

**AGENDA**  
**BELVEDERE TIBURON LIBRARY AGENCY**  
**SPECIAL Meeting of Monday, December 13, 2021, 6:15pm**  
Belvedere Tiburon Library  
1501 Tiburon Blvd, Tiburon, California

This meeting will be held remotely via Zoom. The meeting can be accessed beginning at 6pm at the following address: <https://us02web.zoom.us/j/81017429591?pwd=YVhUNjU0FwYWgyNjVldUpUdFA0UT09>

Meeting ID: 810 1742 9591      Password: 798611

**CALL TO ORDER/ROLL CALL**

**OPEN FORUM**

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

**STAFF BOARD AND COMMITTEE REPORTS**

1. Chair's Report – Jeff Slavitz, Agency Chair (2 minutes)
2. Library Director's Report, - Deborah Mazzolini, Library Director (5 minutes)
3. Expansion Update – Glenn Isaacson, Project Manager (5 minutes)
4. Belvedere Tiburon Library Foundation Report, Rachael Ong, Foundation President, (5 minutes)
5. BTLA Financial Statements, November, 2021
6. Belvedere Tiburon Library Agency Treasurer's report on Expansion Line of Credit, Jeff Slavitz, Agency Treasurer (5 minutes)
7. Committee Reports (5 minutes)

**CONSENT CALENDAR – 2 MINUTES**

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

8. Approval of Agency Minutes of October 14, 18, 25, and 26, and November 12, 2021
9. Approval of Agency Warrants dated October and November 2021

**TRUSTEE CONSIDERATIONS**

The purpose of Trustee Considerations is to list items for discussion and potential action.

10. **CONSIDERATION OF APPOINTMENT OF CRYSTAL DURAN AS BELVEDERE TIBURON LIBRARY DIRECTOR**
11. **REVIEW OF FIRST DRAFT OF BELVEDERE TIBURON LIBRARY AGENCY AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021**
12. **CONSIDERATION OF APPROVAL OF RESOLUTION NO. 271-2021 PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDER N-08-21, DATED JUNE 11, 2021, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE BELVEDERE-TIBURON LIBRARY AGENCY FOR THE PERIOD DECEMBER 13, 2021 – JANUARY 12, 2022 PURSUANT TO BROWN ACT PROVISIONS.**

**AGENDA**  
**BELVEDERE TIBURON LIBRARY AGENCY**  
**SPECIAL Meeting of Monday, *December 13, 2021*, 6:15pm**  
Belvedere Tiburon Library  
1501 Tiburon Blvd, Tiburon, California

- 13. CONSIDERATION OF MECHANICS BANK CHANGE IN TERMS AGREEMENT AND CORPORATE RESOLUTION TO BORROW**
  
- 14. CONSIDERATION OF EXTENDING LIBRARY DIRECTOR MAZZOLINI'S CONTRACT END DATE FROM DECEMBER 31, 2021 TO JANUARY 14, 2022.**

**COMMUNICATIONS & ANNOUNCEMENTS**

- 15. Schedule of 2021/2022 Meeting Dates**

**NOTICE: AMERICANS WITH DISABILITIES ACT**

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



December 9, 2021

To: Jeff Slavitz, Chair, Library Agency Trustees and Debbie Mazzolini,  
Library Director  
From: Glenn Isaacson, Project Manager  
Subject: Expansion Project Activity Report No. 22

**Activities Accomplished:**

**At the exterior,**

The north parking lot is paved, striped and open for Curbside service.

**At the interior,** The Expansion space is substantially completed. Bookshelves  
And furniture has been installed in the Children's Library and the Children's and  
Teen's book collections have been moved in.

The Staff has taken occupancy.

Bookshelves have been moved to the new Founder's Room temporarily and populated  
with books from the adult collection.

IT service has been switched to the new IT room and the former space demolished.

Heating, ventilating, and cooling are operational.

In the existing space the books, library tables and chairs have been packed and sent to  
storage. Bookshelves are being disassembled, and packaged ready to be stored in on-  
site containers.

The goal is to have the existing space empty to turn over to the contractor by the start of  
next week for the commencement of Phase Two work.

**Looking ahead the following activities will occur in the next several weeks:**

Demolition of designated spaces in the existing library.

Lay out of new demising walls.

Advancement of the framing, and plumbing, and electrical work in the public restrooms.

**Longer term activities include:**

Traffic striping on Tiburon Blvd.

Installation of AT+T and comcast permanent services in new computer room.

Improvements to the lower plaza and handicap facilities in Tiburon Blvd. will be  
undertaken.

**Overview:**

The revised Total Development Cost Budget of \$17,685,000 holds.

Please note that the proposed additional scope items such as Solar panels and battery storage, emergency generation and unforeseen conditions are not included in the Project Budget.

The Library Agency decided that rooftop solar and emergency generation will be postponed.

The Town has issued a Limited Temporary Occupancy permit for **staff only** and not to exceed 20 people. To increase occupancy, it will be necessary to temporarily procure additional accessible toilet facilities with a facility having at least two fixtures per gender occupancy can be increased to 36 persons total at one time or await the completion of the public restrooms anticipated to be in February, 2022. The cost of such a facility is approximately \$13,000 per month including daily cleaning service.

Occupancy of the completed project is now being studied in connection with revised and simplified Phase Two plans.

END.

**Belvedere-Tiburon Library Agency  
Statement of Revenues  
Period Ending November 30, 2021**

	FY 2021-22			FY 2020-21		
	Budgeted	YTD Actual	%	Budgeted	YTD Actual	%
<b>GENERAL FUND</b>						
Basic Library Tax	\$ 2,159,580	\$ 36,562	1.7%	\$ 2,067,703	\$ 1,392	0.1%
Parcel Tax	\$ 275,000	\$ -	0.0%	\$ 275,000	\$ -	0.0%
ERAF	\$ 523,000	\$ -	0.0%	\$ 400,000	\$ 7,989	2.0%
Grants	\$ 60,000	\$ -	0.0%	\$ 62,820	\$ -	0.0%
Desk Revenue Sales & Fines	\$ 7,000	\$ -	0.0%	\$ 6,929	\$ -	0.0%
Misc. Other Revenue	\$ 2,930	\$ 3	0.1%	\$ 2,931	\$ -	0.0%
Interest Income	\$ 19,966	\$ 2,781	13.9%	\$ 31,329	\$ 8,782	28.0%
<b>TOTAL GENERAL FUND</b>	<b>\$ 3,047,476</b>	<b>39,346</b>	<b>1.3%</b>	<b>\$ 2,846,712</b>	<b>\$ 18,163</b>	<b>0.6%</b>
<b>ORIGINAL CFD BOND DEBT SERVICE</b>						
Original Bond Principal	\$ (85,000)	\$ (85,000)	100.0%	\$ (80,000)	\$ (80,000)	100.0%
Original Bond Interest	\$ (32,550)	\$ (17,550)	53.9%	\$ (37,500)	\$ (19,950)	53.2%
Fiscal Agent Fees	\$ (12,500)	\$ (2,438)	19.5%	\$ (12,500)	\$ (2,348)	18.8%
<b>TOTAL CFD DEBT SERVICE</b>	<b>\$ (130,050)</b>	<b>\$ (104,988)</b>	<b>80.7%</b>	<b>\$ (130,000)</b>	<b>\$ (102,298)</b>	<b>78.7%</b>
<b>TOTAL REVENUE AFTER DEBT SERVICE</b>	<b>\$ 2,917,426</b>	<b>(65,642)</b>	<b>-2.3%</b>	<b>\$ 2,716,712</b>	<b>\$ (84,135)</b>	<b>-3.1%</b>

<b>Percent of Year Complete</b>	<b>41.7%</b>
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- (1) Basic and Parcel Tax Revenue 55% of tax revenue is received in December  
45% of tax revenue is received in April
- (2) ERAF 54% of ERAF revenue is received in January  
46% of ERAF revenue is received in June
- (3) BTLF Grants Endowment grant is received in September  
Corner Books and Annual Appeal grants are received in June



**SPECIAL Meeting**  
**BELVEDERE-TIBURON LIBRARY AGENCY**  
 Belvedere-Tiburon Library, Tiburon, California  
 October 14, 2021

**Roll Call, Present:** Chair Jeff Slavitz, Vice Chair Ken Weil, Niran Amir, Thomas Cromwell, Lawrence Drew, Maureen Johnson, Roxanne Richards

**Members Absent:**

**Also Present:** Kristin Johnson

**CALL TO ORDER:** Chair Slavitz called the meeting to order at 4:00 pm

**OPEN Forum:**

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

**1. TRUSTEE CONSIDERATIONS:**

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 269-2021 PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDER N-08-21, DATED JUNE 11, 2021, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE BELVEDERE-TIBURON LIBRARY AGENCY FOR THE PERIOD OCTOBER 14, 2021 – NOVEMBER 12, 2021 PURSUANT TO BROWN ACT PROVISIONS.

**Motion to approve Resolution No. 269-2021 made by Trustee Richards, seconded by Trustee Cromwell.**

**Roll Call Vote:**

**Ayes: Vice Chair Weil, Trustee Amir, Trustee Cromwell, Trustee Drew, Trustee Johnson, Trustee Richards, and Chair Slavitz.**

**Absent: None**

**Noes: None.**

**Motion passed.**

Chair Slavitz announced the closed session commencing at 4:15 pm.

**2. CLOSED SESSION per Government Code Section 54957 and 54954.5(e),  
 PUBLIC EMPLOYEE APPOINTMENT**

Title: Library Director

Trustees returned from Closed Session at 6:15 pm. Chair Slavitz declared that no action was taken, and there was nothing to announce.

**Chair Slavitz adjourned the meeting at 6:20 pm.**

Respectfully Submitted,

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



**SPECIAL Meeting**  
**BELVEDERE-TIBURON LIBRARY AGENCY**  
**Belvedere-Tiburon Library, Tiburon, California**  
**October 18, 2021**

**Roll Call, Present:** Chair Jeff Slavitz, Vice Chair Ken Weil, Niran Amir, Thomas Cromwell, Lawrence Drew, Maureen Johnson, Roxanne Richards

**Members Absent:**

**Also Present:** Deborah Mazzolini, Glenn Isaacson, Nancy Kemnitzer, Kristin Johnson, Deirdre McCrohan

**CALL TO ORDER:** Chair Slavitz called the meeting to order at 6:15 pm

**OPEN Forum:**

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

**1. Chair's Report**

There was no report from the Chair.

**2. Library Director's Report**

Director Mazzolini reported that 145,148 items have been checked out so far this fiscal year via curbside service. Children's Librarians have hosted 134 virtual story times on YouTube, including toddler preschool sessions, French story time, book reviews, reading buddies with Teen volunteers, virtual performances, summer reading and crafts, and virtual holiday celebrations. Children's Librarians have also made classroom visits, and prepared monthly kits for children to take home. The Teen Librarian also prepares kits with 3-to-4 different craft projects in each bag. About 100 kits per week are taken home by patrons. Teens can also participate in online poetry readings and book discussions. The Library Staff also offers personalized book service for families. Some families have been checking out up to 40 books per week. Reference staff are available by phone Monday through Saturday from 10am to 4pm, responding to 30-40 calls per day, many regarding technology learning. Staff is also offering curbside technology service. Chairs and tables have been set up under a tent on the patio for study and Wi-Fi/computer use. Teens have been using this space most afternoons each week.

The Staff and Collection migration to temporary quarters in the new space, and possible opening are still pending with a possible starting date of November 15. Ten percent of the collection will be available for checkout, and books from other Marin libraries will also remain available through the system.

**3. Expansion Update**

The concrete areas in the parking lot are nearly finished. When they are complete, the lot will be paved.

