

AGENDA
BELVEDERE TIBURON LIBRARY AGENCY
Regular Meeting of Monday, *January 27, 2025* at 5:00pm
Belvedere Tiburon Library
1501 Tiburon Blvd, Tiburon, California

PUBLIC NOTICE

This meeting will be held in person in Corner Books at the Library.

CALL TO ORDER AND ROLL CALL

PUBLIC COMMENT ON CLOSED SESSION ITEMS

CLOSED SESSION

Public Employee Performance Evaluation Pursuant to Government Code Section 54957

Title: Library Director

RETURN FROM CLOSED SESSION, 6:15pm

REPORT FROM CLOSED SESSION

PUBLIC COMMENT

This is an opportunity for any citizen to briefly address the Board of Trustees on any matter that does not appear on this agenda. Upon being recognized by the Chair, please state your name, address, and limit your oral statement to no more than three minutes. Matters that appear to warrant a lengthier presentation or Board consideration may be placed on the agenda for further discussion at a later meeting.

STAFF BOARD AND COMMITTEE REPORTS

1. Chair's Report – Anthony Hooker, Agency Chair (2 minutes)
2. Library Director's Report, - Crystal Duran, Library Director (10 minutes) **(Pages 3-4)**
3. Belvedere Tiburon Library Foundation Report – (5 minutes)
4. Quarterly Treasurer's Report and Financial Statements, December, 2024 - Kristin Johnson, Board Clerk (5 minutes) **(Pages 5-11)**
5. Committee Reports (5 minutes)

CONSENT CALENDAR

The purpose of the Consent Calendar is to group items together which generally do not require discussion and which will probably be approved by one motion unless separate action is required on a particular item. Any member of the Agency may request removal of an item for discussion.

6. Approval of Agency Regular Meeting Minutes of November 13 and November 18, 2024 **(Pages 12-27)**
7. Approval of Agency Warrants for the Months of November and December, 2024 **(Pages 28-30)**

AGENDA CONTINUES ON PAGE 2

AGENDA (continued)
BELVEDERE TIBURON LIBRARY AGENCY
Regular Meeting of Monday, January 27, 2025 at 5:00pm
 Belvedere Tiburon Library
 1501 Tiburon Blvd, Tiburon, California

TRUSTEE CONSIDERATIONS

8. Approval of BTLA Audit Final Draft for the Fiscal Year Ended June 30, 2024 **(Pages 31-108)**
9. Discussion and Consideration of Proposed Employee Benefits Change **(Pages 109-116)**

COMMUNICATIONS & ANNOUNCEMENTS

10. Schedule of 2025 Meeting Dates **(Page 117)**

RECONVENE TO CLOSED SESSION

Conference With Legal Counsel – Anticipated Litigation pursuant to Government Code Section 54956.9(d)(2).

RETURN FROM CLOSED SESSION

REPORT FROM CLOSED SESSION

NOTICE: WHERE TO VIEW AGENDA MATERIALS

Meeting minutes and other Agenda items are available at <https://www.beltiblibrary.org/about-us/board-meetings>. Please note that packet items may not yet be posted at this location exactly at the same time as Agenda posting.

NOTICE: AMERICANS WITH DISABILITIES ACT

The following accommodations will be provided, upon request, to persons with a disability: agendas and/or agenda packet materials in alternate formats; special assistance needed to attend or participate in this meeting. Please make your request at the office of the Administrative Assistant or by calling (415) 789-2660. Whenever possible, please make your request three days in advance.



DATE: January 27, 2025

TO: Library Board Trustees

FROM: Crystal Duran, Library Director

SUBJECT: Library Director's Report for BTLA

Programs and Services

Library staff just completed recruitment for its "[Green Takeover](#)" initiative, a grant-funded activity focused on sustainability. Green Takeover will allow volunteers to support the expansion of the library's lending collection, including items that will help green living. Volunteers will also co-design a sustainability-related program for the spring. Over time, staff will refine the Takeover process to become a model for other volunteer-led library initiatives. Five volunteers are working to expand the Library of Things collection, and will be joined by five additional volunteers to plan a sustainability-focused program. The volunteer engagement has been promising. We'll develop and distribute a sustainability-focused In the Stacks newsletter in late spring to share more about this work and celebrate these volunteers.

A team of librarians are working on adult programs for 2025. Programs will be planned across these categories: culture, sustainability, technology, wellness, and community. When planning programs, staff consider how the program meets the library's mission and strategic plan, who the program will benefit or impact, and how principles of equity, diversity, inclusion, and sustainability are being addressed. Popular programs from 2024 will continue into 2025, such as an educational ballet series, seated yoga, VR "armchair travel," and local author panels. New programs being developed include child development for parents and caregivers, community socials, writing and storytelling clinics, and expert speakers on immigration economics, healthcare economics, and more. Additionally, a partnership with the Rotary will continue into 2025 for co-sponsored speakers and activities.

Administration

Several building-related activities will occur over the following weeks, including installing upper kitchen cabinets in the Founders kitchen, replacing the central water heater for the building, and installing new lounge-area seating in the library entryways. A subcontractor will also address minor permit-related issues so work can proceed on the children's patio. Staff will also work with our maintenance provider for carpet cleaning and paint touch-ups throughout the building.

December marked the halfway point of the library's fiscal year, a key time to review progress toward department goals and begin considerations for the next fiscal year. Each department lead is meeting with me to review progress and expenditures and make adjustments as needed. The FY 25-26 budget will begin to be drafted in March with several meetings with the Finance Committee and an in-depth presentation of the draft budget at the May BTLA board meeting.

Personnel

Dr. Reggie Thomas from PeakePotential has been working with staff to conduct all-staff training, provide one-on-one coaching for managers, and support improving workplace practices and intercollaboration. He recently facilitated staff working sessions on developing shared core values that will be integrated into various processes, including annual performance reviews, departmental goals, staff development, and employee recognition. The five values are: inclusion, creativity, integrity, respect, and growth. I'll work with the Board to determine if 1-2 additional values should be considered. Staff will be expected to live up to these shared values in their daily work and interactions. His work with library staff has been meaningful and a worthwhile and necessary investment in staff development.

Administrative staff continue to work on improving benefit offerings. Following a compensation study in 2024, the pay schedule was aligned to be competitive with the local market, and staff are currently bidding for additional benefits such as vision and life insurance. In December, staff had the opportunity to enroll in new FSA benefits, which will provide a pre-tax advantage to them for 2025. Personnel costs comprise approximately 68% of the library's operating budget and should not exceed 70% for long-term sustainability and responsible fiscal management.

STATEMENT OF CHANGES IN CASH

MID-YEAR REVIEW

DECEMBER 31, 2024

| | |
|--|---------------------|
| Beginning CASH at Fiscal Year End June 30, 2024 | \$ 2,586,355 |
| <u>OPERATING ACTIVITY</u> | |
| Operating Revenue | 1,224,849 |
| Original Bond Debt Service | (117,678) |
| Operating Expenses | (1,862,579) |
| Net Operating Income/(Outflow) | (755,408) |
| <u>RESERVE ACTIVITY</u> | |
| Computers, Equipment, Furniture | (26,555) |
| Expansion LOC Debt Service | - |
| Total Reserve Activity | (26,555) |
| <u>EXPANSION ACTIVITY</u> | |
| Expansion Grants and Contributions Received | - |
| Expansion Expenditures | - |
| Net Expansion Activity | - |
| <u>BALANCE SHEET ACTIVITY</u> | |
| Prior Year Receivables Received | 371,407 |
| Prior Year Prepaids Expensed | 13,854 |
| Prior Year Accrued Payroll Paid | (6,645) |
| Prior Year Accounts Payable Paid | (33,314) |
| Net Balance Sheet Activity | 345,302 |
| <u>DONOR/SOURCE DESIGNATED FUND ACTIVITY</u> | |
| Designated Fund Inflows | 4,088 |
| Designated Fund Outflows | - |
| Net Designated Fund Activity | 4,088 |
| Ending CASH at December 31, 2024 | \$ 2,153,782 |
| <u>CASH BY FUND</u> | |
| Building Reserve | \$ 500,000 |
| Insurance Reserve | \$ 53,878 |
| Expansion Funds for Garden | \$ 50,000 |
| Fiscal Agent Account Balance | \$ 2,748 |
| Donor/Source Designated Funds | \$ 36,754 |
| Operating Reserve | \$ 1,510,402 |
| Ending CASH at December 31, 2024 | \$ 2,153,782 |

**BELVEDERE TIBURON LIBRARY AGENCY
LONG-TERM DEBT
DECEMBER 31, 2024**

| | | | | | |
|--|------------------|--|---------------------|--|--|
| LONG-TERM LIABILITIES | | | | | |
| | | | | | |
| Compensated Absences (Accrued Vacation Balances) | 6/30/2024 | | \$ 110,000 | | |
| | | | | | |
| CFD 1995-1 BONDS | | | | | |
| Original Bonds CFD 1995-1 thru Sept 2026 | 12/31/2024 | | \$ 215,000 | | |
| Future interest to be paid thru Sept 2026 | 12/31/2024 | | 19,500 | | |
| Total Bond CFD 1995-1 Liability (5 payments remaining) | | | \$ 234,500 | | |
| Payments are made on 9/1 and 3/1, Last Payment will be 9/1/2026 | | | | | |
| | | | | | |
| PENSION AND OPEB LIABILITIES | | | | | |
| Actuarially Determined Net Pension Liability per Audit | 6/30/2024 | | 1,832,458 | | |
| Actuarially Determined Net OPEB Liability Per Audit | 6/30/2024 | | 279,281 | | |
| Total Post-Employment Liability ESTIMATE | 6/30/2024 | | \$ 2,111,739 | | |
| | | | | | |
| TOTAL LONG-TERM LIABILITIES | | | | | |

NOTES

PENSION AND OPEB LIABILITIES BASED ON 6/30/2024 AUDIT DRAFT with changes based on discount rate

| | | | | | |
|--|---------------------------------|--|--------------------------------|---------------------|--------------------|
| | | | | | |
| | | | 1% Decrease @ 6/30/2024 | 1% Increase | |
| | Discount Rate | | 5.90% | 6.90% | 7.90% |
| | Pension Liability | | \$ 2,925,698 | \$ 1,832,458 | \$ 932,628 |
| | | | | | |
| | | | @ 6/30/2022 | | |
| | Discount Rate | | 2.54% | 3.54% | 4.54% |
| | OPEB Liability | | \$ 316,017 | \$ 279,281 | \$ 248,679 |
| | | | | | |
| | TOTAL Pension & OPEB | | \$ 3,241,715 | \$ 2,111,739 | \$1,181,307 |

BELVEDERE TIBURON LIBRARY AGENCY
DETAIL BUDGET VS ACTUAL
MID-YEAR REVIEW
DECEMBER 31, 2024

| | ACCOUNT | FY25 ANNUAL BUDGET | Dec, 2024 50% OF YEAR TO DATE CASH BASIS | % OF BUDGET | BUDGET REMAINING | FY24 ANNUAL BUDGET | Dec, 2023 50% OF YEAR TO DATE CASH BASIS | % OF BUDGET |
|---|---------|---------------------|--|-------------|------------------|---------------------|--|-------------|
| GENERAL FUND REVENUE | | | | | | | | |
| Revenue | | | | | | | | |
| Basic Library Tax (1) | 5010 | \$ 2,556,925 | 969,708 | 38% | 1,587,217 | \$ 2,435,052 | \$ 896,755 | 37% |
| Parcel Tax (1) | 5020 | 275,000 | 121,631 | 44% | 153,369 | 275,000 | 119,538 | 43% |
| ERAF (1) | 5025 | 530,000 | 0 | 0% | 530,000 | 530,000 | - | 0% |
| BTLF Grants (2) | 5032 | 70,000 | 57,000 | 81% | 13,000 | 175,000 | - | 0% |
| Program Grants (3) | 5033 | 80,400 | 35,045 | 44% | 45,355 | 15,000 | 3,270 | 22% |
| Book Fines and Reserves | 5040 | 500 | 347 | 69% | 153 | 500 | 2 | 0% |
| Book Sales | 5050 | 0 | 0 | | 0 | 0 | - | 0% |
| Reference Desk Income | 5065 | 50 | 203 | 406% | (153) | 250 | 79 | 32% |
| Copier Fees | 5070 | 380 | 248 | 65% | 132 | 500 | 578 | 116% |
| Other Revenue (includes EV) | 5090 | 9,303 | 5,852 | 63% | 3,451 | 7,200 | 10 | 0% |
| Interest Income | 5099 | 50,000 | 34,815 | 70% | 15,185 | 50,000 | 31,913 | 64% |
| Total Revenue | | \$ 3,572,558 | 1,224,849 | 34% | 2,347,709 | \$ 3,488,502 | \$ 1,052,145 | 30% |
| Bond Debt Service via Parcel Tax | | | | | | | | |
| Bond Debt Service - Interest | 8910 | (\$15,900) | (9,450) | 59% | (6,450) | (\$21,750) | (\$12,300) | 57% |
| Bond Debt Service - Principal | 8915 | (\$100,000) | (100,000) | 100% | 0 | (\$95,000) | (\$95,000) | 100% |
| Bond Fiscal Agent Fees | 8920 | (\$14,000) | (8,228) | 59% | (5,772) | (\$12,500) | (\$7,916) | 63% |
| Total Bond Debt Service | | (\$129,900) | (117,678) | 91% | (12,222) | (\$129,250) | (\$115,216) | 89% |
| Total Revenue after Bond Service | | \$3,442,658 | 1,107,171 | 32% | 2,335,487 | \$3,359,252 | \$936,929 | 28% |
| GENERAL FUND EXPENDITURES | | | | | | | | |
| Personnel (4) (5) | | | | | | | | |
| Salaries & Wages | 7010 | 1,409,856 | 680,000 | 48% | 729,856 | 1,364,051 | 632,166 | 46% |
| Medical Reimbursement | 7015 | 21,600 | 10,575 | 49% | 11,025 | 21,600 | 10,013 | 46% |
| Part Time Salaries & Wages | 7020 | 303,834 | 116,097 | 38% | 187,737 | 344,113 | 95,317 | 28% |
| PERS Retirement Benefits | 7100 | 277,377 | 181,186 | 65% | 96,191 | 240,299 | 149,820 | 62% |
| 115 Trust | 7105 | 25,000 | 0 | 0% | 25,000 | 25,000 | 0 | 0% |
| PERS Insurance Benefits | 7110 | 258,499 | 116,126 | 45% | 142,373 | 222,540 | 102,521 | 46% |
| PERS OPEB Benefits | 7115 | 10,200 | 4,710 | 46% | 5,490 | 9,060 | 4,710 | 52% |
| Workers Comp Insurance | 7120 | 8,038 | 8,628 | 107% | (590) | 8,014 | 7,789 | 97% |
| Employment Practice Insurance | 7125 | 5,400 | 5,400 | 100% | 0 | 5,400 | 5,400 | 100% |
| Payroll Tax Expense | 7130 | 43,686 | 15,270 | 35% | 28,416 | 46,103 | 19,310 | 42% |
| Unemployment | 7140 | 0.00 | 3,478 | N/A | (3,478) | | 0 | |
| Professional Development | 7200 | 10,000 | 11,172 | 112% | (1,172) | 15,200 | (729) | -5% |
| Staffing Recruitment | 7210 | 500 | 1,766 | 353% | (1,266) | 500 | 656 | 131% |
| Total Personnel | | \$ 2,373,990 | 1,154,408 | 49% | 1,219,582 | \$ 2,301,880 | \$ 1,026,973 | 45% |

BELVEDERE TIBURON LIBRARY AGENCY
 DETAIL BUDGET VS ACTUAL
 MID-YEAR REVIEW
 DECEMBER 31, 2024

| | ACCOUNT | FY25 ANNUAL BUDGET | Dec, 2024 50% OF YEAR TO DATE CASH BASIS | % OF BUDGET | BUDGET REMAINING | FY24 ANNUAL BUDGET | Dec, 2023 50% OF YEAR TO DATE CASH BASIS | % OF BUDGET |
|---|---------|-----------------------|---|----------------|---------------------|--------------------------|---|----------------|
| Circulation Materials & Data (6) | | | | | | | | |
| Books and other Materials | 7601 | 100,000 | 59,071 | 59% | 40,929 | 125,000 | 41,637 | 33% |
| Vendor Processing Costs | 7602 | 7,000 | 10,858 | 155% | (3,858) | 7,000 | 2,070 | 30% |
| Supplies for Processing | 7603 | 3,000 | 361 | 12% | 2,639 | 3,000 | 1,805 | 60% |
| Digital Collection | 7606 | 80,000 | 55,127 | 69% | 24,873 | 60,000 | 38,420 | 64% |
| MARINet | 7607 | 112,000 | 110,834 | 99% | 1,166 | 100,000 | 103,955 | 104% |
| Total Circulation Materials & Data | | \$ 302,000 | 236,251 | 78% | 65,749 | \$ 295,000 | \$ 187,887 | 64% |
| Technology Services (7) | | | | | | | | |
| Staff Digital Subscriptions | 8020 | 12,276 | 11,344 | 92% | 932 | 10,000 | 2,909 | 29% |
| Computers & Peripherals | 8035 | 14,250 | 4,837 | 34% | 9,413 | 5,000 | 4,080 | 82% |
| Technical Support | 8040 | 39,732 | 21,711 | 55% | 18,021 | 66,924 | 17,781 | 27% |
| IT Infrastructure | 8070 | 31,200 | 22,493 | 72% | 8,707 | 18,000 | 24,067 | 134% |
| Website Maintenance | 8071 | 10,000 | 2,398 | 24% | 7,602 | 21,500 | 2,097 | 10% |
| Total Technology Services | | \$ 107,458 | 62,783 | 58% | 44,675 | \$ 121,424 | \$ 50,934 | 42% |
| Program Services & Supplies (8) | | | | | | | | |
| Copier Expense | 8210 | 15,520 | 7,180 | 46% | 8,340 | 19,284 | 7,740 | 40% |
| Postage Freight | 8220 | 3,500 | 2,312 | 66% | 1,188 | 7,000 | 1,699 | 24% |
| Public Relations | 8225 | 34,000 | 11,350 | 33% | 22,650 | 30,000 | 9,225 | 31% |
| Office Supplies | 8230 | 7,000 | 4,349 | 62% | 2,651 | 10,000 | 2,372 | 24% |
| Adult Programs | 8240 | 31,900 | 13,976 | 44% | 17,924 | 17,000 | 9,730 | 57% |
| Children's Program Supplies | 8250 | 20,000 | 10,857 | 54% | 9,143 | 19,450 | 7,231 | 37% |
| Young Adult Programs | 8251 | 6,000 | 2,636 | 44% | 3,364 | 9,500 | 2,254 | 24% |
| Telephone | 8260 | 14,600 | 7,519 | 52% | 7,081 | 14,600 | 6,768 | 46% |
| A/V Equipment & Peripherals | 8270 | 5,000 | 3,514 | 70% | 1,486 | 5,000 | 0 | 0% |
| Maker Space Programs | 8280 | 15,000 | 4,056 | 27% | 10,944 | 18,000 | 4,283 | 24% |
| Technology Training Program | 8290 | 4,000 | 2,400 | 60% | 1,600 | 7,000 | 1,250 | 18% |
| Total Program Services & Supplies | | \$ 156,520 | 70,149 | 45% | 86,371 | \$ 156,834 | \$ 52,552 | 34% |

