



ADMINISTRATIVE COUNCIL AGENDA
Friday, January 21, 2022
10:00 am – Webinar

Presiding: FY 2021/22 Chair Jessica Cadiente, SB

<https://blackgold.webex.com/blackgold/j.php?MTID=m975204c90bc0b694a0275ce30ab2deca>

Meeting number: 2554 138 3513
Password: 012122

Join by phone: 1-650-479-3208 Call-in toll number (US/Canada)
Access code: 255 413 83513

* Item accompanies the agenda.

<ul style="list-style-type: none">• Agenda and business meeting addenda (compiled PDF) @ http://ats.blackgold.org• Auxiliary Receive and File addenda PDFs @ http://ats.blackgold.org	
Symbol	Key
<i>M</i>	Move to approve
*	PDF accompanies posted agenda
<i>p.</i>	Associated addendum page number(s) located @ top center of compiled agenda PDF.
**	Item to be provided later
▶	Item updated in the Administrative Council Notebook @ http://ats.blackgold.org

1. **10:00a.m. CALL TO ORDER**
2. *M* - **ADOPTION OF AGENDA**
3. **PUBLIC TESTIMONY**
4. *M* - **CONSENT CALENDAR**
 - a. *Administrative Council Minutes – 12.03.21 (*page 3*)
 - b. *Financial Reports through November 2021 (*page 6*)
 - c. *Net Borrowing/Lending – through December 2021 (*page 26*)
5. **AUXILIARY RECEIVE AND FILE** — [posted @ <http://ats.blackgold.org>]
 - a. Departmental Resources
 - i. Circulation - ATS Checkout & Renewal Statistics –through December 2021
 - ii. Cataloging – through December 2021
 - iii. Hoopla Recap – through December 2021
6. ***STATE LIBRARY REPORT** – January Report -provided by Bev Schwartzberg (State Library)
7. **OLD BUSINESS**
 - a. Koha implementation update
8. **NEW BUSINESS**
 - a. **M* - Auto-renewals and jurisdiction lending cutoff date (SB) (*page 29*)
 - b. Discussion - Revisit holds moratorium
 - c. Discussion – The future of the Circulation Manual
 - d. **M* -2022-23 Tentative Budget (*page 30*)
 - e. **M* -June 30, 2021, Audit Report Review & Approval (includes internal controls report) (*page 37*)

Black Gold Cooperative Library System Administrative Council

- f. *Informational Report – Public Records Request (*page 77*)
 - g. *M* - Approve additional expenditures for legal fees
 - h. *M* - Schedule February Administrative Council Meeting
 - i. *M* - Decide to hold a (AB 361) virtual meeting as allowed by Gov. Code § 54953 (e) (1) option C which states: The legislative body holds a meeting during a **proclaimed state of emergency** and **has determined**, by majority vote, pursuant to subparagraph (B) that, **as a result of the emergency, meeting in person would present imminent risks to the health and safety of attendees.**
- 9. **BLACK GOLD OPERATIONS DIRECTOR REPORT**
 - 10. **OPPORTUNITIES FOR COLLABORATION/NEW SERVICES**
 - 11. **ROUNDTABLE** – Remarks by Library Directors
 - 12. *M* - **ADJOURNMENT**

Distribution - Email notice of web-posted agenda to Ned Branch, SP; Jessica Cadiente, SB; Sarah Bleyl, LM; Dawn Jackson, Joanne Britton, SM; Christopher Barnickel, SLO; Angelica Fortin, PR; Allison Gray, GV; Glynis Fitzgerald, BG.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM UPCOMING MEETINGS

DATE	MEETING/SUBJECT	LOCATION
02/02/22	ATS Meeting	Webinar
02/16/22	RAS Committee Meeting	Webinar



ADMINISTRATIVE COUNCIL MINUTES

Friday, December 3, 2021

10:00 am – Webinar

Presiding: FY 2021/22 Chair Jessica Cadiente, SB

Attending: Ned Branch, SP; Jessica Cadiente, SB; Sarah Bleyl, LM; Mary Housel, SM; Christopher Barnickel, SLO; Angelica Fortin, PR; Allison Gray, GV; Glynis Fitzgerald, BG; Kristina Uvalle, BG.

* Item accompanies the agenda.

1. 10:00a.m. CALL TO ORDER

2. **M** - **ADOPTION OF AGENDA** – Strike item 6a. A motion was made to switch items 7a and 7b. 1st NB (SP)/2nd AG (GV). Roll call: PR – yes, SLO – yes, SM – yes, LM – yes, GV – yes, SB – yes, SP – yes. Approved

3. PUBLIC TESTIMONY - N/A

4. **M** - **CONSENT CALENDAR** - 1st JC (SB)/2nd MH (SM). Roll call: PR – yes, SLO – yes, SM – yes, LM – yes, GV – yes, SB – yes, SP – yes. Approved
a. ***Administrative Council Minutes – 11.19.21**

5. ***STATE LIBRARY REPORT** – available online -provided by Bev Schwartzberg (State Library)

6. OLD BUSINESS

- a. Decide to hold a (AB 361) virtual meeting as allowed by Gov. Code § 54953 (e) (1) option C which states: The legislative body holds a meeting during **a proclaimed state of emergency and has determined**, by majority vote, pursuant to subparagraph (B) that, **as a result of the emergency, meeting in person would present imminent risks to the health and safety of attendees.** No discussion.
- b. Koha implementation update- GF (BG) reported that Polaris has agreed to a month-to-month contract should the Koha transition not be completed by June 1st. There are still several questions about the ILL process for Koha and how that would work compared to our current method of sharing items. After the separation of SB and SLO from the shared ILS, items that are checked out to other jurisdictions will show as being at another library, but no patron data will be available. For a smoother transition, the consortium needs to decide when to stop resource sharing. GF will be working on the transition of Carpinteria to its own jurisdiction as well as migrating that new branch/jurisdiction to the new shared ILS.

Per Bywater, the ILL offered by Koha is available but not widely used. It is staff driven and somewhat cumbersome, although there are plans for further development sometime in the future. Some directors stated that they felt the ILL offered by Bywater was a step backward and were unhappy with the prospect of increased staff time and expense. Others expressed that the new ILL would encourage better customer service and give libraries a better idea of how to grow their collections.

ACTION ITEM: GF(BG) to discuss with JC (SB) the transition for Carpinteria as its own jurisdiction.

7. NEW BUSINESS

- a. ***M** - Establish a second tier of Automation & Technical Services participation and related budget proposals (SB/SLO) – *(Was originally 7b on the agenda)*. Discussion centered on whether a 2nd tier was in line with the current JPA. There was a consensus that any changes to any aspect of current services cannot be made until the JPA issues are resolved. CB (SLO) asked if there had been any serial meetings with Mr. Shupe regarding the JPA issue. GF (BG) stated that there was not, and that NB (SP) was the

only person to sit in on a phone call with Mr. Shupe as he was the Council Chair at the time. Motion was made to postpone consideration of second tier of ATS participation and budget proposals until the legal issue with the JPA is resolved. 1st NB (SP)/2nd AG (GV). Roll call: PR – yes, SLO – no, SM – yes, LM – yes, GV - yes, SB – no, SP – yes. Motion Carried. 5-2 vote.

ACTION ITEM: N/A

- b. **M* - Approval of Funding for Koha (BG) – GF reported that at the October 25, 2021, Special Administrative Council Meeting, members voted to move forward with Koha with a Go Live date of April 25, 2022. Black Gold was to proceed with a contract by November 22 as this was the date given by ByWater to begin the project planning phase of Implementation.

Although Council voted to move forward with the contract, they failed to vote on a source of funding to pay for it.

- i. The payment for Installation, Data Migration and Training is \$59,960 due by 2/21/22
- ii. The payment for 1st year Koha support is \$38,230 due 4/25/22 (go live date)
- iii. The payment for 2nd year Aspen support and hosting is \$16,400 due 4/25/22. The Aspen renewal has been moved to align the renewal dates of both products.

GF has explained to ByWater that the Admin Council must formally approve the funding source prior to Black Gold signing the contract. ByWater has agreed to start the Implementation with the Project Planning meeting on 11/23/21 with the guarantee that Black Gold fully intends to sign the contract. There was discussion on the ability of SB and SLO to use reserves to help with their migrations. GF (BG) reported that the reserves were created in 2010-11 and taken from retained earnings and other funds for total \$750,000. A question was asked whether moving forward at this time is a violation of the JPA. GF (BG) stated according to the attorney no one is in breach until they move to their own ILS.

A motion was made to approve funding for items i & ii and to seek legal advice on the ability to fund SB and SLO migrations from shared reserves since it would be a benefit to an individual member. 1st NB (SP)/2nd MH (SM). Roll call: PR – yes, SLO – no, SM – yes, LM – yes, GV - yes, SB – no, SP – yes. Motion Carried. 5-2 vote.

ACTION ITEM: CB(SLO) asked to see a breakdown of the reserves based on the contributions of each jurisdiction.

- 8. **BLACK GOLD OPERATIONS DIRECTOR REPORT-** GF reported that the Gold Coast Library network is dissolving its organization after being dark for the past two years. Black Gold serves as the fiscal agent for the organization and will disburse the \$5,000 it has on account with refunds for the last year of paid membership dues with the rest being disbursed to a non-profit organization of Gold Coast's choosing.

Work has started on the tentative 2022-23 budget. GF asked directors to consider whether they want to discontinue Capira once the contract expires in April. It could be a source of savings in the budget. Aspen offers an app that is free, and directors are encouraged to look and see if it will meet their needs. The Palo Alto upgrade is complete using Broadband funds.

CB (SLO) asked how the billable hours for John Shupe is being paid. GF (BG) explained that the budget has \$5,000 designated for legal fees. In August, she reported to Council that in contacting LCW to review the JPA it was possible that LCW could not do the work due to a potential conflict of interest. GF (BG) had another attorney lined up if that proved to be the case which LCW confirmed in September. There was no dissension from Council at that time.

A question was asked whether the renewal of the Cenic contracts were voted on by Council. It was stated that the contract renewals were discussed but the actual contracts were not looked at themselves.

ACTION ITEM: JC (SB) asked for clarification in which AC minutes were the Cenic contracts discussed.

9. **OPPORTUNITIES FOR COLLABORATION/NEW SERVICES** – CB (SLO) recommended directors review *My Libro* as a possible replacement for *Capira*.
10. **ROUNDTABLE** – Remarks by Library Directors – N/A
11. **M – ADJOURNMENT** at 11:30 a.m. 1st MH/2nd NB. Motion Carried. Approved.

Distribution - Email notice of web-posted agenda to Ned Branch, SP; Jessica Cadiente, SB; Sarah Bleyl, LM; Mary Housel, SM; Christopher Barnickel, SLO; Angelica Fortin, PR; Allison Gray, GV; Glynis Fitzgerald, BG.



BLACK GOLD
COOPERATIVE LIBRARY SYSTEM

580 Camino Mercado
Arroyo Grande, CA 93420
805 543 6082
Blackgold.org

MEMORANDUM

DATE: December 27, 2021
TO: Black Gold CLS Administrative Council
FROM: Glynis Fitzgerald, Director of Operations
SUBJECT: Financial Statements – FY 2021-22 – October 31, 2021

The Financial Statements for the four months ended October 31, 2021 are attached. Notes pertaining to the statements are on page seven. A Supplemental report for Reimbursable Expenditures is presented on page eight. To facilitate discussion, a reference number is included for each line in the far-left column on all pages.

The Final Approved Budget for FY 2021-22 anticipates revenues and expenditures each totaling **\$1,769,450** for the entire year, which is a **.2%** decrease from the previous year.

The actual revenue and equity funding for the four months was **49.3%** of the budget for the fiscal year, while the combined total of all expenditures for the four months equaled **\$752,992** which represents **42.6%** of the budget.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2021

	FY 20/21 FINAL BUDGET	YEAR TO DATE ACTUAL	BDGT/YTD UNREALIZED BALANCE	BDGT/YTD REALIZED %	NOTES
TOTAL BGCLS					
Revenues & Equity Funding	1,769,450	872,333	897,117	49.3%	
Expenditures	1,769,450	752,992	1,016,458	42.6%	
Surplus/(Deficit)	0	119,341	119,341		
Total Reimbursables Invoiced		0			
Total Reimbursable Expenditures		<u>43,267</u>			
		43,267			
Gold Coast Revenues		100			
Gold Coast Expenses		<u>0</u>			
		100			
Value of Libraries Project Revenue		9,677			
Value of Libraries Project Expenses		<u>(9,677)</u>			
		0			
Shared Vision Project Revenue		20,350			
Shared Vision Project Expenses		<u>(20,350)</u>			
		0			
Palace Project Grant Revenue		1,388			
Palace Project Grant Expenses		<u>(1,388)</u>			
		0			
Reserves Used This Year		<u>(48,750)</u>			

113,958

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2021
Fiscal Year Elapsed: 33%

<u>Ref</u>		<u>FY 21/22</u> <u>Final</u> <u>Budget</u>	<u>October</u> <u>2021</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Bdgt/YTD</u> <u>Unrealized</u> <u>Balance</u>	<u>Bdgt/YTD</u> <u>Realized</u> <u>%</u>	<u>N</u> <u>O</u> <u>T</u> <u>E</u> <u>S</u>
1							
2							
3							
4							
5							
6							
7	4705	Miscellaneous Revenue	-	-	250	(250)	#DIV/0!
8	4101	Interest Earnings	8,000	1	1,322	6,678	16.5%
9	4330	Fiscal Agent Fees	40,000	-	6,000	34,000	15.0%
10	4331	Shared Vision Grant Income		-	3,000		
11	4402	CLSA - Commun. & Deliv.	156,370			156,370	0.0%
12	4500	Reserves Used this year	-	-	48,750	(48,750)	0.0%
13	4324	SCLC - Broadband Grant	37,000	150,300	164,160	(127,160)	443.7%
14	4706	Erate Refunds(Comm Line)	272,800	3,032	27,478	245,322	10.1%
15	4707	California Teleconnect Fund	34,900	673	11,178	23,722	32.0%
16	4409	Shared eContent & Subscription	269,245	67,313	134,626	134,619	50.0%
17	4302	Member Contributions - Resource	951,135	237,785	475,570	475,565	50.0%
18							
19		TOTAL FUNDS AVAILABLE	1,769,450	459,104	872,333	900,117	49.3%
20							
21							
22							
23							
24							
25							
26							
27							
28		<u>EXPENSE SUMMARY</u>					
29	6000	All Programs	575,036	40,810	220,138	354,898	38.3%
30	6100	System Administration	97,686	6,064	33,902	63,784	34.7%
31	6400	Communications and Delivery Service	511,579	13,296	150,664	360,915	29.5%
32	6500	Databases/Downloadables	347,630	25,330	112,779	234,851	32.4%
33	6700	ILS	237,519	121,020	235,509	2,010	99.2%
34	6800	System Grants	-	-	-	-	
35		TOTAL EXPENSES	1,769,450	206,521	752,992	1,016,458	42.6%
36							
37		Surplus/(Deficit)		252,583	119,341		