In the interior, most of the wood trim has been installed, along with carpeting in all expansion areas, and most of the lighting and wood slat ceiling. Clocks have been hung. Flooring and door installation are expected to be completed within the next few weeks

Children's furniture will begin arriving on October 25th. New and existing furniture will be set up, and the Children's area will be complete for operation. Part of the adult collection will be temporarily shelved in the new Founders' Room. Staff will be placed in temporary quarters (wherever they can fit and connect to data) sometime in November.

The migration of Staff and the collection is dependent upon the receipt of a Temporary Certificate of Occupancy from the Town of Tiburon. A plan has been prepared by the Architect and is currently under contractor review. The plan must allow for ongoing construction work in the old library space in addition to both staff occupancy and contractor work in the new space, and must also accommodate life safety, egress, alarm systems, and ventilation. A comprehensive plan will be submitted to Town of Tiburon as soon as it is approved by the contractor.

Chair Slavitz asked whether the temporary quarters/expanded space will be open to the public in November, and with what open hours. Director Mazzolini said that the Library Staff are ready for opening with as many hours as possible, probably 10am to 8pm Tuesday through Thursday, and 10am to 5pm on Monday, Friday, and Saturday, with Sunday hours also under consideration. If the parking log is not complete, parking for patrons will remain in the paid lot east of Town Hall, which offers one hour free. Opening to the public will depend upon the particulars of the temporary occupancy permit. Project Manager Isaacson added that the public should be advised that there will be limited access points and spaces open - probably only the Children's and Founders' Rooms.

The opening of the entire Library is likely to be in March or later. The major project of refurbishing the old portion of the Library cannot be undertaken until after the migration of the Staff and Collection.

Trustee Richards asked when the public restrooms would be complete and open. Project Manager Isaacson said that this would be about 40 days after the migration takes place. There will be one single use restroom available in the Children's room. The restroom construction is dependent upon the availability of the old electric room, which cannot be cleared of its current purpose until the migration is achieved. If necessary, temporary restroom facilities can be procured fairly quickly. Mr. Isaacson added that the Library Staff members have been very helpful in understanding the process, planning, and taking action for these upcoming changes.

#### **4. Foundation Report**

Foundation President Rachael Ong reported that the Foundation held a very successful gathering of potential donors last week, featuring a Library tour and refreshments. The event was hosted by Suzanne and Peter Scully, and the invited guests were younger parents with children in the Reed School System. A donation of \$5,000 was received at the event, and Librarian Ivan Silva's presence to answer questions about the Teen and Maker Spaces and technology learning opportunities generated much focused interest in these areas among the attendees.

Additional events are planned for late November and December: A Bookmarks-hosted event at the Library with up to 50 guests, if possible, and hopefully several other in-person group tours. A donor has recently committed \$50,000, possibly up to \$100,000 towards the murals in the children's Library.

An e-blast later this week will highlight the November online Book Passage Petrocelli Coffee event hosted by Brenda Bottum and Suzanne Scully and the annual local Wreath Auction hosted by Pam Goldman and Whitney Lee, along with the first fall Capital Campaign solicitation for October. The letter will encourage the scheduling of walk-throughs, and a follow-up letter will be sent in December.

Agency Trustees are asked to participate community outreach for the Petrocelli event, including ticket and raffle sales.

Trustee Richards asked about fundraising for Library programs. President Ong said that the focus for this season will remain on the Capital Campaign until the target for the Library Expansion is met. Annual giving will hopefully be revisited after the Library is fully operating again, when it will be easier for program donors to see the impact of their giving.

#### **5. Agency Quarterly Treasurer's Report and Financial Statements, September, 2021**

Clerk Johnson reported that, with 25% of the year passed, no revenue has been received and expenditures are at 28% of budget. This is normal at this time of year, as most revenues are received in December and April, and many digital subscriptions, all insurance, and the CalPERS UAL are paid in July, the first month of the new fiscal year.

#### **6. Committee Reports**

Vice Chair Weil reported that an Agency Closed Session was held on October 14 for initial review of applicants for Library Director. There were 32 applicants, and 9 were selected for semi-final interviews which will be conducted in Agency Closed Sessions on October 25 and 26. Final interviews are scheduled for November 12.

#### **CONSENT CALENDAR**

##### **7/8. Motion to approve the Minutes of September 20, 2021, and the Warrants dated September, 2021, made by Trustee Cromwell seconded by Trustee Johnson.**

**Roll Call Vote:**

**Ayes: Vice Chair Weil, Trustee Amir, Trustee Cromwell, Trustee Drew, Trustee Johnson, Trustee Richards, and Chair Slavitz.**

**Absent: None**

**Noes: None.**

**Motion Passed.**

#### **TRUSTEE CONSIDERATIONS:**

There were no Trustee considerations on this Agenda.

### **13. Meeting Dates**

The next Special Meetings will be held on October 25 and 26.

The next Regular meeting is scheduled for November 15, but may be changed to a Special meeting November 8.

**Chair Slavitz adjourned the meeting at 6:54 pm.**

Respectfully Submitted,

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

**SPECIAL Meeting**  
**BELVEDERE-TIBURON LIBRARY AGENCY**  
**Belvedere-Tiburon Library, Tiburon, California**  
**October 25, 2021**

**Roll Call, Present:** Chair Jeff Slavitz, Vice Chair Ken Weil, Niran Amir, Thomas Cromwell, Lawrence Drew, Maureen Johnson, Roxanne Richards

**Members Absent:**

**Also Present:** Kristin Johnson

**CALL TO ORDER:** Chair Slavitz called the meeting to order at 1:00 pm

**OPEN Forum:**

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

Chair Slavitz announced the closed session commencing at 1:03 pm.

1. **CLOSED SESSION per Government Code Section 54957 and 54954.5(e),  
PUBLIC EMPLOYEE APPOINTMENT**

Title: Library Director

Trustees returned from Closed Session at 5:16 pm. Chair Slavitz declared that no action was taken, and there was nothing to announce.

**Chair Slavitz adjourned the meeting at 5:20 pm.**

Respectfully Submitted,

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

**SPECIAL Meeting**  
**BELVEDERE-TIBURON LIBRARY AGENCY**  
**Belvedere-Tiburon Library, Tiburon, California**  
**October 26, 2021**

**Roll Call, Present:** Chair Jeff Slavitz, Vice Chair Ken Weil, Niran Amir, Thomas Cromwell, Lawrence Drew, Maureen Johnson, Roxanne Richards

**Members Absent:**

**Also Present:** Kristin Johnson

**CALL TO ORDER:** Chair Slavitz called the meeting to order at 1:03 pm

**OPEN Forum:**

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

Chair Slavitz announced the closed session commencing at 1:05 pm.

1. **CLOSED SESSION per Government Code Section 54957 and 54954.5(e),  
PUBLIC EMPLOYEE APPOINTMENT**

Title: Library Director

Trustees returned from Closed Session at 5:55 pm. Chair Slavitz declared that no action was taken, and there was nothing to announce.

**Chair Slavitz adjourned the meeting at 6:00 pm.**

Respectfully Submitted,

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

**SPECIAL Meeting  
BELVEDERE-TIBURON LIBRARY AGENCY  
Belvedere-Tiburon Library, Tiburon, California  
November 12, 2021**

**Roll Call, Present:** Chair Jeff Slavitz, Vice Chair Ken Weil, Niran Amir, Thomas Cromwell, Lawrence Drew, Maureen Johnson, Roxanne Richards

**Members Absent:**

**Also Present:** Kristin Johnson, Deirdre McCrohan

Vice Chair Weill called the meeting to order at 10:16 am

**OPEN Forum:**

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

**1. TRUSTEE CONSIDERATIONS:**

**CONSIDERATION OF APPROVAL OF RESOLUTION NO. 270-2021 PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDER N-08-21, DATED JUNE 11, 2021, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE BELVEDERE-TIBURON LIBRARY AGENCY FOR THE PERIOD NOVEMBER 13, 2021 – DECEMBER 12, 2021 PURSUANT TO BROWN ACT PROVISIONS.**

**Motion to approve Resolution No. 270-2021 made by Trustee Johnson, seconded by Trustee Cromwell.**

**Roll Call Vote:**

**Ayes: Vice Chair Weil, Trustee Amir, Trustee Cromwell, Trustee Drew, Trustee Johnson, Trustee Richards, and Chair Slavitz.**

**Absent: None**

**Noes: None.**

**Motion passed.**

Vice Chair Weil announced the closed session commencing at 10:24 am.

**2. CLOSED SESSION per Government Code Section 54957 and 54954.5(e),  
PUBLIC EMPLOYEE APPOINTMENT**

Title: Library Director

Trustees returned from Closed Session at 4:00 pm. Chair Slavitz declared that no action was taken, and there was nothing to announce.

**Chair Slavitz adjourned the meeting at 4:02 pm.**

Respectfully Submitted,

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



BELVEDERE TIBURON LIBRARY AGENCY  
 OPERATING WARRANTS  
 OCTOBER 15, 2021

Check/Voucher Date	Check/Voucher Number	Payee	Fund Code	GL Code	GL Title	Expenses	Check Total
OPERATING - HAND CHECKS							
10/1/2021	000373	GLAVER CIFUENTES	100	8450	Janitorial Expense	3,650.00	3,650.00
10/4/2021	000374	Optum Financial - COBRA	100	7110	PERS Insurance Benefits	27.75	27.75
10/4/2021	000375	CITY OF BELVEDERE	100	2031	Accounts Payable	2,514.20	2,514.20*
OPERATING - PRINTED							
10/15/2021	101234	BRODART CO.	100	7601	Books and other Materials	117.08	
10/15/2021	101234	BRODART CO.	100	7602	Vendor Processing Costs	10.31	127.39
10/15/2021	101235	BUSINESS CARD	100	7200	Professional Development	129.00	
10/15/2021	101235	BUSINESS CARD	100	7606	Digital Resources & Content	158.94	
10/15/2021	101235	BUSINESS CARD	100	8020	Online Services	792.88	
10/15/2021	101235	BUSINESS CARD	100	8250	Children's Program Supplies	190.85	
10/15/2021	101235	BUSINESS CARD	100	8430	Building Maintenance	887.69	
10/15/2021	101235	BUSINESS CARD	100	8850	Office Expenses	187.10	2,346.46
10/15/2021	101236	GLAVER CIFUENTES	100	8450	Janitorial Expense	4,250.00	4,250.00
10/15/2021	101237	INGRAM LIBRARY SERVICES	100	7601	Books and other Materials	6,316.53	
10/15/2021	101237	INGRAM LIBRARY SERVICES	100	7602	Vendor Processing Costs	435.94	6,752.47
10/15/2021	101238	KEN LEHR	100	8040	Technical Support	2,700.00	2,700.00
10/15/2021	101239	LIBRARY IDEAS LLC	100	7606	Digital Resources & Content	19.00	19.00
10/15/2021	101240	LINCOLN NATIONAL LIFE INS	100	7110	PERS Insurance Benefits	455.13	455.13
10/15/2021	101241	MARIN IT, INC.	100	8070	IT Infrastructure	400.00	400.00
10/15/2021	101242	OVERDRIVE, INC.	100	7606	Digital Resources & Content	204.00	204.00
10/15/2021	101243	PACIFIC GAS & ELECTRIC	100	8490	Electricity & Gas	1,146.76	1,146.76
10/15/2021	101244	REDWOOD SECURITY SYSTEMS	100	8492	Maintenance Contracts	225.00	225.00
10/15/2021	101245	TPX COMMUNICATIONS	100	8260	Telephone	1,043.99	1,043.99
10/15/2021	101246	VALUE LINE PUBLISHING LLC	100	7606	Digital Resources & Content	3,775.00	3,775.00
10/15/2021	101247	VANTAGEPOINT TRF AGT-457	100	2040	Deferred Comp Deductions	4,095.18	4,095.18
					<b>Total</b>	<b>\$33,732.33</b>	<b>\$33,732.33</b>
		* Reimburse City for Tax Overpayment Error					