BELVEDERE TIBURON LIBRARY AGENCY
 DETAIL BUDGET VS ACTUAL
 MID-YEAR REVIEW
 DECEMBER 31, 2024

| | ACCOUNT | FY25 ANNUAL BUDGET | Dec, 2024 50% OF YEAR TO DATE CASH BASIS | % OF BUDGET | BUDGET REMAINING | FY24 ANNUAL BUDGET | Dec, 2023 50% OF YEAR TO DATE CASH BASIS | % OF BUDGET |
|-------------------------------------|---------|-----------------------|---|----------------|---------------------|--------------------------|---|----------------|
| Building Expenses (9) | | | | | | | | |
| Building & Contents Insur. | 8410 | 125,000 | 128,032 | 102% | (3,032) | 140,000 | 112,975 | 81% |
| Building Maintenance | 8430 | 17,500 | 13,867 | 79% | 3,633 | 24,800 | 27,724 | 112% |
| Grounds Maintenance | 8440 | 18,000 | 3,792 | 21% | 14,208 | 11,100 | 1,920 | 17% |
| Janitorial Expense | 8450 | 60,000 | 31,059 | 52% | 28,941 | 60,000 | 27,237 | 45% |
| Custodial Supplies | 8460 | 9,000 | 1,899 | 21% | 7,101 | 9,000 | 2,333 | 26% |
| Trash | 8480 | 5,360 | 1,781 | 33% | 3,579 | 4,873 | 1,672 | 34% |
| Electricity & Gas | 8490 | 80,000 | 44,086 | 55% | 35,914 | 80,000 | 33,408 | 42% |
| Parking | 8491 | 6,240 | 4,680 | 75% | 1,560 | 11,040 | 5,167 | 47% |
| Maintenance Contracts | 8492 | 13,000 | 7,714 | 59% | 5,286 | 8,400 | 5,637 | 67% |
| EV Public Charging Stations | 8493 | 9,600 | 5,234 | 55% | 4,366 | 3,000 | 3,045 | 0% |
| Water | 8500 | 7,500 | 9,863 | 132% | (2,363) | 9,900 | 2,207 | 22% |
| Furniture & Fixtures | 8501 | 0 | 0 | | 0 | 0 | 0 | |
| Total Building Expenses | | \$ 351,200 | 252,007 | 72% | 99,193 | \$ 362,113 | \$ 223,325 | 62% |
| Agency Administration (10) | | | | | | | | |
| Bank Charges | 8810 | 500 | 171 | 34% | 329 | 1,000 | 51 | 5% |
| Credit Card Fees | 8815 | 800 | 7 | 1% | 793 | 2,000 | 11 | 1% |
| Cash Over/(Under) | 8820 | 120 | 0 | 0% | 120 | 120 | (1) | -1% |
| Membership and Dues | 8825 | 4,455 | 3,579 | 80% | 876 | | 0 | |
| Accounting | 8830 | 8,000 | 3,532 | 44% | 4,468 | 10,300 | 3,214 | 31% |
| Auditing | 8835 | 33,350 | 18,701 | 56% | 14,649 | 34,000 | 21,060 | 62% |
| Legal & Consulting Services | 8840 | 50,000 | 59,959 | 120% | (9,959) | 65,000 | 52,874 | 81% |
| Staff, Vol, Board | 8850 | 5,000 | 1,032 | 21% | 3,968 | 5,000 | 3,114 | 62% |
| Contribution to Reserves | 8890 | 34,427 | 0 | 0% | 34,427 | 0 | 0 | |
| Total Agency Administration | | \$ 136,652 | 86,981 | 64% | 49,671 | \$ 117,420 | \$ 80,323 | 68% |
| Total GENERAL FUND | | \$ 3,427,820 | 1,862,579 | 54% | 1,565,241 | \$ 3,354,671 | \$ 1,621,994 | 48% |
| NET OPERATING REVENUE/(LOSS) | | \$ 14,838 | (755,408) | | (770,246) | \$ 4,581 | \$ (685,065) | |

BELVEDERE TIBURON LIBRARY AGENCY
DETAIL BUDGET VS ACTUAL
MID-YEAR REVIEW
DECEMBER 31, 2024

| | ACCOUNT | FY25 ANNUAL BUDGET | Dec, 2024 50% OF YEAR TO DATE CASH BASIS | % OF BUDGET | BUDGET REMAINING | FY24 ANNUAL BUDGET | Dec, 2023 50% OF YEAR TO DATE CASH BASIS | % OF BUDGET |
|---|-------------|--------------------|--|-------------|------------------------|--------------------|--|-------------|
| ACTUAL BEGINNING CASH - ALL FUNDS | 6/30/2024 | \$ 2,770,523 | 2,586,355 | | (184,168) | | | |
| NET OPERATING REVENUE/(LOSS) | | \$ 14,838 | (755,408) | | (770,246) | | | |
| NON-OPERATING TRANSFERS & USES OF RESERVES | | | | | | | | |
| Building Reserve - Technology & Equip | 9010 | 0 | 0 | | 0 | | | |
| Building Reserve - Furniture & Fixtures | 9020 | 0 | (26,555) | | (26,555) | | | |
| Expansion Line of Credit Interest | 8930 | 0 | 0 | | 0 | | | |
| Expansion Line of Credit Principal | 8935/2460 | 0 | 0 | | 0 | | | |
| Operating Reserve | | 0 | 0 | | 0 | | | |
| Total USES OF RESERVES | | \$ - | (26,555) | | (26,555) | | | |
| EXPANSION ACTIVITY | | | | | | | | |
| Expansion Grants from Foundation | 200-5978 | 0 | 0 | | 0 | | | |
| Expansion Rebates MMWD & TAM | 200-5978 | 0 | 0 | | 0 | | | |
| Expansion Expenditures | 9045 | 0 | 0 | | 0 | | | |
| Total EXPANSION ACTIVITY | | \$ - | 0 | | 0 | | | |
| BALANCE SHEET ACTIVITY | | \$ (70,000) | 345,302 | | 415,302 | | | |
| DESIGNATED FUND ACTIVITY | | | | | | | | |
| Snelling and Epstein Receipts | | 10,000 | 4,088 | 41% | (5,912) | | | |
| Snelling and Epstein Expenditures | | (20,000) | 0 | 0% | 20,000 | | | |
| Net DESIGNATED FUND ACTIVITY | | \$ (10,000) | 4,088 | -41% | 14,088 | | | |
| ENDING CASH - ALL FUNDS | 12/31/2024 | \$ 2,788,537 | 2,153,782 | | (551,579) | (0) | | |
| CASH BY FUND | | | | | LOW POINT Mid-December | | | |
| Insurance and Building Reserves | 2720 & 2730 | | 553,878 | | 553,878 | | | |
| Cash with Fiscal Agent - Restricted for CFD 1995-1 Bond Service | | | 2,748 | | 2,748 | | | |
| Snelling and Epstein Restricted Funds | | | 36,754 | | 36,754 | | | |
| Expansion Funds for Children's Patio \$40K and Hooker Garden \$10K | | | 50,000 | | 50,000 | | | |
| Operating Reserve | | | 1,510,402 | (1) | 543,245 | | | |
| TOTAL ENDING CASH - ALL FUNDS | 12/31/2024 | | 2,153,782 | (2) | 1,186,625 | | | |
| (1) Fiscal Year 2025 Low Point Estimate Operating Reserve \$308,660 | | | | | | | | |
| (2) Fiscal Year 2024 Low Point Estimate Total Cash \$899,248 | | | | | | | | |
| CASH BY BANK ACCOUNT | | | | | LOW POINT Mid-December | | | |
| Mechanics Operating Checking Plus Petty Cash | | | 1,263,917 | | 296,409 | | | |
| US Bank Fiscal Agent for CFD-1995-1 Bonds | | | 2,748 | | 2,739 | | | |
| LAIF | | | 357,373 | | 357,733 | | | |
| Mechanics Wealth Management Goldman Treasuries | 25% | | 529,744 | | 529,744 | | | |
| TOTAL ENDING CASH - ALL ACCOUNTS | 12/31/2024 | | 2,153,782 | | 1,186,625 | | | |

| BELVEDERE TIBURON LIBRARY AGENCY | | | |
|--|--|----------------------|---|
| DECEMBER 2024 NOTES: DETAIL BUDGET VS ACTUAL | | | |
| | | | |
| | 50% of Budget Year | | |
| | | | |
| (1) | 5010, 5020, 5025 , the majority of tax revenue is typically received in December and April. Note: In January , 2025, Additional Taxes of \$605,052 were received, bringing the total Taxes to \$1,696,390, or 50% of Budget (Tiburon December ERAF estimated at \$287,000 not yet received) Tiburon ERAF would bring YTD Taxes in January to 59% of Budget, on par plus. (We would expect about 54% through December/January). | | |
| (2) | 5032 BTLF Grant for Children's Patio \$42,000 + \$16,000 received in January Art Committee Grant of \$15,000 | | |
| (3) | 5033 Sustainability Phase Grant \$32,600 | | |
| (3A) | 5090 EV Connect Quarterly \$5,852 (compared to line 8493 EV cost-to-date of \$5,234) | | |
| (3B) | 5099 Interest rates on the Wealth Management Account have been favorable at 5.2% through October Wealth Management is now the Federal Funds Money Market, yielding 4.3%. | | |
| (4) | 7000's - 7200's Personnel closer to budget with a full staff, on par. | | |
| (5) | 7100-7115 Benefits CalPERS UAL retirement payment front-loaded, health benefits increasing 11% in January | | |
| (6) | 7600's Circulation Materials Magazine, digital subscriptions and MARINet are front-loaded | | |
| | | | |
| | 50% of Budget Year | | |
| (7) | 8000's Technology Online Services and IT Infrastructure are front-loaded | | |
| (8) | 8200's Program Services increased budges and increased activity this year, on par. | | |
| (9) | 8400-8500's Building Insurance is front-loaded, with a \$16K increase from the prior year. Electricity costs are also up | | |
| (10) | 8800's Admin Just above Par, Legal costs along with Benefits Study and Staff Coaching have added to this area. | | |
| | | | |
| | 50% of Budget Year | | |
| 9010/9020 | Equipment and Furniture: \$7,300 Signage, \$11,100 Furniture, \$8,800 Patio | | |
| | | | |
| | Cash by Fund | | |
| | Expansion Designated Funds have been retained for the Furniture Project Refresh | | \$50,000 |
| | | | |
| | TOTAL Cash: | OPER Reserve: | |
| | \$ 2,590,000 | \$ 1,840,000 | at June 30, 2024 |
| | \$ 2,153,782 | \$ 1,510,402 | at December 31, 2024 |
| | | | |
| | \$ 1,187,000 | \$ 543,000 | Low Point mid-December 2024 |
| | 35% | 16% | Low Point % of Operating Budget FY25 |
| | | | |
| | Annual Expenditure Budget FY25: | | |
| | | \$ 3,430,000 | |
| | | | |
| | Monthly Operational Cost: | | |
| | July | \$608,000 | front-loaded Insurance, CalPERS UAL, MariNET, and Subscriptions |
| | August | \$228,000 | |
| | September | \$257,000 | |
| | October | \$261,000 | |
| | November | \$266,000 | |
| | December | \$243,000 | \$1,863,000 |
| | Thereafter | \$261,167 | Average monthly available in budget for remaining 6 months |

REGULAR Meeting
BELVEDERE-TIBURON LIBRARY AGENCY
Belvedere-Tiburon Library, Tiburon, California
November 13, 2024

Roll Call, Present: Chair Anthony Hooker, Vice Chair Emily Poplawski, Treasurer Jeff Slavitz, Pamela Goldman, Roxanne Richards, Katherine Sutton, Kenneth Weil

Foundation Members: President Lucy Churton, Vice President Mickey Hubbell, Secretary Michelle Thomsen, Treasurer Toni Lee, Operations Director Michelyn Good, Ann Aylwin, Aviva Boedecker, Brenda Bottom, Heather Lobdell, Sophia Ghaffary

Members Absent:

Also Present: Crystal Duran, Kristin Johnson, Francisco Martinez

CALL TO ORDER: Chair Hooker called the meeting to order at 9:07 am

OPEN Forum:

Chair Hooker opened the floor to comments or questions from the public. There were none.

1. Introductions and Icebreaker Activity

Foundation and Agency members participated in an Icebreaker activity, with individual self-introductions by all.

2. Overview of Library Usage, Strategic Plan Progress, and Budget

Library Director Crystal Duran presented an update on the Library:

This was a year of growth, the first year that the Library was open for the full fiscal year since prior to the COVID pandemic and the Building Expansion. The Library recorded 142,519 Visits, 7,077 Cardholders, 13,630 Reference Questions, 3,071 Open Hours, 3,100 Room Bookings, and 9,810 Computer Uses.

Programs:

Program attendance was 14,166, 59% over prior year, Children's Programs were the most popular and accounted for the highest attendance. There are approximately 4 Children's Programs each week and 4-to-7 Adult Programs each week.

There were 786 total programs, with a 194% increase in Adult Program attendance.

The Art Committee created 13 exhibits in the Gallery, comprised of 530 pieces, \$45,000 in sales, and 2,800+ volunteer hours. The Art Exhibits are nearly 100% volunteer run. In addition to revenue from art sales, the foundation receives an application fee from each artist who applies. The area's Art community has become highly interested in the Library as a destination for quality art events. This attests to the great effort by and quality of work created by the Art Committee's volunteer team.

Art Committee Chair Brenda Bottum added that the upcoming show attracted 429 submissions, with 70 of the pieces selected for the show; artists love being part of this Library Gallery.

Collection:

Library Staff added 2,564 items to the Collection, 59 of which were items in the new "Library of Things," which includes tools, musical instruments, chess sets, hiking backpacks, and a telescope, among other items.

There were 156,261 checkouts, with Juvenile Fiction the most borrowed items.

The Library has loaned 34,258 items within the MARINet Consortium, and our residents have borrowed 15,412 items from other Libraries in the Consortium. Materials purchases total \$172,000, an increase over the prior year.

Patron demand for e-book usage has grown faster than print demand, with the ratio growing from 60% e-book, 40% print to 70%-30%. e-books tend to cost more than print books, and publishers are now limiting the production of print books to reflect demand. Consortium and individual library purchases have been increased and updated to reduce help long wait times, allowing triple the previous number of patrons to receive an immediate checkout. All e-books purchased by individual libraries and by the consortium are shared in the same Libby resource under Skip the Line! Both Consortium and Library Staff analyze stock to assure that demand is met without over purchasing. All patrons and all e-resources in the MARINet system are treated equally in terms priority of the no-wait checkouts. Availability of e-books is increasing, but quality needs to be carefully determined.

e-books create more accessibility, as they can be accessed from patrons' homes. More accessibility tools for print media are needed. The Library should foster more relationships with the homebound for greater e-book usage and service of the community.

Strategic Plan Progress:

The Strategic Plan contained 40 one-time action items, and 18 recurring action items. 16 Items have been completed, 19 are in progress, and 23 are in progress.

Areas of Progress:

1. Wayfinding improvement: Library signage has been placed.
2. Comfortable and welcoming Furniture: The Foundation has provided a grant for furniture purchase for the Lobby and Gallery. Jean Fair and Jennifer Hall, interior designers, have been working pro-bono with Assistant Director Joey Della Santina in determining overall space needs in the Library. In February, soft furnishings will be purchased. Staff are also working on rearranging some spaces to create more individual study spaces, and improving lighting.

3. Diversified Offerings: A number of high-profile community suggested programs have been offered, and the Library co-hosted a popular Senior Expo.
4. Delivering responsive services to the community:
 - Audubon Center Story walk
 - Backpack drive for Hilarita partnership
 - Outreach table at Tiburon Juneteenth Celebration
 - Safety Event at Library
 - Library presence at Tiburon Friday nights on Main
 - Internal staff led programs: Book Club, New Yorker Group
5. Internal Operations:
 - Staff Conflict Resolution Workshop
 - Staff Coaching
 - Staff Compensation and Review Policy development
6. Community Collaboration:
 - Partnership with local Rotary Club, with meetings at the Library and some shared programs.
 - Cross marketing with The Ranch for the Senior Expo, and other community events
 - Sustainability Certificate \$72K grant this year, with planned Volunteer programs and events.
7. Culture and Service
 - Targeted spending on e-Books to reduce wait times
 - Increased staffing & training in Maker Space

Budget Overview

94% of Library Revenues are General Fund Property Taxes: Basic, Parcel, and ERAF. Basic Taxes increase approximately 3% annually. Parcel Taxes are static, and are used to pay the original 1997 Library Bond Debt, and will be fully available for operations when the Bond Debt is paid off in September, 2026. ERAF is based on State-level allocations each year and is not predictable.

Library Reserves have been reduced by the payoff of the Building Expansion Project Line of Credit.

Agency Chair Tony Hooker said that the agency faces long-term challenges when inflation exceeds tax base revenue increases, and must continue to grow expenses at a lower rate than tax increases. Pension and OPEB liabilities are also a concern. Tony: Long-Term challenges.

The Library's Personnel costs are about 69% of the annual budget, which is normal for the library industry. Significant increases for the Library this year are due to fully staffing up for the first time since the beginning of the COVID pandemic.

A summary of Library Expense distribution:

| | |
|------------------|------------------------------------|
| Personnel | 69% |
| Building | 10% |
| Collections | 9% |
| Programs | 5% |
| Technology Infra | 3% |
| Administration | 4% (Mostly outsourced Legal Costs) |

Flexible Spending Areas are Collection and Programs.

Personnel Costs have been studied during the past year:

A Compensation Study supported the adjustment of staff salary ranges to within 5% of the local market median, which increased salaries to a more competitive level for lower level staff.

A Benefits Study is currently underway. Health Insurance costs have increased.

For future planning a 5% annual increase in Staff Salaries should be assumed. This includes accounting for Step Progression, Cost of Living Adjustment, hiring and retirements. About half the staff are at the top of Step Progression, and receive COLA only. In addition, 5 staff are Y-rated, with no COLA.

There are currently 3 Full-Time Equivalent Unfunded positions 3 FTE: An Administrative, Human Resources, Makerspace, Children's, Marketing.

Better support for HR functions along with efficiencies in procedures are needed.

Building and Operational Costs are increasing more dramatically in the areas of Insurance, Grounds, and Utilities. The Agency also needs to plan for increasing emergency reserves. A 5% annual increase overall is assumed.

Summary of Fiscal Insights

During the prior 2 years, the Agency experienced significant personnel savings, as the Library was not fully staffed. Now that the Library is fully staffed there will be no more savings in this area.

The Building Expansion Line of Credit debt is paid off, with a reduction in Reserves.

The 1997 Bonds will be paid off in Fiscal Year 2026-2027. The Parcel Tax which fund these bonds at \$66 per local parcel will be received in perpetuity, with an annual total of approximately \$275,000. The Payoff in September 2026 will allow for an additional \$130,000 available for operations.

The Agency Pension liability is 75% funded. This is better than many other agencies.

25% of annual Operating Costs are held in a General Fund Reserve.

Federal fiscal implications for CA State Library Funding are unknown. A state deficit expected for the next 3 years. The Library receives federal funding for Zip Books, the Sustainability Grant, and the Digital Lab. The Library may end up with capacity issues if other libraries suffer loss of funding.

Summary

Fiscal Year 2024-2025 is a baseline for the future, as the Library is fully reopened and staffed.

The Library has exhibited positive trends in Program and Service engagement.

Strategic Plan activities to reach goals are underway.

There are emerging opportunities for growth:

The Library staff are exploring these **current initiatives**:

1. Quality vs quantity of programs based on attendance, service to the community, and purpose.
2. Review and improvement of Internal processes and efficiencies
3. Volunteer engagement, with opportunities in the sustainability grant activities to co-design process and programs. This will also provide opportunities for peer-to-peer connection. In the past either volunteers or staff have created programs. The new goal is to create a balance in volunteer and staff participation.
4. Meeting the community e-book demand levels.
5. Sustainability
 - Managing Staff retirements and filling positions.
 - Completing the Sustainability Certification

Future considerations

How do we diversify our revenue sources?

Expand Services with finite resources & capital?

Do services need to continue expanding?

How do we serve the aging population?

How will the Library grow with AI?

Adopt Tools

Train Community

Ethics

What does success look like?

3. Foundation Overview

Foundation President Lucy Churton detailed the Foundation's accomplishments this year:

Moving forward with the Children's Patio upgrades.

Funding Phase 1 of Furniture improvements re the public call for coziness.

Hosted Nights on Main Street table cultivating new supporters

Provided \$235,000 in Grants to the Library

Hosted Teddy Bear Tea netting \$8,000

Hosted Ira Flato Program netting \$4,000

Assisted the Library with volunteers for sponsored premier events

Sumer Jazz Event

Peace Event

Titanic Program

Tiburon Diwali Event

President Churton praised Director Duran for problem solving, managing staff, and cultivating and participating in the community.

Foundation Officers and Directors have been active in the Library Strategic Plan, Mission and Vision, Foundation/Agency MOU, and various Policies and Forms.

Foundation Members current Roles Are:

Ann Aylwin: Community Relations
Aviva Boedecker: Planned Giving
Brenda Bottum: Annual Fund and Library Art Committee
Lucy Churton: President
Sophia Ghaffarry: Website Rebuild
Michelyn French: Director of Operations
Mickey Hubbell: Vice President, Annual Report
Kelly – Marketing
Toni Lee, Treasurer, Website Rebuild
Heather Lobdell: Corner Books Manager
Sylvia Singh: Volunteer Relations
Michelle Thomsen: Secretary, Annual Report
Marty Winter: Grand Opening Leader

Financial goals include the Annual Campaign (7,000 letters sent out), New donation tiers which are delineated on the website with QR code provided for tracking, a Donor Recognition event in Spring, 2025. The Foundation's goal is to reach pre-pandemic and Capital Campaign levels of fundraising.

Sylvia Singh said that the Foundation has volunteer opportunities for Event Planning, Marketing, Fundraising, Corner Books, and Event Database Help, Art Committee, and Library Staff Appreciation. Other Ideas include delivering books to the homebound (which would require insurance).

The Foundation and Agency will continue to seek Community Partnerships.

Corner Books

Corner Books is managed by Heather Lobdell and currently has 50 active volunteers. It is open Monday through Sunday 10-4, and for Library special events. Monthly sales have averaged \$6,000, and the Foundation hopes for about \$80,000 per year.

Planned Giving

A Pamphlet has been created. Other ideas include Foreign currency drop-off from travelers, and an estate planning workshop.