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2021
Fiscal Year Elapsed: 33%

<u>Ref</u>		<u>FY 21/22</u> <u>Final</u> <u>Budget</u>	<u>October</u> <u>2021</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Bdgt/YTD</u> <u>Unrealized</u> <u>Balance</u>	<u>Bdgt/YTD</u> <u>Realized</u> <u>%</u>	<u>N</u> <u>O</u> <u>T</u> <u>E</u> <u>S</u>
38							
39	Expenditure Details						
40							
41	6000-All Programs						
42	<u>All Personnel</u>						
43	6101 Regular Salaries	422,894	33,405	138,441	284,453	32.7%	
44	6102 Benefits	152,142	7,405	81,697	70,445	53.7%	1
45	Total All Programs	575,036	40,810	220,138	354,898	38.3%	
46							
47							
48							
49	6100-System Administration						
50	5011 Office Expense	3,000	-	609	2,391	20.3%	
51	5012 Service Charge, Bank etc	250	71	71	179	28.2%	
52	5014 Postage & Shipping	400			400	0.0%	
53	5213 Printing	100			100	0.0%	
54	5016 Reimbursement Meeting Expense	500			500	0.0%	
55	5035 Vehicle Fuel & Maintenance	1,000		240	760	24.0%	
56	5051 Auditors	15,000	-	6,200	8,800	41.3%	
57	5054 Payroll Processing Fees	2,000	142	582	1,418	29.1%	
58	5057 Rent	35,865	3,034	12,136	23,729	33.8%	
59	5058 Utilities	4,000	196	786	3,214	19.7%	
60	5059 Attorney Fees	5,000	608	2,838	2,162	56.8%	2
61	5082 Janitorial Service	2,020	110	690	1,330	34.2%	
62	5115 Travel	-			-	-	
63	6118 Dues & Subscriptions	2,500	-	1,980	520	79.2%	
64	5153 Insurance	20,000	1,591	6,365	13,635	31.8%	
65	6222 Staff Training	-			-	-	
66	6238 Web Design	300			300	0.0%	
67	6239 Consulting /Strategic Planning	-			-	-	
68	6262 Internet Access/Hotspots	1,251	103	505	746	40.4%	
69	6266 Library Mailers Billed Back	-			-	-	
70	6291 Office Equipment & Maintenance	500			500	0.0%	
71	6292 Software	4,000	209	899	3,101	22.5%	
72	6296 CLSAinfo.org	-			-	-	
73	Total System Administration	97,686	6,064	33,902	63,784	34.7%	

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2021
Fiscal Year Elapsed: 33%

<u>Ref</u>		FY 21/22 Final <u>Budget</u>	October 2021 <u>Actual</u>	Year to Date <u>Actual</u>	Bdgt/YTD Unrealized <u>Balance</u>	Bdgt/YTD Realized <u>%</u>	<u>NOTES</u>
74							
75	<u>6400-System Communications and Delivery Service</u>						
76	5045 Communication Supplies	1,000	-	1,872	(872)	187.2%	
77	6241 Communication Line Expense	66,475	5,454	24,149	42,326	36.3%	
78	6450 Cenic - Communication Line	350,000	-	93,274	256,726	26.6%	
79	6485 Courier Contract	94,104	7,842	31,368	62,736	33.3%	
80	Total Communications and Delivery Ser	511,579	13,296	150,664	360,915	29.5%	
81							
82							
83							
84	<u>6500-Databases/Downloadables</u>						
85	6147 eContent	344,630	24,751	110,463	234,167	32.1%	
86	OverDrive						
87	Zinio						
88	6147b Subscription Services	3,000	579	2,317	683	77.2%	
89	Cybrarian						
90	Luna						
91	6295 Hotspots	-			-		
92	6521 Workshops and Training	-			-		
93	Total Reference Services	347,630	25,330	112,779	234,851	32.4%	
94							
95							
96							
97	<u>6700-ILS</u>						
98	6227 Cataloging Tools	4,485	244	1,095	3,390	24.4%	
99	6236 System Maintenance	138,176	11,246	98,741	39,435	71.5%	3
100	Polaris						
101	Aspen						
102	Leap						
103	Talking Tech ITIVA						
104	Sonic Wall						
105	Cisco SMARTnet						
106	Weekend Upgrade						
107	Dell ITIVA Maintenance						
108	6516 Polaris Add-Ons	52,275	4,386	17,510	34,765	33.5%	
109	Novelist						
110	Quipu						
111	The Content Café						
112	Capira						
113	6240 PCI Compliance	11,317	567	2,270	5,674	20.1%	
114	6257 System Facility Fee (Downtown Computer Room)	-			-		
115	6276 MARC records - Skyriver	21,266	1,772	7,089	14,177	33.3%	
116	6293 System Equipment	-			-		
117	6294 Cenic Telecom Equipment	-					
118	6294b Telecom Equipment Maintenance	10,000	102,805	108,805	(98,805)	1088.0%	4
119	6297 RFID Project				-		
120	Total ILS	237,519	121,020	235,509	(1,363)	99.2%	

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2021
Fiscal Year Elapsed: 33%

<u>Ref</u>		FY 21/22 Final <u>Budget</u>	October 2021 <u>Actual</u>	Year to Date <u>Actual</u>	Bdgt/YTD Unrealized <u>Balance</u>	Bdgt/YTD Realized <u>%</u>	<u>NOTES</u>
121							
122	<u>6800-System Grants - State</u>						
123	6603 PLSEP Grant Revenue				-		
124	6604 PLSEP Grant Expenses				-		
125	Total System Grants	-	-	-	-		
126							
127			252,583	119,341			
128							
129							
130	<u>8100-Value of Libraries Project</u>						
131	8101 Grant Revenue			(9,677)			
132	8105-8107 Grant Expense			9,677			
133	8110 Mini-grants						
134	Net Value of Libraries Project	-	-	-			
135							
136							
137	<u>8200-Shared Vision Project</u>						
138	8201 Grant Revenue		(5,032)	(20,350)			
139	8205-8207 Grant Expense		5,032	20,350			
140	Net Shared Vision Project	-	-	-			
141							
142							
143	<u>8300-Palace Project Grant</u>						
144	8201 Grant Revenue		(1,388)	(1,388)			
145	8205-8207 Grant Expense		1,388	1,388			
146	Net Shared Vision Project	-	-	-			
147							
148							
143	<u>6900-Gold Coast Library Network</u>						
144	4901 Gold Coast Revenues			(100)			
145	6901 Gold Coast Expenses		-				
146	Net Gold Coast Library Network	-	-	(100)	-		
147							
148							
149							

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2021
Fiscal Year Elapsed: 33%

Notes to the Financial Statements

(Explanation for expenditure variances exceeding 100% of budget to date by 10% and >\$1,000)

	Description	Total Spent Current FY	Explanation for budget variance YTD
1	Benefits	\$ 81,697	\$ 51,482 Annual payment of Unfunded Pension Liability
2	Attorney Fees	\$ 2,838	\$ 1,730 LCW fees for Informed Consent Correspondence
3	System Maintenance	\$ 98,741	\$ 48,750 Cost of Aspen paid from reserves
4	Telecom Equipment Maintenance	\$ 108,805	\$ 101,533 Cost of Prepaid 5-year maintenance on Palo Equipment - cost covered by Broadband Grant proceeds

**THESE FINANCIAL STATEMENTS APPROVED
BY THE ADMINISTRATIVE COUNCIL OF THE
BLACK GOLD COOPERATIVE LIBRARY SYSTEM**

Jessica Cadiente, Chair, FY 2021-2022

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Four Months Ended October 31, 2021
Fiscal Year Elapsed: 33%

From time to time, Black Gold staff orders supplies and equipment directly for individual libraries and is then reimbursed from the libraries for the cost of those purchases. Those purchases are not budgeted. The expenditures and invoices to the libraries for reimbursement are netted together in the accounts noted here (beginning with "63__"). The balances shown are a result of timing differences between recognition of cost and recognition of reimbursement.

	October	
	2021	Year to Date
	<u>Actual</u>	<u>Actual</u>
170 <u>Reimbursable Expenditures</u>		
171		
172		
173 <u>Miscellaneous Orders</u>		
174 6361 LOM Misc Orders	(3,530)	(3,530)
175 6362 PR Misc Orders	(3,221)	(3,221)
176 6363 SLO Misc Orders	(19,390)	(19,390)
177 6364 SB Misc Orders	-	-
178 6365 SM Misc Orders	(3,872)	(3,872)
179 6366 SP Misc Orders	(1,798)	(1,798)
180 6367 GOL Misc Orders	(11,456)	(11,456)
181		
182 Subtotal Misc. Orders	(43,267)	(43,267)
183		
184 Total Reimbursable Expenditures	(43,267)	(43,267)
185		
186		
187 Total Reimbursables Invoiced	-	-
188		
189	(43,267)	(43,267)

Black Gold Cooperative Library System
Balance Sheet
October 31, 2021

	G/L			
	Acct. #	Account Description	Debit	Credit
190	1102	Petty Cash	47	
191	1103	Checking WF 0620-028761	100,781	
192	1104	Founders Community Checking	354,947	
193	1105	Savings LAIF 16-56-003	926,111	
194	1201	Accounts Receivable - Invoices	368,571	
195	1251	Other Receivables	-	
196	1302	ATS Prepaid Expense	124,286	
197	1303	GEN Prepaid Expense	40,650	
198	1304	Prepaid Insurance	13,977	
199	1305	Prepaid Other	40,771	
200	1501	Fixed Assets	604,208	
201	3502	Accumulated Depreciation		519,354
202	1906	Provisions Vacation Payable	34,508	
203				
204	2104	Accounts Payable		173,686
205	2100-2110	Wages & Benefits Payable		15,835
206	2120-2122	Wells Fargo Credit Card Payable		-
207	2199	Accrued Expenses		
208	2204	Deferred Credit Card Revenue		1,536
209	2206	Deferred Grant Revenue - Broadband Grant		35,930
210	2210	Library Gifts (see recap attached)		1,068
211	2211	Library Deposits (see recap attached)		2,209
212	2208	Deferred Revenue -Shared Vision Grant		183,045
213	2212	Deferred Revenue -Palace Project Grant		(1,388)
214	2309	Deferred Comp Withheld		-
215	2602	Longterm Vacation Payable		34,508
216	3002	General Operating Fund (unassigned)		472,169
217	3007	ILS Replacement Fund Committed		445,299
218	3103	Administrative Vehicle Fund Committed		28,000
219	3104	Retiree GASB 45 Fund Committed		257,926
220	3105	Library Reserves (see recap attached)		30,548
221	3210	General Reserve for PPD's/Dep.		252,700
222	3300	Gold Coast Library Network Cash		6,387
223	3501	Investment in Fixed Assets		36,087
224		FY 21-22 Operating Results		113,958
225		rounding		
226			<u>2,608,856</u>	<u>2,608,856</u>

Black Gold Cooperative Library
 Recap of Balances attributed to Individual Libraries
 October 31, 2021

Library Gifts

(Foundation and Friends of the Library gifts)

LOM	\$	283.85	(for OD purchases)
SB	\$	4.08	
PR	\$	779.64	(for HotSpots)
		<u>\$ 1,067.57</u>	

Library Deposits

(Balance of Deposits paid by Libraries to Black Gold)

PR	\$	2,209.12	(for Hoopla)
		<u>\$ 2,209.12</u>	

Library Reserves

(Balance of reserves from the RFID Project)

LOM	\$	18,240.00	
PR	\$	4,891.07	
SM	\$	13,502.27	
BG	\$	(6,084.84)	Remaining Tag Inventory at Black Gold
		<u>\$ 30,548.50</u>	



BLACK GOLD
COOPERATIVE LIBRARY SYSTEM

580 Camino Mercado
Arroyo Grande, CA 93420
805 543 6082
Blackgold.org

MEMORANDUM

DATE: December 29, 2021

TO: Black Gold CLS Administrative Council

FROM: Glynis Fitzgerald, Director of Operations

SUBJECT: Financial Statements – FY 2021-22 – November 30, 2021

The Financial Statements for the five months ended November 30, 2021 are attached. Notes pertaining to the statements are on page seven. A Supplemental report for Reimbursable Expenditures is presented on page eight. To facilitate discussion, a reference number is included for each line in the far-left column on all pages.

The Final Approved Budget for FY 2021-22 anticipates revenues and expenditures each totaling **\$1,769,450** for the entire year, which is a **.2%** decrease from the previous year.