Check/Voucher Date	Check/Voucher Number	Payee	Fund Code	GL Code	GL Title	Expenses	Check Total
OPERATING - HAND CHECKS							
11/19/2021	000376	MAZE & ASSOCIATES	100	8835	Auditing	9,095.00	9,095.00
11/29/2021	000377	Crystal Duran	100	7200	Professional Development	1,088.56	1,088.56
11/29/2021	000378	Heather Cousin	100	7200	Professional Development	721.37	721.37
OPERATING - PRINTED							
11/30/2021	101262	BLACKSTONE PUBLISHING	100	7601	Books and other Materials	388.24	388.24
11/30/2021	101263	BUSINESS CARD	100	7606	Digital Resources & Content	192.07	
11/30/2021	101263	BUSINESS CARD	100	8020	Online Services	6.99	
11/30/2021	101263	BUSINESS CARD	100	8230	Office Supplies	2,608.12	
11/30/2021	101263	BUSINESS CARD	100	8430	Building Maintence	1,510.82	4,318.00
11/30/2021	101264	GLAVER CIFUENTES	100	8450	Janitorial Expense	3,850.00	3,850.00
11/30/2021	101265	INGRAM LIBRARY SERVICES	100	7601	Books and other Materials	10,175.93	
11/30/2021	101265	INGRAM LIBRARY SERVICES	100	7602	Vendor Processing Costs	736.60	10,912.53
11/30/2021	101266	KEN LEHR	100	8040	Technical Support	2,000.00	2,000.00
11/30/2021	101267	LINCOLN NATIONAL LIFE INS	100	7110	PERS Insurance Benefits	690.01	690.01
11/30/2021	101268	MARIN IT, INC.	100	8070	IT Infrastructure	723.00	723.00
11/30/2021	101269	OVERDRIVE, INC.	100	7606	Digital Resources & Content	649.82	649.82
11/30/2021	101270	PACIFIC GAS & ELECTRIC	100	8490	Electricity & Gas	7.84	7.84
11/30/2021	101271	PURCHASE POWER	100	8220	Postage Freight	208.99	208.99
11/30/2021	101272	REBECCA JUNG	100	8251	Young Adult Programs	88.45	88.45
11/30/2021	101273	TPX COMMUNICATIONS	100	8260	Telephone	1,042.43	1,042.43
11/30/2021	101274	U.S. BANK	100	8210	Copier Expense	1,209.19	1,209.19
11/30/2021	101275	VANTAGEPOINT TRF AGT-457	100	2040	Deferred Comp Deductions	8,190.36	8,190.36
11/30/2021	101276	WT.COX INFORMATION SERVIC	100	7601	Books and other Materials	15,222.75	15,222.75
					<b>Total</b>	<b>\$60,406.54</b>	<b>\$60,406.54</b>

BELVEDERE TIBURON LIBRARY AGENCY  
 EXPANSION WARRANTS  
 NOVEMBER, 2021

Check/Voucher Date	Check/Voucher Number	Payee	Fund Code	GL Code	GL Title	Expenses	Check Total
EXPANSION - HAND CHECKS							
11/3/2021	000281	Pile Saver	200	9047	Expansion Furniture & Equipment	10,000.00	10,000.00
11/3/2021	000282	MB Contract Furniture	200	9047	Expansion Furniture & Equipment	8,917.88	8,917.88
11/12/2021	000283	ClimatePro	200	9045	Site Work	249.00	249.00
11/18/2021	000284	ALTEN CONSTRUCTION	200	9045	Site Work	144,707.57	144,707.57
11/18/2021	000285	ALTEN CONSTRUCTION	200	9051	Escrow	7,616.19	7,616.19
11/18/2021	000286	INSIDE SOURCE INC	200	9047	Expansion Furniture & Equipment	40,332.73	40,332.73
11/18/2021	000287	Sonoma State University	200	9045	Site Work	681.69	681.69
11/22/2021	000288	MILLER PACIFIC ENGINEERING GROUP	200	9045	Site Work	2,326.20	2,326.20
11/22/2021	000289	MILLER PACIFIC ENGINEERING GROUP	200	9045	Site Work	3,236.20	3,236.20
11/24/2021	000291	CONVERSION MANAGEMENT ASSOCIATES	200	9048	Project Management	910.00	910.00
11/24/2021	000292	MB Contract Furniture, Inc.	200	9047	Expansion Furniture & Equipment	2,482.16	2,482.16
<b>TOTAL</b>						<b>\$ 221,459.62</b>	<b>\$ 221,459.62</b>

BELVEDERE TIBURON LIBRARY AGENCY  
 EXPANSION WARRANTS  
 OCTOBER, 2021

Check/Voucher Date	Check/Voucher Number	Payee	Fund Code	GL Code	GL Title	Expenses	Check Total
EXPANSION - HAND CHECKS							
10/26/2021	000274	Alten Construction	200	9045	Site Work	497,848.92	497,848.92
10/26/2021	000275	Alten Escrow	200	9051	Escrow	26,202.58	26,202.58
10/26/2021	000276	BRW Architects - August	200	9048	Architect	17,532.00	17,532.00
10/26/2021	000277	BRW Architects - September	200	9048	Architect	17,087.00	17,087.00
10/26/2021	000278	CMA	200	9048	Project Mgmt	1,365.00	1,365.00
10/18/2021	000273	MB furniture	200	9047	Exp Furn & Fixt	11,509.58	11,509.58
					<b>TOTAL</b>	<b>\$ 571,545.08</b>	<b>\$ 571,545.08</b>

**Bradbury Miller Associates**  
 3513 E Harvard Blvd., Canton, Ohio 44709  
 Phone: 330-224-9177 www.bradburymiller.com

November 16, 2021

Crystal Duran  
 826 Kindig Ave.  
 Brawley, CA 92227  
[Crystal.duran.mlis@gmail.com](mailto:Crystal.duran.mlis@gmail.com)

Dear Crystal,

Based on discussions with the Belvedere Tiburon Library Agency, I am pleased to extend an offer of appointment as the new Library Director at the beginning annual salary of \$185,000; four (4) weeks of vacation leave annually; three (3) days administrative leave annually; dental insurance for family to be covered by the employer; severance pay equal to thirty (30) days salary; a relocation assistance package of \$7500; and with any additional fringe benefits being generally consistent with those provided to other full-time, professional staff of the Belvedere Tiburon Library.

Your continued service as Library Director shall be at the pleasure of the Board and any future increases shall be based upon funding availability and satisfactory performance as measured against annually determined goals and objectives.

This offer is contingent upon:

- 1) Your acceptance of this offer by no later than 12:00pm (PST) November 17, 2021;
- 2) A satisfactory background report based on your credentials, driving record and civil and criminal court records, provided by the investigative firm engaged by Bradbury Miller Associates;
- 3) Your willingness to assume full-time responsibility as Library Director on January 10, 2022;

If any of these terms are not accepted or satisfied by the dates stated herein, this offer shall expire, unless extended by mutual agreement of both parties. This letter constitutes an initial offer outlining the essential terms of your employment.

If the terms of this offer are acceptable, please sign it electronically following the instructions provided.

The Belvedere Tiburon Library Agency eagerly anticipates your willingness to accept these terms and the responsibilities as the Library Director and look forward to working with you.

Sincerely,

*Karen E. Miller*

Karen Miller as agent of the Belvedere Tiburon Library Agency

November 16, 2021

Date

I accept this conditional offer, terms, and contingencies as stated in this Offer Letter.

*Crystal Duran*

Crystal Duran (Nov 16, 2021 09:15 PST)

Crystal Duran

Nov 16, 2021

Date

**BELVEDERE-TIBURON LIBRARY AGENCY  
BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

Final Review Draft

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Final Review Draft



**BELVEDERE-TIBURON LIBRARY AGENCY  
 BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021**

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Final Review Draft

## INDEPENDENT AUDITOR'S REPORT

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

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities and General Fund of the Belvedere-Tiburon Library Agency (Agency), California, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Agency'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 the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's 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. 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 auditor's 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 Agency'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 Agency'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 and General Fund of the Agency as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters******Required Supplementary Information***

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

Pleasant Hill, California

**DATE**

Final Review Draft

**BELVEDERE TIBURON LIBRARY AGENCY****(A California Joint Exercise of Powers Agency of the  
Town of Tiburon and the City of Belvedere and  
A California Community Facilities District)****MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
FINANCIAL HIGHLIGHTS****From the Statement of Net Position on page 11**

The Government-Wide Statement of Net Position shows the Agency's assets of \$20,790,766; deferred outflows of \$397,199; liabilities of \$3,203,230; deferred inflows of \$148,810; and a net position of \$17,835,925 as of June 30, 2021.

The Agency's cash, cash equivalents, and investments totaled \$4,992,700 and net capital assets totaled \$14,981,789 at June 30, 2021, representing 24% and 72% of the Agency's total assets, respectively.

The Agency's liabilities totaled \$3,203,230 as of June 30, 2021 and consist primarily of net pension liability, accrued bonds and capital lease, compensated absences, accounts payable, and post employment benefit (OPEB) liability.

**From the Statement of Activities on page 12**

Total revenues were \$10,278,212. Total operating expenses were \$3,015,076 and total capital expenditures were \$7,457,270 (Note 5, page 22).

Operating revenues totaled \$3,013,212 (general revenues \$2,963,443, program revenue of \$15,294, and operating grants of \$34,475). Program Expenses were \$3,015,076. Net non-capital program activity was \$(1,864). In addition, capitalized operating expenditures totaled \$174,351. See Note 5, page 22).

Capital grant revenue totaled \$7,265,000. Capitalized expansion expenditures (Construction in Progress) totaled \$7,282,739. Due to prior year carryforward of \$17,730, the net position effect of the fiscal year expansion activity was \$7,265,000.

The Net Operating \$(1,864) and Capital \$7,265,000 activities resulted in an increase in Net Position of \$7,263,136.

**From the Governmental Funds Statements on pages 13 and 15**

**General fund balances** increased by \$270,971, a positive variance of \$270,144 over budget. Key factors affecting the positive variance were:

**Operations:** Library tax revenues were received in excess of budget by \$198,510; all other operating revenues were lower than budget by \$32,010; and operating expenses were under budget by \$186,888.

**Expansion:** Expenses were under budget by \$5,651,756 due to COVID-related supply chain issues, permitting delays, and zero interest cost incurred, as borrowing to complete the expansion did not yet become necessary. Grants from the Library Foundation were requested based on actual expenditures, net of additional contributions from the Town of Tiburon of \$150,000, so Expansion Revenues were also lower than budget by \$5,735,000.

**Grants** from the Belvedere Tiburon Library Foundation totaled \$7,149,475 for the fiscal year, including \$7,115,000 in Expansion grants and \$34,475 in Operating grants. An additional Expansion Contribution of \$150,000 was received from the Town of Tiburon. Inception to date grant details are found in Note 10 to the financial statements on page 36.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**OVERVIEW OF FINANCIAL STATEMENTS**

**Personnel costs** include Staffing, Retirement and Health Benefits, Payroll Tax Expense, Insurance, and Professional Development Costs. The total Personnel costs were \$1,913,391 in 2020 and \$1,919,557 in 2021, less than a 1% increase over the prior year mostly due to an increase in required CalPERS retirement employer contributions, and to a decrease in part-time staffing and related employer taxes due to COVID and construction building closures.

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

**Total resource expenditures** before this capitalization of books were \$383,956 in 2020 and \$361,098 in 2021, a 6% decrease. This is due to a reclassification of some items from the circulation materials and data (public use) area into technology services (platform & staff support) area.