Library Fundraising strategy

Strategies for fundraising include funding specific needs, and getting community Involved to illustrate and how the community is benefitted by improvements in Library facilities and services.

Supporting the Strategic Plan

The Foundation is funding the new Furniture, and making improvements to the Children's patio.

LAG (Library Art Gallery)

The LAG mission is to build community through art.

Recent art sales of \$47,000 facilitated a \$15,000 donation to the Library. In the last 2 years, the Committee has sponsored 14 shows.

A Gently Used Art Auction is planned for 2026.

Art Openings and Talks continue to bring in supporters from outside the immediate community.

Annual Report

The Foundation will release a Newsletter and post the Annual report on its website.

Planned Support of the Library 2025

Window Tinting

Kitchen Cabinets

Project Refresh – Phase 2

Solar, Battery, Generator

Website Update

The Website will feature the Annual Report, and a Donor List

Library Welcome Kits

A Goal of 70 new Library Cardholders per Month

Totes to give new card holders will feature:

- A Welcome Letter

- A Library Guide

- Coupons for Local businesses

- Information on donating to the Foundation

- A Children and Teen Welcome Kit

- Promotional Items including bookmarks, magnets, etc.

- A Corner Books Coupon

- Emergency Preparedness information

- Newcomers Club information

- Local Realtor information

Teddy Bear Tea

The 25th anniversary Teddy Bear Tea this year will be held on February 8th. Ideas include a photo montage from past teas, a commemorative necklace or bracelet, and soliciting sponsors to raise \$25,000.

4. Strategic Plan and Resource Needs

Priorities include:

Furniture

Quiet space for patrons who want it.

Community Safety/Marketing messaging.

Sustainability and Disaster Preparedness.

Block captain program.

Exploring Library Home delivery options.

Creating a Library Ambassador program for Volunteers without requiring staff management.

Agency: Train and Educate the Volunteers in messaging, and also Volunteer

Foundation: reach out to volunteers to find out interest

5. Next Steps

To be determined.

Chair Hooker adjourned the meeting at 12:32 pm

Respectfully Submitted,

Kristin M. Johnson, Clerk of the Belvedere-Tiburon Library Agency Board

**REGULAR Meeting
BELVEDERE-TIBURON LIBRARY AGENCY
Belvedere-Tiburon Library, Tiburon, California
November 18, 2024**

Roll Call, Present: Chair Anthony Hooker, Vice Chair Emily Poplawski, Treasurer Jeff Slavitz, Pamela Goldman, Roxanne Richards, Kenneth Weil

Members Absent: Katherine Sutton

Also Present: Crystal Duran, Kristin Johnson, Mickey Hubbell, Jane Cooper

CALL TO ORDER: Chair Hooker called the meeting to order at 6:17 pm

OPEN Forum:

Chair Hooker opened the floor to comments or questions from the public. There were none.

STAFF BOARD AND COMMITTEE REPORTS

1. Chair's Report

Chair Hooker reported that last week's joint Agency/Foundation retreat was successful, thanks to Crystal and staff. He recommended that these retreats should be continued on an annual or more frequent schedule.

2. Library Director's Report

Director Duran reported that, as part of the Sustainable Library Certification, and through the grant from the California State Library, the Library Staff will recruit community members to help co-design a sustainability-focused program and expand the Library of Things collection. The staff-community team will collaborate from January through May in creating an event which will be advertised in The Ark Newspaper and in the Library's newsletter. The Library is acting as a test pilot in community co-design. The grantors will require an element of codesign in all projects going forward.

Children's Librarian Tina Wolk has offered a summary and photos of her recent participation in the Association of Library Services to Children National Conference, which has been presented as part of the packet tonight. The library budget allows for 3-4 staff conferences per year in addition to some smaller workshops and online trainings.

3. Belvedere Tiburon Library Foundation Report

Foundation Vice President Mickey Hubbell reported that the Children's patio enhancement of rubber flooring and a shade structure is on hold awaiting permitting by the Town of Tiburon. The flooring will cost about \$17,000 and the shade \$20,000. The Foundation's annual fund kicked off in October, with the last group of appeal letters sent out last week. Donations are starting to arrive.

The Teddy Bear Tea 25th Anniversary event on February 8th will be themed “Breakfast with Tiffany.” Planning is underway, with backdrop decor ordered, and collaboration with The Ark Newspaper to highlight photo archives of past years’ Teas. TBT Committee members are soliciting corporate and family sponsorships, with a target sponsorship goal of \$25,000. Last year’s event netted \$8,000.

An opening for the new Art Exhibit, “Human Presence: Faces, Figures, Crowds,” will be held on November 21st at 6pm. This is a very successful show, with over 400 submissions and 71 pieces selected.

The Foundation Annual Report will be published soon, which will help with fundraising.

4. Financial Statements, October, 2024

Clerk Johnson reported that, with 33% of the year passed, revenues are at 3% of budget, normal for this time of year. Expenditures are at 40% of budget overall, with Circulation Materials at 67% of budget and Building Expenses at 59% of budget. Spending in these categories is at a higher rate year-to-date than last year, so continued monitoring, and a detailed mid-year review will be important to determine if changes are needed. Cash will soon be at its annual low point, expected at about \$900,000 total, with about \$260,000 in operating reserves. Tax revenues are expected in late December/early January. CalPERS Health Benefits are expected to increase about 9% on in January. This expected increase was incorporated into the Fiscal Year 2025 budget when approved in June.

5. Committee Reports

The Compensation Committee is currently discussing employee benefits and will meet next week.

CONSENT CALENDAR

6/7. Motion to approve the Minutes of October 21, 2024 and the Warrants for the Month of October 2024. Made by Treasurer Slavitz, seconded by Trustee Richards.

Ayes: all present in favor

Absent: Katherine Sutton

Noes: None

All present in Favor: Motion Passed.

TRUSTEE CONSIDERATIONS:

8. Presentation by Dr. Reggie Thomas

Director Duran introduced Dr. Thomas of PeakePotential. Dr. Thomas was engaged by the Library in August for a 6-month period to work with staff.

Dr. Thomas said that his organizational development firm engages in consulting projects with business and government organizations with respect to culture, teams,

one-on-one coaching, and keynote speaking. He is the author of two books: People Pains, Fixing the Drama in your Business and Burnout Pains, A Guide to Prevent Burnout, Rediscover Your Purpose, and Renew Your Energy.

Dr. Thomas' main concerns regarding the Library Staff center around culture. He began his work with an organizational assessment for evaluation, looking at culture, team dynamics, and how well employees are engaging within the organization. He (1) reviewed organizational documents and manuals, and (2) interviewed employees for 1 hour each with targeted questions that led to additional questions. He gained a wealth of information from the Staff regarding Library culture and current issues. With a staff of 25, there were multiple opinions, and he worked to glean common themes. He submitted a report to Director Duran, and (3) created staff focus groups without management presence for psychological safety and openness. Themes gleaned from these focus groups were (a) Low morale, apathy, low energy (b) communication issues, and (c) unresolved conflicts.

After the initial Assessment, Dr. Thomas began coaching managers and other staff with respect to growth opportunity areas and professional goals, and held an all-staff workshop on Conflict Resolution. His goal was to improve morale and culture within the Staff. He noted that conflict between 2 people can affect an entire organization. His focus groups with staff centered around 4 main issues: (1) The inevitability of conflict and how to use it for good (2) Communication (3) Silo (departmental separation) mentality within organizations and (4) Empathy.

Dr. Thomas has submitted seven recommendations for the Library: (1) A Core Values Discernment Focus Session, (2) Leadership Skills Development Training, (3) Creating a Feedback-Rich Environment, (4) Establishing an Employee Recognition Program, (5) Strengthen Employee Engagement with a Professional Development Program, (6) Team Building Activities, and (7) Establish a Meaningful Meeting System.

Dr. Thomas will be reporting to the Agency as the project continues, and he offered to continue beyond the term of his contract for any additional implementation requests.

This week, Dr. Thomas will meet with all staff on Friday for recommendation (1), A Core Values Discernment Focus Session.

Trustee Richards said that the Agency Board and the Community should be included in values determinations. Director Duran said that the staff would be a starting point.

Trustee Richards asked what the common thread of low morale is among staff. Dr. Thomas said that opinions were wide ranging, and that the culture was described as dysfunctional, toxic, negative, drama-filled, and fear culture, with no empathy and no empowerment. He said that he has seen improvement over the last 4 months, with a pivot towards change. He added that establishing values is the foundation of a good culture, as values are guardrails for behavior and decision making. Leadership and staff have had good response to group trainings. His leadership development training includes both "hard" (professional development) and "soft" (empathy and care) elements. Staff also need to be recognized. This can be done through professional development, leadership training, learning, team-building, performance

evaluations, and having the right number of purposeful meetings, among other methods.

Chair Hooker asked for some examples of core values. Dr. Thomas mentioned vision, teamwork, innovation, flexibility, empathy, and collaboration.

Vice Chair Poplawski asked whether implementation is included under Dr. Thomas' current scope of work with the Library. Dr. Thomas affirmed. Vice Chair Poplawski asked, with respect to low morale, is there anyone who should no longer be part of the team, or is everyone coachable. Dr. Thomas said that he was working with all of the staff via coaching and focus groups. Vice Chair Poplawski said that, while core values could be used in performance reviews with current staff, what would be the process for new hires to experience and learn about the core values. Dr. Thomas said that the review process and the hiring process would be designed to evaluate not only competencies, but also adherence to and compatibility with core values, and added that behavior and attitude should take precedence over competencies. Frequent reviews, more often than annual, were also discussed, with a 30-60-90-day interim review process suggested for orientation and learning for new staff. Longer-term staff could have annual reviews and a mid-year checkup.

Dr. Thomas will update the Agency again at the February meeting.

9. Review of BTLA Audit Draft

Clerk Johnson noted important highlights in the Audit Financial Statements.

Statement of Net Position (Government-Wide)

There was a decrease in overall net position of \$172,000. Cash decreased by about \$2,200,000 due to use of funds to pay Expansion Line of Credit. Capital Assets decreased by about \$730,000 due to depreciation (all Expansion additions were capitalized in the prior year. Pension Liability increased by almost \$200,000.

Statement of Activities (Government-Wide)

Personnel Expenses increased from prior year by about \$211,000 due to staffing back up to pre-pandemic and construction levels. Program Expenses other than Personnel appear to have decreased mostly due to completion of Expansion activities. Change in Net Position is better than prior year by \$109,000.

Balance Sheet (Operations)

Fund Balance Decreased by \$2,300,000 (this is different than change in Net Position, as that is Government-Wide, i.e., includes capital assets). The decrease in Operational Fund Balance was due to use of Operating Reserve funds to pay off the Expansion Line of Credit. (Note that reserves used were generated over 25 years of Foundation grants supplementing the tax revenues).

Statement of Revenues, Expenditures, Fund Balance (Operations)

This statement includes Expansion Line of Credit payoff as an expenditure, since Operating Reserves were used. The decrease in Fund Balance was greater than the prior year decrease due to the LOC payoff.

Note 5 – Capital Assets (Government-Wide)

Note the large depreciation figure of \$918,000, which contributes along with debt payoff to decrease in Net Position. Without depreciation, Overall activities (General Revenues less Cash Expenses) would have resulted in almost \$750,000 positive change in Net Position.

Note 6 – Long-term Debt (Government-Wide)

Remaining CFD 1995-1 Original Bond Obligation has a total balance of \$343,950, including interest. The Bond will be paid in full in September 2026 (Fiscal Year 2027).

Notes 8 and 9 – Pension and OPEB Liabilities (Government-Wide)

Clerk Johnson recommend that Trustees read this entire note to understand how the liability is calculated and paid. Liabilities can fluctuate based on mortality rate projections, discount rates, and employment duration. Special attention should be paid to the illustrations of how changes in the discount rate can affect these liabilities. At the current discount rate of 6.9%, Pension Liability is about \$1,850,000 and OPEB liability is about \$380,000.

Note 10 – Grants

Note that Belvedere Tiburon Library FOUNDATION Grants are \$20,315,791 Inception-to-Date. These substantial fundraising contributions over the years allowed for careful budgeting and build-up of Operating reserves, most of which were used to pay off the Expansion Line of Credit.

The Town of Tiburon contributed \$545,275 and the City of Belvedere contributed \$150,000 to the Building Expansion project.

Supplementary Information – Budgetary Comparison Schedule

Operations results were \$609,000 better than budget. The Decrease in Fund Balance was mostly due to Capital Assets Depreciation and to Payoff of Expansion Line of Credit.

Required Communications and Internal Control

The Library received a favorable review.

GASB 103 Upcoming Requirements

Focus on operating versus non-operating clarity in the financial statements has been a priority during the Building Expansion Project. Reporting will be simpler going forward now that the Project has been completed.

10. Review and approval of Compensation Policy

Director Duran reported that the Compensation Committee met with Deborah Muchmore of Muchmore Consulting to discuss how decisions should be made with respect to employee compensation, including how often staff should review the marketplace to compare pay levels, and which markets to compare the Library policies to. The Library needs a framework for decision making and an educational

tool for employees in the form of a Compensation Policy. The draft presented tonight is a work-in-progress toward the Library's first-ever compensation policy.

Trustee Richards asked how the Library might offer bonuses if merit increases aren't being offered, and whether that should be highlighted in the policy. Director Duran said that there is a small clause in the policy that allows for time-to-time consideration of special compensation. Ms. Muchmore didn't recommend making bonuses part of the policy. When extra cash is available, bonuses could be considered as a one-time Agency resolution, rather than as part of the policy. This allows bonuses to be considered when desired/on demand.

In addition, the conditions for awarding an advance step increase has not previously been defined. A typical increase is one Step; adding the possibility of multiple Step advancement would require a policy definition of specific parameters allowing such.

Trustee Richards said that the expectation by staff of an assured Step of 5% in addition to a COLA increase should not be created by the policy or by the Step and Track schedule. However, on the flip side, the idea of staff only receiving only COLA after 6 years (of Step increases) creates a dis-incentive to stay.

Director Duran said that some agencies offer longevity pay, but this practice was discouraged by our consultants. In the Step and Track System it is typical in most agencies to give the Step increase regardless of performance. The Library just needs to build the performance evaluation piece into the Step and Track progression of its employees.

Trustee Weil added that the policy should also include a clause that increases would only be awarded within the financial capacity of the Library.

Director Duran said that, in the Step system, there is no requirement for a particular percentage increase. There are safeguards in the current writeup of the policy. The other side of this issue is the need to be competitive in the marketplace. The Agency needs to balance budget capacity with marketplace competitiveness.

Trustee Goldman asked how these factors contribute to low staff morale, especially in terms of what happens after six years. She added that the Library needs to compensate staff appropriately and well. Director Duran reiterated that the Step and Track structure is common in public agencies.

Treasurer Slavitz asked who determines which staff receive the Step increases. Director Duran said that supervisors review their staff and provide recommendations to the Director. Currently, seven staff are tenured beyond Step 6. This creates a challenge in motivation for higher levels of productivity, since there is no incentive for them. It will be important to have a defined framework for new employees. The current budget is based on an assumed Step increase for all employees who are still in the Step and Track. Also, during this fiscal year and the prior, some non-performers have been terminated. However, the process should be more clearly defined and presented to new employees going forward. (The new Step and COLA and Y-Rate parameters were only recently implemented last May, 2024).

Treasurer Slavitz asked about the possibility of procuring outside contract work with respect to Human Resources and Administration. Last May, the Administrative

position review showed the need for 3 positions: Supervisor, Accounting Technician, and Administrative Assistant. What is being done with respect to those positions? Director Duran said that she is working with the Town of Tiburon to possibly cost-share a Human Resources position, rather than hiring a contractor. The Library Staff do need more support in this area, yet outsourcing contract Human Resources help doesn't help to build faith and trust for the employees. The Town of Tiburon Manager is open to cost-sharing a position.

Chair Hooker added that Board Policy, including COLA awards, should also be informed and determined by the annual budget process.

Director Duran added that the Integrity, Fiscal Responsibility, and Sustainability clause in the draft Policy does allow the Agency flexibility in determining viability of any and all compensation increases.

Trustee Richards asked that Counsel review the policy before a vote by the Agency on the Compensation Policy.

11. Schedule of 2024-2025 Meeting Dates.

The next Regular BTLA meeting is scheduled for January 27, 2025.

If a quorum is available, there will be a December 16, 2024 meeting.

Chair Hooker adjourned the meeting at 7:57 pm

Respectfully Submitted,

Kristin M. Johnson, Clerk of the Belvedere-Tiburon Library Agency Board

| Check Date | Check Number | Payee | Fund Code | GL Code | GL Title | Expenses | Check Total |
|------------------------------------|--------------|------------------------------|-----------|---------|---------------------------------|---------------|---------------|
| OPERATING EFT'S | | | | | | | |
| | ACH | | 100 | 2080 | Credit Card Clearing | \$ 6,448.10 | \$ 6,448.10 |
| | EFT | | 100 | 7100 | CalPERS Retirement Benefit | \$ 10,264.94 | \$ 10,264.94 |
| | EFT | | 100 | 7100 | CalPERS Retirement Benefit | \$ 9,272.89 | \$ 9,272.89 |
| | EFT | | 100 | 7110 | CalPERS Insurance Benefits | \$ 19,028.64 | \$ 19,028.64 |
| | EFT | | 100 | 7115 | OPEB Insurance Benefits | \$ 785.00 | \$ 785.00 |
| | EFT | | 100 | 7110 | CalPERS Insurance Benefits | \$ 121.70 | \$ 121.70 |
| | EFT | | 100 | Various | | \$ 3,231.61 | \$ 3,231.61 |
| | ACH | | 100 | 8220 | Postage | \$ 446.30 | \$ 446.30 |
| | ACH | | 100 | 8810 | Bank Charges | \$ 44.48 | \$ 44.48 |
| | ACH | | 100 | Various | Library Wages & Payroll Taxes | \$ 62,690.14 | \$ 62,690.14 |
| | ACH | | 100 | 8830 | Accounting | \$ 606.64 | \$ 606.64 |
| | ACH | | 100 | 7110 | Insurance Benefit | \$ 4.81 | \$ 4.81 |
| | EFT | | 100 | 7110 | Insurance Benefit | \$ 1,629.96 | \$ 1,629.96 |
| | EFT | | 100 | 7110 | Insurance Benefit | \$ 1,274.28 | \$ 1,274.28 |
| | ACH | | 100 | 8490 | Power | \$ 6,368.32 | \$ 6,368.32 |
| | ACH | | 100 | Various | Library Wages & Payroll Taxes | \$ 67,438.24 | \$ 67,438.24 |
| | | | NOVEMBER | | TOTAL EFT / ACH | \$ 189,656.05 | \$ 189,656.05 |
| | | | | | | | |
| OPERATING HAND CHECKS | | | | | | | |
| | 000630 | Jennifer Bennett | 100 | 5040 | Book fines & reserves | \$ 13.00 | \$ 13.00 |
| | 000631 | Diana Marie Estey | 100 | 8240 | Adult Programs and Supplies | \$ 350.00 | \$ 350.00 |
| | | | NOVEMBER | | TOTAL HAND CHECKS | \$ 363.00 | \$ 363.00 |
| | | | | | | | |
| OPERATING ACCOUNTS PAYABLE BATCHES | | | | | | | |
| 11/15/2024 | 102435 | A&PMOVINGCOMPANY | 100 | 8430 | Building Maintence Incidental | 100.00 | 100.00 |
| 11/15/2024 | 102436 | BAKER | 100 | 7601 | Books and other Materials | 880.98 | 880.98 |
| 11/15/2024 | 102436 | BAKER | 100 | 7602 | Processing Costs & Fees | 186.85 | 186.85 |
| 11/15/2024 | 102436 | BAKER | 100 | 7601 | Books and other Materials | 1,548.82 | 1,548.82 |
| 11/15/2024 | 102436 | BAKER | 100 | 7602 | Processing Costs & Fees | 428.05 | 428.05 |
| 11/15/2024 | 102436 | BAKER | 100 | 7601 | Books and other Materials | 807.81 | 807.81 |
| 11/15/2024 | 102436 | BAKER | 100 | 7602 | Processing Costs & Fees | 186.95 | 186.95 |
| 11/15/2024 | 102436 | BAKER | 100 | 7601 | Books and other Materials | 814.80 | 814.80 |
| 11/15/2024 | 102436 | BAKER | 100 | 7602 | Processing Costs & Fees | 243.30 | 243.30 |
| 11/15/2024 | 102436 | BAKER | 100 | 7601 | Books and other Materials | 1,215.21 | 1,215.21 |
| 11/15/2024 | 102436 | BAKER | 100 | 7602 | Processing Costs & Fees | 377.90 | 377.90 |
| 11/15/2024 | 102436 | BAKER | 100 | 7601 | Books and other Materials | 962.25 | 962.25 |
| 11/15/2024 | 102436 | BAKER | 100 | 7602 | Processing Costs & Fees | 291.05 | 291.05 |
| 11/15/2024 | 102436 | BAKER | 100 | 7601 | Books and other Materials | 1,110.13 | 1,110.13 |
| 11/15/2024 | 102436 | BAKER | 100 | 7602 | Processing Costs & Fees | 297.65 | 297.65 |
| 11/15/2024 | 102436 | BAKER | 100 | 7601 | Books and other Materials | 45.04 | 45.04 |
| 11/15/2024 | 102437 | BLACKSTONEPUBLISHING | 100 | 7601 | Books and other Materials | 200.00 | 200.00 |
| 11/15/2024 | 102438 | CALIFAGROUP | 100 | 8280 | Maker Space Programs | 630.00 | 630.00 |
| 11/15/2024 | 102438 | CALIFAGROUP | 100 | 7606 | Digital Collection | 1,925.00 | 1,925.00 |
| 11/15/2024 | 102439 | EMPLOYMENTDEVELOPMENT | 100 | 7140 | Unemployment | 3,477.80 | 3,477.80 |
| 11/15/2024 | 102440 | INGRAMLIBRARYSERVICES | 100 | 7601 | Books and other Materials | 300.38 | 300.38 |
| 11/15/2024 | 102440 | INGRAMLIBRARYSERVICES | 100 | 7602 | Processing Costs & Fees | 7.73 | 7.73 |
| 11/15/2024 | 102441 | INTREPIDELECTRONICSYSTEMSINC | 100 | 8430 | Building Maintenance Incidental | 1,078.00 | 1,078.00 |
| 11/15/2024 | 102441 | INTREPIDELECTRONICSYSTEMSINC | 100 | 8492 | Building Maintenance Contracts | 1,068.00 | 1,068.00 |
| 11/15/2024 | 102442 | KRISTINJOHNSON | 100 | 8220 | Postage Freight | 9.68 | 9.68 |
| 11/15/2024 | 102442 | KRISTINJOHNSON | 100 | 8230 | Office Supplies | 32.55 | 32.55 |
| 11/15/2024 | 102442 | KRISTINJOHNSON | 100 | 8820 | Cash (over/under) | 0.01 | 0.01 |
| 11/15/2024 | 102442 | KRISTINJOHNSON | 100 | 8850 | Staff, Vol, Board Recognition | 47.25 | 47.25 |
| 11/15/2024 | 102443 | MARINITINC | 100 | 8040 | Technical Support | 3,393.50 | 3,393.50 |
| 11/15/2024 | 102443 | MARINITINC | 100 | 8040 | Technical Support | 688.75 | 688.75 |
| 11/15/2024 | 102444 | MARINWATER | 100 | 8500 | Water | 3,432.87 | 3,432.87 |
| 11/15/2024 | 102445 | MILLVALLEYREFUSE | 100 | 8480 | Trash | 296.91 | 296.91 |
| 11/15/2024 | 102446 | MISSIONSQUARE | 100 | 2040 | Deferred Comp Deductions | 2,000.00 | 2,000.00 |
| 11/15/2024 | 102447 | OPTIONCLICKCONSULTING | 100 | 8290 | Technology Training Program | 200.00 | 200.00 |
| 11/15/2024 | 102447 | OPTIONCLICKCONSULTING | 100 | 8290 | Technology Training Program | 200.00 | 200.00 |
| 11/15/2024 | 102447 | OPTIONCLICKCONSULTING | 100 | 8290 | Technology Training Program | 200.00 | 200.00 |
| 11/15/2024 | 102448 | PACIFICGASELECTRIC | 100 | 8493 | EV Public Charging Stations | 1,173.49 | 1,173.49 |
| 11/15/2024 | 102449 | PEAKE | 100 | 8840 | Legal & Consulting Services | 4,000.00 | 4,000.00 |
| 11/15/2024 | 102450 | REDWOODBUILDINGMAINT | 100 | 8460 | Custodial Supplies | 155.67 | 155.67 |
| 11/15/2024 | 102450 | REDWOODBUILDINGMAINT | 100 | 8430 | Building Maintenance Incidental | 4,437.00 | 4,437.00 |
| 11/15/2024 | 102450 | REDWOODBUILDINGMAINT | 100 | 8460 | Custodial Supplies | 254.60 | 254.60 |