The actual revenue and equity funding for the five months was **49.5%** of the budget for the fiscal year, while the combined total of all expenditures for the five months equaled **\$883,824** which represents **49.9%** of the budget.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2021

	FY 20/21 FINAL BUDGET	YEAR TO DATE ACTUAL	BDGT/YTD UNREALIZED BALANCE	BDGT/YTD REALIZED %	NOTES
TOTAL BGCLS					
Revenues & Equity Funding	1,769,450	876,039	893,411	49.5%	
Expenditures	1,769,450	883,824	885,626	49.9%	
Surplus/(Deficit)	0	(7,784)	(7,784)		
Total Reimbursables Invoiced		0			
Total Reimbursable Expenditures		<u>21,041</u>			
		21,041			
Gold Coast Revenues		100			
Gold Coast Expenses		<u>0</u>			
		100			
Value of Libraries Project Revenue		9,677			
Value of Libraries Project Expenses		<u>(9,677)</u>			
		0			
Shared Vision Project Revenue		26,893			
Shared Vision Project Expenses		<u>(26,893)</u>			
		0			
Palace Project Grant Revenue		1,388			
Palace Project Grant Expenses		<u>(1,388)</u>			
		0			
Reserves Used This Year		<u>(48,750)</u>			
		(35,393)			

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2021
Fiscal Year Elapsed: 42%

<u>Ref</u>		<u>FY 21/22</u> <u>Final</u> <u>Budget</u>	<u>November</u> <u>2021</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Bdgt/YTD</u> <u>Unrealized</u> <u>Balance</u>	<u>Bdgt/YTD</u> <u>Realized</u> <u>%</u>	<u>N</u> <u>O</u> <u>T</u> <u>E</u> <u>S</u>
1							
2							
3							
4							
5							
6							
7	4705	Miscellaneous Revenue	-	-	250	(250)	#DIV/0!
8	4101	Interest Earnings	8,000	1	1,323	6,677	16.5%
9	4330	Fiscal Agent Fees	40,000	-	6,000	34,000	15.0%
10	4331	Shared Vision Grant Income		-	3,000		
11	4402	CLSA - Commun. & Deliv.	156,370			156,370	0.0%
12	4500	Reserves Used this year	-	-	48,750	(48,750)	0.0%
13	4324	SCLC - Broadband Grant	37,000		164,160	(127,160)	443.7%
14	4706	Erate Refunds(Comm Line)	272,800	3,032	30,510	242,290	11.2%
15	4707	California Teleconnect Fund	34,900	673	11,851	23,049	34.0%
16	4409	Shared eContent & Subscription	269,245	-	134,626	134,619	50.0%
17	4302	Member Contributions - Resource	951,135		475,570	475,565	50.0%
18							
19		TOTAL FUNDS AVAILABLE	1,769,450	3,706	876,039	896,411	49.5%
20							
21							
22							
23							
24							
25							
26							
27							
28		<u>EXPENSE SUMMARY</u>					
29	6000	All Programs	575,036	45,013	265,150	309,886	46.1%
30	6100	System Administration	97,686	16,042	49,944	47,742	51.1%
31	6400	Communications and Delivery Service	511,579	13,326	163,989	347,590	32.1%
32	6500	Databases/Downloadables	347,630	33,583	146,362	201,268	42.1%
33	6700	ILS	237,519	22,868	258,377	(20,858)	108.8%
34	6800	System Grants	-	-	-	-	
35		TOTAL EXPENSES	1,769,450	130,832	883,824	885,626	49.9%
36							
37		Surplus/(Deficit)		(127,126)	(7,784)		

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2021
Fiscal Year Elapsed: 42%

<u>Ref</u>		<u>FY 21/22</u> <u>Final</u> <u>Budget</u>	<u>November</u> <u>2021</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Bdgt/YTD</u> <u>Unrealized</u> <u>Balance</u>	<u>Bdgt/YTD</u> <u>Realized</u> <u>%</u>	<u>N</u> <u>O</u> <u>T</u> <u>E</u> <u>S</u>
38							
39	Expenditure Details						
40							
41	6000-All Programs						
42	<u>All Personnel</u>						
43	6101 Regular Salaries	422,894	34,988	173,429	249,465	41.0%	
44	6102 Benefits	152,142	10,025	91,721	60,421	60.3%	1
45	Total All Programs	575,036	45,013	265,150	309,886	46.1%	
46							
47							
48							
49	6100-System Administration						
50	5011 Office Expense	3,000	83	693	2,307	23.1%	
51	5012 Service Charge, Bank etc	250	-	71	179	28.2%	
52	5014 Postage & Shipping	400			400	0.0%	
53	5213 Printing	100			100	0.0%	
54	5016 Reimbursement Meeting Expense	500			500	0.0%	
55	5035 Vehicle Fuel & Maintenance	1,000		240	760	24.0%	
56	5051 Auditors	15,000	6,670	12,870	2,130	85.8%	2
57	5054 Payroll Processing Fees	2,000	142	724	1,276	36.2%	
58	5057 Rent	35,865	3,095	15,231	20,634	42.5%	
59	5058 Utilities	4,000	194	981	3,019	24.5%	
60	5059 Attorney Fees	5,000	3,797	6,635	(1,635)	132.7%	3
61	5082 Janitorial Service	2,020	110	800	1,220	39.6%	
62	5115 Travel	-			-	-	
63	6118 Dues & Subscriptions	2,500	-	1,980	520	79.2%	
64	5153 Insurance	20,000	1,591	7,957	12,043	39.8%	
65	6222 Staff Training	-			-	-	
66	6238 Web Design	300			300	0.0%	
67	6239 Consulting /Strategic Planning	-			-	-	
68	6262 Internet Access/Hotspots	1,251	133	638	613	51.0%	
69	6266 Library Mailers Billed Back	-			-	-	
70	6291 Office Equipment & Maintenance	500			500	0.0%	
71	6292 Software	4,000	226	1,126	2,874	28.1%	
72	6296 CLSAinfo.org	-			-	-	
73	Total System Administration	97,686	16,042	49,944	47,742	51.1%	

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2021
Fiscal Year Elapsed: 42%

<u>Ref</u>		FY 21/22 Final <u>Budget</u>	November 2021 <u>Actual</u>	Year to Date <u>Actual</u>	Bdgt/YTD Unrealized <u>Balance</u>	Bdgt/YTD Realized <u>%</u>	<u>NOTES</u>
74							
75	<u>6400-System Communications and Delivery Service</u>						
76	5045 Communication Supplies	1,000	-	1,872	(872)	187.2%	
77	6241 Communication Line Expense	66,475	5,484	29,633	36,842	44.6%	
78	6450 Cenic - Communication Line	350,000	-	93,274	256,726	26.6%	
79	6485 Courier Contract	94,104	7,842	39,210	54,894	41.7%	
80	Total Communications and Delivery Ser	511,579	13,326	163,989	347,590	32.1%	
81							
82							
83							
84	<u>6500-Databases/Downloadables</u>						
85	6147 eContent	344,630	33,004	143,467	201,163	41.6%	
86	OverDrive						
87	Zinio						
88	6147b Subscription Services	3,000	579	2,896	104	96.5%	
89	Cybrarian						
90	Luna						
91	6295 Hotspots	-			-		
92	6521 Workshops and Training	-			-		
93	Total Reference Services	347,630	33,583	146,362	201,268	42.1%	
94							
95							
96							
97	<u>6700-ILS</u>						
98	6227 Cataloging Tools	4,485	724	1,819	2,666	40.6%	
99	6236 System Maintenance	138,176	14,147	112,887	25,289	81.7%	4
100	Polaris						
101	Aspen						
102	Leap						
103	Talking Tech ITIVA						
104	Sonic Wall						
105	Cisco SMARTnet						
106	Weekend Upgrade						
107	Dell ITIVA Maintenance						
108	6516 Polaris Add-Ons	52,275	4,386	21,896	30,379	41.9%	
109	Novelist						
110	Quipu						
111	The Content Café						
112	Capira						
113	6240 PCI Compliance	11,317	567	2,837	5,674	25.1%	
114	6257 System Facility Fee (Downtown Computer Room)	-			-		
115	6276 MARC records - Skyriver	21,266	1,772	8,861	12,405	41.7%	
116	6293 System Equipment	-			-		
117	6294 Cenic Telecom Equipment	-					
118	6294b Telecom Equipment Maintenance	10,000	1,272	110,076	(100,076)	1100.8%	5
119	6297 RFID Project				-		
120	Total ILS	237,519	22,868	258,377	(23,664)	108.8%	

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2021
Fiscal Year Elapsed: 42%

<u>Ref</u>		<u>FY 21/22</u> <u>Final</u> <u>Budget</u>	<u>November</u> <u>2021</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Bdgt/YTD</u> <u>Unrealized</u> <u>Balance</u>	<u>Bdgt/YTD</u> <u>Realized</u> <u>%</u>	<u>N</u> <u>O</u> <u>T</u> <u>E</u> <u>S</u> <u>-</u>
121							
122	<u>6800-System Grants - State</u>						
123	6603 PLSEP Grant Revenue				-		
124	6604 PLSEP Grant Expenses				-		
125	Total System Grants	-	-	-	-		
126							
127			(127,126)	(7,784)			
128							
129							
130	<u>8100-Value of Libraries Project</u>						
131	8101 Grant Revenue			(9,677)			
132	8105-8107 Grant Expense			9,677			
133	8110 Mini-grants						
134	Net Value of Libraries Project	-	-	-			
135							
136							
137	<u>8200-Shared Vision Project</u>						
138	8201 Grant Revenue		(6,543)	(26,893)			
139	8205-8207 Grant Expense		6,543	26,893			
140	Net Shared Vision Project	-	-	-			
141							
142							
143	<u>8300-Palace Project Grant</u>						
144	8201 Grant Revenue		-	(1,388)			
145	8205-8207 Grant Expense		-	1,388			
146	Net Shared Vision Project	-	-	-			
147							
148							
143	<u>6900-Gold Coast Library Network</u>						
144	4901 Gold Coast Revenues			(100)			
145	6901 Gold Coast Expenses		-				
146	Net Gold Coast Library Network	-	-	(100)	-		
147							
148							
149							

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2021
Fiscal Year Elapsed: 42%

Notes to the Financial Statements

(Explanation for expenditure variances exceeding 100% of budget to date by 10% and >\$1,000)

	Description	Total Spent Current FY	Explanation for budget variance YTD
1	Benefits	\$ 91,721	\$ 51,482 Annual payment of Unfunded Pension Liability
2	Auditors	\$ 12,870	\$ 12,870 Audit fees fully paid for the year
3	Attorney Fees	\$ 6,635	\$ 1,730 LCW fees for Informed Consent Correspondence \$ 3,450 Lynch & Shupe fees for JPA conflict issue
4	System Maintenance	\$ 112,887	\$ 48,750 Cost of Aspen paid from reserves
5	Telecom Equipment Maintenance	\$ 110,076	\$ 101,533 Cost of Prepaid 5-year maintenance on Palo Equipment - the cost is covered by Broadband Grant proceeds

THESE FINANCIAL STATEMENTS APPROVED
BY THE ADMINISTRATIVE COUNCIL OF THE
BLACK GOLD COOPERATIVE LIBRARY SYSTEM

Jessica Cadiante, Chair, FY 2021-2022

Black Gold Cooperative Library System
Statement of Revenues and Expenditures
For the Five Months Ended November 30, 2021
Fiscal Year Elapsed: 42%

From time to time, Black Gold staff orders supplies and equipment directly for individual libraries and is then reimbursed from the libraries for the cost of those purchases. Those purchases are not budgeted. The expenditures and invoices to the libraries for reimbursement are netted together in the accounts noted here (beginning with "63__"). The balances shown are a result of timing differences between recognition of cost and recognition of reimbursement.

		November	
		2021	Year to Date
		<u>Actual</u>	<u>Actual</u>
174	<u>Reimbursable Expenditures</u>		
175			
176			
177	<u>Miscellaneous Orders</u>		
178	6361 LOM Misc Orders	1,686	(1,845)
179	6362 PR Misc Orders	1,677	(1,545)
180	6363 SLO Misc Orders	10,526	(8,864)
181	6364 SB Misc Orders	8	8
182	6365 SM Misc Orders	2,083	(1,789)
183	6366 SP Misc Orders	899	(899)
184	6367 GOL Misc Orders	5,348	(6,108)
185			
186	Subtotal Misc. Orders	22,226	(21,041)
187			
188	Total Reimbursable Expenditures	22,226	(21,041)
189			
190			
191	Total Reimbursables Invoiced	-	-
192			
193		22,226	(21,041)

Black Gold Cooperative Library System
Balance Sheet
November 30, 2021

	G/L			
	Acct. #	Account Description	Debit	Credit
194	1102	Petty Cash	47	
195	1103	Checking WF 0620-028761	102,666	
196	1104	Founders Community Checking	557,849	
197	1105	Savings LAIF 16-56-003	926,110	
198	1201	Accounts Receivable - Invoices	-	
199	1251	Other Receivables	-	
200	1302	ATS Prepaid Expense	114,800	
201	1303	GEN Prepaid Expense	36,904	
202	1304	Prepaid Insurance	12,230	
203	1305	Prepaid Other	38,886	
204	1501	Fixed Assets	604,208	
205	3502	Accumulated Depreciation		521,739
206	1906	Provisions Vacation Payable	34,508	
207				
208	2104	Accounts Payable		145,266
209	2100-2110	Wages & Benefits Payable		19,002
210	2120-2122	Wells Fargo Credit Card Payable		-
211	2199	Accrued Expenses		
212	2204	Deferred Credit Card Revenue		3,178
213	2206	Deferred Grant Revenue - Broadband Grant		35,930
214	2210	Library Gifts (see recap attached)		626
215	2211	Library Deposits (see recap attached)		2,209
216	2208	Deferred Revenue -Shared Vision Grant		176,502
217	2212	Deferred Revenue -Palace Project Grant		(1,388)
218	2309	Deferred Comp Withheld		(700)
219	2602	Longterm Vacation Payable		34,508
220	3002	General Operating Fund (unassigned)		472,169
221	3007	ILS Replacement Fund Committed		445,299
222	3103	Adminstrative Vehicle Fund Committed		28,000
223	3104	Retiree GASB 45 Fund Committed		257,926
224	3105	Library Reserves (see recap attached)		30,548
225	3210	General Reserve for PPD's/Dep.		252,700
226	3300	Gold Coast Library Network Cash		6,387
227	3501	Investment in Fixed Assets		33,702
228		FY 21-22 Operating Results		(35,393)
229		rounding		
230			<u>2,428,208</u>	<u>2,428,208</u>