**Capitalized resource costs (books)** totaled \$118,681 in 2020 and \$98,097 in 2021, a 17% decrease, due to more emphasis on digital resources, which are not capitalized.

**Expensed resource collection costs** including print subscriptions, digital content, and database costs were \$265,275 in 2020 and \$263,001 in 2021, a 1% decrease.

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

**Total Services and Supplies** was \$609,499 in 2020 and \$587,947 in 2021, a 4% decrease from the prior year due to COVID-19 related service closures and to less maintenance and delayed equipment purchases due to the Library Expansion.

**Debt service cost** for the year on the limited obligation bonds was \$117,500 for principal and interest, plus \$9,243 in fiscal agent fees in accordance with the CFD1995-1 Bond Issue Agreement.

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

**Government-wide financial statements are found on pages 11-12.**

The Government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances in a manner similar to a private-sector business. There are two government-wide financial statements - The Statement of Net Position and the Statement of Activities and Changes in Net Position.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**OVERVIEW OF FINANCIAL STATEMENTS**

**The Statement of Activities** presents information showing how the Agency's net position changed during the fiscal year. Accruals of revenue and expenses are taken into account regardless of when cash is received or paid.

As in a private-sector business, capital assets are depreciated, principal payments on debt are not an expense, and compensated absences and other post-employment benefits are expensed in the period earned.

**Governmental funds financial statements are found on pages 13 and 15.**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities.

**Reconciliations between the two types of financial statements are found on pages 14 and 16.**

The major differences between fund financial statements and government-wide financial statements are the ways in which capital outlay, debt service, bond issuance costs, compensated absences, retirement costs, and other post-employment benefits are recorded.

**Notes to the basic financial statements are found on pages 17-37.**

The notes provide additional information and detail that is essential to a full understanding of the data provided in the financial statements.

**Required supplementary information is found on pages 39-42.**

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**GOVERNMENT-WIDE FINANCIAL**  
**ANALYSIS**

Analysis of Net Position

	Governmental Activities		Total Percent
	2021	2020	Change
Cash, cash equivalents and investments	\$ 4,992,700	\$ 4,760,067	5%
Capital assets, net	14,981,789	7,772,345	93%
Other assets	816,277	186,689	337%
<b>Total assets</b>	<b>20,790,766</b>	<b>12,719,101</b>	63%
Deferred outflows (Pension & OPEB)	397,199	430,386	(8)%
<b>Total deferred outflows</b>	<b>397,199</b>	<b>430,386</b>	(8)%
Series 1996 bonds & capital lease, net	588,839	678,867	(13)%
Net Pension liability	1,312,187	1,172,442	12%
Net Postemployment benefit (OPEB)	328,480	235,217	40%
Other liabilities	973,724	276,594	252%
<b>Total liabilities</b>	<b>3,203,230</b>	<b>2,363,120</b>	<b>36%</b>
Deferred inflows (Pension & OPEB)	148,810	213,578	(30)%
<b>Total deferred outflows</b>	<b>148,810</b>	<b>213,578</b>	(30)%
Net investment in capital assets	14,392,950	7,093,478	103%
Restricted and Unrestricted	3,442,975	3,479,311	(1)%
<b>Net position</b>	<b>\$ 17,835,925</b>	<b>10,572,789</b>	69%

Net position serves over time as a useful indicator of the Agency's financial position: Assets exceeded liabilities by \$17,835,925 as of June 30, 2021. This number is comprised of three components:

Net investment in capital assets	\$14,392,950
Restricted Assets	1,088,839
Unrestricted assets	<u>2,354,136</u>
Total net position	<u>\$17,835,925</u>

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



**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**GOVERNMENT-WIDE FINANCIAL**  
**ANALYSIS**  
Analysis of Changes in Net Position

	<b>Governmental</b>		<b>\$</b>	<b>%</b>
	<b>Activities</b>			
	<b>2021</b>	<b>2020</b>		
<b>PROGRAM EXPENSES:</b>				
Library Services				
Salaries and Benefits	\$ 1,919,557	\$ 1,899,206	\$ 20,351	1%
Pension and OPEB Adjustments	307,307	217,910	89,397	41%
<b>Total Personnel Services</b>	<b>2,226,864</b>	<b>2,117,116</b>	<b>109,748</b>	<b>5%</b>
Materials and Programs	493,823	474,691	19,132	4%
Depreciation and Amortization	247,646	304,039	(56,393)	(19)%
Bond Interest & Fiscal Agent Fees	46,743	53,639	(6,896)	(13)%
<b>Total Program Expenses</b>	<b>3,015,076</b>	<b>2,949,485</b>	<b>65,591</b>	<b>2%</b>
<b>PROGRAM REVENUES:</b>				
Charges for Services	573	13,930	(13,357)	(96)%
Private Grants and Contributions	7,314,196	2,982,450	4,331,746	145%
<b>Total Program Revenues</b>	<b>7,314,769</b>	<b>2,996,380</b>	<b>4,318,389</b>	<b>144%</b>
<b>GENERAL REVENUES:</b>				
Property Taxes	2,941,213	2,794,251	146,962	5%
Investment Earnings	22,230	65,545	(43,315)	(66)%
<b>Total General Revenues</b>	<b>2,963,443</b>	<b>2,859,796</b>	<b>103,647</b>	<b>4%</b>
<b>Increase in Net Position</b>	<b>7,263,136</b>	<b>2,906,691</b>	<b>4,356,445</b>	<b>50%</b>
Net Position - Beginning of Year	10,572,789	7,666,098	2,906,691	38%
<b>Net Position - End of Year</b>	<b>\$ 17,835,925</b>	<b>\$10,572,789</b>	<b>\$7,263,136</b>	<b>69%</b>

**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR**  
**THE FISCAL YEAR ENDED JUNE 30, 2021**  
**GOVERNMENTAL FUNDS CHANGES ANALYSIS**

The following schedule presents a comparison of general fund revenues and expenditures for the fiscal year ended June 30, 2021 to the prior fiscal year.

		<b>Governmental</b>			
		<b>Funds Analysis</b>		<b>\$</b>	<b>%</b>
		<b>2021</b>	<b>2020</b>	<b>Change</b>	<b>Change</b>
Basic Library Tax		\$ 2,081,998	\$ 1,997,105	\$ 84,893	4%
Parcel Tax		277,316	277,360	(44)	0%
ERAF		581,899	519,786	62,113	12%
	<b>Total intergovernmental</b>	<b>2,941,213</b>	<b>2,794,251</b>	<b>146,962</b>	<b>5%</b>
Private Grants & Contributions:					
	Belvedere Tiburon Library Foundation	7,299,475	2,956,435	4,343,040	147%
	Miscellaneous Grants & Contributions	14,721	26,015	(11,294)	(43)%
Charges for Services		573	13,930	(13,357)	(96)%
Investment Earnings		22,230	65,545	(43,315)	(66)%
	<b>Total Revenues</b>	<b>10,278,212</b>	<b>5,856,176</b>	<b>4,422,036</b>	<b>76%</b>
Salaries and Benefits		1,919,557	1,913,391	6,166	0%
Services and Supplies		587,947	609,499	(21,552)	(4)%
Principal		80,000	75,000	5,000	7%
Interest and Fiscal Agent Fees		46,743	53,639	(6,896)	(13)%
Capital Outlay		7,372,994	2,791,402	4,851,592	164%
	<b>Total Expenditures</b>	<b>10,007,241</b>	<b>5,442,931</b>	<b>4,564,310</b>	<b>84%</b>
<b>Excess of Revenues over Expenditures</b>		<b>270,971</b>	<b>413,245</b>	<b>-142,274</b>	<b>(34)%</b>
Fund	Balances, Beginning of Year	4,910,441	4,497,196	413,245	9%
Fund	Balances, End of Year	<b>\$ 5,181,412</b>	<b>\$ 4,910,441</b>	<b>\$ 270,971</b>	<b>6%</b>

**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR**  
**THE FISCAL YEAR ENDED JUNE 30, 2020**  
**GOVERNMENTAL FUNDS ANALYSIS**

	June 30, 2020	Increase/ (Decrease)	June 30, 2021
Nonspendable deposits	\$ 31,730	\$ 7,903	\$ 39,633
Restricted for building expansion	1,000,000	0	1,000,000
Restricted for debt service	100,156	2,394	102,550
Restricted for library programs	83,658	(17,503)	66,155
Committed for operations	3,328,103	53,637	3,381,740
Committed for Insurance	50,000	224,540	274,540
Committed for building maintenance	316,794	0	316,794
	<u>\$ 4,910,441</u>	<u>\$ 270,971</u>	<u>\$ 5,181,412</u>

**COMMENTS ON BUDGET COMPARISONS**  
**see Required supplementary information on page 39**

Total operating revenues exceeded the amount budgeted by \$166,500. This was mainly due to a positive \$198,510 variance in tax revenues, a negative variance in Foundation operating grants of \$(28,435) and a negative \$(9,099) variance in investment earnings. Foundation Operating Grants were smaller due to focus on the Library Expansion.

Total operating expenditures were less than the amount budgeted by \$186,888. This was mainly due to closures during the COVID-19 pandemic and the Library Expansion construction.

The budget for the Library Expansion was \$13,000,000 for both grant revenue and capital outlay. Actual Expansion grants received were \$7,265,000 and actual Expansion capital outlay totaled \$7,372,994.

**HISTORY AND ECONOMIC FACTORS**

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

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

The Agency is presently investing time and resources into the expansion of the library. The final environmental impact report for this project was approved in August 2011. The Tiburon Town Council approved the site plan and architectural drawings in August 2012. Completion of the expansion is expected in April of 2022. For additional information regarding the progress of the expansion project, please refer to the Agency's website under "Library Expansion."

**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR**  
**THE FISCAL YEAR ENDED JUNE 30, 2021**  
**REQUEST FOR INFORMATION**

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

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

Final Review Draft

**BELVEDERE-TIBURON LIBRARY AGENCY**

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

**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash, cash equivalents and investments (Note 3)	\$4,992,700
Accounts and interest receivable (Note 4)	776,644
Prepays	29,122
Security deposit	10,511
<b>Total current assets</b>	<u>5,808,977</u>
Noncurrent assets:	
Nondepreciable capital assets (Note 5)	14,064,633
Depreciable capital assets, net (Note 5)	917,156
<b>Total capital assets, net of accumulated depreciation</b>	<u>14,981,789</u>
<b>Total Assets</b>	<u>20,790,766</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Related to pension (Note 8)	328,150
Related to OPEB (Note 9)	69,049
<b>Total Deferred Outflows of Resources</b>	<u>397,199</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable and accrued liabilities	627,565
Compensated absences - due within one year (Note 2F)	183,926
Long-term debt - due within one year (Note 6)	88,839
<b>Total current liabilities</b>	<u>900,330</u>
Non-current liabilities:	
Compensated absences - due in more than one year (Note 2F)	162,233
Long-term debt - due in more than one year (Note 6)	500,000
Net Pension Liability (Note 8)	1,312,187
Net OPEB Liability (Note 9)	328,480
<b>Total Liabilities</b>	<u>3,203,230</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Related to pension (Note 8)	98,378
Related to OPEB (Note 9)	50,432
<b>Total Deferred Inflows of Resources</b>	<u>148,810</u>
<b>NET POSITION (Note 7A)</b>	
Net investments in capital assets	14,392,950
Restricted	1,088,839
Unrestricted	2,354,136
<b>Total Net Position</b>	<u>\$17,835,925</u>

See accompanying notes to financial statements

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**(A California Joint Exercise of Powers Agency of the**  
**Town of Tiburon and the City of Belvedere and**  
**A California Community Facilities District)**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Governmental Activities
<b>PROGRAM EXPENSES:</b>	
Library services:	
Personnel services	\$2,226,864
Materials and services	493,823
Depreciation and amortization	247,646
Interest	46,743
<b>Total Program Expenses</b>	<b>3,015,076</b>
<b>PROGRAM REVENUES:</b>	
Charges for services	573
Operating grants and contributions	49,196
Capital grants and contributions	7,265,000
<b>Total Program Revenues</b>	<b>7,314,769</b>
<b>Net Program Income</b>	<b>4,299,693</b>
<b>GENERAL REVENUES:</b>	
Property taxes	2,941,213
Investment earnings	22,230
<b>Total General Revenues</b>	<b>2,963,443</b>
<b>Increase in Net Position</b>	<b>7,263,136</b>
Net position - beginning of year	<b>10,572,789</b>
Net position - end of the year	<b>\$17,835,925</b>

See accompanying notes to basic financial statements.