| Check Date | Check Number | Payee | Fund Code | GL Code | GL Title | Expenses | Check Total |
|------------|--------------|--------------------------------|-----------|------------|--------------------------------|---------------|---------------|
| 11/15/2024 | 102451 | RWGLAW | 100 | 8840 | Legal & Consulting Services | 17,425.00 | 17,425.00 |
| 11/15/2024 | 102452 | SLACK | 100 | 8070 | IT Infrastructure | 5,100.00 | 5,100.00 |
| 11/15/2024 | 102453 | SUFFOLKCOOPERATIVELIBRARYSYSTE | 100 | 8825 | Memberships and Dues | 150.00 | 150.00 |
| 11/15/2024 | 102454 | TERMINIXPROCESSINGCENTE | 100 | 8492 | Building Maintenance Contracts | 118.00 | 118.00 |
| 11/15/2024 | 102455 | THEPUPPETCOMPANY | 100 | 8250 | Children's Program Supplies | 425.00 | 425.00 |
| 11/15/2024 | 102456 | TPXCOMMUNICATIONS | 100 | 8260 | Telephone | 1,264.58 | 1,264.58 |
| 11/15/2024 | 102457 | TWINKLELIGHTING | 100 | 8430 | Building Maintence Incidental | 5,900.00 | 5,900.00 |
| 11/15/2024 | 102458 | VANGUARDIDSYSTEMS | 100 | 8230 | Office Supplies | 647.97 | 647.97 |
| 11/15/2024 | 102459 | WTCOXINFORMATIONSERVIC | 100 | 7601 | Books and other Materials | 30.00 | 30.00 |
| | | | | 11/15/2024 | ACCOUNTS PAYABLE BATCH | \$ 69,766.53 | \$ 69,766.53 |
| 11/26/2024 | 102460 | BAKER | 100 | 7601 | Books and other Materials | 769.36 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7602 | Processing Costs & Fees | 227.90 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7601 | Books and other Materials | 554.10 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7602 | Processing Costs & Fees | 212.70 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7601 | Books and other Materials | 546.31 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7602 | Processing Costs & Fees | 158.55 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7601 | Books and other Materials | 997.21 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7602 | Processing Costs & Fees | 260.75 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7601 | Books and other Materials | 452.80 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7602 | Processing Costs & Fees | 160.75 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7601 | Books and other Materials | 1,380.48 | |
| 11/26/2024 | 102460 | BAKER | 100 | 7602 | Processing Costs & Fees | 252.00 | \$ 5,972.91 |
| 11/26/2024 | 102461 | BRODARTCO | 100 | 7601 | Books and other Materials | 215.31 | |
| 11/26/2024 | 102461 | BRODARTCO | 100 | 7602 | Processing Costs & Fees | 20.52 | \$ 235.83 |
| 11/26/2024 | 102462 | CINTAS | 100 | 8230 | Office Supplies | 19.57 | 19.57 |
| 11/26/2024 | 102463 | INGRAMLIBRARYSERVICES | 100 | 7601 | Books and other Materials | 30.59 | |
| 11/26/2024 | 102463 | INGRAMLIBRARYSERVICES | 100 | 7602 | Processing Costs & Fees | 2.21 | \$ 32.80 |
| 11/26/2024 | 102464 | MARINITINC | 100 | 8070 | IT Infrastructure | 400.00 | 400 |
| 11/26/2024 | 102465 | MISSIONSQUARE | 100 | 2040 | Deferred Comp Deductions | 2,000.00 | 2000 |
| 11/26/2024 | 102466 | MUCHMORE | 100 | 8840 | Legal & Consulting Services | 159.50 | |
| 11/26/2024 | 102466 | MUCHMORE | 100 | 8840 | Legal & Consulting Services | 922.60 | 1082.1 |
| 11/26/2024 | 102467 | REDWOODSECURITYSYSTEMS | 100 | 8492 | Building Maintenance Contracts | 318.00 | 318.00 |
| 11/26/2024 | 102468 | USBANK | 100 | 8210 | Copier Expense | 1,209.19 | 1,209.19 |
| | | | | 11/30/2024 | ACCOUNTS PAYABLE BATCH | \$ 11,270.40 | \$ 11,270.40 |
| | | | | | | | |
| | | | | NOVEMBER | TOTAL ACCOUNTS PAYABLE BATCHES | \$ 81,036.93 | \$ 81,036.93 |
| | | | | | | | |
| | | | | NOVEMBER | TOTAL WARRANTS | \$ 271,055.98 | \$ 271,055.98 |

| Check Date | Check Number | Payee | Fund Code | GL Code | GL Title | Expenses | Check Total |
|---|--------------|---------------------------------|-----------|-------------------|---------------------------------------|----------------------|----------------------|
| OPERATING EFT'S | | | | | | | |
| 12/1/2024 | ACH | Mechanics Credit Card | 100 | 2080 | Credit Card Clearing | \$ 7,669.21 | \$ 7,669.21 |
| 12/1/2024 | EFT | CalPERS Retire CLASSIC DEC. | 100 | 7100 | CalPERS Retirement Benefit | \$ 10,255.13 | |
| | EFT | CalPERS Retire PEPRA DEC | 100 | 7100 | CalPERS Retirement Benefit | \$ 9,804.52 | \$ 20,059.65 |
| | EFT | CalPERS Health EE December | 100 | 7110 | CalPERS Insurance Benefits | \$ 20,862.67 | |
| | EFT | CalPERS Health OPEB December | 100 | 7115 | OPEB Insurance Benefits | \$ 785.00 | \$ 21,647.67 |
| 12/1/2024 | EFT | Lincoln Life | 100 | 7110 | CalPERS Insurance Benefits | \$ 121.70 | \$ 121.70 |
| 12/2/2024 | ACH | Pitney Bowes | 100 | 8220 | Postage | \$ 200.00 | \$ 200.00 |
| 12/5/2024 | EFT | Amazon Payment | 100 | Various | Amazon Account Charges | \$ 3,225.42 | \$ 3,225.42 |
| 12/10/2024 | ACH | Mechanics Bank Analysis Charges | 100 | 8810 | Bank Charges | \$ 43.55 | \$ 43.55 |
| 12/15/2024 | ACH | ADP Payroll | 100 | Various | Library Wages & Payroll Taxes | \$ 61,439.65 | \$ 61,439.65 |
| 12/21/2024 | ACH | Connect Your Care | 100 | 7110 | CalPERS Insurance Benefits | \$ 4.81 | \$ 4.81 |
| 12/27/2024 | ACH | ADP Payroll Fee | 100 | 8830 | Accounting | \$ 606.64 | \$ 606.64 |
| 12/30/2024 | ACH | PG&E | 100 | 8490 | Power | \$ 6,944.46 | \$ 6,944.46 |
| 12/30/2024 | ACH | ADP Payroll | 100 | Various | Library Wages & Payroll Taxes | \$ 64,474.89 | \$ 64,474.89 |
| | | | | NOVEMBER | TOTAL EFT / ACH | \$ 186,437.65 | \$ 186,437.65 |
| OPERATING HAND CHECKS | | | | | | | |
| | 000632 | Ciani-Musica, Inc | 100 | 8240 | Adult Programs and Supplies | \$ 1,500.00 | \$ 1,500.00 |
| | | | | NOVEMBER | TOTAL HAND CHECKS | \$ 1,500.00 | \$ 1,500.00 |
| OPERATING ACCOUNTS PAYABLE BATCHES | | | | | | | |
| 12/15/2024 | 102469 | A&PMOVINGCOMPANY | 100 | 8430 | Building Maintenance Incidental | 100.00 | 100.00 |
| 12/15/2024 | 102470 | ACVARGOTIBURON | 100 | 8491 | Parking | 1,560.00 | 1,560.00 |
| 12/15/2024 | 102471 | BAKER | 100 | 7601 | Books and other Materials | 592.74 | |
| 12/15/2024 | 102471 | BAKER | 100 | 7602 | Processing Costs & Fees | 165.05 | |
| 12/15/2024 | 102471 | BAKER | 100 | 7601 | Books and other Materials | 681.36 | |
| 12/15/2024 | 102471 | BAKER | 100 | 7602 | Processing Costs & Fees | 141.30 | |
| 12/15/2024 | 102471 | BAKER | 100 | 7601 | Books and other Materials | 1,134.65 | |
| 12/15/2024 | 102471 | BAKER | 100 | 7602 | Processing Costs & Fees | 284.60 | 2,999.70 |
| 12/15/2024 | 102472 | BLACKSTONEPUBLISHING | 100 | 7601 | Books and other Materials | 153.00 | 153.00 |
| 12/15/2024 | 102473 | BRODARTCO | 100 | 7601 | Books and other Materials | 105.83 | 105.83 |
| 12/15/2024 | 102474 | BURKELLPLUMBING | 100 | 8430 | Building Maintenance Incidental | 600.00 | 600.00 |
| 12/15/2024 | 102475 | DEMCOINC | 100 | 7603 | Supplies for Processing | 97.36 | 97.36 |
| 12/15/2024 | 102476 | DIANA MARIE ESTEY | 100 | 8240 | Adult Programs and Supplies | 350.00 | 350.00 |
| 12/15/2024 | 102477 | DOTTOGLASSINC | 100 | 8430 | Building Maintenance Incidental | 2,420.00 | 2,420.00 |
| 12/15/2024 | 102478 | MARINITINC | 100 | 8070 | IT Infrastructure | 297.50 | |
| 12/15/2024 | 102478 | MARINITINC | 100 | 8040 | Technical Support | 3,421.00 | 3,718.50 |
| 12/15/2024 | 102479 | MILLVALLEYREFUSE | 100 | 8480 | Trash | 296.91 | 296.91 |
| 12/15/2024 | 102480 | MISSIONSQUARE | 100 | 2040 | Deferred Comp Deductions | 2,000.00 | 2,000.00 |
| 12/15/2024 | 102481 | OVERDRIVEINC | 100 | 7606 | Digital Collection | 984.91 | |
| 12/15/2024 | 102481 | OVERDRIVEINC | 100 | 7606 | Digital Collection | 2,257.41 | |
| 12/15/2024 | 102481 | OVERDRIVEINC | 100 | 7606 | Digital Collection | 1,116.69 | |
| 12/15/2024 | 102481 | OVERDRIVEINC | 100 | 7606 | Digital Collection | 119.93 | |
| 12/15/2024 | 102481 | OVERDRIVEINC | 100 | 7606 | Digital Collection | 463.76 | |
| 12/15/2024 | 102481 | OVERDRIVEINC | 100 | 7606 | Digital Collection | 114.98 | 5,057.68 |
| 12/15/2024 | 102482 | PACIFICGASELECTRIC | 100 | 8493 | EV Public Charging Stations | 1,142.48 | 1,142.48 |
| 12/15/2024 | 102483 | PEAKE | 100 | 7200 | Professional Development | 4,000.00 | 4,000.00 |
| 12/15/2024 | 102484 | REDWOODBUILDINGMAINT | 100 | 8450 | Janitorial Expense | 4,437.00 | 4,437.00 |
| 12/15/2024 | 102485 | TERMINIXPROCESSINGCENTE | 100 | 8492 | Building Maintenance Contracts | 118.00 | 118.00 |
| 12/15/2024 | 102486 | TPXCOMMUNICATIONS | 100 | 8260 | Telephone | 1,244.00 | 1,244.00 |
| | | | | 12/15/2024 | ACCOUNTS PAYABLE BATCH | \$ 30,400.46 | \$ 30,400.46 |
| | | | | DECEMBER | TOTAL ACCOUNTS PAYABLE BATCHES | \$ 30,400.46 | \$ 30,400.46 |
| | | | | DECEMBER | TOTAL WARRANTS | \$ 218,338.11 | \$ 218,338.11 |

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| BELVEDERE TIBURON LIBRARY AGENCY | | | | | | | | | |
| PRELIMINARY AUDIT REVIEW NOTES | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| STATEMENT OF NET POSITION (ENTITY-WIDE) | | | | | | | | | |
| Packet Page | 42 | | | | | | | | |
| Audit Page | 6 | | | | | | | | |
| | | | | | | | | | |
| Notes | Small Decrease in Overall Net Position of \$(172,000) | | | | | | | | |
| | Due to Equal Decrease in Cash (Asset) and Long-Term Debt (Liability) | | | | | | | | |
| | Combined with Decrease in Assets (Depreciation) VS Decrease in Pension Liability | | | | | | | | |
| | | Decrease in Pension Liability is a time and factor based fluctuation | | | | | | | |
| | | | | | | | | | |
| STATEMENT OF ACTIVITIES (ENTITY-WIDE) | | | | | | | | | |
| Packet Page | 43 | | | | | | | | |
| Audit Page | 7 | | | | | | | | |
| | | | | | | | | | |
| | Personnel Expenses are up from prior year \$211,000 due to staffing up | | | | | | | | |
| | Program Expenses appear down due to completion of expansion. | | | | | | | | |
| | | | | | | | | | |
| | Resulting decrease in Net Position of \$(172,000) is better than prior YR by \$109,000 | | | | | | | | |
| | | | | | | | | | |
| BALANCE SHEET (OPERATIONS) | | | | | | | | | |
| Packet Page | 44 | | | | | | | | |
| Audit Page | 8 | | | | | | | | |
| | | | | | | | | | |
| | Much larger decrease in Fund Balance \$(2.3 million) than Net Position \$(172,000) | | | | | | | | |
| | Due to use of operation reserves to pay of Long-Term Debt. | | | | | | | | |
| | | | | | | | | | |
| STATEMENT OF REVENUES, EXPENDITURES, FUND BALANCE (OPERATIONS) | | | | | | | | | |
| Packet Page | 45 | | | | | | | | |
| Audit Page | 9 | | | | | | | | |
| | | | | | | | | | |
| | Shows Long-Term Debt Payoff as Expenditure | | | | | | | | |
| | Decrease in Fund Balance greater than prior year decrease due to Debt payoff | | | | | | | | |
| | | | | | | | | | |
| NOTE 5 - CAPITAL ASSETS (FOR ENTITY-WIDE) | | | | | | | | | |
| Packet Page | 62 | | | | | | | | |
| Audit Page | 26 | | | | | | | | |
| | | | | | | | | | |
| | Note large depreciation figure of \$918,000, which contributes to decrease | | | | | | | | |
| | in Entity-Wide Fund Balance. | | | | | | | | |
| | | | | | | | | | |

| | | | | | | | | | | |
|---|--|---|--|--|--|--|--|--|--|--|
| BELVEDERE TIBURON LIBRARY AGENCY | | | | | | | | | | |
| PRELIMINARY AUDIT REVIEW NOTES | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| <u>LONG-TERM DEBT (FOR ENTITY-WIDE)</u> | | | | | | | | | | |
| Packet Page | 63 | | | | | | | | | |
| Audit Page | 27 | | | | | | | | | |
| | | | | | | | | | | |
| | Note \$343,950 in remaining Long-Term Debt Bond Obligation | | | | | | | | | |
| | Payoff in Fiscal 2027 (September 2026) | | | | | | | | | |
| | | | | | | | | | | |
| <u>NOTES 8 AND 9 - PENSION AND OPEB LIABILITIES</u> | | | | | | | | | | |
| Packet Page | 65-74 | Read the entire notes to learn more about how liability is calculated | | | | | | | | |
| Audit Page | 29-38 | | and paid | | | | | | | |
| | | | | | | | | | | |
| Packet Page | 70 | Pension Liability with Changes sensitive to Discount Rate | | | | | | | | |
| Audit Page | 34 | | | | | | | | | |
| | | | | | | | | | | |
| Packet Page | 73 | OBEP Liability with Changes sensitive to Discount Rate | | | | | | | | |
| Audit Page | 37 | | | | | | | | | |
| | | | | | | | | | | |
| <u>NOTE 10-GRANTS</u> | | | | | | | | | | |
| Packet Page | | Note Foundation Inception-to-Date Grants of \$20,315,791 | | | | | | | | |
| Audit Page | 39 | | Kudos to their efforts!! | | | | | | | |
| | | | | | | | | | | |
| | | Note Tiburon and Belvedere Contributions to Expansion | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| <u>RESULTS VERSUS BUDGET</u> | | | | | | | | | | |
| Packet Page | 78 | \$609,000 better than budget in operations | | | | | | | | |
| Audit Page | 42 | | Decrease in fund Balance mostly due to Debt Payoff | | | | | | | |
| | | | | | | | | | | |
| <u>REQUIRED COMMUNICATIONS and INTERNAL CONTROL</u> | | | | | | | | | | |
| Packet Page | 83-102 | | Favorable Review | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| <u>GASB 103 UPCOMING REQUIREMENTS</u> | | | | | | | | | | |
| Packet Page | 100 | We generally focused on operating vs non-operating clarity in the | | | | | | | | |
| | | reports during the expansion, and are simpler going forward. | | | | | | | | |
| | | | | | | | | | | |

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)
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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**BELVEDERE-TIBURON LIBRARY AGENCY
BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024**

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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), California, as of and for the year ended June 30, 2024, 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, 2024, 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 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 opinions. 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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.