Black Gold Cooperative Library
 Recap of Balances attributed to Individual Libraries
 November 30, 2021

Library Gifts

(Foundation and Friends of the Library gifts)

LOM	\$	135.92	(for OD purchases)
SB	\$	4.08	
PR	\$	485.64	(for HotSpots)
	\$	<u>625.64</u>	

Library Deposits

(Balance of Deposits paid by Libraries to Black Gold)

PR	\$	2,209.12	(for Hoopla)
	\$	<u>2,209.12</u>	

Library Reserves

(Balance of reserves from the RFID Project)

LOM	\$	18,240.00	
PR	\$	4,891.07	
SM	\$	13,502.27	
BG	\$	(6,084.84)	Remaining Tag Inventory at Black Gold
	\$	<u>30,548.50</u>	

OWNING LIBRARY

CIRC LIB = Borrowing Library
OWNING LIBRARY = Lending Library

Black Gold Cooperative Library
Non-Owned Items Circulated
CIRC LIB
Calculated from December 2021 Statistics

		Books Borrowed	Books Lent	% of Books Borrowed	% of Books Lent	Net -- Lent less Borrowed
Santa Barbara Main	ba	2,372	2,435	11.83%	12.15%	63
Santa Barbara Carpinteria	bc	481	225	2.40%	1.12%	(256)
Santa Barbara Eastside	be	184	233	0.92%	1.16%	49
Santa Barbara Montecito	bm	381	212	1.90%	1.06%	(169)
Santa Barbara Outreach Van	bov	1	0	0.00%	0.00%	(1)
		<hr/> 3,419	<hr/> 3,105	<hr/> 17.06%	<hr/> 15.49%	<hr/> (314)
Goleta Book Van	gbv	31	2	0.15%	0.01%	(29)
Goleta Los Olivos	gl	0	0	0.00%	0.00%	0
Goleta Valley Library	go	3383	2,386	16.88%	11.90%	(997)
Goleta Solvang	gs	576	353	2.87%	1.76%	(223)
Goleta Buellton	gu	409	492	2.04%	2.45%	83
Goleta Santa Ynez	gy	0	0	0.00%	0.00%	0
		<hr/> 4399	<hr/> 3,233	<hr/> 21.79%	<hr/> 16.12%	<hr/> (1,166)
Lompoc Charlotte's Web	lc	2	0	0.01%	0.00%	(2)
Lompoc Main	lm	846	1,183	4.22%	5.90%	337
Lompoc Village	lv	227	206	1.13%	1.03%	(21)
		<hr/> 1,075	<hr/> 1,389	<hr/> 5.36%	<hr/> 6.93%	<hr/> 314
Santa Maria Los Alamos	ma	22	61	0.11%	0.30%	39
Santa Maria Bookmobile	mb	22	0	0.11%	0.00%	(22)
Santa Maria Cuyama	mc	11	26	0.05%	0.13%	15
Santa Maria Guadalupe	mg	27	85	0.13%	0.42%	58
Santa Maria Main	mm	1,503	3,307	7.50%	16.50%	1,804
Santa Maria Orcutt	mo	456	700	2.27%	3.49%	244
		<hr/> 2,041	<hr/> 4,179	<hr/> 10.18%	<hr/> 20.85%	<hr/> 2,138
SLO Atascadero	oa	1,225	769	6.11%	3.84%	(456)
SLO Cambria	oc	465	218	2.32%	1.09%	(247)
SLO Admin Office	od	11	0	0.05%	0.00%	(11)
SLO Oceano	oe	30	29	0.15%	0.14%	(1)
SLO San Miguel	og	44	5	0.22%	0.02%	(39)
SLO Shandon	oh	63	10	0.31%	0.05%	(53)
SLO Shell Beach	ol	82	33	0.41%	0.16%	(49)
SLO Morro Bay	om	706	365	3.52%	1.82%	(341)
SLO Nipomo	on	383	215	1.91%	1.07%	(168)
SLO Main	oo	1,635	1,165	8.16%	5.81%	(470)
SLO Santa Margarita	or	54	37	0.27%	0.18%	(17)
SLO Arroyo Grande	os	1,558	900	7.77%	4.49%	(658)
SLO Creston	ot	104	46	0.52%	0.23%	(58)
SLO Cayucos	ou	74	49	0.37%	0.24%	(25)
SLO Los Osos	oy	928	308	4.63%	1.54%	(620)
		<hr/> 7,362	<hr/> 4,149	<hr/> 36.73%	<hr/> 20.70%	<hr/> (3,213)
Paso Robles	pr	1,355	2,219	6.76%	11.07%	864
Paso Robles Study Center	ps	1	21	0.00%	0.10%	20
		<hr/> 1,356	<hr/> 2,240	<hr/> 6.77%	<hr/> 11.18%	<hr/> 884
Santa Paula	sp	392	1,749	1.96%	8.73%	1,357
Net of interbranch		<hr/> 20,044	<hr/> 20,044	<hr/> 78%	<hr/> 84%	<hr/> 0
						0

Black Gold Cooperative Library
SUMMARY OF NON-OWNED ITEMS CIRCULATED
Net (Borrowed)/Lent based on Monthly Circ Reports
January 2021-December 2021

		Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Total
Santa Barbara Main	ba	8	3	5	6	2	2	(411)	(217)	(286)	(442)	(263)	63	(1,530)
Santa Barbara Carpinteria	bc	0	0	0	0	0	(1)	(181)	(292)	(339)	(417)	(318)	(256)	(1,804)
Santa Barbara Eastside	be	0	0	(1)	0	(1)	0	62	77	51	20	49	49	306
Santa Barbara Montecito	bm	(2)	(1)	(1)	0	0	0	(113)	(289)	(285)	(293)	(289)	(169)	(1,442)
Santa Barbara Outreach Van	bov	0	0	0	0	0	0	1	0	0	(3)	(2)	(1)	(5)
		6	2	3	6	1	1	(642)	(721)	(859)	(1,135)	(823)	(314)	(4,475)
Goleta Book Van	gbv	0	0	0	0	0	0	0	0	1	(9)	(19)	(29)	(56)
Goleta Los Olivos	gl	0	0	0	0	0	0	0	0	0	0	0	0	0
Goleta Valley Library	go	9	4	3	5	5	5	(109)	(802)	(1,107)	(870)	(1,021)	(997)	(4,875)
Goleta Solvang	gs	0	0	0	(1)	(6)	0	(174)	(138)	(250)	(242)	(214)	(223)	(1,248)
Goleta Buellton	gu	3	2	1	0	0	1	158	121	133	195	192	83	889
Goleta Santa Ynez	gy	0	0	0	0	0	0	0	0	0	0	0	0	0
		12	6	4	4	(1)	6	(125)	(819)	(1,223)	(926)	(1,062)	(1,166)	(5,290)
Lompoc Charlotte's Web	lc	0	0	0	0	0	0	0	(3)	(1)	(1)	0	(2)	(7)
Lompoc Main	lm	2	4	2	2	1	1	88	35	253	235	127	337	1,087
Lompoc Village	lv	0	0	0	0	0	0	75	(59)	(44)	(41)	(94)	(21)	(184)
		2	4	2	2	1	1	163	(27)	208	193	33	314	896
Santa Maria Los Alamos	ma	0	0	0	0	0	0	57	62	43	55	34	39	290
Santa Maria Bookmobile	mb	0	0	0	(1)	0	0	(15)	(41)	(43)	(46)	(10)	(22)	(178)
Santa Maria Cuyama	mc	0	0	0	0	0	0	(3)	25	18	14		15	62
Santa Maria Guadalupe	mg	1	1	2	1	1	0	56	55	1	56	57	58	289
Santa Maria Main	mm	(3)	(5)	0	1	6	1	1,995	2,515	2,600	2,523	2,135	1,804	13,572
Santa Maria Orcutt	mo	3	5	4	5	(1)	(8)	248	344	448	330	314	244	1,936
		1	1	6	6	6	(7)	2,338	2,960	3,067	2,932	2,523	2,138	15,971
SLO Atascadero	oa	(86)	(133)	(143)	(82)	(128)	(134)	(351)	(650)	(718)	(804)	(557)	(456)	(4,242)
SLO Cambria	oc	2	32	34	37	(42)	(96)	(268)	(225)	(230)	(235)	(190)	(247)	(1,428)
SLO Admin Office	od	(10)	(1)	(5)	(5)	(4)	(5)	(13)	(12)	(16)	(16)	(14)	(11)	(112)
SLO Oceano	oe	7	3	2	2	2	2	(5)	(10)	(9)	(14)	(18)	(1)	(39)
SLO San Miguel	og	0	2	(1)	0	(2)	1	(2)	(10)	(26)	(31)	(23)	(39)	(131)
SLO Shandon	oh	4	3	4	4	2	0	(28)	(42)	(82)	(80)	(70)	(53)	(338)
SLO Shell Beach	ol	7	8	4	4	4	5	(33)	(65)	(57)	(64)	(39)	(49)	(275)
SLO Morro Bay	om	(397)	(452)	(500)	(502)	(329)	(222)	(450)	(440)	(393)	(394)	(397)	(341)	(4,817)
SLO Nipomo	on	4	17	37	33	(28)	(44)	(201)	(258)	(213)	(217)	(227)	(168)	(1,265)
SLO Main	oo	(301)	(299)	(294)	(304)	(304)	(223)	(529)	(448)	(541)	(637)	(352)	(470)	(4,702)
SLO Santa Margarita	or	5	7	8	6	3	5	(31)	(52)	(46)	(47)	(30)	(17)	(189)
SLO Arroyo Grande	os	(371)	(462)	(510)	(465)	(419)	(358)	(1,231)	(1,103)	(884)	(876)	(711)	(658)	(8,048)
SLO Creston	ot	5	4	5	7	6	2	(51)	(90)	(116)	(82)	(54)	(58)	(422)
SLO Cayucos	ou	5	10	7	6	4	6	(16)	(24)	(13)	(20)	(7)	(25)	(67)
SLO Los Osos	oy	(14)	40	54	49	(118)	(222)	(561)	(688)	(745)	(901)	(751)	(620)	(4,477)
		(1,140)	(1,221)	(1,298)	(1,210)	(1,353)	(1,283)	(3,770)	(4,117)	(4,089)	(4,418)	(3,440)	(3,213)	(30,552)
Paso Robles	pr	1,094	1,186	1,261	1,168	1,308	1,247	902	886	999	1,294	1,033	864	13,242
Paso Robles Study Center	ps	24	22	21	24	38	35	17	26	20	27	21	20	295
		1,118	1,208	1,282	1,192	1,346	1,282	919	912	1,019	1,321	1,054	884	13,537
Santa Paula	sp	1	0	1	0	0	0	1,117	1,812	1,877	2,033	1,715	1,357	9,913
Net of interbranch		0	0	0	0	0	0	0	0	0	0	0	0	

MEETING DATE:	1/21/22	ESTIMATED TIME FOR ITEM:	15 mins.
TITLE OF ITEM:	Auto-renewals and jurisdiction lending cutoff date.	PRIORITY LEVEL: (1-Low 3 – High)	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3
SUBMITTED BY:	Santa Barbara Public Library		
TYPE OF ITEM:	<input type="checkbox"/> For Discussion <input checked="" type="checkbox"/> For Decision/Request Motion <input type="checkbox"/> Other: _____		
BACKGROUND STATEMENT			
BACKGROUND: <i>Describe why you are bringing this item before council. What problem are you trying to solve? List information that would be helpful for decision making such as committee recommendations, pros/cons.</i>	<p>In lieu of planned Koha migrations, SBPL and all other jurisdictions will need to know when holds/resource sharing for items will be turned off in Polaris. SBPL and all other jurisdictions will also need to know when auto-renewals will stop for their items. Both these items are necessary for all jurisdictions to know about, as early as possible, in order to a) get all items “home” to their jurisdictions prior to migrations, b) have enough time to notify and prepare their patrons about these changes, and c) have enough time to begin and implement any other internal migration preparations.</p> <p>Getting items “home” to their native jurisdictions before migrations occur will be very important because the three separate Koha installations will not communicate between each other after migrations are finished. For example, if a Goleta item gets turned in by a SLO patron at a SLO library in July, Black Gold’s Koha will not automatically “know” that has occurred and will still think the item is checked-out or possibly lost by the SLO patron. The reverse scenario is also very possible. Based on the discussions at the ATS meeting on January 5th 2022, and on opinions stressed by representatives from SBPL, SLO, Santa Paula, and Paso Robles, we recommend the desired outcomes below.</p>		
OUTCOME(S)			
DESIRED OUTCOME(S): <i>Describe your desired outcome(s)</i>	<p>SBPL proposes January 24th 2022 for turning off holds availability/resource sharing for items between these three groups: SLO, SBPL, and the other Black Gold jurisdictions. Black Gold jurisdictions would be free to maintain holds availability/resource sharing amongst their five libraries as they see fit.</p> <p>SBPL proposes that SLO, SBPL, and the other five jurisdictions be given the autonomy to decide when to stop auto-renewals, and how many auto-renewals to grant per item, for their respective libraries starting January 24th 2022.</p> <p>SBPL proposes that auto-renewals be left on for items borrowed by patrons that are from their respective jurisdictions’ libraries, and/or from the other five Black Gold jurisdictions.</p>		
OTHER COMMENTS:			

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**Tentative Budget FY 2022-2023****BUDGET SUMMARY****Tentative Budget FY 2022-2023**

				<u>Previous Fiscal</u> <u>Year's Budget</u>	<u>Percent</u> <u>Change</u> <u>From FY</u>
TOTAL BGCLS	<u>CLSA</u>	<u>LOCAL</u>	<u>TOTAL</u>	<u>Amount</u>	<u>2021-2022</u>
REVENUES	\$165,000	1,432,754	\$ 1,597,754	\$ 1,769,450	-9.7%
EXPENDITURES	\$165,000	1,432,754	\$ 1,597,754	\$ 1,769,450	-9.7%
ANTICIPATED SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -	0.0%