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**(A California Joint Exercise of Powers Agency of the**  
**Town of Tiburon and the City of Belvedere and**  
**A California Community Facilities District)**

**BALANCE SHEET**  
**GOVERNMENTAL FUND - GENERAL FUND**  
**JUNE 30, 2021**

**ASSETS**

Cash, cash equivalents and investments (Note 3)	\$4,992,700
Accounts and interest receivable (Note 4)	776,644
Prepays	29,122
Deposits	10,511
	<hr/>
<b>Total Assets</b>	<b>\$5,808,977</b>
	<hr/>

**LIABILITIES AND FUND BALANCES**

**Liabilities:**

Accounts payable and accrued liabilities	\$627,565
	<hr/>
<b>Total Liabilities</b>	<b>627,565</b>
	<hr/>

**Fund Balances (Note 7B):**

Nonspendable for prepaids and deposits	39,633
Restricted for:	
Building expansion	1,000,000
Debt service	88,839
Committed for:	
Operations	3,531,162
Insurance	274,540
Building maintenance	247,238
	<hr/>
<b>Total Fund Balances</b>	<b>5,181,412</b>
	<hr/>
<b>Total Liabilities and Fund Balances</b>	<b>\$5,808,977</b>
	<hr/>

See accompanying notes to basic financial statements

**BELVEDERE-TIBURON LIBRARY AGENCY**

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

**Reconciliation of the Governmental Funds Balance Sheet  
to the Government-Wide Statement of Net Position  
June 30, 2021**

<b>Total Fund Balances - Governmental Funds</b>		\$5,181,412
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources. Therefore, they are not reported in the Governmental Funds Balance Sheet.		
Capital assets	\$19,916,097	
Less: Accumulated depreciation	<u>(4,934,308)</u>	14,981,789
Deferred outflows of resources related to pension		328,150
Deferred outflows of resources related to OPEB		69,049
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the Governmental Funds Balance Sheet.		
Long-term debt	(588,839)	
Compensated absences	(346,159)	
Net Pension Liability	(1,312,187)	
Net OPEB Liability	(328,480)	
Deferred inflows of resources related to pension	(98,378)	
Deferred inflows of resources related to OPEB	<u>(50,432)</u>	<u>(2,724,475)</u>
<b>Net Position - Governmental Activities</b>		<u><u>\$17,835,925</u></u>

See accompanying notes to basic financial statements



**BELVEDERE-TIBURON LIBRARY AGENCY**

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

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUND - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**REVENUES**

Intergovernmental:	
Basic library tax	\$2,081,998
Parcel tax	277,316
ERAF	581,899
Total Intergovernmental	<u>2,941,213</u>
Grants and contributions (Note 10):	
Town of Tiburon - expansion	150,000
Belvedere-Tiburon Library Foundation	7,149,475
Miscellaneous gifts and donations	14,721
Charges for service	573
Investment earnings	<u>22,230</u>
<b>    Total Revenues</b>	<u><u>10,278,212</u></u>

**EXPENDITURES**

Current - Library Services:	
Personnel costs	1,919,557
Services and supplies	587,947
Debt service:	
Principal	80,000
Interest	46,743
Capital outlay	<u>7,372,994</u>
<b>    Total Expenditures</b>	<u><u>10,007,241</u></u>
Excess of Revenues over Expenditures	270,971
Fund Balances, Beginning of Year	<u>4,910,441</u>
Fund Balances, End of Year	<u><u>\$5,181,412</u></u>

See accompanying notes to basic financial statements.

**BELVEDERE-TIBURON LIBRARY AGENCY**

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

**Reconciliation of the Governmental Funds – Statement of Revenues,  
Expenditures and Changes in Fund Balances to the  
Government-Wide Statement of Activities and Changes in Net Position  
For the Fiscal Year Ended June 30, 2021**

**Net Changes in Fund Balances - Governmental Funds**

\$270,971

Amounts reported for governmental activities in the Statement of Activities and Changes in Net Position are different because:

Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities and Change in Net Position the cost of these assets is allocated over their estimated useful lives and recorded as depreciation expense.

Capital outlay	\$7,372,994	
Services and supplies (Books)	84,096	
Depreciation and amortization expense	<u>(247,646)</u>	7,209,444

Some expenses reported in the Statement of Activities and Changes in Net Position do not require the use of financial resources and therefore are not reported as expenditures in governmental funds.

Change in compensated absences	(105,880)
Change in pension liabilities	(171,090)
Change in OPEB liabilities	(30,337)

Series 1996 bond and capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal repayments on Series 1996 Bonds	80,000
Principal repayments on capital lease	<u>10,028</u>

**Changes in Net Position - Governmental Activities**\$7,263,136

See accompanying notes to basic financial statements.

**BELVEDERE-TIBURON LIBRARY AGENCY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021**

**NOTE 1 – ORGANIZATION**

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

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Government-Wide Financial Statements**

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

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

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

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

**BELVEDERE-TIBURON LIBRARY AGENCY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***B. Fund Financial Statements***

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

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

***C. Basis of Accounting***

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

**Accrual**

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

**Modified accrual**

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

***D. Budget Process and Expenditures in Excess of Appropriations***

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

During fiscal year ended June 30, 2021, there were no expenditures in excess of the Agency's budget.

***E. Cash and Cash Equivalents***

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

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***F. Compensated Absences***

Earned vacation payable upon termination or retirement are accrued as a compensated absences liability. Regular employees earn vacation hours based on years of continuous service and scheduled weekly hours worked. Also, regular employees are given credit for seven- and one-half hours of sick leave each month of employment with a maximum pro-rated accumulation of 90 days. During fiscal year ended June 30, 2021, as a result of the COVID-19 pandemic, the Agency allowed employees to accrue more than their maximum hours. This allowance is expected to be temporary.

At the close of each fiscal year, a liability is recorded based on the accumulated time for employees at their current salary. The General Fund has been used to liquidate compensated absences. The balance of accrued compensated absences as of June 30, 2021 was \$346,159, of which \$183,926 is expected to be paid out in the subsequent fiscal year.

***G. Deferred Outflows/Inflows of Resources***

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

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

***H. Fair Value Measurements***

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

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

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

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

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

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Property taxes**

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

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

**J. Use of Estimates**

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

**NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS**

**A. Policies**

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

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

Cash, cash equivalents and investments consist of the following at June 30, 2021:

<i>Held by Agency:</i>	
Petty cash and change fund	\$400
Deposits with financial institutions	487,537
Local Agency Investments Fund	4,220,894
<i>Held by Fiscal Agent:</i>	
Money Market Mutual Fund	283,869
	283,869
Total Cash, Cash Equivalents and Investments	\$4,992,700

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

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

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

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

***C. Interest Rate Risk***

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

All of the Agency's investments mature in less than twelve months. The Agency is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The Agency reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are maintained on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2021, these investments matured in an average of 291 days.

***D. Credit Risk***

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

***E. Custodial Credit Risk***

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

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS Continued)**

**F. Fair Value Hierarchy**

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

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

**NOTE 4 – ACCOUNTS AND INTEREST RECEIVABLE**

Accounts and interest receivable consist of the following at June 30, 2021:

Parcel Tax	\$14,181
Basic Tax	73,492
ERAF	76,855
LAIF Interest	3,235
Library Expansion	600,000
Other Receivables	8,881
	<u>\$776,644</u>

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

**NOTE 5 – CAPITAL ASSETS**

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

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



**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 5 – CAPITAL ASSETS (Continued)**

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

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

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

	Balance June 30, 2020	Additions/ Transfers	Balance June 30, 2021
Non-depreciable assets:			
Land	\$1,606,560		\$1,606,560
Construction-in-progress	5,175,334	\$7,282,739	12,458,073
Total non-depreciable assets	<u>6,781,894</u>	<u>7,282,739</u>	<u>14,064,633</u>
Depreciable assets:			
Books	2,770,074	98,097	2,868,171
Buildings and improvements	2,351,952		2,351,952
Computers and equipment	163,116	10,540	173,656
Furniture and fixtures	314,396		314,396
Website	77,575	65,714	143,289
Sub-total	<u>5,677,113</u>	<u>174,351</u>	<u>5,851,464</u>
Accumulated depreciation:			
Books	(2,394,212)	(123,860)	(2,518,072)
Buildings and improvements	(1,803,155)	(78,398)	(1,881,553)
Computers and equipment	(136,202)	(18,972)	(155,174)
Furniture and fixtures	(286,600)	(5,946)	(292,546)
Website	(66,493)	(20,470)	(86,963)
Sub-total	<u>(4,686,662)</u>	<u>(247,646)</u>	<u>(4,934,308)</u>
Total depreciable assets, net	<u>990,451</u>	<u>(73,295)</u>	<u>917,156</u>
Capital assets, net of	<u>\$7,772,345</u>	<u>\$7,209,444</u>	<u>\$14,981,789</u>

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 5 – CAPITAL ASSETS (Continued)**

Construction in progress costs include planning and pre-development costs (architectural, environmental reporting, planning, etc.) related to the expansion of the existing library facility. The Agency entered into an agreement with the Town of Tiburon in 2007 to transfer the rights to use adjacent property to facilitate the expansion project which expired on July 5, 2013. The Agency amended the agreement on December 5, 2012 which extended the expiration date to August 1, 2017. The Agency subsequently amended the agreement on May 15, 2017 which extended the expiration date to August 1, 2022. The Town shall transfer the title of the property to the Agency within sixty (60) days of written notice of obtaining satisfactory evidence of sufficient funds to complete the expansion project. As of June 30, 2021, construction on the library expansion project is well underway, is on budget, and expected to be completed in April 2022.

**NOTE 6 – LONG-TERM DEBT**

The following is a summary of long-term debt transactions of the governmental activities for the year ended June 30, 2021:

	<u>Balance</u> <u>June 30, 2020</u>	<u>Payments</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due within</u> <u>one year</u>
<i>Governmental Activities:</i>				
Series 1996 Special Tax Bonds	\$665,000	\$80,000	\$585,000	\$85,000
2016 Copier Capital Leases	13,867	10,028	3,839	3,839
	<u>\$678,867</u>	<u>\$90,028</u>	<u>\$588,839</u>	<u>\$88,839</u>

**1996 Special Tax Bonds**

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

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$85,000	\$32,550	\$117,550
2023	90,000	27,300	117,300
2024	95,000	21,750	116,750
2025	100,000	15,900	115,900
2026	105,000	9,750	114,750
2027	110,000	3,300	113,300
Total	<u>\$585,000</u>	<u>\$110,550</u>	<u>\$695,550</u>

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 6 – LONG-TERM DEBT (Continued)**

**Equipment Lease – Color Copier**

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

The total annual minimum annual payments on the capital lease are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$3,839	\$171	\$4,010
Total	<u>\$3,839</u>	<u>\$171</u>	<u>\$4,010</u>

**NOTE 7 – NET POSITION AND FUND BALANCE**

**A. Net Position**

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

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

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

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

**B. Fund Balance**

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

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

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 7 – NET POSITION AND FUND BALANCE (Continued)**

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

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

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

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

Fund balances classifications at June 30, 2021 are presented on the General Fund Balance Sheet.