Pleasant Hill, California

DATE

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, 2024
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 6-7 and 12-13. 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 include Capital Asset and Long-Term Liability 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. **(See Pages 6 and 12).**

The Statement of Activities presents information showing how the Agency's net position changed during the fiscal year. Revenue and Expense are accrued in the period incurred, 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. **(See Pages 7 and 13).**

Governmental Funds (General Fund) Statements are found on pages 8-9 and 14 and 16. 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 thus are designed to illustrate the Agency's basic Operating Activities and Position.

Reconciliations between the two types of financial statements are found on pages 15 and 17. The major differences between fund financial statements and government-wide financial statements are the inclusion (Government-Wide) or exclusion (General Fund) of Long-Term Assets and Liabilities, including Capital Outlay, Debt Service, Bond issuance Costs, Compensated Absences, Retirement Costs, and OPEB (Other Post-Employment Benefits).

Notes to the basic financial statements are found on pages 19-40. 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 42-45. 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, 2024
FINANCIAL HIGHLIGHTS

Statement of Net Position on Pages 6 and 12.

The Government-Wide Statement of Net Position shows the Agency's **Assets of \$21,968,782**; Deferred Outflows of \$943,430; **Liabilities of \$2,603,296**; Deferred Inflows of \$344,861; and a **Net Position of \$19,964,055** as of June 30, 2024.

Assets consist primarily of Net Capital Assets of \$18,977,166 which is 86% of Total Assets.

Cash, Cash Equivalents, and Investments of \$2,586,355 account for 12% of the Agency's Total Assets.

Liabilities consist primarily of Net Pension and OPEB Liabilities of \$2,111,739 which is 81% of Total Liabilities, along with CFD Bonds payable, copier capital lease obligations, compensated absences, and operating accounts payable.

Expansion Line of Credit Principal of \$2,694,747 was paid off completely as of January 25, 2024. This payoff **substantially reduced the Agency's Cash, Cash Equivalents, and Investments, while also reducing future interest obligations.**

The Agency currently has adequate cash and income to cover current year liabilities and operations, and is in the process of planning for longer-term liabilities.

Statement of Activities on Pages 7 and 13.

Total Revenues were \$3,913,449 (\$3,414,746 General Revenues, Program Revenues \$291,725, and Capital Revenues \$207,428). **Total Expenses were \$4,086,133**, including Operating Services of \$3,062,611, Depreciation on Capitalized Assets of \$918,497, and Debt Service Expense of \$105,025.

Operating Revenues totaled \$3,706,021 (General Revenues \$3,414,746, Charges for Services \$11,666, and Operating Designated Grants of \$279,609). Operating Expenses (before Depreciation on Capitalized assets of \$917,497) were \$3,167,636. **Net Operating Activity before Depreciation on Capitalized Assets was \$538,835. Net Operating Activity after Depreciation on Capitalized Assets was \$(380,112).**

Capital grant revenue and contributions totaled \$207,428. Combined with the Net Operating Activity after Depreciation of \$(380,112), this provided a Total change in Net Position of \$(172,684).

From the Governmental General Funds Statement of Revenues, Expenditures, and Changes in Fund Balances on Pages 14 and 16 and the Required Supplementary Budget Analysis on Page 42.

General fund balances decreased by \$(2,314,294), a variance of \$(1,516,875) from budget, due to Operating Revenues over budget by \$207,519 Expansion Capital Grants over budget by \$207,428, Operating Expenditures under budget by \$402,213, and combined LOC payments (early payoff) over budget by \$2,242,960.

Operations: Library Operating activity resulted in a Net Income of \$604,313, which was \$609,732 over budget.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
FINANCIAL HIGHLIGHTS (continued)

Capital Activity: Capital activity, including Line of Credit Payoff created a net outflow of \$2,918,607, which was \$2,126,607 more than budgeted, as the decision was made to pay off the entire LOC.

Grants from the Belvedere Tiburon Library Foundation totaled \$355,500, \$255,500 for Operations, and \$100,000 for Expansion Capital funding. Operating Program Grants totaled \$17,977, mostly from the CA State Library. Miscellaneous Donations of \$6,132 were also received. Additional Expansion Capital Contributions received were \$95,275 from the Town of Tiburon and \$12,153 from Marin Clean Energy (an EV Charger installation cost rebate). Inception to date grant details are found in Note 10 to the financial statements on **Page 39**.

Personnel Costs include Staffing, Retirement and Health Benefits, Payroll Tax Expense, Insurance, and Professional Development Costs. The total Personnel costs were \$1,965,976 in 2024 and \$1,916,297 in 2023, a 3% increase from the prior year due to successful efforts in filling Part-Time Staff positions and to Health Benefits increases.

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 Book and other physical Materials collection is depreciated over 7 years.

Total Circulation Materials and Data Expenditures before this capitalization of books were \$379,366 in 2024 and \$368,852 in 2023 a 3% increase. **Capitalized Resource Costs (Books)** totaled \$96,392 in 2024 and \$111,256 in 2023, a 13% decrease. **Expensed Circulation Materials and Data Costs** including print subscriptions, digital content, and database costs were \$282,974 in 2024 and \$257,596 in 2023, a 10% increase. This illustrates that purchases of physical materials declined while purchases of digital resources increased.

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

Total Services and Supplies costs were \$1,005,920 in 2024 and \$982,875 in 2023, a 2% increase from the prior year due to increases in Digital Resources, Programs, and Insurance.

Debt Service Cost

Bond Service Cost for the CFD1995-1 Limited Obligation Bonds was for \$95,000 for Principal, \$21,750 for Interest, and \$13,062 for Fiscal Agent Fees in accordance with the Bond Issue Agreement. Bond Service Cost is funded through the annual Parcel Tax Revenue, so is treated as part of operations rather than Capital Activities for Budgeting and Quarterly Review purposes.

Expansion Line of Credit Debt Service Cost was \$2,964,747 for Principal and \$70,213 for Interest.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
GOVERNMENT-WIDE FINANCIAL ANALYSIS
Analysis of Net Position
From the Statement of Net Position on Page 12

| | Governmental | | | |
|--|------------------------------------|-------------------|--------------------|---------------|
| | Governmental Funds Analysis | | \$ | % |
| | 2024 | 2023 | Change | Change |
| Cash, cash equivalents and investments | 2,586,355 | 4,765,062 | (2,178,707) | -46% |
| Capital assets, net | 18,997,166 | 19,728,196 | (731,030) | -4% |
| Other assets | 385,261 | 545,012 | (159,751) | -29% |
| Total assets | 21,968,782 | 25,038,270 | (3,069,488) | -12% |
| Deferred outflows (Pension & OPEB) | 943,430 | 988,523 | (45,093) | -5% |
| Total deferred outflows | 943,430 | 988,523 | (45,093) | -5% |
| Series 1996 bonds & capital lease | 315,000 | 410,000 | (95,000) | -23% |
| Expansion Line of Credit | - | 2,964,747 | (2,964,747) | -100% |
| Net Pension liability | 1,832,458 | 1,636,951 | 195,507 | 12% |
| Net Postemployment benefit (OPEB) | 279,281 | 357,355 | (78,074) | -22% |
| Other liabilities | 176,557 | 182,835 | (6,278) | -3% |
| Total liabilities | 2,603,296 | 5,551,888 | (2,948,592) | -53% |
| Deferred inflows (Pension & OPEB) | 344,861 | 338,166 | 6,695 | 2% |
| Total deferred outflows | 344,861 | 338,166 | 6,695 | 2% |
| Net investment in capital assets | 18,682,166 | 16,353,449 | 2,328,717 | 14% |
| Restricted and Unrestricted | 1,281,889 | 3,783,290 | (2,501,401) | -66% |
| Net position | 19,964,055 | 20,136,739 | (172,684) | -1% |

Net Position serves over time as a useful indicator of the Agency's financial position: Assets exceeded Liabilities by \$19,964,055 as of June 30, 2024, a decrease of \$172,684 from the prior year. Net Investment in Capital Assets consists of Capital Assets Less and related outstanding Debt. Unrestricted Assets are those used to finance Operations and Debt Service.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
GOVERNMENT-WIDE FINANCIAL ANALYSIS
Analysis of Changes in Net Position
From the Statement of Activities on Page 13

| Governmental | | | | |
|---|---------------|---------------|--------------|--------|
| | Activities | | \$ | % |
| | 2024 | 2023 | Change | Change |
| PROGRAM EXPENSES: | | | | |
| Library Services | | | | |
| Personnel Cost | \$ 1,983,862 | \$ 1,941,959 | \$ 41,903 | 2% |
| Pension and OPEB Adjustments | 169,221 | | 169,221 | |
| Total Personnel Services | 2,153,083 | 1,941,959 | 211,124 | 11% |
| Materials and Programs | 909,528 | 982,875 | (73,347) | -7% |
| Depreciation and Amortization | 918,497 | 921,446 | (2,949) | 0% |
| Bond Interest & Fiscal Agent Fees | 34,812 | 39,905 | (5,093) | -13% |
| LOC Interest | 70,213 | 132,365 | (62,152) | |
| Total Program Expenses | 4,086,133 | 4,018,550 | 67,583 | 2% |
| PROGRAM REVENUES: | | | | |
| Charges for Services | 11,666 | 3,213 | 8,453 | 263% |
| Operating Grants and Contributions | 279,609 | 127,377 | 152,232 | 120% |
| Capital Grants | 207,428 | 309,000 | (101,572) | -33% |
| Total Program Revenues | 498,703 | 439,590 | 59,113 | 13% |
| GENERAL REVENUES: | | | | |
| Property Taxes | 3,312,901 | 3,217,788 | 95,113 | 3% |
| Investment Earnings | 101,845 | 78,839 | 23,006 | 29% |
| Total General Revenues | 3,414,746 | 3,296,627 | 118,119 | 4% |
| Increase (Decrease) in Net Position | (172,684) | (282,333) | 109,649 | -39% |
| Net Position - Beginning of Year | 20,136,739 | 20,762,924 | (626,185) | -3% |
| Adjustment to Prior Year Net Position | | (343,852) | 343,852 | |
| Restated Net Position - Beginning of Year | 20,136,739 | 20,419,072 | (282,333) | -1% |
| Net Position - End of Year | \$ 19,964,055 | \$ 20,136,739 | \$ (172,684) | -1% |

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
GOVERNMENTAL FUND – GENERAL
FUND BALANCE SHEET ANALYSIS
From the Balance Sheet Governmental Fund –
General Fund on Page 14

| | Governmental Funds - General Fund Analysis | | \$ | % |
|--|---|---------------------|-----------------------|-------------|
| | 2024 | 2023 | Change | Change |
| ASSETS | | | | |
| Cash, cash equivalents and investments | \$ 2,586,355 | \$ 4,765,062 | \$ (2,178,707) | -46% |
| Accounts and Interest receivable | 371,407 | 391,831 | (20,424) | -5% |
| Prepays | 13,854 | 140,115 | (126,261) | -90% |
| Deposits | - | 13,066 | (13,066) | -100% |
| Total Assets | 2,971,616 | 5,310,074 | (2,338,458) | -44% |
| LIABILITIES AND FUND BALANCES | | | | |
| Accounts payable and accrued liabilities | 66,963 | 91,127 | (24,164) | -27% |
| Total Liabilities | 66,963 | 91,127 | (24,164) | -27% |
| FUND BALANCES | | | | |
| Nonspendable for prepaids and deposits | 13,854 | 153,181 | (139,327) | -91% |
| Restricted for: | | | | |
| Debt Service | 110,739 | 88,050 | 22,689 | 26% |
| Committed for: | | | | |
| Operations | 2,226,182 | 4,410,922 | (2,184,740) | -50% |
| Insurance | 500,000 | 250,000 | 250,000 | 100% |
| Building Maintenance | 53,878 | 316,794 | (262,916) | -83% |
| Total Fund Balances | 2,904,653 | 5,218,947 | (2,314,294) | -44% |
| Total Liabilities and Fund Balances | \$ 2,971,616 | \$ 5,310,074 | \$ (2,338,458) | -44% |

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
GOVERNMENTAL FUNDS CHANGES ANALYSIS
From the Statement of Revenues, Expenditures, and Changes
in Fund Balances on Page 16

The following schedule presents a comparison of general fund revenues and expenditures for the fiscal year ended June 30, 2024 to the prior fiscal year.

| | | Funds Analysis | | \$ | % |
|---|--|-----------------------|--------------------|----------------------|---------------|
| | | 2024 | 2023 | Change | Change |
| Basic Library Tax | | \$2,460,365 | \$2,365,064 | \$95,301 | 4% |
| Parcel Tax | | 275,877 | 278,024 | (2,147) | -1% |
| ERAF | | 576,659 | 574,700 | 1,959 | 0% |
| Total intergovernmental | | 3,312,901 | 3,217,788 | 95,113 | 3% |
| Private Grants & Contributions: | | | | | |
| Belvedere Tiburon Library Foundation | | | | | |
| Operations | | 255,500 | 54,000 | 201,500 | 373% |
| Expansion | | 100,000 | 300,000 | (200,000) | -67% |
| TOT & COB - Expansion | | 95,275 | - | 95,275 | |
| Marin Clean Energy - Expansion | | 12,153 | 9,000 | 3,153 | 35% |
| Program Grants | | 17,977 | 63,883 | (45,906) | -72% |
| Miscellaneous Grants & Contributions | | 6,132 | 9,494 | (3,362) | -35% |
| Charges for Services | | 11,666 | 3,213 | 8,453 | 263% |
| Investment Earnings | | 101,845 | 78,839 | 23,006 | 29% |
| Total Revenues | | 3,913,449 | 3,736,217 | 177,232 | 5% |
| Salaries and Benefits | | 1,965,976 | 1,916,297 | 49,679 | 3% |
| Services and Supplies | | 1,005,920 | 887,685 | 118,235 | 13% |
| Bond and LOC Principal | | 3,059,747 | 125,253 | 2,934,494 | 2343% |
| Bond and LOC Interest and Fiscal Agent Fees | | 105,025 | 172,270 | (67,245) | -39% |
| Capital Outlay | | 91,075 | 1,774,141 | (1,683,066) | -95% |
| Total Expenditures | | 6,227,743 | 4,875,646 | 1,352,097 | 28% |
| Excess (Deficit) of Revenues over Expenditures | | (2,314,294) | (1,139,429) | (1,174,865) | 103% |
| Proceeds from Line of Credit | | - | 2,000,000 | (2,000,000) | -100% |
| Net Change in Fund Balance | | (2,314,294) | 860,571 | (3,174,865) | -369% |
| Fund Balances, Beginning of Year | | 5,218,947 | 4,358,376 | 860,571 | 20% |
| Fund Balances, End of Year | | \$2,904,653 | \$5,218,947 | (\$2,314,294) | -44% |

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
GOVERNMENTAL FUNDS SUMMARY
From the Balance Sheet on Page 14

| | <u>30-Jun-23</u> | <u>Increase/ (Decrease)</u> | <u>30-Jun-24</u> |
|------------------------------------|----------------------------|--|----------------------------|
| Nonspendable Prepaids and Deposits | \$ 153,181 | \$ (139,327) | \$ 13,854 |
| Restricted for Debt Service | 88,050 | 22,689 | 110,739 |
| Committed for Operations | 4,410,922 | (2,184,740) | 2,226,182 |
| Committed for Insurance | 250,000 | 250,000 | 500,000 |
| Committed for Building Maintenance | 316,794 | (262,916) | 53,878 |
| | <u>\$ 5,218,947</u> | <u>\$(2,314,294)</u> | <u>\$ 2,904,653</u> |

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. Insurance Reserves are meant to cover the costs of plan deductibles. Operating Reserves represent Foundation fundraising over many years, which supplemented the Library's Operation Budget, and may be used for Debt Service at the Agency's discretion.

Expansion Capital Activity Note:

The Library Expansion was substantially completed in January, 2024, after a Grand Opening in September, 2022.

The Budget for the Expansion totaled \$18,300,000. As of June 20, 2024, the project had been funded through Library Foundation Community Fundraising/Local Donors \$14,000,000 (76%), Library Reserves from prior years' Library Foundation Fundraising \$1,000,000 (5%), Contributions from the Town of Tiburon and the City of Belvedere \$750,000 (3%) and Line of Credit Borrowing \$3,000,000 (16%).

As of January 24, 2024, Line of Credit Principal of \$2,694,747 was fully paid via use of additional Library Reserves accumulated from prior years' Foundation Fundraising. Since Library Reserves are attributable to past years' Library Foundation Fundraising, Donor Contributions made through the Foundation now comprise a total of \$16,736,422 (approximately 92%) of total funding for Expansion Capital Project Costs.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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, 2024**

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| ASSETS | |
| Current assets: | |
| Cash, cash equivalents and investments (Note 3) | \$2,586,355 |
| Accounts and interest receivable (Note 4) | 371,407 |
| Prepays | 13,854 |
| Total current assets | <u>2,971,616</u> |
| Noncurrent assets: | |
| Nondepreciable capital assets (Note 5) | 1,623,551 |
| Depreciable capital assets, net (Note 5) | 17,373,615 |
| Total capital assets, net of accumulated depreciation | <u>18,997,166</u> |
| Total Assets | <u>21,968,782</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Related to pension (Note 8) | 854,985 |
| Related to OPEB (Note 9) | 88,445 |
| Total Deferred Outflows of Resources | <u>943,430</u> |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable and accrued liabilities | 66,963 |
| Long-term debt - due within one year (Note 6) | 100,000 |
| Total current liabilities | <u>166,963</u> |
| Non-current liabilities: | |
| Compensated absences - due in more than one year (Note 2F) | 109,594 |
| Long-term debt - due in more than one year (Note 6) | 215,000 |
| Collective net pension liability (Note 8) | 1,832,458 |
| Net OPEB liability (Note 9) | 279,281 |
| Total Liabilities | <u>2,603,296</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Related to pension (Note 8) | 142,327 |
| Related to OPEB (Note 9) | 202,534 |
| Total Deferred Inflows of Resources | <u>344,861</u> |
| NET POSITION (Note 7A) | |
| Net investments in capital assets | 18,682,166 |
| Restricted | 110,739 |
| Unrestricted | 1,171,150 |
| Total Net Position | <u>\$19,964,055</u> |

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, 2024

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| PROGRAM EXPENSES: | |
| Library services: | |
| Personnel services | \$2,153,083 |
| Materials and services | 909,528 |
| Depreciation and amortization | 918,497 |
| Interest | 105,025 |
| Total Program Expenses | <u><u>4,086,133</u></u> |
| PROGRAM REVENUES: | |
| Charges for services | 11,666 |
| Operating grants and contributions | 279,609 |
| Capital grants and contributions | 207,428 |
| Total Program Revenues | <u><u>498,703</u></u> |
| Net Program Income (Loss) | <u><u>(3,587,430)</u></u> |
| GENERAL REVENUES: | |
| Property taxes | 3,312,901 |
| Investment earnings | 101,845 |
| Total General Revenues | <u><u>3,414,746</u></u> |
| Increase (Decrease) in Net Position | (172,684) |
| Net position - beginning of year | <u>20,136,739</u> |
| Net position - end of the year | <u><u>\$19,964,055</u></u> |

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, 2024**

ASSETS

| | |
|---|----------------------------------|
| Cash, cash equivalents and investments (Note 3) | \$2,586,355 |
| Accounts and interest receivable (Note 4) | 371,407 |
| Prepays | <u>13,854</u> |
| Total Assets | <u><u>\$2,971,616</u></u> |

LIABILITIES AND FUND BALANCES**Liabilities:**

| | |
|--|----------------------|
| Accounts payable and accrued liabilities | <u>\$66,963</u> |
| Total Liabilities | <u>66,963</u> |

Fund Balances (Note 7B):

| | |
|--|----------------------------------|
| Nonspendable for prepaids | 13,854 |
| Restricted for: | |
| Debt service | 110,739 |
| Committed for: | |
| Operations | 2,226,182 |
| Insurance | 500,000 |
| Building maintenance | <u>53,878</u> |
| Total Fund Balances | <u>2,904,653</u> |
| Total Liabilities and Fund Balances | <u><u>\$2,971,616</u></u> |

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, 2024**

Total Fund Balances - Governmental Funds \$2,904,653

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 | \$25,906,031 | |
| Less: Accumulated depreciation | <u>(6,908,865)</u> | 18,997,166 |

| | | |
|---|--|---------|
| Deferred outflows of resources related to pension | | 854,985 |
| Deferred outflows of resources related to OPEB | | 88,445 |

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 | (315,000) | |
| Compensated absences | (109,594) | |
| Net Pension Liability | (1,832,458) | |
| Net OPEB Liability | (279,281) | |
| Deferred inflows of resources related to pension | (142,327) | |
| Deferred inflows of resources related to OPEB | <u>(202,534)</u> | <u>(2,881,194)</u> |

Net Position - Governmental Activities \$19,964,055

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, 2024**

REVENUES

| | |
|---|-------------------------|
| Intergovernmental: | |
| Basic library tax | \$2,460,365 |
| Parcel tax | 275,877 |
| ERAF | 576,659 |
| Total Intergovernmental | <u>3,312,901</u> |
| Grants and contributions (Note 10): | |
| Belvedere-Tiburon Library Foundation | 355,500 |
| Town of Tiburon - expansion | 95,275 |
| Marin Clean Energy - expansion | 12,153 |
| Various Local and State Library Grants for Library programs | 17,977 |
| Miscellaneous gifts and donations | 6,132 |
| Charges for services | 11,666 |
| Investment earnings | <u>101,845</u> |
| Total Revenues | <u>3,913,449</u> |

EXPENDITURES

| | |
|--|---------------------------|
| Current - Library Services: | |
| Personnel costs | 1,965,976 |
| Services and supplies | 1,005,920 |
| Capital outlay | 91,075 |
| Debt service: | |
| Principal | 3,059,747 |
| Interest | <u>105,025</u> |
| Total Expenditures | <u>6,227,743</u> |
| Excess (Deficiency) of Revenues over Expenditures before Other Financing Sources (Uses) | <u>(2,314,294)</u> |
| Net Change in Fund Balance | <u>(2,314,294)</u> |
| Fund Balances, Beginning of Year | <u>5,218,947</u> |
| Fund Balances, End of Year | <u><u>\$2,904,653</u></u> |

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, 2024**

Net Changes in Fund Balances - Governmental Funds (\$2,314,294)

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 | \$91,075 | |
| Services and supplies (Books) | 96,392 | |
| Depreciation and amortization expense | <u>(918,497)</u> | (731,030) |

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 | (17,886) |
| Change in pension liabilities | (158,532) |
| Change in OPEB liabilities | (10,689) |

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.

| | |
|--|------------------|
| Principal repayments on Series 1996 Bonds and expansion line of credit | <u>3,059,747</u> |
|--|------------------|

Changes in Net Position - Governmental Activities (\$172,684)

See accompanying notes to basic financial statements.