Final Budget FY 2021-2022

				<u>Previous Fiscal</u> <u>Year's Budget</u>	<u>Percent</u> <u>Change</u> <u>From FY</u>
TOTAL BGCLS	<u>CLSA</u>	<u>LOCAL</u>	<u>TOTAL</u>	<u>Amount</u>	<u>2020-2021</u>
REVENUES	\$ 156,370	\$ 1,613,080	\$ 1,769,450	\$ 1,772,885	-0.2%
EXPENDITURES	\$ 156,370	\$ 1,613,080	\$ 1,769,450	\$ 1,772,885	-0.2%
ANTICIPATED SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -	0.0%

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
Tentative Budget FY 2022-2023

31 of 81

		CLSA	LOCAL	TOTAL	Library Contribution	TOTAL	Variance from Prior Year
Anticipated Revenues & Equity Funding							
4705	Miscellaneous Revenue		0	0		0	0
4101	Interest Earnings		3,000	3,000		8,000	(5,000)
4402	CLSA - Commun. & Deliv.	165,000		165,000		156,370	8,630
	(amount allocated to e-content)	(87,364)		(87,364)		(75,385)	(11,979)
	State Grant Project Parner-- Administration Proceeds		8,700	8,700		40,000	(31,300)
	Broadband Grant Proceeds		0			37,000	(37,000)
4707	California Teleconnect Fund - non-Cenic		1,687	1,687		6,900	(5,213)
4707	California Teleconnect Fund - Cenic		40,000	40,000		28,000	12,000
4706	Erate Refunds - non-Cenic		11,375	11,375		37,800	(26,425)
4706	Erate Refunds - Cenic		250,000	250,000		235,000	15,000
	Shared e Content Contribution	87,364	258,636	346,000	258,636	344,630	1,370
	Base Contribution		171,871	171,871	171,871	190,227	(18,356)
	Resource Contribution		687,484	687,484	687,484	760,908	(73,423)
TOTAL ANTICIPATED FUNDING		\$165,000	\$1,432,754	\$1,597,754	\$1,117,991	\$1,769,450	-\$171,696
						\$1,769,450	
BUDGETED EXPENDITURES SUMMARY							
6000	All Programs	\$0	\$611,879	\$611,879		\$575,035	\$36,844
6100	System Administration	0	\$105,294	105,294		97,686	\$7,608
6400	Communications and Delivery Service	77,636	\$384,900	462,536		511,579	-\$49,043
6500	Shared e Content and Subscription Services/Databases	87,364	\$261,636	349,000		347,630	\$1,370
6700	ILS	0	\$69,044	69,044		237,519	-\$168,475
TOTAL BUDGETED EXPENDITURES		\$165,000	\$1,432,754	\$1,597,754		\$1,769,450	-\$171,696
Anticipated Surplus/(Deficit)			0	-		-	

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
Tentative Budget FY 2022-2023

32 of 81

Budgeted Expenditures

6000-All Programs - Personnel Costs

	<u>CLSA</u>	<u>LOCAL</u>	<u>TOTAL</u>	<u>Library Contribution</u>	<u>TOTAL</u>	<u>Variance from Prior Year</u>
6101 Regular Salaries	\$0	\$449,651	\$449,651		422,893	26,758
6102 Benefits		162,228	162,228		152,142	10,086
Total All Programs - Personnel Costs	\$0	\$611,879	\$611,879		\$575,035	\$36,844

6100-System Administration

5011 Office Expense	\$0	\$2,500	\$2,500		\$3,000	(500)
5012 Service Charge, Bank etc		250	250		250	0
5014 Postage & Shipping		400	400		400	0
5213 Printing		0	-		100	(100)
5016 Reimbursement Meeting Expense		500	500		500	0
5035 Vehicle Fuel & Maintenance		1,000	1,000		1,000	0
5051 Auditors		13,150	13,150		15,000	(1,850)
5054 Payroll Processing Fees		2,000	2,000		2,000	0
5057 Rent		37,574	37,574		35,865	1,709
5058 Utilities		3,000	3,000		4,000	(1,000)
5059 Attorney Fees		15,000	15,000		5,000	10,000
5082 Janitorial Service		1,320	1,320		2,020	(700)
5115 Travel		0	-		-	0
6118 Dues & Subscriptions		2,500	2,500		2,500	0
5153 Insurance		20,000	20,000		20,000	0
6222 Staff Training		0	-		-	0
6238 Web Design		250	250		300	(50)
6262 Internet Access		1,350	1,350		1,251	99
Strategic Planning/Subject Matter Experts		0	-		-	0
6291 Office Equipment and Maintenance		500	500		500	0
6292 Software		4,000	4,000		4,000	0
Total System Administration	\$0	\$105,294	\$105,294		\$97,686	\$7,608

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
Tentative Budget FY 2022-2023

33 of 81

				<u>CLSA</u>	<u>LOCAL</u>	<u>TOTAL</u>	<u>Library Contribution</u>	<u>TOTAL</u>	<u>Variance from Prior Year</u>
6400-System Communications and Delivery Service									
5045	Communication Supplies			\$0	\$1,000	\$1,000		\$1,000	0
6241	Communication Line Expense				23,400	23,400		66,475	(43,075)
6450	Communication Line Expense - CENIC				352,000	352,000		350,000	2,000
6294b	Cenic Telecom Equipment & Maintenance \$5500+\$2990				8,500	8,500		10,000	(1,500)
6485	Courier Contract - Central Courier (2 days per week)			77,636	0	77,636		94,104	(16,468)
Total Communications and Delivery Service				\$77,636	\$384,900	\$462,536		\$511,579	-\$59,043
6500-Databases/Downloadables									
6147	eContent			\$87,364	258,636	\$346,000		\$344,630	1,370
	Overdrive downloadables	\$	300,000.00						
	Overdrive Service Plan \$ 8,000 (3 year contract)	\$	8,000.00						
	OverDrive Magazines \$36,000 (20% discount off \$45,000)	\$	36,000.00						
	Enki \$ 2,000	\$	2,000.00						
6147b	Subscription Services				3,000	3,000		3,000	0
	Luna \$ 3,000								
	CybraryN S/W License \$ 0 treat as a reimbursable								
6521	Workshops & Training				0	-		-	0
Total Database Services				\$87,364	\$261,636	\$349,000		347,630	\$1,370
6700-ILS									
6227	Authority Control - Marcive	\$	2,985.00		\$3,000	\$3,000		\$4,485	(1,485)
6236	ILS				7,802	7,802		138,176	(130,374)
	Aspen Discovery \$16,400		\$16,400						
	Koha - Annually \$38,230 (10 months paid from reserves)		\$6,372						
	Talking Tech ITIVA (\$ 2096+2201=4297 - PY)		\$4,401						
	implementation		\$2,100						
	Dell Maint ITIVA server		\$1,301						
6516	ILS AddOns				42,433	42,433		52,275	(9,842)
	Novelist (\$ 23,265 - PY)		\$18,400						
	The Content Café (\$ 8,055 - PY)		\$3,288						
	Quipu (\$ 4,380 - PY)		\$3,500						
	Capira maintenance (\$ 16,575 - PY)		\$16,575						
	EZ Proxy		\$670						
6240	PCI Compliance - Comprise	\$	6,809.00		6,809	6,809		11,317	(4,508)
6276	Skyriver/MARC records (\$21,266 - PY)	\$	9,000.00		9,000	9,000		21,266	(12,266)
Total ILS				\$0	\$69,044	\$69,044		\$237,519	-\$158,475

Tentative Budget FY 2022-2023

2022-2023	BASE %	Resources										
		CIRC	POP	DEVICES								
		20%	25%	50%								
	BASE	RESOURCES	E-CONTENT	TOTAL CONTRIBUTION	\$ Increase	% Increase	HOOPLA	Hotspots	Cybrarian	Movie Licensing	Total Payments to Black Gold	
Blanchard/Santa Paula	\$ 21,484	\$ 23,199	\$ 3,065	\$ 47,748	\$ (10,209)	-18%	\$ 6,000	\$ 4,939	\$ -	\$ 322	\$ 59,009	
Lompoc	\$ 21,484	\$ 42,237	\$ 10,420	\$ 74,141	\$ (19,757)	-21%	\$ 17,300	\$ 4,233	\$ -	\$ 617	\$ 96,291	
Santa Maria	\$ 21,484	\$ 119,502	\$ 23,491	\$ 164,477	\$ (23,406)	-12%	\$ 13,600	\$ 7,762	\$ -	\$ 1,606	\$ 187,445	
Paso Robles	\$ 21,484	\$ 35,330	\$ 17,184	\$ 73,998	\$ (5,471)	-7%	\$ 16,208	\$ 7,056	\$ -	\$ 326	\$ 97,589	
San Luis Obispo	\$ 21,484	\$ 281,349	\$ 114,503	\$ 417,335	\$ (24,554)	-6%	\$ 108,600	\$ 10,584	\$ 3,591	\$ 2,570	\$ 542,680	
Santa Barbara	\$ 21,484	\$ 93,722	\$ 49,549	\$ 164,755	\$ (34,158)	-17%	\$ -	\$ -	\$ -	\$ 1,096	\$ 165,851	
Carpinteria	\$ 21,484	\$ 12,488	\$ 5,708	\$ 39,679	\$ 39,679		\$ 12,000	\$ -	\$ -	\$ 175	\$ 51,855	
Goleta	\$ 21,484	\$ 79,658	\$ 34,715	\$ 135,857	\$ (24,511)	-15%	\$ 57,800	\$ 8,114	\$ 359	\$ 1,195	\$ 203,324	
	\$ 171,871	\$ 687,484	\$ 258,636	\$ 1,117,991	\$ (102,386)		\$ 231,508	\$ 42,688	\$ 3,950	\$ 7,908	\$ 1,404,045	

Final Budget FY 2021-2022

2021-2022	BASE %	Resources										
		CIRC	POP	DEVICES								
	20%	25%	50%	25%								
	BASE	RESOURCES	E-CONTENT	TOTAL CONTRIBUTION		HOOPLA	Hotspots	Cybrarian	Movie Licensing	Total Payments to Black Gold		
Blanchard/Santa Paula	\$ 27,175	\$ 27,324	\$ 3,458	\$ 57,957		\$ 6,259	\$ 4,641	\$ -	\$ 322	\$ 69,179		
Lompoc	\$ 27,175	\$ 54,229	\$ 12,494	\$ 93,898		\$ 18,073	\$ 3,213	\$ -	\$ 617	\$ 115,801		
Santa Maria	\$ 27,175	\$ 137,093	\$ 23,615	\$ 187,883		\$ 16,259	\$ 7,140	\$ -	\$ 1,606	\$ 212,888		
Paso Robles	\$ 27,175	\$ 34,304	\$ 17,990	\$ 79,469		\$ 16,208	\$ 6,783	\$ 232	\$ 326	\$ 103,019		
San Luis Obispo	\$ 27,175	\$ 291,386	\$ 123,328	\$ 441,889		\$ 100,069	\$ 16,779	\$ 3,288	\$ 2,570	\$ 564,595		
Santa Barbara	\$ 27,175	\$ 118,919	\$ 52,819	\$ 198,913		\$ -	\$ 10,353	\$ -	\$ 1,271	\$ 210,537		
Carpinteria	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -		
Goleta	\$ 27,175	\$ 97,652	\$ 35,541	\$ 160,368		\$ 95,104	\$ 7,140	\$ 706	\$ 1,195	\$ 264,512		
	\$ 190,225	\$ 760,907	\$ 269,245	\$ 1,220,377		\$ 251,972	\$ 56,049	\$ 4,226	\$ 7,907	\$ 1,540,532		

**e-Content Budget Allocation Zinio & Overdrive for 2022-2023 Budget Year
using 2020-2021 checkout statistics**

	Magazine Stats		2022-23 OD Magazine Budget	Enki Stats		2022-23 Enki Budget	Overdrive Stats		2022-23 Overdrive Budget	Proposed 2022-23 e-Content
	2020-21 checkouts	2020-21 percentages	\$	2020-21 checkouts	2020-21 percentages	\$	2019-20 checkouts	2019-20 percentages	\$	
SP	762	1.0%	\$ 374.54	32	0.7%	\$ 13.71	8005	1.2%	\$ 2,677.17	\$ 3,065.42
LOM	2434	3.3%	\$ 1,196.38	449	9.6%	\$ 192.41	27005	4.1%	\$ 9,031.47	\$ 10,420.26
SM	5386	7.4%	\$ 2,647.37	419	9.0%	\$ 179.56	61788	9.4%	\$ 20,664.18	\$ 23,491.11
PR	3374	4.6%	\$ 1,658.42	382	8.2%	\$ 163.70	45935	7.0%	\$ 15,362.36	\$ 17,184.47
SLO	27190	37.1%	\$ 13,364.65	2116	45.3%	\$ 906.79	299702	45.4%	\$ 100,231.39	\$ 114,502.82
SB	24801	33.9%	\$ 12,190.35	744	15.9%	\$ 318.95	110753	16.8%	\$ 37,039.95	\$ 49,549.25
CARP	2857	3.9%	\$ 1,404.33	86	1.8%	\$ 36.74	12759	1.9%	\$ 4,267.01	\$ 5,708.08
GOL	6437	8.8%	\$ 3,163.97	439	9.4%	\$ 188.13	93777	14.2%	\$ 31,362.48	\$ 34,714.58
	73241	100.0%	\$ 36,000.00	4667	100%	\$ 2,000.00	659724	100%	\$ 220,636.00	\$ 258,636.00
	\$ 0.49			\$ 0.43			\$ 0.33			

SB	27658	830	123512
Carp 10.33%	2857	86	12759
SB w/o Carp	24801	744	110753
Note: Carpinteria checkouts for Magazines and Enki are calculated based on % of Overdrive checkouts (Carp/total SB)			