**NOTE 8 – PENSION PLAN**

**A. Plan Descriptions and Summary of Balances**

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

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

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

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

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

The Plan is discussed in detail below.

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 8 – PENSION PLAN (Continued)**

**B. CalPERS Plan (Miscellaneous)**

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

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

The Plan’s provisions and benefits in effect at June 30, 2021 are summarized as follows:

	<b>Miscellaneous</b>	
	<u>Classic</u>	<u>PEPRA</u>
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-67 or older	52-67 or older
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.0%	6.75%
Required employer contribution rates	10.32%	7.470%

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

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 8 – PENSION PLAN (Continued)**

For the year ended June 30, 2021, the contributions recognized as part of pension expense for the Plan was as follows:

	<u>Miscellaneous</u>
Contributions - employer	<u>\$130,093</u>

**Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions** - As of June 30, 2021, the Agency reported net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous - Classic & PEPR	<u>\$1,312,187</u>

The Agency's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Agency's proportionate share of the net pension liability for the Plan as of June 30, 2018 and 2020 was as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2019	0.02928%
Proportion - June 30, 2020	<u>0.03111%</u>
Change - Increase (Decrease)	<u>0.00182%</u>

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 8 – PENSION PLAN (Continued)**

For the year ended June 30, 2021, the Agency recognized pension expense of \$171,090. At June 30, 2021, the Agency reported deferred outflows of resources and deferred inflows of resources related to the Miscellaneous Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$130,093	
Differences between actual and expected experience	67,621	
Changes in assumptions		(\$9,359)
Net differences between projected and actual earnings on plan investments	38,981	
Net difference in actual contribution and proportion contributions		(89,019)
Adjustment due to differences in proportions	91,455	
Total	<u>\$328,150</u>	<u>(\$98,378)</u>

\$130,093 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The Agency does not incur any amount for pension contributions subsequent to measurement date related to deferred outflows of resources. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30	Annual Amortization
2022	\$9,954
2023	36,676
2024	34,352
2025	18,697
Total	<u>\$99,679</u>

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 8 – PENSION PLAN (Continued)**

**Actuarial Assumptions** – For the measurement period ended June 30, 2020, the total pension liability was determined by rolling forward the June 30, 2019 total pension liability. The June 30, 2020 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal in accordance with the requirements of GASB Statement No. 68

**Actuarial Assumptions:**

Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.5% (1)
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds (2)
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

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

**Change of Assumptions** – For the measurement date of June 30, 2020, the inflation rate reduced from 2.75% to 2.50%.

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

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



**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 8 – PENSION PLAN (Continued)**

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

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

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

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

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 8 – PENSION PLAN (Continued)**

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

	<b>Miscellaneous</b>
1% Decrease	6.15%
Net Pension Liability	\$2,148,113
Current Discount Rate	7.15%
Net Pension Liability	\$1,312,187
1% Increase	8.15%
Net Pension Liability	\$621,488

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

**NOTE 9 – POST-EMPLOYMENT HEALTH CARE BENEFITS**

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

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

**Benefits Provided** –The following is a summary of Plan benefits as of June 30, 2021:

<b>Eligibility</b>	<ul style="list-style-type: none"> <li>• Retire directly from Library under CalPERS</li> <li>- Service - Age 50 &amp; 5 years CalPERS service, or</li> <li>- Disability</li> </ul>										
<b>Retiree Medical Benefit</b>	Library contributes PEMHCA minimum retirees participating in PEMHCA medical plan: <table style="width: 100%; margin-left: 20px;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Year</th> <th style="text-align: center; border-bottom: 1px solid black;">PEMHCA Minimum</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2019</td> <td style="text-align: center;">\$ 136</td> </tr> <tr> <td style="text-align: center;">2020</td> <td style="text-align: center;">139</td> </tr> <tr> <td style="text-align: center;">2021</td> <td style="text-align: center;">143</td> </tr> <tr> <td style="text-align: center;">2022+</td> <td style="text-align: center;">Increase at CPI-U Medical</td> </tr> </tbody> </table>	Year	PEMHCA Minimum	2019	\$ 136	2020	139	2021	143	2022+	Increase at CPI-U Medical
Year	PEMHCA Minimum										
2019	\$ 136										
2020	139										
2021	143										
2022+	Increase at CPI-U Medical										
<b>Surviving Spouse Benefit</b>	<ul style="list-style-type: none"> <li>• Surviving spouse coverage based on retirement plan election</li> <li>• Same benefit continues to surviving spouse</li> </ul>										
<b>Other OPEB</b>	<ul style="list-style-type: none"> <li>• No dental, vision, life insurance or Medicare reimbursement</li> </ul>										
<b>Implied Subsidy</b>	<ul style="list-style-type: none"> <li>• Participating retirees pay active rates vs actual cost</li> <li>• Implied subsidy included in valuation</li> </ul>										

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

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

For the year ended June 30, 2021, the Agency's contributions to the Plan were \$5,532.

**Employees Covered by Benefit Terms** – Membership in the plan consisted of the following at the measurement date of June 30, 2020:

Active employees	19
Inactive employees or beneficiaries currently receiving benefit payments	4
Inactive employees entitled to but not yet receiving benefit payments	3
Total	26

**B. Total OPEB Liability**

**Actuarial Methods and Assumptions** – The Agency's total OPEB liability was measured as of June 30, 2020 and was determined by an actuarial valuation dated June 30, 2019 to determine the June 30, 2021 total OPEB liability as of June 30, 2020, based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Actuarial Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Assumptions:	
Discount Rate	- 2.21% at June 30, 2020 (Bond Buyer 20-bond Index) - 3.50% at June 30, 2019 (Bond Buyer 20-bond Index)
General Inflation	2.75% per annum
Salary Increases	- Aggregate - 3.00% annually - Merit - CalPERS 1997-2015 Experience Study
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2019
Medical Trend	- Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 - Medicare - 6.30% for 2021, decreasing to an ultimate rate of 4.0% in 2076
PEMHCA Minimum Increase	4.25% per year
Medical Participation at Retirement	- Currently covered - 60% - Currently waived - 30%
Medical Plan at Retirement	- Currently covered - same as current election - Currently waived - Kaiser

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

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

**C. Changes in Total OPEB Liability**

The changes in the total OPEB liability follows:

	<b>Total OPEB Liability</b>
Balance at July 1, 2019 Reporting Date	\$235,217
Changes Recognized for the Measurement Period:	
Service cost	30,084
Interest on the total OPEB liability	9,189
Changes of assumptions	59,522
Benefit payments	(5,532)
Net changes	93,263
Balance at June 30, 2020 Reporting Date	\$328,480

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

The following presents the total OPEB liability of the Agency, as well as what the Agency's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

Total OPEB Liability/(Asset)		
Discount Rate -1%	Current Discount Rate	Discount Rate +1%
(1.21%)	(2.21%)	(3.21%)
\$388,295	\$328,480	\$280,906

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

Total OPEB Liability/(Asset)		
1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
\$265,301	\$328,480	\$412,599

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

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

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

For the year ended June 30, 2021, the Agency recognized OPEB expense of \$30,337. At June 30, 2021, the Agency reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	\$7,922	
Differences between actual and expected experience		(\$31,705)
Changes of assumptions	61,127	(18,727)
Total	\$69,049	(\$50,432)

\$7,922 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Fiscal Year Ended June 30	Annual Amortization
2022	(\$1,044)
2023	(1,044)
2024	(1,044)
2025	(1,044)
2026	1,684
Thereafter	13,187
Total	\$10,695

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

**NOTE 10 –GRANTS AND CONTRIBUTIONS**

Major funding for the building and for equipping the library facility is from the nonprofit Belvedere-Tiburon Library Foundation which has been formed through contributions and bequests from community members. Grants committed by the Foundation (from inception through June 30, 2021) consist of the following:

	<b>Grant Revenue</b>		
	Inception-to-Date June 30, 2020	Total Grants Fiscal Year 2021	Inception-to-Date June 30, 2021
<b>Construction:</b> Original Building 1997	\$1,959,581		\$1,959,581
<b>Construction:</b> Library Expansion 2019	4,328,675	\$7,115,000	11,443,675
<b>Collection</b> - Original Book Collection 1997-2001	882,534		882,534
<b>Collection</b> -BTLF (Foundation) Annual Appeal	1,318,138		1,318,138
<b>Collection</b> - BTLF's Corner Books	224,000		224,000
<b>Programs &amp; Operations</b> - BTLF Endowments	1,194,476	34,475	1,228,951
<b>Programs</b> - BTLF's Bookmarks	324,412		324,412
Total Belvedere Tiburon Library Foundation Grants	<u>\$10,231,816</u>	<u>\$7,149,475</u>	<u>\$17,381,291</u>

Grant revenues for the fiscal year ended June 30, 2021 were as follows:

<b><u>Belvedere Tiburon Library Foundation (BTLF)</u></b>	
<b><u>Construction:</u></b> Library Expansion	\$7,115,000
Collection -BTLF (Foundation) Annual Appeal	-
Programs - BTLF Endowments	34,475
Sub-Total Belvedere Tiburon Library Foundation Grants	<u>7,149,475</u>
<b><u>Miscellaneous Gift and Donations</u></b>	
Expansion - Town of Tiburon	150,000
Miscellaneous Donations	14,721
Total Private Grants and Contributions	<u>\$7,314,196</u>

**BELVEDERE-TIBURON LIBRARY AGENCY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2021**

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**NOTE 11 – RISK MANAGEMENT**

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

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

The policy also includes Employee Dishonesty Coverage of \$1,000,000 per loss; Property Loss insurance of \$800 million per occurrence, subject to a deductible of \$1,000; Boiler and Machinery up to \$100 million per occurrence, subject to a \$1,000 deductible; and Public Officials Personal Liability of \$500,000 per occurrence, with an annual aggregate of \$500,000 per each elected/appointed official, subject to a deductible of \$1,000 per claim.

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

The Agency does not have any liability for uninsured claims, including estimated claims incurred but not reported for fiscal year ended June 30, 2021. Settlements have not exceeded insurance coverage in the past three years.

The Agency paid \$54,475 in premiums during fiscal year ended June 30, 2021. Audited financial statements may be obtained from SDRMA Services, 1112 I St #300, Sacramento, CA 95814

**NOTE 12 – COMMITMENTS AND CONTINGENCIES**

***Library Expansion Project***

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

In September 2019, the Agency awarded a bid for the Library Expansion project construction services to Alten Construction, Inc. for \$12,633,800. The construction began during fiscal year ended June 30, 2020. Funds will come from the Belvedere-Tiburon Library Foundation and the Mechanics Bank line of credit. Fundraising by the Foundation continues in order to avoid using the line of credit.