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BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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 Finance Manager, 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.

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.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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.

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, 2024 was \$109,594.

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.

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

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

L. Subscription-Based Information Technology Arrangements

A subscription is defined as a contract that conveys control for the right to use another entity’s subscription-based information technology software as specified in the contract for a period of time in an exchange or exchange-like transaction. The Agency will record significant subscription liabilities and intangible right-to-use subscription assets with a net present value exceeding \$150,000.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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.

Cash, cash equivalents and investments consist of the following at June 30, 2024:

Held by Agency:

| | |
|--------------------------------------|-----------|
| Petty cash and change fund | \$200 |
| Deposits with financial institutions | 421,010 |
| Money market mutual funds | 1,678,115 |
| Local Agency Investments Fund | 376,291 |

Held by Fiscal Agent:

| | |
|---------------------------|---------|
| Money market mutual funds | 110,739 |
|---------------------------|---------|

| | |
|--|---------------------------|
| Total Cash, Cash Equivalents and Investments | <u><u>\$2,586,355</u></u> |
|--|---------------------------|

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 | 80% | FDIC Limit |
| State Local Agency Investment Fund | None | N/A | 100% | None |
| Money Market Funds | None | N/A | 80% | FDIC Limit |
| Joint Powers Authority | Pool | N/A | 80% | Per Section 53601 |

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.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS Continued)

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, 2024, these investments matured in an average of 217 days.

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.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 4 – ACCOUNTS AND INTEREST RECEIVABLE

Accounts and interest receivable consist of the following at June 30, 2024:

| | |
|-------------------|------------------|
| Parcel Tax | \$12,075 |
| Basic Tax | 144,804 |
| ERAF | 194,928 |
| LAIF Interest | 4,242 |
| Other Receivables | 15,358 |
| | <u>\$371,407</u> |

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 | 7-10 years |
| Website | 7 years |

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 5 – CAPITAL ASSETS (Continued)

Capital asset activity for the year ended June 30, 2024, was as follows:

| | Balance June 30, 2023 | Additions | Retirements | Balance June 30, 2024 |
|-------------------------------|----------------------------|---------------------------|-----------------|----------------------------|
| Non-depreciable assets: | | | | |
| Land | \$1,606,560 | | | \$1,606,560 |
| Land development | 16,991 | | | 16,991 |
| Total non-depreciable assets | <u>1,623,551</u> | | | <u>1,623,551</u> |
| Depreciable assets: | | | | |
| Books | 3,018,408 | \$96,392 | (\$87,079) | 3,027,721 |
| Buildings and improvements | 19,820,864 | 64,276 | | 19,885,140 |
| Computers and equipment | 260,608 | 18,824 | | 279,432 |
| Furniture and fixtures | 926,104 | 7,975 | | 934,079 |
| Website | 156,108 | | | 156,108 |
| Sub-total | <u>24,182,092</u> | <u>187,467</u> | <u>(87,079)</u> | <u>24,282,480</u> |
| Accumulated depreciation: | | | | |
| Books | (2,735,618) | (99,210) | 87,079 | (2,747,749) |
| Buildings and improvements | (2,620,646) | (662,838) | | (3,283,484) |
| Computers and equipment | (200,672) | (43,516) | | (244,188) |
| Furniture and fixtures | (388,946) | (90,632) | | (479,578) |
| Website | (131,565) | (22,301) | | (153,866) |
| Sub-total | <u>(6,077,447)</u> | <u>(918,497)</u> | <u>87,079</u> | <u>(6,908,865)</u> |
| Total depreciable assets, net | <u>18,104,645</u> | <u>(731,030)</u> | | <u>17,373,615</u> |
| Capital assets, net | <u><u>\$19,728,196</u></u> | <u><u>(\$731,030)</u></u> | | <u><u>\$18,997,166</u></u> |

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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, 2024:

| | <u>Balance June 30, 2023</u> | <u>Payments</u> | <u>Balance June 30, 2024</u> | <u>Due within one year</u> |
|---------------------------------|----------------------------------|--------------------|----------------------------------|--------------------------------|
| <i>Governmental Activities:</i> | | | | |
| Series 1996 Special Tax Bonds | \$410,000 | \$95,000 | \$315,000 | \$100,000 |
| Expansion Line of Credit | 2,964,747 | 2,964,747 | - | - |
| | <u>\$3,374,747</u> | <u>\$3,059,747</u> | <u>\$315,000</u> | <u>\$100,000</u> |

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.

Scheduled payments on the bonds for the remaining years are as follows:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|------------------|-----------------|------------------|
| 2025 | \$100,000 | \$15,900 | \$115,900 |
| 2026 | 105,000 | 9,750 | 114,750 |
| 2027 | <u>110,000</u> | <u>3,300</u> | <u>113,300</u> |
| Total | <u>\$315,000</u> | <u>\$28,950</u> | <u>\$343,950</u> |

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 5%. As of June 30, 2024, the Agency paid off \$2,964,747 in principal and \$70,213 in interest during the fiscal year. The LOC was fully paid off as of June 30, 2024.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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:

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 25% of operating expenditures in reserves.

Fund balances classifications at June 30, 2024 are presented on the General Fund Balance Sheet.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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.

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 7.75% or 7% of their covered salary for the Miscellaneous Plan. The Agency contributed 5% of the 7% CalPERS contribution required of Classic Members until 2020, when the Agency discontinued the employer-paid member contribution. 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.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 8 – PENSION PLAN (Continued)

The Plan's provisions and benefits in effect at June 30, 2024 are summarized as follows:

| | Miscellaneous | |
|---|-------------------------------------|--|
| | Classic | PEPRA |
| | Prior to January 1, 2013 | On or after January 1, 2013 |
| Hire date | | |
| Benefit formula | 2.5% @ 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 | 2.0% to 2.5% | 1.0% to 2.5% |
| Required employee contribution rates | 7.0% | 7.75% |
| Required employer contribution rates | 11.84% | 7.68% |

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, 2024, the contributions recognized as part of pension expense for the Plan was as follows:

| | <u>Miscellaneous</u> |
|--------------------------|----------------------|
| Contributions - employer | <u>\$228,087</u> |

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - As of June 30, 2024, the Agency reported net pension liability for its proportionate share of the net pension liability of the Plan as follows:

| | <u>Proportionate Share of Net Pension Liability</u> |
|---------------------------------|---|
| Miscellaneous - Classic & PEPRA | <u>\$1,832,458</u> |

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 8 – PENSION PLAN (Continued)

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, 2023, 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, 2022 rolled forward to June 30, 2023 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, 2022 and 2023 was as follows:

| | <u>Miscellaneous</u> |
|------------------------------|----------------------|
| Proportion - June 30, 2022 | 0.03498% |
| Proportion - June 30, 2023 | 0.03665% |
| Change - Increase (Decrease) | <u>0.00166%</u> |

For the year ended June 30, 2024, the Agency recognized pension expense of \$158,532. At June 30, 2024, the Agency reported deferred outflows of resources and deferred inflows of resources related to the Miscellaneous Plan from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Pension contributions subsequent to measurement date | \$228,087 | |
| Differences between actual and expected experience | 93,612 | (\$14,521) |
| Changes in assumptions | 110,634 | |
| Net differences between projected and actual earnings on plan investments | 296,691 | |
| Net difference in actual contribution and proportion | | (127,806) |
| Adjustment due to differences in proportions contributions | <u>125,961</u> | |
| Total | <u>\$854,985</u> | <u>(\$142,327)</u> |

\$228,087 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, 2025. 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:

| <u>Fiscal Year Ended June 30</u> | <u>Annual Amortization</u> |
|--------------------------------------|--------------------------------|
| 2025 | \$144,499 |
| 2026 | 103,379 |
| 2027 | 228,179 |
| 2028 | <u>8,514</u> |
| Total | <u>\$484,571</u> |

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

NOTE 8 – PENSION PLAN (Continued)

Actuarial Assumptions – For the measurement period ended June 30, 2023, the total pension liability was determined by rolling forward the June 30, 2022 total pension liability. The June 30, 2023 total pension liability was based on the following actuarial methods and assumptions:

| | |
|----------------------------------|---|
| Valuation Date | June 30, 2022 |
| Measurement Date | June 30, 2023 |
| Actuarial Cost Method | Entry-Age Normal in accordance with the requirements of GASB Statement No. 68 |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Payroll Growth | 2.80% |
| Projected Salary Increase | Varies by Entry Age and Service |
| Investment Rate of Return | 6.90% |
| Mortality Rate Table | Derived using CalPERS' Membership Data for all Funds (1) |
| Post Retirement Benefit Increase | Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter |

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability for each Plan was 6.90%. 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.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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 (1,2) |
|----------------------------------|-----------------------------|-------------------|
| Global Equity - Cap-weighted | 30.0% | 4.54% |
| Global Equity - Non-Cap-weighted | 12.0% | 3.84% |
| Private Equity | 13.0% | 7.28% |
| Treasury | 5.0% | 0.27% |
| Mortgage-backed Securities | 5.0% | 0.50% |
| Investment Grade Corporates | 10.0% | 1.56% |
| High Yield | 5.0% | 2.27% |
| Emerging Market Debt | 5.0% | 2.48% |
| Private Debt | 5.0% | 3.57% |
| Real Assets | 15.0% | 3.21% |
| Leverage | -5.0% | -0.59% |
| Total | 100% | |

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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 6.90%, 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:

| | <u>Miscellaneous</u> |
|-----------------------|----------------------|
| 1% Decrease | 5.90% |
| Net Pension Liability | \$2,925,698 |
| Current Discount Rate | 6.90% |
| Net Pension Liability | \$1,832,458 |
| 1% Increase | 7.90% |
| Net Pension Liability | \$932,628 |

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

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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, 2024:

| Eligibility | <ul style="list-style-type: none"> • Retire directly from Library under CalPERS - Service - Age 50 & 5 years CalPERS service, or - Disability | | | | | | | | | | |
|---------------------------------|---|-------------|-----------------------|------|-----|------|-----|------|-----|-------|---------------------------|
| Retiree Medical Benefit | <p>Library contributes PEMHCA minimum retirees participating in PEMHCA medical plan:</p> <table> <tr> <th><u>Year</u></th><th><u>PEMHCA Minimum</u></th></tr> <tr> <td>2023</td><td>151</td></tr> <tr> <td>2024</td><td>157</td></tr> <tr> <td>2025</td><td>158</td></tr> <tr> <td>2026+</td><td>Increase at CPI-U Medical</td></tr> </table> | <u>Year</u> | <u>PEMHCA Minimum</u> | 2023 | 151 | 2024 | 157 | 2025 | 158 | 2026+ | Increase at CPI-U Medical |
| <u>Year</u> | <u>PEMHCA Minimum</u> | | | | | | | | | | |
| 2023 | 151 | | | | | | | | | | |
| 2024 | 157 | | | | | | | | | | |
| 2025 | 158 | | | | | | | | | | |
| 2026+ | Increase at CPI-U Medical | | | | | | | | | | |
| Surviving Spouse Benefit | <ul style="list-style-type: none"> • Surviving spouse coverage based on retirement plan election • Same benefit continues to surviving spouse | | | | | | | | | | |
| Other OPEB | <ul style="list-style-type: none"> • No dental, vision, life insurance or Medicare reimbursement | | | | | | | | | | |
| Implied Subsidy | <ul style="list-style-type: none"> • Participating retirees pay active rates vs actual cost • Implied subsidy included in valuation | | | | | | | | | | |

For the year ended June 30, 2024, the Agency's contributions to the Plan were \$9,436.

Employees Covered by Benefit Terms – Membership in the plan consisted of the following at the measurement date of June 30, 2023:

| | |
|--|-----------|
| Active employees | 12 |
| Inactive employees or beneficiaries currently receiving benefit payments | 5 |
| Inactive employees entitled to but not yet receiving benefit payments | 4 |
| Total | <u>21</u> |

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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, 2023 and was determined by an actuarial valuation dated June 30, 2023 to determine the June 30, 2023 total OPEB liability as of June 30, 2024, based on the following actuarial methods and assumptions:

| | Actuarial Assumptions |
|---|---|
| Actuarial Valuation Date | June 30, 2023 |
| Measurement Date | June 30, 2023 |
| Actuarial Assumptions: | |
| | - 3.65% at June 30, 2023 (Bond Buyer 20-bond Index) |
| Discount Rate | - 3.54% at June 30, 2022 (Bond Buyer 20-bond Index) |
| General Inflation | 2.50% per annum |
| | - Aggregate - 2.75% annually |
| Salary Increases | - 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 |
| | - Non-Medicare - 7.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076 |
| Medical Trend | - Medicare (Non-Kaiser) - 6.90% for 2026, decreasing to an ultimate rate of 3.45% in 2076 |
| | - Medicare (Kaiser) - 5.65% for 2026, decreasing to an ultimate rate of 3.45% in 2076 |
| PEMHCA Minimum Increase | 3.50% 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 |

Changes of Assumptions – The actuarial valuation dated June 30, 2023 included changes of assumptions for the discount rate to be updated to the municipal bond rate (from 3.54% to 3.65%) and updated medical trend rates including PEMHCA minimum increases.

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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, 2023 Reporting Date | \$357,355 |
| Changes Recognized for the Measurement Period: | |
| Service cost | 28,085 |
| Interest on the total OPEB liability | 13,466 |
| Differences between expected and actual experience | (90,251) |
| Changes of assumptions | (19,336) |
| Benefit payments | (10,038) |
| Net changes | (78,074) |
| Balance at June 30, 2024 Reporting Date | \$279,281 |

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 (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate:

| Total OPEB Liability | | |
|----------------------|-----------------------|-------------------|
| Discount Rate -1% | Current Discount Rate | Discount Rate +1% |
| (2.65%) | (3.65%) | (4.65%) |
| \$316,017 | \$279,281 | \$248,679 |

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 | | |
|-------------------------|-------------|-------------|
| Current Healthcare Cost | | |
| 1% Decrease | Trend Rates | 1% Increase |
| \$243,035 | \$279,281 | \$323,894 |

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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, 2024, the Agency recognized OPEB expense of \$10,689. At June 30, 2024, 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 | \$9,436 | |
| Differences between actual and expected experience | 40,946 | (\$96,525) |
| Changes of assumptions | 38,063 | (106,009) |
| Total | <u>\$88,445</u> | <u>(\$202,534)</u> |

\$9,436 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, 2025. 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 |
|------------------------------|------------------------|
| 2025 | (\$21,486) |
| 2026 | (18,758) |
| 2027 | (17,345) |
| 2028 | (17,220) |
| 2029 | (14,227) |
| Thereafter | (34,489) |
| Total | <u>(\$123,525)</u> |

BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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, 2024) consist of the following:

| | Grant Revenue | | |
|--|------------------------------------|----------------------------------|------------------------------------|
| | Inception-to-Date June 30, 2023 | Total Grants Fiscal Year 2024 | Inception-to-Date June 30, 2024 |
| Construction: Original Building 1997 | \$1,959,581 | | \$1,959,581 |
| Construction: Library Expansion 2019-2023 | 13,968,675 | \$100,000 | 14,068,675 |
| Collection - Original Book Collection 1997-2001 | 882,534 | | 882,534 |
| Collection - BTLF (Foundation) Annual Appeal | 1,372,138 | 255,500 | 1,627,638 |
| 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 | <u>\$19,960,291</u> | <u>\$355,500</u> | <u>\$20,315,791</u> |

Programs and operations grants from other sources consist of the following:

| | Total Grants Fiscal Year 2024 |
|---|----------------------------------|
| Program - Various Local and State Library Grants | <u>\$17,977</u> |
| Miscellaneous Gifts and Contributions | <u>6,132</u> |
| Total Program & Operational Grants from Other Sources | <u><u>\$24,109</u></u> |

Expansion grant revenues from other sources consist of the following:

| | Inception-to-Date June 30, 2023 | Total Grants Fiscal Year 2024 | Inception-to-Date June 30, 2024 |
|---|------------------------------------|----------------------------------|------------------------------------|
| Town of Tiburon Expansion Contributions | \$450,000 | \$95,275 | \$545,275 |
| City of Belvedere Expansion Contributions | 150,000 | | 150,000 |
| Marin Clean Energy | 9,000 | 12,153 | 21,153 |
| | <u>\$609,000</u> | <u>\$107,428</u> | <u>\$716,428</u> |

**BELVEDERE-TIBURON LIBRARY AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024**

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, 2024. Settlements have not exceeded insurance coverage in the past three years.

The Agency paid \$125,069 in premiums during fiscal year ended June 30, 2024. Audited financial statements may be obtained from SDRMA Services, 1112 I St #300, Sacramento, CA 95814.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

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 June 2023 for a total contract of \$14,441,229. The total Library Expansion project budget was \$18,310,070. The construction began during fiscal year ended June 30, 2020, and the project is substantially complete and has been put into service as of June 30, 2023. Funds for the project came from the Belvedere-Tiburon Library Foundation, prior years' fundraising, contributions from the Town of Tiburon and the City of Belvedere, and the Mechanics Bank line of credit.

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. The prior agreement with the Town of Tiburon to transfer the adjacent property in conjunction with the library expansion expired on August 1, 2022. The library is currently in negotiations with the Town of Tiburon for a land-sharing and related cost-sharing agreement. This agreement will likely include insurance requirements for both parties and maintenance cost-sharing.