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
FY 2022/23 Payroll Budget Worksheet
Tentative Budget FY 2022-2023

Employee	Beg of Yr Step	Hrs per wk/yr	Salary Anniv Date	@7/1/2021 Hrly or Avg Hrly rate	New Hrly Rate After Anniv Date	# of PPDs PPDs @ old rate	# of PPDs PPDs @ new rate	COLA	Employer Pd.	Employer Pd Unfunded Liability	Other	\$668.00	Health Alloc	Medicare @ 1.45%	Unemp. 3.90%	TOTAL	Benefits Only
								5.0%	0.65%			PERS retire 10.8700%					
ACTIVE EMPLOYEES:																	
Dir of Operations	C	40	12/06/22	\$63.89	\$67.08	12	14	\$143,287	\$931	\$10,704			\$8,016	\$2,194	\$273	\$165,405	\$22,118
System Admin	E	40	top step	\$41.35	\$41.35	26	0	\$90,308	\$587	\$9,817			\$8,016	\$1,426	\$273	\$110,427	\$20,118
Network Admin	E	40	top step	\$41.35	\$41.35	26	0	\$90,308	\$587	\$6,746			\$8,016	\$1,426	\$273	\$107,356	\$17,048
Admin Asst	E	30	top step	\$28.31	\$28.31	26	0	\$46,372	\$301	\$3,464			\$6,012	\$760	\$273	\$57,182	\$10,810
Cataloger	E	40	top step	\$33.15	\$33.15	26	0	\$72,400	\$471	\$7,870			\$8,016	\$1,166	\$273	\$90,195	\$17,795
On Call hours @ \$2.00/hr		988		\$2.00	\$2.00			\$1,976	\$13					\$29		\$2,017	\$41
Overtime etc								\$5,000	\$33					\$73		\$5,105	\$105
EAP program- Magellan cancelled											\$0					\$0	\$0
Employer Pd Unfunded Liability											\$61,551					\$61,551	\$61,551
RETIRES: * (insurance contribution est \$149 per month)																	
Segel, Judith													\$1,788			\$1,788	\$1,788
Wolfe, Alana													\$1,788			\$1,788	\$1,788
Clark, Eve													\$1,788			\$1,788	\$1,788
Hale													\$1,788			\$1,788	\$1,788
Harter													\$1,788			\$1,788	\$1,788
See, Gary													\$1,788			\$1,788	\$1,788
Theobald, Maureen													\$1,788			\$1,788	\$1,788
Admin Fee													\$125			\$125	\$125
								\$449,651	\$2,923	\$38,600	\$61,551	\$0	\$50,717	\$7,072	\$1,365	\$611,879	\$162,228
																\$611,879	\$162,228
																\$0	\$0

BLACK GOLD COOPERATIVE LIBRARY SYSTEM

FINANCIAL STATEMENTS

June 30, 2021

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
TABLE OF CONTENTS
June 30, 2021

Organization.....	1
Independent Auditors' Report	2
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements:	
Balance Sheet – Governmental Fund	6
Reconciliation of the Governmental	
Fund Balance Sheet to the Statement of Net Position	7
Statement of Revenues, Expenditures, and Changes in Fund Balance -	
Governmental Fund	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in	
Fund Balance to the Statement of Activities	9
Statement of Fiduciary Assets and Liabilities – Fiduciary Fund	10
Notes to Basic Financial Statements	11
Required Supplementary Information Section:	
Schedule of Revenues, Expenditures and Changes in Fund Balance –	
Budget to Actual – General Fund	29
Schedule of Changes in the OPEB Liability and Related Ratios.....	30
Schedule of OPEB Contributions	31
Schedule of Proportionate Share of Net Pension Liability	32
Schedule of Pension Contributions.....	33

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
ORGANIZATION
 June 30, 2021

ORGANIZATION AND DESCRIPTION

The Black Gold Cooperative Library System (the System) is composed of the public libraries of Santa Barbara, San Luis Obispo Counties and the Santa Paula Special District Library. A Joint Powers Agreement under the Public Library Development Act of 1963, established the System in 1964. Its purpose is to provide a cooperative library system to improve and coordinate the public library functions of the members. On December 1, 1984, the Joint Powers Agreement was revised and amended, creating the Black Gold Cooperative Library System as a separate legal entity.

The governing board for the System is an administrative council consisting of the head librarian of each of the member libraries. The council appoints a director under whose direction and control the work of the library system is carried out. On December 1, 1984, the responsibilities of the prior fiscal agent were turned over to the Black Gold Cooperative Library System's administrative council.

ADMINISTRATIVE COUNCIL

Angelica Fortin	Paso Robles Public Library
Chris Barnickel	San Luis Obispo County Library
Mary Housel	Santa Maria Public Library
Sarah Bleyl	Lompoc Public Library
Jessica Cadiente	Santa Barbara Public Library
Allison Gray	Goleta Public Library
Ned Branch	Blanchard Community Library, Santa Paula

ADMINISTRATION

Glynis Fitzgerald	Director of Operations
-------------------	------------------------



INDEPENDENT AUDITORS' REPORT

Administrative Council
Black Gold Cooperative Library System
Arroyo Grande, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the fiduciary fund of the Black Gold Cooperative Library System (the System) as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the fiduciary fund of the Black Gold Cooperative Library System as of June 30, 2021, and the respective changes in financial position, where applicable thereof, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 11 to the basic financial statements in March 2020, the World Health Organization has declared COVID-19 to constitute a “Public Health Emergency of International Concern.” Given the uncertainty of the situation, the duration of any financial impact cannot be reasonably estimated at this time. Our opinion is not modified to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the budgetary information on page 29, the schedule of changes in the OPEB liability and related ratios on page 30, the schedule of OPEB contributions on page 31, the schedule of proportionate share of net pension liability on page 32, and the schedule of pension contributions on page 33, be presented to supplement the basic financial statements. Such information, 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.

Management has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report date November 15, 2021, on our consideration of the Black Gold Cooperative Library System’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System’s internal control over financial reporting and compliance.

Moss, Remy & Hargheim LLP

Santa Maria, California
November 15, 2021

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**STATEMENT OF NET POSITION**

June 30, 2021

	Governmental Activities
ASSETS	
Cash and investments	\$ 1,473,679
Accounts receivable	275,500
Prepaid items	252,700
Capital assets:	
Depreciable, net	45,743
Total assets	2,047,622
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	243,224
OPEB	43,705
Total deferred outflows of resources	286,929
LIABILITIES	
Accounts payable	68,204
Accrued wages and benefits	20,275
Unearned revenue	425,250
Compensated absences	8,628
Total due within one year	522,357
Due after one year	
Compensated absences	25,880
OPEB liability	387,623
Net pension liability	627,022
Total due after one year	1,040,525
Total liabilities	1,562,882
DEFERRED INFLOWS OF RESOURCES	
Pensions	134,752
OPEB	16,889
Total deferred inflows of resources	151,641
NET POSITION	
Net investment in capital assets	45,743
Unrestricted	574,285
Total net position	\$ 620,028

The notes to basic financial statements are an integral part of this statement.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended June 30, 2021

	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
Library services	\$ 1,875,109	\$ 1,402,852	\$ 362,600	\$ -	\$ (109,657)
Total governmental activities	<u>\$ 1,875,109</u>	<u>\$ 1,402,852</u>	<u>\$ 362,600</u>	<u>\$ -</u>	<u>(109,657)</u>
General Revenue					
Investment income					<u>7,775</u>
Total general revenue					<u>7,775</u>
Change in net position					(101,882)
Net position at beginning of fiscal year					<u>721,910</u>
Net position at end of fiscal year					<u>\$ 620,028</u>

The notes to basic financial statements are an integral part of this statement.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
GOVERNMENTAL FUND
BALANCE SHEET
June 30, 2021

	General Fund
ASSETS	
Cash and investments	\$ 1,473,679
Accounts receivable	275,500
Prepaid items	<u>252,700</u>
Total assets	<u><u>\$ 2,001,879</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 68,204
Accrued wages and benefits	20,275
Unearned revenue	<u>425,250</u>
Total liabilities	<u>513,729</u>
Fund balance:	
Nonspendable:	
Prepaid items	252,700
Committed:	
Retiree health care	257,926
Assigned:	
Vehicle replacement	28,000
ILS replacement	445,299
Unassigned	<u>504,225</u>
Total fund balance	<u>1,488,150</u>
Total liabilities and fund balance	<u><u>\$ 2,001,879</u></u>

The notes to basic financial statements are an integral part of this statement.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
RECONCILIATION OF THE GOVERNMENTAL
FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2021

Total Fund Balance - Governmental Fund	\$	1,488,150
--	----	-----------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of depreciation have been included as financial resources in governmental fund activity	45,743
---	--------

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Compensated absences	\$ (34,508)	
OPEB liability	(387,623)	
Net pension liability	<u>(627,022)</u>	
Total		(1,049,153)

Deferred outflows and inflows of resources relating to pensions and OPEB: In governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB reported because they are applicable to future periods. In the statement of the net position, deferred outflows and inflows of resources relating to pensions and OPEB are reported.

Deferred inflows of resources relating to pensions	\$ (134,752)	
Deferred inflows of resources relating to OPEB	(16,889)	
Deferred outflows of resources relating to pensions	243,224	
Deferred outflows of resources relating to OPEB	<u>43,705</u>	
Net		<u>135,288</u>

Total Net Position - Governmental Activities	\$	<u><u>620,028</u></u>
--	----	-----------------------

The notes to basic financial statements are an integral part of this statement.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**GOVERNMENTAL FUND****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

For the Fiscal Year Ended June 30, 2021

	General Fund
Revenues:	
ATS member contributions	\$ 1,031,372
Online reference services	288,289
CLSA	82,832
eRate and CTF discounts	356,990
Grant income	5,610
Interest earnings	7,775
Other	359
	<u>1,773,227</u>
Total revenues	<u>1,773,227</u>
Expenditures:	
Salaries and employee benefits	537,551
Services and supplies	1,191,094
	<u>1,728,645</u>
Total expenditures	<u>1,728,645</u>
Excess of revenues over expenditures	44,582
Fund balance - July 1	<u>1,443,568</u>
Fund balance - June 30	<u><u>\$ 1,488,150</u></u>

The notes to basic financial statements are an integral part of this statement.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021

Net Change in Fund Balance - Governmental Fund	\$	44,582
--	----	--------

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlay is reported in governmental funds as expenditures.

However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital assets of \$0 is less than depreciation expense of \$(29,075).		(29,075)
---	--	----------

In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, vacation earned was more than the amounts used by \$4,079.		(4,079)
--	--	---------

In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis OPEB costs and actual employer contributions was:		(20,217)
---	--	----------

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. The fiscal year, the difference between accrual-basis pension costs and actual employer contributions was:		(93,093)
---	--	----------

Change in Net Position - Governmental Activities	\$	(101,882)
--	----	-----------

The notes to basic financial statements are an integral part of this statement.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUND
June 30, 2021

	Agency Fund
	<u>Gold Coast Fund</u>
ASSETS:	
Cash on Hand and in Banks	\$ 6,387
Total Assets	<u>\$ 6,387</u>
LIABILITIES:	
Due to Gold Coast Library Network	\$ 6,387
Total Liabilities	<u>\$ 6,387</u>

The notes to basic financial statements are an integral part of this statement.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**NOTES TO BASIC FINANCIAL STATEMENTS**June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**A. Organization**

The Black Gold Cooperative Library System (the System), was duly organized under Section 6507 of the California Government Code on December 1, 1984.

B. Reporting Entity

The reporting entity is the Black Gold Cooperative Library System. There are no component units included in this report which meets the criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39, No. 61 and No. 80.

C. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the System. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. The *System expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Major individual governmental funds are reported as separate columns in the fund financial statements.

D. Basis of Presentation*Government-wide and fund financial statements:*

The government-wide statements are prepared using the economic resources measurement focus. This approach differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the System's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The System does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the System, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the System.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements:

Fund financial statements report detailed information about the System. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all non-major funds are aggregated into one column. Fiduciary funds are reported by fund type.

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances for these funds present increases, (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Fiduciary funds are reported using the economic resources measurement focus.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting.

Revenues – exchange and non-exchange transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the System, “available” means collectible within the current period or within 60 days after fiscal year-end.

Non-exchange transactions, in which the System receives value without directly giving equal value in return, include grants.

Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the System must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the System on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue:

Unearned revenues arise when assets are received before revenue recognition criteria have been satisfied. Grants received before eligibility requirements are met are recorded as unearned revenue. On governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have also been recorded as unearned revenue.

Expenses/expenditures:

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

When both restricted and unrestricted resources are available for use, it is the System’s policy to use restricted resources first then unrestricted resources as they are needed.

F. Fund Accounting

The accounts of the System are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures. The System’s resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The System’s accounts are organized, as follows on the next page:

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**NOTES TO BASIC FINANCIAL STATEMENTS**June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**F. Fund Accounting (Continued)**

Major Governmental Fund:

The *General Fund* is the general operating fund of the System. It is used to account for all financial resources except those required to be accounted for in another fund.

Fiduciary Fund:

Agency funds are used to account for assets of others for which the System acts as an agent. The System maintains an agency fund for the Gold Coast Library Network account. The fund is used to collect funds for the Gold Coast Library Network.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Budgets and Budgetary Accounting

The System is required by their By-Laws to adopt an annual budget for the General Fund. The budget is presented on the basis of the funding sources available.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. Prior to January 30 of the preceding fiscal year, the System prepares a tentative budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. After March 1, but prior to April 1 of each fiscal year, the Administrative Council shall adopt a preliminary budget for expenditures of the System.
3. Prior to July 1, the Administrative Council adopts the final budget.
4. The budget is amended periodically throughout the fiscal year.

Once a budget is approved, it can still be amended by the Administrative Council. The budget is controlled by the Administrative Council at the revenue and expenditure function/object level.

I. Investments

Investments are stated at fair value.

J. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental fund types.