**REQUIRED SUPPLEMENTARY INFORMATION**

Final Review Draft



**BELVEDERE-TIBURON LIBRARY AGENCY**  
**(A California Joint Exercise of Powers Agency of the**  
**Town of Tiburon and the City of Belvedere and**  
**A California Community Facilities District)**

**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original and Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
<b>Operating Revenues:</b>			
Intergovernmental:			
Basic library tax	\$2,067,703	\$2,081,998	\$14,295
Parcel tax	275,000	277,316	2,316
ERAF	400,000	581,899	181,899
Total intergovernmental	<u>2,742,703</u>	<u>2,941,213</u>	<u>198,510</u>
Operating grants & contributions:			
Belvedere-Tiburon Library Foundation - Operating	62,820	34,475	(28,345)
Miscellaneous gifts & donations	30	14,721	14,691
Charges for services	9,830	573	(9,257)
Investment earnings	31,329	22,230	(9,099)
<b>Total Operating Revenues</b>	<u>2,846,712</u>	<u>3,013,212</u>	<u>166,500</u>
<b>Operating Expenditures:</b>			
Current - Library Services:			
Personnel costs	1,964,336	1,919,557	44,779
Services and supplies	726,799	587,947	138,852
Debt service:			
Principal	80,000	80,000	
Interest and fiscal charges	50,000	46,743	3,257
<b>Total Operating Expenditures</b>	<u>2,821,135</u>	<u>2,634,247</u>	<u>186,888</u>
Excess of revenues over expenditures, before capital activities	<u>25,577</u>	<u>378,965</u>	<u>353,388</u>
<b>Capital Activities:</b>			
Expansion grants & contributions:			
Town of Tiburon	150,000	150,000	
Belvedere-Tiburon Library Foundation	12,850,000	7,115,000	(5,735,000)
Capital outlay:			
Expansion	(13,000,000)	(7,372,994)	5,627,006
Other	(24,750)		24,750
<b>Total Capital Activities, Net</b>	<u>(24,750)</u>	<u>(107,994)</u>	<u>(83,244)</u>
Change in fund balance	<u>\$827</u>	<u>270,971</u>	<u>\$270,144</u>
Fund balances, beginning of year		<u>4,910,441</u>	
Fund balances, end of year		<u>\$5,181,412</u>	

## BELVEDERE-TIBURON LIBRARY AGENCY

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

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

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

Measurement Date	Miscellaneous Plan	
	6/30/2019	6/30/2020
Plan's proportion of the Net Pension Liability (Asset)	0.02928%	0.02780%
Plan's proportion share of the Net Pension Liability (Asset)	\$1,172,442	\$1,312,187
Plan's Covered Payroll	\$1,223,832	\$1,297,054
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	95.80%	101.17%
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	77.73%	77.71%

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

## BELVEDERE-TIBURON LIBRARY AGENCY

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

## SCHEDULE OF CONTRIBUTIONS

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

## Notes to Schedule Contributions

Methods and assumptions used to determine contribution rates:

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

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

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

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

## BELVEDERE-TIBURON LIBRARY AGENCY

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

## SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

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

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

**BELVEDERE-TIBURON LIBRARY AGENCY  
REQUIRED COMMUNICATIONS  
FOR THE YEAR ENDED JUNE 30, 2021**

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**BELVEDERE-TIBURON LIBRARY AGENCY  
REQUIRED COMMUNICATIONS**

**For The Year Ended June 30, 2021**

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## REQUIRED COMMUNICATIONS

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

We have audited the basic financial statements of the Belvedere-Tiburon Library Agency (Agency) for the year ended June 30, 2021. Professional standards require that we communicate to you the following information related to our audit under generally accepted auditing standards.

### **Significant Audit Matters**

#### ***Accounting Policies***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. The following Governmental Accounting Standards Board (GASB) Statements were effective, however, had no impact on the Agency's basic financial statements:

**GASB 84 – Fiduciary Activities**

**GASB 90 – Majority Equity Interests (an amendment of GASB Statements No. 14 and No. 61)**

#### ***Unusual Transactions, Controversial or Emerging Areas***

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

#### ***Accounting Estimates***

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

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

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

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

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

### ***Disclosures***

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

### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### ***Corrected and Uncorrected Misstatements***

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

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

### ***Disagreements with Management***

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

### ***Management Representations***

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

***Management Consultations with Other Independent Accountants***

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

***Other Audit Findings or Issues***

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

**Other Information Accompanying the Financial Statements**

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

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

Pleasant Hill, California

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**BELVEDERE-TIBURON LIBRARY AGENCY  
MEMORANDUM ON INTERNAL CONTROL  
FOR THE YEAR ENDED JUNE 30, 2021**

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

**For the Year Ended June 30, 2021**

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**MEMORANDUM ON INTERNAL CONTROL**

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

In planning and performing our audit of the basic financial statements of the Belvedere-Tiburon Library Agency (Agency) as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing our audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

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

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

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

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

Pleasant Hill, California

**DATE**

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## MEMORANDUM ON INTERNAL CONTROL

## SCHEDULE OF OTHER MATTERS

**2021-01: Upcoming Governmental Accounting Standards Board (GASB) Pronouncements**

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

**EFFECTIVE FISCAL YEAR 2021/22:****GASB 87 – Leases**

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this Statement.

**GASB 89 – Accounting for Interest Cost Incurred before the End of a Construction Period**

The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

## MEMORANDUM ON INTERNAL CONTROL

## SCHEDULE OF OTHER MATTERS

**GASB 92 – Omnibus 2020**

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments.

**GASB 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 primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

This Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or another employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform.

## MEMORANDUM ON INTERNAL CONTROL

## SCHEDULE OF OTHER MATTERS

**GASB 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 (Continued)**

This Statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84, Fiduciary Activities, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, Financial Reporting for Pension Plans, or paragraph 3 of Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, respectively.

This Statement (1) requires that a Section 457 plan be classified as either a pension plan or another employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities.

This Statement supersedes the remaining provisions of Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, as amended, regarding investment valuation requirements for Section 457 plans. As a result, investments of all Section 457 plans should be measured as of the end of the plan's reporting period in all circumstances.

***How the Changes in this Statement will Improve Financial Reporting***

The requirements of this Statement will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.

## MEMORANDUM ON INTERNAL CONTROL

## SCHEDULE OF OTHER MATTERS

EFFECTIVE FISCAL YEAR 2022/23:

**GASB 91 – Conduit Debt Obligations**

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument having *all* of the following characteristics:

- There are at least three parties involved:
  - (1) an issuer
  - (2) a third-party obligor, and
  - (3) a debt holder or a debt trustee.
- The issuer and the third-party obligor are not within the same financial reporting entity.
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
- The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

## MEMORANDUM ON INTERNAL CONTROL

## SCHEDULE OF OTHER MATTERS

**GASB 91 – Conduit Debt Obligations (Continued)**

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.
- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer, at the inception of the arrangement, should recognize the entire capital asset and a deferred inflow of resources. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

***How the Changes in this Statement will Improve Financial Reporting***

The requirements of this Statement will improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The clarified definition will resolve stakeholders' uncertainty as to whether a given financing is, in fact, a conduit debt obligation. Requiring issuers to recognize liabilities associated with additional commitments extended by issuers and to recognize assets and deferred inflows of resources related to certain arrangements associated with conduit debt obligations also will eliminate diversity, thereby improving comparability in reporting by issuers. Revised disclosure requirements will provide financial statement users with better information regarding the commitments issuers extend and the likelihood that they will fulfill those commitments. That information will inform users of the potential impact of such commitments on the financial resources of issuers and help users assess issuers' roles in conduit debt obligations.

## MEMORANDUM ON INTERNAL CONTROL

## SCHEDULE OF OTHER MATTERS

**GASB 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements**

The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

**PPPs** – This Statement requires that PPPs that meet the definition of a lease apply the guidance in Statement No. 87, Leases, as amended, if existing assets of the transferor that are not required to be improved by the operator as part of the PPP arrangement are the only underlying PPP assets and the PPP does not meet the definition of an SCA. This Statement provides accounting and financial reporting requirements for all other PPPs: those that either (1) meet the definition of an SCA or (2) are not within the scope of Statement 87, as amended (as clarified by this Statement). The PPP term is defined as the period during which an operator has a noncancelable right to use an underlying PPP asset, plus, if applicable, certain periods if it is reasonably certain, based on all relevant factors, that the transferor or the operator either will exercise an option to extend the PPP or will not exercise an option to terminate the PPP.

A transferor generally should recognize an underlying PPP asset as an asset in financial statements prepared using the economic resources measurement focus. However, in the case of an underlying PPP asset that is not owned by the transferor or is not the underlying asset of an SCA, a transferor should recognize a receivable measured based on the operator's estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership. In addition, a transferor should recognize a receivable for installment payments, if any, to be received from the operator in relation to the PPP. Measurement of a receivable for installment payments should be at the present value of the payments expected to be received during the PPP term. A transferor also should recognize a deferred inflow of resources for the consideration received or to be received by the transferor as part of the PPP. Revenue should be recognized by a transferor in a systematic and rational manner over the PPP term.

This Statement requires a transferor to recognize a receivable for installment payments and a deferred inflow of resources to account for a PPP in financial statements prepared using the current financial resources measurement focus. Governmental fund revenue would be recognized in a systematic and rational manner over the PPP term.



## MEMORANDUM ON INTERNAL CONTROL

## SCHEDULE OF OTHER MATTERS

**GASB 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements (Continued)**

This Statement also provides specific guidance in financial statements prepared using the economic resources measurement focus for a government that is an operator in a PPP that either (1) meets the definition of an SCA or (2) is not within the scope of Statement 87, as amended (as clarified in this Statement). An operator should report an intangible right-to-use asset related to an underlying PPP asset that either is owned by the transferor or is the underlying asset of an SCA. Measurement of the right-to-use asset should be the amount of consideration to be provided to the transferor, plus any payments made to the transferor at or before the commencement of the PPP term, and certain direct costs. For an underlying PPP asset that is not owned by the transferor and is not the underlying asset of an SCA, an operator should recognize a liability measured based on the estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership. In addition, an operator should recognize a liability for installment payments, if any, to be made to the transferor in relation to the PPP. Measurement of a liability for installment payments should be at the present value of the payments expected to be made during the PPP term. An operator also should recognize a deferred outflow of resources for the consideration provided or to be provided to the transferor as part of the PPP. Expense should be recognized by an operator in a systematic and rational manner over the PPP term.

This Statement also requires a government to account for PPP and non-PPP components of a PPP as separate contracts. If a PPP involves multiple underlying assets, a transferor and an operator in certain cases should account for each underlying PPP asset as a separate PPP. To allocate the contract price to different components, a transferor and an operator should use contract prices for individual components as long as they do not appear to be unreasonable based on professional judgment or use professional judgment to determine their best estimate if there are no stated prices or if stated prices appear to be unreasonable. If determining the best estimate is not practicable, multiple components in a PPP should be accounted for as a single PPP.

This Statement also requires an amendment to a PPP to be considered a PPP modification, unless the operator's right to use the underlying PPP asset decreases, in which case it should be considered a partial or full PPP termination. A PPP termination should be accounted for by a transferor by reducing, as applicable, any receivable for installment payments or any receivable related to the transfer of ownership of the underlying PPP asset and by reducing the related deferred inflow of resources. An operator should account for a termination by reducing the carrying value of the right-to-use asset and, as applicable, any liability for installment payments or liability to transfer ownership of the underlying PPP asset. A PPP modification that does not qualify as a separate PPP should be accounted for by remeasuring PPP assets and liabilities.

**APAs** – An APA that is related to designing, constructing, and financing a nonfinancial asset in which ownership of the asset transfers by the end of the contract should be accounted for by a government as a financed purchase of the underlying nonfinancial asset. This Statement requires a government that engaged in an APA that contains multiple components to recognize each component as a separate arrangement. An APA that is related to operating or maintaining a nonfinancial asset should be reported by a government as an outflow of resources in the period to which payments relate.

## MEMORANDUM ON INTERNAL CONTROL

## SCHEDULE OF OTHER MATTERS

***GASB 96 – Subscription-Based Information Technology Arrangements***

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancelable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option).