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, 2024

| | Original and Final Budgeted Amounts | Actual Amounts | Variance Positive (Negative) |
|--|---|-------------------|------------------------------------|
| Operating Revenues: | | | |
| Intergovernmental: | | | |
| Basic library tax | \$2,435,052 | \$2,460,365 | \$25,313 |
| Parcel tax | 275,000 | 275,877 | 877 |
| ERAF | 530,000 | 576,659 | 46,659 |
| Total intergovernmental | 3,240,052 | 3,312,901 | 72,849 |
| Operating grants & contributions: | | | |
| Belvedere-Tiburon Library Foundation | 175,000 | 255,500 | 80,500 |
| Program grants | 15,000 | 17,977 | 2,977 |
| Miscellaneous gifts & donations | 10,000 | 6,132 | (3,868) |
| Charges for services | 8,450 | 11,666 | 3,216 |
| Investment earnings | 50,000 | 101,845 | 51,845 |
| Total Operating Revenues | 3,498,502 | 3,706,021 | 207,519 |
| Operating Expenditures: | | | |
| Current - Library Services: | | | |
| Personnel costs | 2,301,880 | 1,965,976 | 335,904 |
| Services and supplies | 1,072,791 | 1,005,920 | 66,871 |
| Debt service - CFD 1995-1 Bonds: | | | |
| Principal | 95,000 | 95,000 | |
| Interest and fiscal charges | 34,250 | 34,812 | (562) |
| Total Operating Expenditures | 3,503,921 | 3,101,708 | 402,213 |
| Excess of revenues over expenditures, before capital activities | (5,419) | 604,313 | 609,732 |
| Capital Activities: | | | |
| Expansion grants & contributions: | | | |
| Belvedere-Tiburon Library Foundation | | 100,000 | 100,000 |
| Town of Tiburon | | 95,275 | 95,275 |
| Marin Clean Energy | | 12,153 | 12,153 |
| Capital outlay: | | | |
| Expansion | | (72,251) | (72,251) |
| Other | | (18,824) | (18,824) |
| Debt service - LOC: | | | |
| Principal | (754,913) | (2,964,747) | (2,209,834) |
| Interest and fiscal charges | (37,087) | (70,213) | (33,126) |
| Total Capital Activities, Net | (792,000) | (2,918,607) | (2,126,607) |
| Change in fund balance | (\$797,419) | (2,314,294) | (\$1,516,875) |
| Fund balances, beginning of year | | 5,218,947 | |
| Fund balances, end of year | | \$2,904,653 | |

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

| Measurement Date | Miscellaneous Plan | | | | |
|--|---------------------------|------------------|------------------|------------------|------------------|
| | 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 |

| Measurement Date | Miscellaneous Plan | | | | |
|--|---------------------------|------------------|------------------|------------------|------------------|
| | 6/30/2019 | 6/30/2020 | 6/30/2021 | 6/30/2022 | 6/30/2023 |
| Plan's proportion of the Net Pension Liability (Asset) | 0.02928% | 0.03111% | 0.01372% | 0.03498% | 0.03665% |
| Plan's proportion share of the Net Pension Liability (Asset) | \$1,172,442 | \$1,312,187 | \$578,652 | \$1,636,951 | \$1,832,458 |
| Plan's Covered Payroll | \$1,223,832 | \$1,297,054 | \$1,325,201 | \$1,363,641 | \$1,235,912 |
| Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll | 95.80% | 101.17% | 43.67% | 120.04% | 148.27% |
| Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability | 77.73% | 77.71% | 90.49% | 78.19% | 77.97% |

* Fiscal year 2015 was the first year of implementation.

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

SCHEDULE OF CONTRIBUTIONS

| Fiscal Year Ended June 30 | Miscellaneous Plan | | | | |
|---|---------------------------|-------------|-------------|-------------|-------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 |
| Contractually required contribution (actuarially determined) | \$116,149 | \$115,449 | \$138,093 | \$110,838 | \$103,885 |
| Contributions in relation to the actuarially determined contributions | (116,149) | (115,449) | (138,093) | (110,838) | (103,885) |
| Contribution deficiency (excess) | \$0 | \$0 | \$0 | \$0 | \$0 |
| Covered payroll | \$1,081,598 | \$1,129,322 | \$1,139,794 | \$1,186,789 | \$1,223,832 |
| Contributions as a percentage of covered payroll | 10.74% | 10.22% | 12.12% | 9.34% | 8.49% |

| Fiscal Year Ended June 30 | Miscellaneous Plan | | | | |
|---|---------------------------|-------------|-------------|-------------|-------------|
| | 2020 | 2021 | 2022 | 2023 | 2024 |
| Contractually required contribution (actuarially determined) | \$183,918 | \$130,093 | \$129,489 | \$223,920 | \$228,087 |
| Contributions in relation to the actuarially determined contributions | (183,918) | (130,093) | (129,489) | (223,920) | (228,087) |
| Contribution deficiency (excess) | \$0 | \$0 | \$0 | \$0 | \$0 |
| Covered payroll | \$1,297,054 | \$1,325,201 | \$1,363,641 | \$1,235,912 | \$1,258,992 |
| Contributions as a percentage of covered payroll | 14.18% | 9.82% | 9.50% | 18.12% | 18.12% |

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 | 6.90% |
| Inflation | 2.30% |
| Payroll Growth | 2.80% |
| Investment Rate of Return | 6.90% |
| Mortality | Derived using CalPERS Membership Data for all Funds (1) |

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

* Fiscal year 2015 was the first year of implementation.

BELVEDERE-TIBURON LIBRARY AGENCY

Other Post-Employment Benefits (OPEB)
Last 10 Fiscal Years *

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

| Measurement period | <u>June 30, 2018</u> | <u>June 30, 2019</u> | <u>June 30, 2020</u> | <u>June 30, 2021</u> | <u>June 30, 2022</u> | <u>June 30, 2023</u> | <u>June 30, 2024</u> |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total OPEB Liability | | | | | | | |
| Service Cost | \$29,649 | \$26,163 | \$25,387 | \$30,084 | \$40,773 | \$37,065 | \$28,085 |
| Interest | 6,625 | 8,510 | 9,968 | 9,189 | 8,073 | 9,358 | 13,466 |
| Benefit changes | | | | | | | |
| Differences between expected and actual experience | | | (40,637) | | 61,418 | | (90,251) |
| Assumption changes | (24,569) | (9,989) | 10,440 | 59,522 | (30,782) | (81,270) | (19,336) |
| Benefit payments | <u>(2,286)</u> | <u>(3,734)</u> | <u>(4,286)</u> | <u>(5,532)</u> | <u>(7,884)</u> | <u>(7,876)</u> | <u>(10,038)</u> |
| Net change in total OPEB liability | 9,419 | 20,950 | 872 | 93,263 | 71,598 | (42,723) | (78,074) |
| Total OPEB liability - beginning | <u>203,976</u> | <u>213,395</u> | <u>234,345</u> | <u>235,217</u> | <u>328,480</u> | <u>400,078</u> | <u>357,355</u> |
| Total OPEB liability - ending | <u>\$213,395</u> | <u>\$234,345</u> | <u>\$235,217</u> | <u>\$328,480</u> | <u>\$400,078</u> | <u>\$357,355</u> | <u>\$279,281</u> |
| Covered payroll | <u>\$1,129,395</u> | <u>\$1,192,875</u> | <u>\$1,375,610</u> | <u>\$1,292,785</u> | <u>\$1,366,168</u> | <u>\$1,302,706</u> | <u>\$1,253,644</u> |
| Total OPEB liability as a percentage of covered payroll | <u>18.9%</u> | <u>19.6%</u> | <u>17.1%</u> | <u>25.4%</u> | <u>29.3%</u> | <u>27.4%</u> | <u>22.3%</u> |

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

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BELVEDERE-TIBURON LIBRARY AGENCY
REQUIRED COMMUNICATIONS
FOR THE YEAR ENDED JUNE 30, 2024

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**BELVEDERE-TIBURON LIBRARY AGENCY
REQUIRED COMMUNICATIONS**

For The Year Ended June 30, 2024

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REQUIRED COMMUNICATIONS

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

We have audited the basic financial statements of the Belvedere-Tiburon Library Agency, California, for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter addressed to the Library Director and Agency Chair dated June 5, 2024. Professional standards also require that we communicate to you the following information related to our audit:

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Accounting Policies – Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year, except as follows. The following pronouncements became effective, but did not have a material effect on the financial statements:

GASB 100 – Accounting for Changes and Error Corrections

Unusual Transactions, Controversial or Emerging Areas – We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates – Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Agency’s financial statements were:

Estimated Net Pension Liabilities (Assets) and Pension-Related Deferred Outflows and Inflows of Resources: Management’s estimate of the net pension liabilities (assets) and deferred outflows/inflows of resources are disclosed in Note 8 to the financial statements and are based on accounting valuations determined by the California Public Employees Retirement System, which are based on the experience of the Agency. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Estimated Net OPEB Liabilities and OPEB–Related Deferred Outflows and Inflows of Resources: Management’s estimate of the net OPEB liabilities and deferred outflows/inflows of resources are disclosed in Note 9 to the financial statements and are based on actuarial studies determined by a consultant, which are based on the experience of the Agency. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Estimate of Depreciation: Management’s estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 5 to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Estimate of Compensated Absences: Accrued compensated absences which are comprised of accrued vacation, holiday, and certain other compensating time is estimated using accumulated unpaid leave hours and hourly pay rates in effect at the end of the fiscal year as disclosed in Note 2F to the financial statements. We evaluated the key factors and assumptions used to develop the accrued compensated absences and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Disclosures – The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit’s financial statements taken as a whole.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the Board of Trustees.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in a management representation letter dated **DATE**.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Agency’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

This report is intended solely for the information and use of the Board of Trustees and management and is not intended to be and should not be used by anyone other than these specified parties.

Pleasant Hill, California

DATE

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BELVEDERE-TIBURON LIBRARY AGENCY
MEMORANDUM ON INTERNAL CONTROL
FOR THE YEAR ENDED JUNE 30, 2024

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**BELVEDERE-TIBURON LIBRARY AGENCY
MEMORANDUM ON INTERNAL CONTROL**

For the Year Ended June 30, 2024

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MEMORANDUM ON INTERNAL CONTROL

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

In planning and performing our audit of the basic financial statements of the Belvedere-Tiburon Library Agency (Agency) as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing our audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe are opportunities for strengthening internal controls and operating efficiency.

This communication is intended solely for the information and use of management, Board of Trustees, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Pleasant Hill, California

DATE

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**BELVEDERE-TIBURON LIBRARY AGENCY
MEMORANDUM ON INTERNAL CONTROL
SCHEDULE OF OTHER MATTERS**

NEW GASB PRONOUNCEMENTS OR PRONOUNCEMENTS NOT YET EFFECTIVE

The following comment represents new pronouncements taking affect in the next few years. We have cited them here to keep you informed of developments.

EFFECTIVE FISCAL YEAR 2024/25:

GASB 101 – *Compensated Absences*

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Recognition And Measurement

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

**BELVEDERE-TIBURON LIBRARY AGENCY
MEMORANDUM ON INTERNAL CONTROL
SCHEDULE OF OTHER MATTERS**

GASB 101 – *Compensated Absences (Continued)*

Notes To Financial Statements

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

How the Changes in this Statement Will Improve Financial Reporting

The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

GASB 102 – *Certain Risk Disclosures*

State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

**BELVEDERE-TIBURON LIBRARY AGENCY
MEMORANDUM ON INTERNAL CONTROL
SCHEDULE OF OTHER MATTERS**

GASB 102 – Certain Risk Disclosures (Continued)

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint.
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements.
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

**BELVEDERE-TIBURON LIBRARY AGENCY
MEMORANDUM ON INTERNAL CONTROL
SCHEDULE OF OTHER MATTERS**

EFFECTIVE FISCAL YEAR 2025/26:

GASB 103 – Financial Reporting Model Improvements

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

Management's Discussion and Analysis - This Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

Unusual or Infrequent Items - This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position - This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers.

**BELVEDERE-TIBURON LIBRARY AGENCY
MEMORANDUM ON INTERNAL CONTROL
SCHEDULE OF OTHER MATTERS**

GASB 103 – Financial Reporting Model Improvements (Continued)

Major Component Unit Information - This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

Budgetary Comparison Information - This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

How the Changes in This Statement Will Improve Financial Reporting

The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A.

The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources.

The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from government to government, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position.

The requirement for presentation of major component unit information will improve comparability.

The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.

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Belvedere
Tiburon
Library

January 27, 2025

Whitney Crockett, CPA
Maze and Associates
Certified Public Accountants
3478 Buskirk Avenue, Suite 217
Pleasant Hill, CA 94523

Dear Whitney,

This representation letter is provided in connection with your audit of the financial statements of the Belvedere-Tiburon Library Agency (Agency), which comprise the respective financial position of the governmental activities and General Fund as of June 30, 2024, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of the date of this letter the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 5, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the Agency is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Agency from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Agency's Board or summaries of actions of recent meetings for which minutes have not yet been prepared.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
13. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
14. We have no knowledge of any fraud or suspected fraud that affects the Agency and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting the Agency's financial statements communicated by employees, former employees, regulators, or others.
16. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
17. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
18. We have disclosed to you the identity of the Agency's related parties and all the related party relationships and transactions of which we are aware.

Government – specific

19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have a process to track the status of audit findings and recommendations.
21. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
22. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
23. The Agency has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, deferred outflows/inflows of resources or equity.
24. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
25. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
26. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
27. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
28. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
29. As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses the suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
30. The Agency has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

31. The Agency has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
32. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
33. The financial statements properly classify all funds and activities in accordance with GASB Statement Nos. 34 and 54.
34. Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.
35. Provisions for uncollectible receivables have been properly identified and recorded.
36. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
37. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
38. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
39. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
40. The methods and significant assumptions used to determine fair value of financial instruments are properly disclosed in the financial statements. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.
41. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
42. Capital assets, including intangible assets, have been evaluated for impairment as a result of significant and unexpected decline in service utility. There are no impairment losses or insurance recoveries to record or disclose.”
43. We have appropriately disclosed the Agency’s policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position is properly recognized under the policy.
44. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
45. Participation in a public entity risk pool has been properly reported and disclosed in the financial statements.

46. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
47. We have evaluated the Agency's ability to continue as a going concern and have included appropriate disclosures, as necessary, in the financial statements.
48. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
49. Expenditures of federal awards were below the \$750,000 threshold for the year ended June 30, 2024, and were not required to have an audit in accordance with Uniform Guidance.

Signed: _____
Crystal Duran

Signed: _____
Anthony Hooker

Title: Library Director _____

Title: Library Agency Chair _____



DATE: January 27, 2025

TO: BTLA Trustees

FROM: Crystal Duran, Library Director

SUBJECT: Benefits Allowance

Background

In 2024, the library engaged a consultant for a compensation study, resulting in a revised salary schedule. A compensation committee (Richards, Poplawski, Weil) was formed to review benefit offerings and address competitiveness in the regional labor market.

A staff survey in October 2024 revealed two main concerns: the desire for vision benefits and rising premium costs. The library engaged a broker to request quotes on various benefits and costs, information that is forthcoming and will inform a broader proposal for benefit offerings. However, with insurance premiums increasing again in January 2025, the committee considered stop-gap and “easy to implement” measures to mitigate rising costs.

The library worked with the broker to enroll in a Section 125 plan to allow employees to take advantage of pre-tax benefits. All employees were allowed to enroll into a flexible spending account (FSA) and dependent care account (DCA) for 2025. The 125 plan will provide some financial relief to employees for out-of-pocket medical, vision, and dental costs and dependent-care costs.

To address premiums, the committee discussed the cafeteria allowance. Insurance premiums for the Kaiser plan have consistently increased (+6% in 2022, +14% in 2023, +12% in 2024, +9% in 2025). Current cafeteria allowances of \$1,687 cover single staff premiums but leave gaps for employees with dependents. The cafeteria allowance, last increased in 2021 to \$1,687, has not kept pace with rising costs.

The 9% premium increase that went into effect on January 1, 2025, was specifically alarming for the impact on employees with dependents. Without increasing the medical allowance, an employee with one dependent could expect to pay an additional \$183 in monthly premiums while an employee with two or more dependents could expect to pay \$238 more (based on Kaiser plan only).

In reviewing the premium coverages of regional competitors, the compensation committee concluded that a cafeteria allowance of \$2,000 could offset premium increases without significantly impacting library operational costs.

Recommendation

The committee proposes increasing the cafeteria allowance to \$2,000 for the remainder of FY24-25 as a stop-gap measure. This adjustment will:

- Offset premium increases for employees with dependents.
- Add \$8,527 to FY24-25 personnel costs while keeping overall personnel costs below 70% of operations.

The financial implications of the proposed allowance increase were discussed at the January Finance Committee meeting.

Next Steps

The Board may consider increasing the allowance recommended by the Compensation Committee.

The committee recognizes that more time is needed to consider the overall benefit package and recommend changes that are advantageous to employees and financially sustainable for the organization. The compensation committee expects to have a comprehensive benefits proposal with cost implications for the development of the FY25-26 budget.

| EFFECT ON FISCAL 2025 | | | | | | | |
|-----------------------|--------|--|-------------|-------------|-------------|-------------|-------------|
| | | <u>PREMIUMS</u> | <u>1687</u> | <u>1900</u> | <u>2000</u> | <u>2200</u> | <u>2250</u> |
| | 6 mo | Jul-Dec 2024 Actual | \$ 136,869 | \$ 136,869 | \$ 136,869 | \$ 136,869 | \$ 136,869 |
| | 6 mo | New Jan-Jun 2025 | \$ 158,796 | \$ 158,796 | \$ 158,796 | \$ 158,796 | \$ 158,796 |
| 7110 | Annual | Projected total for FY2025 | \$ 295,665 | \$ 295,665 | \$ 295,665 | \$ 295,665 | \$ 295,665 |
| | | <u>EMPLOYEE CONTRIB</u> | <u>1687</u> | <u>1900</u> | <u>2000</u> | <u>2200</u> | <u>2250</u> |
| | 6 mo | Jul-Dec 2024 Actual | \$ (15,265) | \$ (15,265) | \$ (15,265) | \$ (15,265) | \$ (15,265) |
| | 6 mo | New Jan-Jun 2025 | \$ (26,686) | \$ (20,884) | \$ (18,445) | \$ (14,197) | \$ (13,251) |
| 7110 | Annual | Projected total for FY2025 | \$ (41,951) | \$ (36,149) | \$ (33,710) | \$ (29,462) | \$ (28,516) |
| 7110 | Annual | NET 7110 Health Ben COST FY2025 | \$ 253,714 | \$ 259,516 | \$ 261,955 | \$ 266,203 | \$ 267,149 |
| | | <u>OPEB Cost</u> | <u>1687</u> | <u>1900</u> | <u>2000</u> | <u>2200</u> | <u>2250</u> |
| | 6 mo | Jul-Dec 2024 Actual | \$ 5,043 | \$ 5,043 | \$ 5,043 | \$ 5,043 | \$ 5,043 |
| | 6 mo | New Jan-Jun 2025 | \$ 5,336 | \$ 5,336 | \$ 5,336 | \$ 5,336 | \$ 5,336 |
| 7115 | Annual | 7115 OPEB COST FY2025 | \$ 10,378 | \$ 10,378 | \$ 10,378 | \$ 10,378 | \$ 10,378 |
| | | <u>MEDICAL PAY</u> | <u>1687</u> | <u>1900</u> | <u>2000</u> | <u>2200</u> | <u>2250</u> |
| | 6 mo | Jul-Dec 2024 Actual | \$ 10,575 | \$ 10,575 | \$ 10,575 | \$ 10,575 | \$ 10,575 |
| | 6 mo | New Jan-Jun 2025 | \$ 10,800 | \$ 10,800 | \$ 11,085 | \$ 12,150 | \$ 12,266 |
| 7015 | Annual | 7015 MED PAY COST FY2025 | \$ 21,375 | \$ 21,375 | \$ 21,660 | \$ 22,725 | \$ 22,841 |
| | Annual | TOTAL NET COST FY FY2025 | \$ 285,468 | \$ 291,270 | \$ 293,994 | \$ 299,307 | \$ 300,369 |
| | Annual | Budget FY2025 7110+7115+7015 | \$ 290,299 | \$ 290,299 | \$ 290,299 | \$ 290,299 | \$ 290,299 |
| | 6 mo | Health Cost Effect on Budget FY2025 | \$ (4,831) | \$ 971 | \$ 3,695 | \$ 9,008 | \$ 10,070 |
| | Annual | Projection FY 2025 7110+7115+7015 | \$ 285,467 | \$ 285,467 | \$ 285,467 | \$ 285,467 | \$ 285,467 |
| | 6 Mo | Allowance Cost over Projection | \$ 0 | \$ 5,803 | \$ 8,527 | \$ 13,839 | \$ 14,901 |
| | | Matches Line 41 on F25 Allowance Projections Tab | | | | | |