K. Capital Assets

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Contributed capital assets are valued at their estimated fair value at the date of the contribution. Capital assets are defined by the System as assets with an initial, individual cost of more than \$5,000 and estimated useful life in excess of two years.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the governmental column in the government-wide financial statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the statement of net position. The estimated useful lives are as follows:

Equipment and vehicles

3 to 7 years

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

M. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

N. Compensated Absences

The System accrues accumulated vacation leave and then expenses the cost as paid in the General Fund. It is the policy of the System to pay all accumulated vacation leave when an employee retires or is otherwise terminated.

Sick leave costs are expensed as paid in the General Fund. Employees have vested rights to a quarter of their accumulated unpaid sick leave upon retirement after ten years of service.

Sick and vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

O. Pensions

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 California Public Employees' Retirement System (CalPERS) Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the System's plan (OPEB Plan), when applicable, and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after June 15, 2021.
Statement No. 89	"Accounting for Interest Cost Incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2020.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2021.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Future Accounting Pronouncements (Continued)

Statement No. 92	"Omnibus 2020"	The provisions of this statement are effective for fiscal years beginning after June 15, 2021.
Statement No. 93	"Replacement of Interbank Offered Rates"	The provision of this statement except for paragraphs 11b, 13, and 14 are effective for fiscal years beginning after June 15, 2020. Paragraph 11b is effective for fiscal years beginning after December 31, 2021. Paragraphs 13 and 14 are effective for fiscal years beginning after June 15, 2021.
Statement No. 94	"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 96	"Subscription-Based Information Technology Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 97	"Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32"	The provision of this statement except for paragraphs 6-9 are effective for fiscal years beginning after December 15, 2019. Paragraph 6-9 is effective for fiscal years beginning after June 15, 2021.

R. Fund Balances

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the System's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the System intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the System.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**NOTES TO BASIC FINANCIAL STATEMENTS**June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**R. Fund Balances (Continued)**

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the System considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the System considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

S. Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

T. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*," and GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*," the System recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The System has two items which qualify for reporting in this category; refer to Note 5 and Note 7 for a detailed listing of the deferred outflows of resources the System has reported.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the System that is applicable to a future reporting period. The System has two items which qualify for reporting in this category; refer to Note 5 and Note 7 for a detailed listing of the deferred inflows of resources the System has reported.

NOTE 2 - CASH AND INVESTMENTS

The System pools idle cash from all funds for the purpose of increasing income through investment. Earnings from such investments are allocated to the respective funds on the basis of applicable cash balances of each fund. On June 30, 2021, the System had the following cash and investments on hand:

Cash on hand	\$ 47
Cash in bank	555,226
Local Agency Investment Fund	<u>924,793</u>
Total cash and investments	<u>\$ 1,480,066</u>

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 - CASH AND INVESTMENTS (Continued)

Cash and investments are presented on the accompanying basic financial statements, as follows:

Cash and investments, statement of net position	\$ 1,473,679
Cash on hand and in banks, statement of fiduciary assets and liabilities	<u>6,387</u>
Total cash and investments	<u>\$ 1,480,066</u>

The System 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 the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The System had investments in the Local Agency Investment Fund and that external pool is measured under Level 2.

Investments Authorized by the System's Investment Policy

The System's investment policy only authorizes investment in the local government investment pool administered by the State of California (LAIF). The System's investment policy does not contain any specific provisions intended to limit the System's exposure to interest rate risk, credit risk, and concentration of credit risk.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of fiscal year end, the weighted average maturity of the investments contained in the LAIF investment pool is approximately 102 days.

Disclosures Relating to Credit Risk

Generally, 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. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the System contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of the total System's investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the System's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits. The California Government Code requires that financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agencies deposits by pledging first trust deed mortgage notes having value of 150% of the secured public deposits.

None of the System's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 - CASH AND INVESTMENTS (Continued)

Custodial Credit Risk (Continued)

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the System's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or governmental investment pools (such as LAIF).

Investment in State Investment Pool

The System is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the System's investment in this pool is reported in the accompanying financial statements at the amounts based upon the System's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE 3 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions	Disposals	Balance June 30, 2021
Governmental activities				
Depreciable capital assets:				
Vehicles	\$ 24,872	\$ -	\$ -	\$ 24,872
Furniture and equipment	530,571			530,571
Total depreciable capital assets	555,443			555,443
Total accumulated depreciation	480,625	29,075		509,700
Net depreciable capital assets	\$ 74,818	\$ (29,075)	\$ -	\$ 45,743
Net capital assets	\$ 74,818	\$ (29,075)	\$ -	\$ 45,743

NOTE 4 – LONG-TERM LIABILITIES

The System allows employees to accumulate unused sick leave to a maximum of 800 hours. The maximum accumulation of vacation leave is limited to 256 hours for each employee. Employees are paid 100% of their accumulated vacation pay when they terminate their employment for any reason. Accumulated sick pay is paid only under the following conditions: 25% of the accumulation to a maximum of 800 hours is paid for full-time employees terminated for any reason after 10 full years of continuous services.

The following is a summary of long-term liability activity for the fiscal year ended June 30, 2021:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due within One Year
Governmental activities:					
Compensated absences	\$ 30,429	\$ 27,562	\$ 23,483	\$ 34,508	\$ 8,628
OPEB liability	337,406	61,272	11,055	387,623	
Net pension liability	556,131	144,093	73,202	627,022	
	\$ 923,966	\$ 232,927	\$ 107,740	\$ 1,049,153	\$ 8,628

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

The System provides post-retirement health benefits to all retirees with five years of service who retire from the System and have reached the minimum age of 55. The System sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA"), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

Funding Policy

The System pays the PEMHCA minimum to eligible retirees \$136/month in 2019 and \$139/month in 2020. Those who retire directly from the System with at least 50 years in age and 5 years CalPERS service if hired before 1/1/2013, and 52 years in age and 5 years CalPERS service if hired on or after 1/1/2013 are eligible. In addition, the System pays the PEMHCA administrative fee (0.23% of premium for 2018/19, 0.27% of premium for 2019/20). Survivor benefits are available. The System does not contribute dental, vision, and life benefits for retirees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Employees Covered

As of the June 30, 2019 actuarial valuation, the following current and former employees were covered by the benefit terms under the System's Plan:

Active plan members	5
Inactive employees or beneficiaries currently receiving benefits	<u>7</u>
Total	<u><u>12</u></u>

The System currently finances benefits on a pay-as-you go basis.

Net OPEB Liability

The System's Net OPEB Liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2019. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.00%
Inflation rate	3.00%
Healthcare cost trend rate	5.90% for 2020; 5.80% for 2021; and decreasing 0.10% per year to an ultimate rate of 5% for 2029 and later years

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. To achieve the goal set by the investment policy, plan assets will be managed to earn, on a long-term basis, a rate of return equal to or in excess of the target rate of return of 2.45 percent.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Change of Assumptions

The discount rate was decreased from 3.13 percent to 2.45 percent.

Discount Rate

GASB 75 requires a discount rate that reflects the following:

- (a) The long-term expected rate of return on OPEB plan investments — to the extent that the OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- (b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher — to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the System's total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long Term Expected Return of Plan Investments	Municipal 20 Year High Grade Rate Index	Discount Rate
June 30, 2020	June 30, 2019	4.00%	3.13%	3.13%
June 30, 2021	June 30, 2020	4.00%	2.45%	2.45%

Changes in the OPEB Liability

	Total OPEB Liability
Balance at June 30, 2020 (Valuation Date June 30, 2019)	<u>\$ 337,406</u>
Changes recognized for the measurement period:	
Service cost	21,025
Interest	10,992
Difference between expected and actual experience	
Changes of assumptions	32,793
Contributions - employer	
Net investment income	
Benefit payments	<u>(14,593)</u>
Net Changes	<u>50,217</u>
Balance at June 30, 2021 (Measurement Date June 30, 2020)	<u><u>\$ 387,623</u></u>

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.45 percent) or 1-percentage-point higher (3.45 percent) than the current discount rate:

	1% Decrease 1.45%	Current Rate 2.45%	1% Increase 3.45%
OPEB Liability	\$ 445,350	\$ 387,623	\$ 340,918

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rates that are 1-percentage point lower (4.90 percent) or 1-percentage-point higher (6.90 percent) than the current healthcare cost trend rates:

	1% Decrease (4.90%)	Healthcare Cost Trend Rate (5.90%)	1% Increase (6.90%)
OPEB Liability	\$ 335,735	\$ 387,623	\$ 451,931

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2021, the System recognized OPEB expense of \$32,089. As of the fiscal year end June 30, 2021, the System reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 11,872	\$ -
Change in assumptions	31,833	4,709
Difference between expected and actual experience		12,180
	<u>\$ 43,705</u>	<u>\$ 16,889</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to OPEB liability to be recognized in future periods in a systematic and rational manner. \$11,872 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the fiscal year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the pension expense as follows:

Fiscal Year Ending June 30,	Amount
2022	\$ 3,610
2023	9,285
2024	2,049
	<u>\$ 14,944</u>

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 6 – EMPLOYEES' DEFERRED COMPENSATION PLAN (FULL TIME EMPLOYEES)

The System offers its employees a deferred compensation plan created in accordance with federal and state laws. Employees participating in the program may defer income tax recognition on contributions to the Plan, up to specified amounts, and on earnings resulting from the investment of these contributions. Funds may be withdrawn from the Plan upon retirement, disability, or separation from the System employment by the participant and, at that time, such funds become subject to income tax.

It is the System's position that it has no fiduciary obligation in the management of the Plan's resources and is not responsible for any loss due to the investment or failure of investment funds and assets of the Plan, nor shall the System be required to replace any loss which may result from such investments.

NOTE 7 – PENSION PLAN

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the System's Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and System resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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 nonduty 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 each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous	
	Prior to	On or after
Hire Date	January 1, 2013	January 1, 2013
Benefit formula	2.0% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52-67
Monthly benefits, as a % of eligible compensation	1.0% to 2.7%	1.00% to 2.5%
Required employee contribution rates	7.000%	6.75%
Required employer contribution rates	11.031%+\$45,893	7.732%+ \$3,914

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 System is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan from the System were \$83,633 for the fiscal year ended June 30, 2021.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

A. General Information about the Pension Plans (Continued)

At June 30, 2021, the System reported a liability of \$627,022 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The System's proportion of the net pension liability was based on a projection of the System's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. The System's proportionate share of net pension liability for the plan as of June 30, 2020 was as follows:

Proportion - June 30, 2019	0.01389%
Proportion - June 30, 2020	0.01487%
Change - Increase (Decrease)	<u>0.00098%</u>

For the year ended June 30, 2021, the System recognized pension expense of \$176,726. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2021, the System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 83,633	\$ -
Differences between expected and actual experience	32,312	
Changes in assumptions		4,472
Net difference between projected and actual earnings on retirement plan investments	18,627	
Adjustment due to differences in proportions	60,439	83,188
Changes in actual contributions and proportionate share of contributions	48,213	47,092
	<u>\$ 243,224</u>	<u>\$ 134,752</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner. \$83,633 reported as deferred outflows of resources related to pensions resulting from System contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

Fiscal Year Ending June 30,	Amount
2022	\$ 6,946
2023	3,917
2024	5,041
2025	8,935
	<u>\$ 24,839</u>

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.0% Net Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter.

- (1) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years mortality improvements using 90% Scale MP 2016 published by the Society of Actuaries. For more details on this table, please refer to the 2017 experience study.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB No. 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2022. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and No. 68 calculations through at least the 2020-22 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

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 returns, net pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits were calculated for each fund. The expected 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 rounded down to the nearest one quarter of one percent. The

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate (Continued)

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	New Strategic Allocation	Real Return Years 1-10(a)	Real Return Years 11+(b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100%		

(a) An expected inflation of 2.00% was used for this period.

(b) An expected inflation of 2.92% was used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in Discount Rate

The following represents the System's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the System's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.15 percent) or 1- percentage point higher (8.15 percent) than the current rate:

	1% Decrease 6.15%	Discount Rate 7.15%	1% Increase 8.15%
System's proportionate share of the net pension plan liability	\$ 1,154,008	\$ 627,022	\$ 191,591

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports

C. Payable to Pension Plan

At June 30, 2021, the System had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2021.

NOTE 8 - CONTINGENCIES

According to the System's Management, no contingent liabilities are outstanding and no lawsuits of any real financial consequence are pending.

The System has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements would not be material.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**NOTES TO BASIC FINANCIAL STATEMENTS**June 30, 2021

NOTE 9 – NET POSITION

The government-wide activity fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment Capital Assets – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the System, not restricted for any project or other purpose.

NOTE 10 – RISK MANAGEMENT

The System is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The System maintains workers' compensation coverage through the State Compensation Insurance Fund. The System maintains additional insurance coverage through the California Joint Powers Insurance Authority as described below.

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The Black Gold Cooperative Library System is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 123 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B. Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is valued relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$50 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cjpia.org/protection/coverage-programs>.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2021

NOTE 10 – RISK MANAGEMENT (Continued)

B. Primary Self-Insurance Program (Continued)

Property Insurance

The Black Gold Cooperative Library System participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. Black Gold Cooperative Library System property is currently insured according to a schedule of covered property submitted by the Black Gold Cooperative Library System to the Authority. Black Gold Cooperative Library System property currently has all-risk property insurance protection in the amount of \$183,150. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Crime Insurance

The Black Gold Cooperative Library System purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

C. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2020-21.

NOTE 11 – SUBSEQUENT EVENT

Subsequent to year-end, the System may be negatively impacted by the effects of the worldwide COVID-19 pandemic. The System is closely monitoring its operations, liquidity, and reserves and is actively working to minimize the current and future impact of this situation. As of the date of the issuance of these financial statements, the full impact to the System's financial position is not known.

