000 deductible; Catastrophic Loss subject to a $500,000 deductible; and Public Officials Personal Liability of $500,000 per occurrence, with an annual aggregate of $500,000 per each elected/appointed official, subject to a deductible of $500 per claim.

Workers' Compensation Coverage and Employer's Liability is also included with statutory limits per occurrence for Workers' Compensation and $5.0 million for Employer's Liability coverage.

The Agency does not have any liability for uninsured claims, including estimated claims incurred but not reported for fiscal year ended June 30, 2022. Settlements have not exceeded insurance coverage in the past three years.

The Agency paid $77,664 in premiums during fiscal year ended June 30, 2022. Audited financial statements may be obtained from SDRMA Services, 1112 I St #300, Sacramento, CA 95814

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Library Expansion Project

The Agency entered into a cost-sharing agreement with the Town of Tiburon in June 2019, for a total contribution of $600,000 from the Town toward the Library Expansion Project, split over a period of four years. The Town agreed to make four (4) contributions of $150,000 each over four fiscal years starting in August 2019.

During fiscal year ended June 30, 2022, the City of Belvedere contributed $150,000 towards the library expansion project.

In September 2019, the Agency awarded a bid for the Library Expansion project construction services to Alten Construction, Inc, with change orders through January 2023 for a total contract of $14,377,472. The construction began during fiscal year ended June 30, 2020. Funds will come from the Belvedere-Tiburon Library Foundation and the Mechanics Bank line of credit. Fundraising by the Foundation continues in order to reduce the need to use the line of credit.

REQUIRED SUPPLEMENTARY INFORMATION

BELVEDERE-TIBURON LIBRARY AGENCY

(A California Joint Exercise of Powers Agency of the Town of Tiburon and the City of Belvedere and A California Community Facilities District)

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original and Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
Operating Revenues:			
Intergovernmental:			
Basic library tax	$2,159,580	$2,213,304	$53,724
Parcel tax	275,000	277,599	2,599
ERAF	523,000	620,819	97,819
Total intergovernmental	2,957,580	3,111,722	154,142
Operating grants & contributions:			
Belvedere-Tiburon Library Foundation - Operating	60,000		(60,000)
Miscellaneous gifts & donations	30	8,783	8,753
Charges for services	9,900	1,294	(8,606)
Investment earnings	19,966	12,700	(7,266)
Total Operating Revenues	3,047,476	3,134,499	87,023
Operating Expenditures:			
Current - Library Services:			
Personnel costs	2,065,293	2,144,991	(79,698)
Services and supplies	834,134	766,746	67,388
Debt service:			
Principal	85,000	88,839	(3,839)
Interest and fiscal charges	45,050	41,329	3,721
Total Operating Expenditures	3,029,477	3,041,905	(12,428)
Excess of revenues over expenditures, before capital activities	17,999	92,594	74,595
Capital Activities:			
Expansion grants & contributions:			
Belvedere-Tiburon Library Foundation	3,754,161	2,225,000	(1,529,161)
City of Belvedere	150,000	150,000	
Town of Tiburon	150,000	150,000	
Other financing source: LOC	2,992,837	1,000,000	(1,992,837)
Capital outlay:			
Expansion	(7,046,998)	(4,425,837)	2,621,161
Other		(14,793)	(14,793)
Total Capital Activities, Net	-	(915,630)	(915,630)
Change in fund balance	$17,999	(823,036)	($841,035)
Fund balances, beginning of year		5,181,412	
Fund balances, end of year		$4,358,376	

BELVEDERE-TIBURON LIBRARY AGENCY

Miscellaneous Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Years*

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS AS OF THE MEASUREMENT DATE

	Miscellaneous Plan				
Measurement Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
Plan's proportion of the Net Pension Liability (Asset)	0.01024%	0.02324%	0.02544%	0.02698%	0.02752%
Plan's proportion share of the Net Pension Liability (Asset)	$637,621	$637,654	$883,572	$1,063,688	$1,037,322
Plan's Covered Payroll	$1,057,330	$1,081,598	$1,129,322	$1,139,794	$1,186,789
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	60.30%	58.95%	78.24%	93.32%	87.41%
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	74.06%	73.31%	75.26

	Miscellaneous Plan		
Measurement Date	6/30/2019	6/30/2020	6/30/2021
Plan's proportion of the Net Pension Liability (Asset)	0.02928%	0.03111%	0.01372%
Plan's proportion share of the Net Pension Liability (Asset)	$1,172,442	$1,312,187	$578,652
Plan's Covered Payroll	$1,223,832	$1,297,054	$1,325,201
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	95.80%	101.17%	43.67%
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	77.73%	77.71%	90.49%

* Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

BELVEDERE-TIBURON LIBRARY AGENCY

Miscellaneous Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Years*

SCHEDULE OF CONTRIBUTIONS

	Miscellaneous Plan							
Fiscal Year Ended June 30	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Contractually required contribution (actuarially determined)	$116,149	$115,449	$138,093	$110,838	$103,885	$183,918	$130,093	$129,489
Contributions in relation to the actuarially determined contributions	(116,149)	(115,449)	(138,093)	(110,838)	(103,885)	(183,918)	(130,093)	(129,489)
Contribution deficiency (excess)	$0	$0	$0	$0	$0	$0	$0	$0
Covered payroll	$1,081,598	$1,129,322	$1,139,794	$1,186,789	$1,223,832	$1,297,054	$1,325,201	$1,363,641
Contributions as a percentage of covered payroll	10.74%	10.22%	12.12%	9.34%	8.49%	14.18%	9.82%	9.50%

Notes to Schedule Contributions

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry-Age Normal Cost in accordance with the requirements of GASB Statement No.68
Actual Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Investment Rate of Return	7.15% (1)
Mortality	Derived using CalPERS Membership Data for all Funds (2)

(1) Net of pension plan investment expenses, including inflation

(2) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015)

* Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

BELVEDERE-TIBURON LIBRARY AGENCY

Other Post-Employment Benefits (OPEB)
Last 20 Fiscal Years *

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

Measurement period	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Total OPEB Liability					
Service Cost	$29,649	$26,163	$25,387	$30,084	$40,773
Interest	6,625	8,510	9,968	9,189	8,073
Benefit changes					
Differences between expected and actual experience			(40,637)		61,418
Assumption changes	(24,569)	(9,989)	10,440	59,522	(30,782)
Benefit payments	(2,286)	(3,734)	(4,286)	(5,532)	(7,884)
Net change in total OPEB liability	9,419	20,950	872	93,263	71,598
Total OPEB liability - beginning	203,976	213,395	234,345	235,217	328,480
Total OPEB liability - ending	$213,395	$234,345	$235,217	$328,480	$400,078
Covered payroll	$1,129,395	$1,192,875	$1,375,610	$1,292,785	$1,366,168
Total OPEB liability as a percentage of covered payroll	18.9%	19.6%	17.1%	25.4%	29.3%

* Fiscal year 2018 was the first year of implementation; therefore, only five years are shown.

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