| ANNUAL EFFECT ON FISCAL 2026 | | | | | | | | |
|---|--------|--|--------------------|--------------------|--------------------|--------------------|--------------------|--|
| Assumes 5% increase in Health Premiums | | | 1687 | 1900 | 2000 | 2200 | 2250 | |
| | | 1/1/2025 Premiums - Annual | \$ 317,592 | \$ 317,592 | \$ 317,592 | \$ 317,592 | \$ 317,592 | |
| | 5% | Increase ESTIMATE 6 months 1/1/2026 | \$ 7,940 | \$ 7,940 | \$ 7,940 | \$ 7,940 | \$ 7,940 | |
| 7110 Annual | | Projected total for FY2026 | \$ 325,532 | \$ 325,532 | \$ 325,532 | \$ 325,532 | \$ 325,532 | |
| | | | | | | | | |
| | | Jul-Dec 2025 | \$ (26,682) | \$ (20,886) | \$ (18,444) | \$ (14,196) | \$ (13,134) | |
| | | New Jan-Jun 2026 | \$ (30,918) | \$ (25,116) | \$ (22,398) | \$ (17,886) | \$ (16,824) | |
| 7110 Annual | | Employee Contrib | \$ (57,600) | \$ (46,002) | \$ (40,842) | \$ (32,082) | \$ (29,958) | |
| | | | | | | | | |
| 7110 Annual | | NET 7110 COST FY2026 | \$ 267,932 | \$ 279,530 | \$ 284,690 | \$ 293,450 | \$ 295,574 | |
| | | | | | | | | |
| | | OPEB Cost | 1687 | 1900 | 2000 | 2200 | 2250 | |
| | 6 mo | Jul-Dec 2025 | \$ 5,336 | \$ 5,336 | \$ 5,336 | \$ 5,336 | \$ 5,336 | |
| | 6 mo | New Jan-Jun 2026 (assume 5%) | \$ 5,603 | \$ 5,603 | \$ 5,603 | \$ 5,603 | \$ 5,603 | |
| 7115 Annual | | 7115 COST FY2026 | \$ 10,939 | \$ 10,939 | \$ 10,939 | \$ 10,939 | \$ 10,939 | |
| | | | | | | | | |
| | | Jul-Dec 2025 | \$ 10,800 | \$ 10,800 | \$ 11,082 | \$ 12,150 | \$ 12,150 | |
| | | New Jan-Jun 2026 | \$ 10,800 | \$ 10,800 | \$ 10,800 | \$ 11,736 | \$ 12,036 | |
| 7015 Annual | | Medical Pay FY2026 | \$ 21,600 | \$ 21,600 | \$ 21,882 | \$ 23,886 | \$ 24,186 | |
| | | | | | | | | |
| | Annual | TOTAL NET COST FY 2026 | \$ 300,471 | \$ 312,069 | \$ 317,511 | \$ 328,275 | \$ 330,699 | |
| | | | | | | | | |
| | Annual | FY 2026 Increase over FY2025 Cost | \$ 15,003 | \$ 20,799 | \$ 23,517 | \$ 28,968 | \$ 30,330 | |
| | | | 5% | 7% | 8% | 10% | 10% | |
| | | | | | | | | |
| | Annual | FY 2026 Increase over 2025 Budget | \$ 10,172 | \$ 21,770 | \$ 27,212 | \$ 37,976 | \$ 40,400 | |
| | | | 4% | 7% | 9% | 13% | 14% | |

| BELVEDERE-TIBURON LIBRARY AGENCY | | | | FY2024-2025 | FY2024-2025 | FY2024-2025 | | FY2024-2025 | | FY2024-2025 | | FY2024-2025 | | FY2024-2025 | | FY2024-2025 | |
|--|--|-----------|-----------|-------------|--------------|--|------------|------------------------------------|--------------|------------------------------------|--------------|------------------------------------|--------------|------------------------------------|--------------|-------------|-----------|
| FY25 BUDGET AND PROJECTION | | | | Approved | Projection | Projection | | Projection | Allowance | Projection | Allowance | Projection | Allowance | Projection | Allowance | Projection | Allowance |
| WITH HEALTH BENEFIT ALLOWANCE OPTIONS | | | | Budget | With \$1,687 | to Budget | | With \$1,900 | 13% Increase | With \$2,000 | 19% Increase | With \$2,200 | 30% Increase | With \$2,250 | 33% Increase | | |
| | | | | | Allowance | Difference | | Allowance | | Allowance | | Allowance | | Allowance | | | |
| | | | | | | | | | | | | | | | | | |
| OPERATING REVENUES: | | | | | | | | | | | | | | | | | |
| 5010 | Basic Library Tax | 2,556,925 | 2,545,697 | | | | 2,545,697 | | 2,545,697 | | 2,545,697 | | 2,545,697 | Updated for | | | |
| 5020 | Parcel Tax | 275,000 | 275,000 | | | | 275,000 | | 275,000 | | 275,000 | | 275,000 | | | | |
| 5025 | ERAF | 530,000 | 530,000 | | | | 530,000 | | 530,000 | | 530,000 | | 530,000 | | | | |
| 5032 | BTLF Grants | 70,000 | 57,000 | | | | 57,000 | | 57,000 | | 57,000 | | 57,000 | | | | |
| 5033 | Program Grants | 80,400 | 74,865 | | | | 74,865 | | 74,865 | | 74,865 | | 74,865 | | | | |
| 5040 | Book Fines & Reserves | 500 | 362 | | | | 362 | | 362 | | 362 | | 362 | | | | |
| 5050 | Book Sales | - | - | | | | - | | - | | - | | - | | | | |
| 5065 | Reference Desk Income | 50 | 342 | | | | 342 | | 342 | | 342 | | 342 | | | | |
| 5070 | Commission on Copier | 380 | 648 | | | | 648 | | 648 | | 648 | | 648 | | | | |
| 5090 | Other Revenue | 9,303 | 11,168 | | | | 11,168 | | 11,168 | | 11,168 | | 11,168 | | | | |
| 5099 | Interest Income | 50,000 | 73,915 | | | | 73,915 | | 73,915 | | 73,915 | | 73,915 | | | | |
| Total Operating Revenue | | 3,572,558 | 3,569,031 | | | | 3,568,997 | | 3,568,997 | | 3,568,997 | | 3,568,997 | | | | |
| | | | | | | | | | | | | | | | | | |
| 8915 | CFD Bond Principal Repayment | (100,000) | (100,000) | | | | (100,000) | | (100,000) | | (100,000) | | (100,000) | | | | |
| 8910 | CFD Bond Interest Expenses | (15,900) | (15,900) | | | | (15,900) | | (15,900) | | (15,900) | | (15,900) | | | | |
| 8920 | CFD Bond Fiscal Agent Fees | (14,000) | (14,004) | | | | (14,004) | | (14,004) | | (14,004) | | (14,004) | | | | |
| Total Operating Debt Service | | (129,900) | (129,904) | | | | (129,904) | | (129,904) | | (129,904) | | (129,904) | | | | |
| | | | | | | | | | | | | | | | | | |
| Total Revenue after Debt Serv | | 3,442,658 | 3,439,127 | (3,531) | | | 3,439,093 | | 3,439,093 | | 3,439,093 | | 3,439,093 | | | | |
| | | | | | | | | | | | | | | | | | |
| OPERATING EXPENDITURES: | | | | | | | | | | | | | | | | | |
| | | | | | | Projection: Premium Increase over Budget | | Allowance Increase over Projection | | Allowance Increase over Projection | | Allowance Increase over Projection | | Allowance Increase over Projection | | | |
| Personnel: | | | | | | | | | | | | | | | | | |
| 7010 | Salaries & Wages | 1,409,856 | 1,389,364 | | | | 1,389,364 | | 1,389,364 | | 1,389,364 | | 1,389,364 | | | | |
| 7015 | Medical Reimbursement | 21,600 | 21,375 | (225) | | | 21,375 | - | 21,660 | 285 | 22,725 | 1,350 | 22,841 | 1,466 | | | |
| 7020 | Part-Time Wages | 303,834 | 250,989 | | | | 250,989 | | 250,989 | | 250,989 | | 250,989 | | | | |
| Subtotal Salaries & Wages | | 1,735,290 | 1,661,728 | | | | 1,661,728 | | 1,662,013 | | 1,663,078 | | 1,663,194 | | | | |
| | | | | | | | | | | | | | | | | | |
| 7100 | PERS Retirement Benefits | 277,377 | 253,789 | | | | 253,789 | | 253,789 | | 253,789 | | 253,789 | | | | |
| 7105 | 115 Trust | 25,000 | 25,000 | | | | 25,000 | | 25,000 | | 25,000 | | 25,000 | | | | |
| | | | | | | | | | | | | | | | | | |
| 7110 | PERS Health Benefits Premium Cost | 285,684 | 295,665 | 9,981 | | | 295,665 | | 295,665 | | 295,665 | | 295,665 | | | | |
| 7110A | PERS Health Benefits EE Out of Pocket Prem | (27,185) | (41,951) | (14,766) | | | (36,149) | | (33,710) | | (29,462) | | (28,516) | | | | |
| 7110 | NET HEALTH COST INCREASE | 258,499 | 253,714 | (4,785) | | | 259,516 | 5,802 | 261,955 | 8,241 | 266,203 | 12,489 | 267,149 | 13,435 | | | |
| | | | | | | | | | | | | | | | | | |
| Line 41 | TOTAL INCREASE DUE TO ALLOWANCE ADJUSTMENT | | | - | | | Allow+Med | 5,802 | Allow+Med | 8,526 | Allow+Med | 13,839 | Allow+Med | 14,901 | | | |
| | | | | | | | | | | | | | | | | | |
| TOTAL BTLA COST INCREASE (PREM INC + ALLOWANCE EFFECT) | | | 9,981 | | | | Allow+Prem | 15,783 | Allow+Prem | 18,507 | Allow+Prem | 23,820 | Allow+Prem | 24,882 | | | |
| | | | | | | | | | | | | | | | | | |
| 7115 | OPEB Health Obligation | 10,200 | 10,378 | | | | 10,378 | 178 | 10,378 | | 10,378 | | 10,378 | | | | |
| 7120 | Worker's Comp Insurance | 8,038 | 8,629 | | | | 8,629 | | 8,629 | | 8,629 | | 8,629 | | | | |
| 7125 | Employment Practices Insurance | 5,400 | 5,400 | | | | 5,400 | | 5,400 | | 5,400 | | 5,400 | | | | |
| 7130 | Payroll Tax Expense | 43,686 | 39,926 | | | | 39,926 | | 39,926 | | 39,926 | | 39,926 | | | | |
| 7140 | Unemployment | | 8,478 | | | | 8,478 | | 8,478 | | 8,478 | | 8,478 | | | | |
| 7200 | Professional Development | 10,000 | 11,636 | | | | 11,636 | | 11,636 | | 11,636 | | 11,636 | | | | |
| 7210 | Staffing Recruitment | 500 | 2,557 | | | | 2,557 | | 2,557 | | 2,557 | | 2,557 | | | | |
| Total Personnel | | 2,373,990 | 2,281,235 | (92,755) | | | 2,287,037 | | 2,289,761 | | 2,295,074 | | 2,296,136 | | | | |
| | | | | | | | | | | | | | | | | | |
| Personnel as a Percentage of Revenue | | | 66.33% | | | | 66.50% | | 66.58% | | 66.73% | | 66.77% | | | | |

| BELVEDERE-TIBURON LIBRARY AGENCY | | | | | FY2024-2025 | | FY2024-2025 | | FY2024-2025 | | FY2024-2025 | |
|---|---|----------------|----------------|----------------|-------------|--------------|-------------|--|----------------|-----------|----------------|-----------|
| FY25 BUDGET AND PROJECTION | | | | | Approved | Projection | Projection | | Projection | Allowance | Projection | Allowance |
| WITH HEALTH BENEFIT ALLOWANCE OPTIONS | | | | | Budget | With \$1,687 | to Budget | | With \$1,900 | 13% | With \$2,000 | 19% |
| | | | | | | Allowance | Difference | | Allowance | Increase | Allowance | Increase |
| | | | | | | | | | | | | |
| Circulation Materials & Data | | | | | | | | | | | | |
| 7601 | Books & Other Materials | 100,000 | 93,180 | | | | | | 93,180 | | 93,180 | |
| 7602 | Processing Costs & Fees | 7,000 | 22,654 | | | | | | 22,654 | | 22,654 | |
| 7603 | Supplies-Processing | 3,000 | 1,664 | | | | | | 1,664 | | 1,664 | |
| 7606 | Digital content | 80,000 | 80,172 | | | | | | 80,172 | | 80,172 | |
| 7607 | Consortium Costs | 112,000 | 112,834 | | | | | | 112,834 | | 112,834 | |
| | Total Circulation Materials & Data | 302,000 | 310,504 | 8,504 | | | | | 310,504 | | 310,504 | |
| Technology Infrastructure: | | | | | | | | | | | | |
| 8020 | Online Services | 12,276 | 12,158 | | | | | | 12,158 | | 12,158 | |
| 8035 | Computers & Equipment | 14,250 | 13,870 | | | | | | 13,870 | | 13,870 | |
| 8040 | Technical Support | 39,732 | 41,852 | | | | | | 41,852 | | 41,852 | |
| 8070 | IT Infrastructure | 31,200 | 33,068 | | | | | | 33,068 | | 33,068 | |
| 8071 | Website maintenance | 10,000 | 9,048 | | | | | | 9,048 | | 9,048 | |
| | Total Technology Infrastructure | 107,458 | 109,996 | 2,538 | | | | | 109,996 | | 109,996 | |
| Program Services & Supplies: | | | | | | | | | | | | |
| 8210 | Copier Expenses | 15,520 | 16,042 | | | | | | 16,042 | | 16,042 | |
| 8220 | Postage & Freight | 3,500 | 3,842 | | | | | | 3,842 | | 3,842 | |
| 8225 | Public Relations | 34,000 | 29,800 | | | | | | 29,800 | | 29,800 | |
| 8230 | Office Supplies | 7,000 | 8,610 | | | | | | 8,610 | | 8,610 | |
| 8240 | Adult Programs | 31,900 | 30,077 | | | | | | 30,077 | | 30,077 | |
| 8250 | Children's Programs | 20,000 | 20,086 | | | | | | 20,086 | | 20,086 | |
| 8251 | Young Adult Programs | 6,000 | 5,682 | | | | | | 5,682 | | 5,682 | |
| 8260 | Telephone | 14,600 | 15,025 | | | | | | 15,025 | | 15,025 | |
| 8270 | AV Equipment & Peripherals | 5,000 | 5,014 | | | | | | 5,014 | | 5,014 | |
| 8280 | Maker Space Programs | 15,000 | 14,219 | | | | | | 14,219 | | 14,219 | |
| 8290 | Technology Training Programs | 4,000 | 5,000 | | | | | | 5,000 | | 5,000 | |
| | Total Program Services & Supplies | 156,520 | 153,397 | (3,123) | | | | | 153,397 | | 153,397 | |

| BELVEDERE-TIBURON LIBRARY AGENCY | | FY2024-2025 | FY2024-2025 | FY2024-2025 | | FY2024-2025 | | FY2024-2025 | | FY2024-2025 | | FY2024-2025 | |
|---------------------------------------|--------------------------------------|--------------|--------------|-------------|--|--------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|
| FY25 BUDGET AND PROJECTION | | Approved | Projection | Projection | | Projection | Allowance | Projection | Allowance | Projection | Allowance | Projection | Allowance |
| WITH HEALTH BENEFIT ALLOWANCE OPTIONS | | Budget | With \$1,687 | to Budget | | With \$1,900 | 13% | With \$2,000 | 19% | With \$2,200 | 30% | With \$2,250 | 33% |
| | | | Allowance | Difference | | Allowance | Increase | Allowance | Increase | Allowance | Increase | Allowance | Increase |
| | | | | | | | | | | | | | |
| Building Expenses: | | | | | | | | | | | | | |
| 8410 | Insurance | 125,000 | 127,532 | | | 127,532 | | 127,532 | | 127,532 | | 127,532 | |
| 8430 | Building Maintenance Incidental | 17,500 | 29,403 | | | 23,403 | | 23,403 | | 23,403 | | 23,403 | |
| 8440 | Grounds Maintenance | 18,000 | 18,292 | | | 18,292 | | 18,292 | | 18,292 | | 18,292 | |
| 8450 | Janitorial Expense | 60,000 | 59,444 | | | 59,444 | | 59,444 | | 59,444 | | 59,444 | |
| 8460 | Custodial Supplies | 9,000 | 6,866 | | | 6,866 | | 6,866 | | 6,866 | | 6,866 | |
| 8480 | Trash | 5,360 | 4,970 | | | 4,970 | | 4,970 | | 4,970 | | 4,970 | |
| 8490 | Electricity/Gas | 80,000 | 92,404 | | | 92,404 | | 92,404 | | 92,404 | | 92,404 | |
| 8491 | Parking | 6,240 | 7,800 | | | 7,800 | | 7,800 | | 7,800 | | 7,800 | |
| 8492 | Building Maintenance Contracts | 13,000 | 13,116 | | | 13,116 | | 13,116 | | 13,116 | | 13,116 | |
| 8493 | EV Public Charging Stations | 9,600 | 12,086 | | | 11,092 | | 11,092 | | 11,092 | | 11,092 | |
| 8500 | Water | 7,500 | 15,412 | | | 15,412 | | 15,412 | | 15,412 | | 15,412 | |
| 8501 | Furniture & Fixtures | - | - | | | - | | - | | - | | - | |
| | Total Building Expense | 351,200 | 387,325 | 36,125 | | 380,331 | | 380,331 | | 380,331 | | | |
| | | | | | | | | | | | | | |
| Agency Administration: | | | | | | | | | | | | | |
| 8810 | Bank Charges | 500 | 137 | | | 137 | | 137 | | 137 | | 137 | |
| 8815 | Credit Card Charges | 800 | 1,008 | | | 1,008 | | 1,008 | | 1,008 | | 1,008 | |
| 8820 | Cash Short/(Over) | 120 | - | | | - | | - | | - | | - | |
| 8825 | Membership and Dues | 4,455 | 3,579 | | | 3,579 | | 3,579 | | 3,579 | | 3,579 | |
| 8830 | Accounting | 8,000 | 8,526 | | | 8,526 | | 8,526 | | 8,526 | | 8,526 | |
| 8835 | Auditing | 33,350 | 33,491 | | | 33,491 | | 33,491 | | 33,491 | | 33,491 | |
| 8840 | Legal & Consulting Services | 50,000 | 76,197 | | | 76,197 | | 76,197 | | 76,197 | | 76,197 | |
| 8850 | Staff, Volunteer & Board Recognition | 5,000 | 4,793 | | | 4,793 | | 4,793 | | 4,793 | | 4,793 | |
| 8890 | Contribution to Reserves | 34,427 | 34,427 | | | 34,427 | | 34,427 | | 34,427 | | 34,427 | |
| | Total Agency Administration | 136,652 | 162,158 | 25,506 | | 162,158 | | 162,158 | | 162,158 | | 162,158 | |
| | | | | | | | | | | | | | |
| | Total Operating Expenses | \$ 3,427,820 | \$ 3,404,615 | \$ (23,205) | | \$ 3,403,423 | | \$ 3,406,147 | | \$ 3,411,460 | | \$ 3,412,522 | |
| | | | | | | | | | | | | | |
| | Net Operating Revenue (Loss) | 14,838 | 34,512 | 19,674 | | 35,670 | | 32,946 | | 27,633 | | 26,571 | |
| | | | | | | | | | | | | | |

| BELVEDERE-TIBURON LIBRARY AGENCY | | | | | | | | | | | | | | |
|---|-------------|-------------|--|----------------|----------------|----------------|----------------|--|--|--|--|--|--|--|
| STAFF OUT-OF-POCKET MONTHLY PREMIUM COSTS | | | | | | | | | | | | | | |
| | Budget | 1/1/2025 | | 1/1/2025 | 1/1/2025 | 1/1/2025 | 1/1/2025 | | | | | | | |
| Allowance | \$1,687 | \$1,687 | | \$1,900 | \$2,000 | \$2,200 | \$2,250 | | | | | | | |
| Staff 2 | \$ - | \$ 265.46 | | \$ 52.46 | \$ - | \$ - | \$ - | Staff 2 Changed Plan for 1/1/2025 to save money from PERS Gold to Western Health Advantage | | | | | | |
| Staff 5 | \$ 193.23 | \$ 284.72 | | \$ 169.70 | \$ 115.70 | \$ 7.70 | \$ - | | | | | | | |
| Staff 7 | \$ 577.63 | \$ 760.61 | | \$ 547.61 | \$ 447.61 | \$ 247.61 | \$ 197.61 | | | | | | | |
| Staff 10 | \$ 576.38 | \$ 759.36 | | \$ 546.36 | \$ 446.36 | \$ 246.36 | \$ 196.36 | | | | | | | |
| Staff 14 | \$ 879.90 | \$ 2,339.23 | | \$ 2,126.23 | \$ 2,026.23 | \$ 1,826.23 | \$ 1,776.23 | Staff 14 Changed Plan from PERS Gold to PERS Platinum substantially increasing the Premium cost for 1/1/2025 | | | | | | |
| | \$ 2,227.14 | \$ 4,409.38 | | \$ 3,442.36 | \$ 3,035.90 | \$ 2,327.90 | \$ 2,170.20 | | | | | | | |
| | | \$ 2,182.24 | | \$ (967.02) | \$ (1,373.48) | \$ (2,081.48) | \$ (2,239.18) | Monthly ER Cost | | | | | | |
| | | | | \$ (5,802.12) | \$ (8,240.88) | \$ (12,488.88) | \$ (13,435.08) | 6 months This is a PARTIAL factor on Line 33 Analysis and Line 41 Allowance | | | | | | |
| | | | | \$ (11,604.24) | \$ (16,481.76) | \$ (24,977.76) | \$ (26,870.16) | Annual | | | | | | |

Belvedere-Tiburon Library Agency Future Meeting Dates

No Meeting in December unless necessary (**December 16, 2024**)

February 24, 2025

March 17, 2025

April 21, 2025

May 19, 2025

June 16, 2025

July 21, 2025

No meeting in August unless necessary (**August 18, 2025**)

September 15, 2025

October 20, 2025

November 17, 2024

No meeting in December unless necessary (**December 15, 2025**)

**All meetings are held on Mondays at 6:15 pm IN PERSON in the Library
Founder's Room.**