THIS PAGE INTENTIONALLY LEFT BLANK.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -****BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
ATS member contributions	\$ 868,564	\$ 868,564	\$ 1,031,372	\$ 162,808
Online reference services	498,505	498,505	288,289	(210,216)
CLSA	41,416	41,416	82,832	41,416
eRate and CTF discounts	323,000	323,000	356,990	33,990
Grant income	25,400	25,400	5,610	(19,790)
Interest earnings	15,000	15,000	7,775	(7,225)
Other	1,000	1,000	359	(641)
Total revenues	<u>1,772,885</u>	<u>1,772,885</u>	<u>1,773,227</u>	<u>342</u>
Expenditures:				
Salaries and employee benefits	540,865	540,865	537,551	3,314
Services and supplies	<u>1,232,020</u>	<u>1,232,020</u>	<u>1,191,094</u>	<u>40,926</u>
Total expenditures	<u>1,772,885</u>	<u>1,772,885</u>	<u>1,728,645</u>	<u>44,240</u>
Excess (deficiency) of revenues over expenditures			44,582	44,582
Fund balance - beginning of fiscal year	<u>1,443,568</u>	<u>1,443,568</u>	<u>1,443,568</u>	
Fund balance - end of fiscal year	<u>\$ 1,443,568</u>	<u>\$ 1,443,568</u>	<u>\$ 1,488,150</u>	<u>\$ 44,582</u>

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS**

Last 10 Years*

June 30, 2021

Measurement Period	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 21,025	\$ 18,420	\$ 19,792	\$ 19,216
Interest on the total OPEB liability	10,992	12,236	10,032	9,482
Actual and expected experience difference		(28,422)		
Changes in assumptions	32,793	21,672	(18,836)	
Changes in benefit terms				
Benefit payments	(14,593)	(12,085)	(11,713)	(10,575)
Net change in total OPEB Liability	50,217	11,821	(725)	18,123
Total OPEB liability- beginning	337,406	325,585	326,310	308,187
Total OPEB liability- ending	<u>\$ 387,623</u>	<u>\$ 337,406</u>	<u>\$ 325,585</u>	<u>\$ 326,310</u>
Covered payroll	\$ 381,499	\$ 454,090	\$ 421,635	\$ 448,682
Total OPEB liability as a percentage of covered payroll	101.61%	74.30%	77.22%	72.73%

*- Fiscal year 2018 was the 1st year of implementation, therefore only four years are shown.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM**SCHEDULE OF OPEB CONTRIBUTIONS**

Last 10 Years*

June 30, 2021

The System's contributions for the fiscal year ended June 30, 2021 was \$11,872. The System did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2021, therefore the System does not need to comply with GASB 75's Required Supplementary Information requirements.

The System's contributions for the fiscal year ended June 30, 2020 was \$11,055. The System did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2020, therefore the System does not need to comply with GASB 75's Required Supplementary Information requirements.

The System's contributions for the fiscal year ended June 30, 2019 was \$9,702. The System did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2019, therefore the System does not need to comply with GASB 75's Required Supplementary Information requirements.

The System's contributions for the fiscal year ended June 30, 2018 was \$0. The System did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2018, therefore the System does not need to comply with GASB 75's Required Supplementary Information requirements.

*- Fiscal year 2018 was the 1st year of implementation, therefore only four years are shown.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 Last 10 Years*
 As of June 30, 2021

The following table provides required supplementary information regarding the System's Pension Plan.

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the net pension liability	0.00576%	0.00543%	0.00490%	0.00826%
Proportionate share of the net pension liability	\$ 627,022	\$ 556,131	\$ 471,869	\$ 818,884
Covered payroll	\$ 366,268	\$ 435,025	\$ 424,955	\$ 448,682
Proportionate share of the net pension liability as percentage of covered payroll	171.2%	127.8%	111.0%	182.5%
Plan's total pension liability	\$ 43,702,930,887	\$ 41,426,453,489	\$ 38,944,855,364	\$ 37,161,348,332
Plan's fiduciary net position	\$ 32,822,501,335	\$ 31,179,414,067	\$ 29,308,589,559	\$ 27,244,095,376
Plan fiduciary net position as a percentage of the total pension liability	75.10%	75.26%	75.26%	73.31%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Proportion of the net pension liability	0.00802%	0.00729%	0.00794%	
Proportionate share of the net pension liability	\$ 693,915	\$ 500,491	\$ 494,291	
Covered payroll	\$ 419,323	\$ 406,588	\$ 453,404	
Proportionate share of the net pension liability as percentage of covered payroll	165.5%	123.1%	109.0%	
Plan's total pension liability	\$ 33,358,627,624	\$ 31,771,217,402	\$ 30,829,966,631	
Plan's fiduciary net position	\$ 24,705,532,291	\$ 24,907,305,871	\$ 24,607,502,515	
Plan fiduciary net position as a percentage of the total pension liability	74.06%	78.40%	79.82%	

Notes to Schedule:

Changes in assumptions

In 2018, inflation was changed from 2.75 percent to 2.50 percent and individual salary increases and overall payroll growth was reduced from 3.00 percent to 2.75 percent.

In 2017, as part of the Asset Liability Management review cycle, the discount rate was changed from 7.65 percent to 7.15 percent.

In 2016, the discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected ages of general employees.

*- Fiscal year 2015 was the 1st year of implementation, thus only seven years are shown.

BLACK GOLD COOPERATIVE LIBRARY SYSTEM
SCHEDULE OF PENSION CONTRIBUTIONS
Last 10 Years*
As of June 30, 2021

The following table provides required supplementary information regarding the Sytem's Pension Plan.

	2021	2020	2019	2018
Contractually required contribution (actuarially determined)	\$ 83,633	\$ 73,202	\$ 73,596	\$ 95,204
Contribution in relation to the actuarially determined contributions	83,633	73,202	73,596	406,347
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (311,143)
Covered payroll	\$ 394,700	\$ 366,268	\$ 435,025	\$ 424,955
Contributions as a percentage of covered payroll	21.19%	19.99%	16.92%	95.62%
	2017	2016	2015	
Contractually required contribution (actuarially determined)	\$ 61,179	\$ 78,977	\$ 46,450	
Contribution in relation to the actuarially determined contributions	61,179	78,977	46,450	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	
Covered payroll	\$ 448,682	\$ 419,323	\$ 406,588	
Contributions as a percentage of covered payroll	13.64%	18.83%	11.42%	
Notes to Schedule:				
Valuation Date:	6/30/2014			
Actuarial cost method	Entry Age Normal			
Asset valuation method	5-year smoothed market			
Amortization method	The unfunded actuarial accrued liability is amortized over an open 17 year period as a level percentage of payroll.			
Discount rate	7.50%			
Amortization growth rate	3.75%			
Price inflation	3.25%			
Salary increases	3.75% plus merit component based on employee classification and years of service			
Mortality	Sex distinct RP-2000 Combined Mortality projected to 2010 using Scale AA with a 2 year setback for males and a 4 year setback for females.			
Valuation Date:	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Discount Rate:	7.000%	7.250%	7.375%	7.650%
Inflation:	2.500%	2.625%		

*- Fiscal year 2015 was the 1st year of implementation, thus only seven years are shown.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Administrative Council
Black Gold Cooperative Library System

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of Black Gold Cooperative Library System (the System), as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated November 15, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the System's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Levy & Hartzheim LLP

Santa Maria, California
November 15, 2021



City of Santa Barbara

Office of the City Attorney

SantaBarbaraCA.gov

Ariel Pierre Calonne
City Attorney

December 21, 2021

John S. Doimas
Daniel S. Hentschke
Sarah J. Knecht
Tava Ostrenger
Tom R. Shapiro
Michelle Sosa-Acosta
Denny Wei

Tel: (805) 564-5326
Fax: (805) 564-5426

Street Address:
740 State Street
Suite #201
Santa Barbara, CA
93101

Mailing Address:
PO Box 1990
Santa Barbara, CA
93102

Michelle Greene
City Manager
City of Goleta
130 Cremona Drive, Suite B
Goleta, CA 93117

Glynis Fitzgerald
Black Gold Cooperative Library System
580 Camino Mercado
Arroyo Grande, CA
93420-1816

RE: Black Gold Cooperative Library System Records

Dear Ms. Greene and Ms. Fitzgerald:

This is a request for records pursuant to the California Public Records Act, Government Code Sections 6250 et seq. We wish to receive any electronic records in their original format, provided no programming is required to produce the records. (Gov. Code, § 6253.9.)

Please provide the following records. Unless otherwise specified, limit the time period to the period from January 1, 2020 to the present date:

1. All communications of any kind sent to or received from the following persons:
 - a. Ned Branch
 - b. Sarah Bleyl
 - c. Mary Housel
 - d. Angelica Fortin
 - e. Allison Gray
 - f. Glynis Fitzgerald
2. All communications between non-lawyers referring to legal issues arising from the Black Gold Cooperative Library System, including communications to the Goleta City Council

December 21, 2021

Page 2

3. All communications pertaining to the formation of or the use of reserve funds by the Black Gold Cooperative Library System
4. All records in which any of the following topics are discussed or referenced in any manner:
 - a. Breach or non-compliance with the of Amended Joint Powers Agreement Creating as a Separate Legal Entity the Black Gold Cooperative Library System, dated October 1, 1984;
 - b. Santa Barbara Public Library
 - c. County of San Luis Obispo
 - d. Jessica Cadiente
 - e. Irene Macias
 - f. Integrated Library System, ILS, Library Management System, LMS
5. All minutes and agendas from the Black Gold Administrative Council between 2010 and 2016
6. All records regarding the Overdrive Digital collection, including but not limited to curation, establishment, funding and financial contributions by jurisdiction.

Thanks in advance.

Sincerely,
John Doimas
Assistant City Attorney



December 30, 2021

John Doimas, Assistant City Attorney
City of Santa Barbara
PO Box 1990
Santa Barbara, CA 93102

Re: Your December 2, 2021 Public Records Request

Dear Mr. Doimas:

I am the Director of Operations of Black Gold Cooperative Library System ("Black Gold") and responsible for processing your December 21, 2021 Public Records Act request. Your request seeks designated records generated from January 1, 2020, to December 21, 2021. This letter constitutes Black Gold's initial written response. I have pasted, below, each of your multiple requests, in italics. After each I provide Black Gold's statement of compliance pursuant to Government Code section 6253(c) and related provisions.

- 1. All communications of any kind sent to or received from the following persons:*
 - a. Ned Branch*
 - b. Sarah Bleyl*
 - c. Mary Housel*
 - d. Angelica Fortin*
 - e. Allison Gray*
 - f. Glynis Fitzgerald*

I would appreciate your assistance interpreting the scope of this somewhat ambiguous but apparently overly broad request. I am assuming that what you have requested is records of communications with these persons related to the City's refusal to participate in Black Gold's current or planned replacement ILS, as opposed to communications about all other matters. If I am incorrect, please let me know. Pending that assistance from you, however, I have conducted a reasonable search for the records I believe you are seeking. I have located some such records. Because you have requested these in electronic format, I can offer them to you on a disc or other similar electronic media, at the cost to you of \$10.00. If you prefer not to pay that cost, I can offer them in paper format for \$.25 per copy. Just let me know your preference.

2. All communications between non-lawyers referring to legal issues arising from the Black Gold Cooperative Library System, including communications to the Goleta City Council.

I would appreciate your assistance interpreting the scope of this ambiguous request. I am assuming that what you have requested is records comprising communications about the legal issue (City's breach of the JPA Agreement participation clause) pending between Black Gold and the City, as opposed to communications about every other legal issue (if any) Black Gold has faced since January 1, 2020. If I am incorrect, please let me know. Pending that communication from you, I have conducted a reasonable search for the records I believe you are seeking. I have located some such records. Because you have requested these in electronic format, I can offer them to you on a disc or other similar electronic media, at the cost to you of \$10.00. If you prefer not to pay that cost, I can offer them in paper format for \$.25 per copy. Just let me know your preference.

3. All communications pertaining to the formation of or the use of reserve funds by the Black Gold Cooperative Library System.

I have conducted a reasonable search for the described records. I have located some such records. Because you have requested these in electronic format, I can offer them to you on a disc or other similar electronic media, at the cost to you of \$10.00. If you prefer not to pay that cost, I can offer them in paper format for \$.25 per copy. Just let me know your preference.

4. All records in which any of the following topics are discussed or referenced in any manner:

- a. Breach or non-compliance with the of Amended Joint Powers Agreement Creating as a Separate Legal Entity the Black Gold Cooperative Library System, dated October 1, 1984;*
- b. Santa Barbara Public Library*
- c. County of San Luis Obispo*
- d. Jessica Cadiente*
- e. Irene Macias*
- f. Integrated Library System, ILS, Library Management System, LMS*

Black Gold has discussed the City's as well as County of San Luis Obispo's anticipated, and actual, breach of the JPA Agreement with its lawyer. We refuse to produce any records of those confidential communications based upon the attorney client privilege set forth in Evidence Code section 954, Government Code section 6254(k), and because the public interest served by not disclosing clearly outweighs the public interest in disclosure. I have conducted a reasonable search for non-privileged responsive

records and have located some. Because you have requested these in electronic format, I can offer them to you on a disc or other similar electronic media, at the cost to you of \$10.00. If you prefer not to pay that cost, I can offer them in paper format for \$.25 per copy. Just let me know your preference.

5. All minutes and agendas from the Black Gold Administrative Council between 2010 and 2016.

I have conducted a reasonable search for the described records. I have located some such records, but they are not all in electronic format. Because you have requested these in electronic format, I can offer them to you on a disc or other similar electronic media, at the cost to you of \$10.00 plus \$35.00 per hour for data compilation. If you prefer not to pay that cost, I can offer them in paper format at \$.25 per copy. Just let me know your preference.

6. All records regarding the Overdrive Digital collection, including but not limited to curation, establishment, funding and financial contributions by jurisdiction.

I have conducted a reasonable search for the described records. I have located some such records. Because you have requested these in electronic format, I can offer them to you on a disc or other similar electronic media, at the cost to you of \$10.00. If you prefer not to pay that cost, I can offer them in paper format for \$.25 per copy. Just let me know your preference.

I await your response.

Regards,

Glynis Fitzgerald
Director of Operations