Under this Statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, —which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

Activities associated with a SBITA, other than making subscription payments, should be grouped into the following three stages, and their costs should be accounted for accordingly:

- Preliminary Project Stage, including activities such as evaluating alternatives, determining needed technology, and selecting a SBITA vendor. Outlays in this stage should be expensed as incurred.
- Initial Implementation Stage, including all ancillary charges necessary to place the subscription asset into service. Outlays in this stage generally should be capitalized as an addition to the subscription asset.

## MEMORANDUM ON INTERNAL CONTROL

## SCHEDULE OF OTHER MATTERS

***GASB 96 – Subscription-Based Information Technology Arrangements (Continued)***

- Operation and Additional Implementation Stage, including activities such as subsequent implementation activities, maintenance, and other activities for a government's ongoing operations related to a SBITA. Outlays in this stage should be expensed as incurred unless they meet specific capitalization criteria.

In classifying certain outlays into the appropriate stage, the nature of the activity should be the determining factor. Training costs should be expensed as incurred, regardless of the stage in which they are incurred.

If a SBITA contract contains multiple components, a government should account for each component as a separate SBITA or nonsubscription component and allocate the contract price to the different components. If it is not practicable to determine a best estimate for price allocation for some or all components in the contract, a government should account for those components as a single SBITA.

This Statement provides an exception for short-term SBITAs. Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

***How the Changes in this Statement will Improve Financial Reporting***

The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

## RESOLUTION NO. 271-2021

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE BELVEDERE-TIBURON LIBRARY AGENCY PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDER N-08-21, DATED JUNE 11, 2021, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE BELVEDERE-TIBURON LIBRARY AGENCY FOR THE PERIOD DECEMBER 13, 2021 – JANUARY 12, 2022 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the Belvedere-Tiburon Library Agency is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of Belvedere-Tiburon Library Agency's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the Agency's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the Agency's jurisdictional boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the Agency's jurisdiction, specifically surge of Covid-19 cases related to the Delta Variant and certain provisions of COVID-19 related Executive Orders currently remain necessary to continue to help California respond to, recover from, and mitigate the impacts of the COVID-19 pandemic, including California's ongoing vaccination programs, and the termination of certain provisions of COVID-19 related Executive Orders during this stage of the emergency would compound the effects of the emergency and impede the State's recovery by disrupting important governmental and social functions; and

WHEREAS, AB 361 allows for the continuation of teleconferenced meetings to ensure social distancing, which will avoid the potential spread of the Delta Variant among the unvaccinated and the vaccinated; and

WHEREAS, the Board of Trustees does hereby find that Covid-19 infections are currently at 11.8 cases per 100,000, social distancing continues to be recommended by the Centers for Disease Control and Marin County Public Health Officers, and the high level of transmissibility of the Delta Variant has caused, and will continue to cause, conditions of peril to the safety of persons within the Agency's jurisdiction that are likely to be beyond the control of services, personnel, equipment, and facilities of the Agency, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Board of Trustees does hereby find that the legislative bodies of the Belvedere-Tiburon Library Agency shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the Agency will continue to use a Zoom platform, which does not require registrations, provides a non-internet telephone only option, and has proven over the past 16 months to adequately allow for public participation and comment, to provide free access to the Board of Trustee meetings,

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE BELVEDERE-TIBURON LIBRARY AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the Agency's jurisdiction, and Marin County Health officers continue to recommend social distancing and avoidance of in person meetings,

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of June 11, 2021.

Section 4. Remote Teleconference Meetings. The Library Director and legislative bodies of the Belvedere-Tiburon Library Agency are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) January 12, 2022, or such time the Board of Trustees adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the Belvedere-Tiburon Library Agency may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Trustees of the Belvedere-Tiburon Library Agency, this 13th day of December, 2021, by the following vote:

I CERTIFY that the foregoing resolution was duly and regularly adopted by the Governing Board of the Belvedere-Tiburon Library Agency, Marin County, California, at a special meeting thereof, held on the 13<sup>th</sup> day of December, 2021.

AYES: TRUSTEES:

NOES: TRUSTEES:

ABSENT: TRUSTEES:

\_\_\_\_\_  
Jeff, Slavitz, Library Agency Chair

ATTEST:

\_\_\_\_\_  
Kristin Johnson, Clerk



\*00000001772600161096011182021\*



## CHANGE IN TERMS AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$4,000,000.00	11-18-2021	02-07-2026	1772600161	1000	14726	2310	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** Belvedere Tiburon Library Agency  
1501 Tiburon Blvd.  
Tiburon, CA 94920

**Lender:** Mechanics Bank  
Commercial Lending Group  
P.O. Box 6010  
Santa Maria, CA 93456-6010

**Principal Amount: \$4,000,000.00**

**Date of Agreement: November 18, 2021**

**DESCRIPTION OF EXISTING INDEBTEDNESS.** Lender has made a loan ("Loan") to Borrower evidenced by a promissory note dated February 22, 2018, in the original principal amount of \$4,000,000.00, and referencing Loan No. 1772600161 ("Note"). As of the date hereof, the outstanding amount due under the Note is \$0.00.

**DESCRIPTION OF LOAN AGREEMENT.** In connection with the Loan and the Note, Borrower and Lender have made a Business Loan Agreement, including any amendments, dated February 22, 2018 ("Loan Agreement"). All capitalized terms used but not defined in this Change in Terms Agreement ("Agreement") have the meanings given those terms in the Loan Agreement.

**DESCRIPTION OF COLLATERAL.** This loan is unsecured.

**DESCRIPTION OF GUARANTY.** Guarantor has guaranteed repayment of the Loan and performance of all Borrower's other obligations to Lender in connection with the Loan pursuant to a Commercial Guaranty dated February 22, 2018, made by Guarantor ("Guaranty"), all as is more particularly set forth therein.

**DESCRIPTION OF CHANGE IN TERMS.** The Terms of Loan are hereby changed as follows:

**1. The Non-Revolving Line of Credit availability period has been extended as follows:**

**LINE OF CREDIT.** This Note/Change In Terms Agreement evidences a straight line of credit. Borrower is entitled to advance funds under this Note until **August 7, 2022**. Once the draw period has lapsed, Borrower is not entitled to further loan advances. The outstanding balance will convert to principal and interest payments effective with the **September 7, 2022** due date. Advances under this Note, as well as directions for payment from Borrower's accounts, may be requested either orally or in writing by Borrower or by an authorized person. Lender may, but need not, require that all oral requests be confirmed in writing. The following party of parties are authorized to request advances under the line of credit until Lender receives from Borrower at Lender's address shown above written notice of revocation of their authority: Borrower agrees to be liable for all sums either: (a) advances in accordance with the instructions of an authorized person or (b) credited to any Borrower's account with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer print-outs. Lender shall have no obligation to advance funds under this Note if: (a) Borrower or any guarantor is in default under the terms of this Note or any agreement that Borrower or any guarantor has with Lender, including any agreement made in connection with the signing of this Note; (b) Borrower or any guarantor ceases doing business or is insolvent; (c) any guarantor seeks, claims or otherwise attempts to limit, modify or revoke such guarantor's guarantee of this Note or any other loan with Lender; (d) Borrower has applied funds provided pursuant to this Note for purposes other than those authorized by Lender; or (e) Lender in good faith deems itself insecure under this Note or any other agreement between Lender and Borrower.

**2. CORPORATE RESOLUTION TO BORROW / GRANT COLLATERAL (Belvedere Tiburon Library Agency).** Borrower agrees to execute that certain Corporate Resolution to Borrow / Grant Collateral dated November 18, 2021.

**3. CORPORATE RESOLUTION TO GRANT COLLATERAL / GUARANTEE (Belvedere-Tiburon Library Foundation).** Borrower agrees to execute that certain Corporate Resolution to Borrow / Grant Collateral dated November 18, 2021.

All other terms and conditions of the loan will remain the same.

**REAFFIRMATION AND CONTINUING FORCE OF LOAN DOCUMENTS AND ACKNOWLEDGEMENTS.**

**Continuing Force of Loan Documents.** Except as specifically modified, amended, supplemented, or acknowledged by this Agreement, all the terms, conditions, and provisions of the Note, the Loan Agreement, the Deed of Trust, if applicable, the Guarantee, and the other Related Documents existing immediately prior to the Effective Date ("Existing Loan Documents") are and will remain in full force and effect as originally written and as modified, amended, replaced, or supplemented prior to that date. Entry by Lender into this Agreement does not waive Lender's right to strict performance of Borrower's and Guarantor's obligations as changed hereby, nor obligate Lender to make any future change in any of the terms of the Loan. Nothing in this Agreement will constitute a satisfaction of any of those obligations. All makers and endorsers of the original obligations, including accommodation makers or endorsers, remain as parties liable thereon unless a party is expressly released by Lender in writing. No maker or endorser, including accommodation makers or endorsers, will be released from any of those obligations by virtue of this Agreement. If any person who signed an original obligation does not sign this Agreement, then all persons signing this Agreement acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing party consents to the changes in terms and other provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension, modification, or release, but also to all such subsequent actions.

**Reaffirmation by Borrower.** Borrower hereby unconditionally reaffirms, confirms, ratifies, agrees, and acknowledges (1) all the obligations and all the grants of liens or security interests to Lender as set forth in the Existing Loan Documents made by Borrower, as heretofore modified, amended, replaced, or supplemented; (2) that the Note and the other Existing Loan Documents executed by Borrower were properly executed by Borrower and are valid and enforceable according to their respective terms; and (3) that all those obligations and all those grants of liens or security interests are now owing (whether or not due and payable) to and held by Lender, respectively. Borrower acknowledges and agrees that, as of the Effective Date, other than as to any right it has to have any funds held by Lender in any account with Lender applied to Borrower's

## CHANGE IN TERMS AGREEMENT (Continued)

Loan No: 1772600161

Page 2

indebtedness, Borrower has (1) no claims, setoffs, defenses, or causes of action of any kind or nature whatsoever that can be asserted against Lender, including to reduce or eliminate all or any part of its liability to repay that indebtedness to Lender or its other obligations to Lender under the Existing Loan Documents; and (2) no legal rights or theories whatsoever on which to invoke legal or equitable relief, whether injunctive relief or otherwise, in order to abate, postpone, or terminate enforcement by Lender of those obligations to Lender under the Existing Loan Documents. Borrower specifically waives and relinquishes all those claims, setoffs, defenses, or causes of action, and all those legal rights and theories.

**Reaffirmation by Guarantor.** Guarantor hereby unconditionally reaffirms, confirms, ratifies, agrees, and acknowledges (1) all of its outstanding obligations and liabilities to Lender as set forth in the Guarantee; (2) that the Guarantee was properly executed by Guarantor and is valid and enforceable according to its terms; (3) that all those outstanding obligations and liabilities are now owing (whether or not due and payable) to and held by Lender; and (4) that all those outstanding obligations and liabilities are separate and distinct from the obligations and liabilities of Borrower to Lender with respect to the Loan. Guarantor acknowledges and agrees that, without limiting the provisions of the section Reaffirmation by Borrower above, as of the Effective Date, it has (1) no claims, setoffs, defenses, or causes of action of any kind or nature whatsoever that can be asserted against Lender, including to reduce or eliminate all or any part of its liability, to the extent of the same, if any, to repay the indebtedness of Borrower to Lender or its other obligations to Lender under the Guaranty; and (2) no legal rights or theories whatsoever on which to invoke legal or equitable relief, whether injunctive relief or otherwise, in order to abate, postpone, or terminate enforcement by Lender of its outstanding obligations and liabilities to Lender under the Guaranty. Guarantor specifically waives and relinquishes all those claims, setoffs, defenses, or causes of action, and all those legal rights and theories. Guarantor hereby further unconditionally acknowledges and consents to the changes in terms of the Loan set forth herein and acknowledges that Borrower's obligations under the Loan as so changed remain guaranteed by Guarantor pursuant to the Guarantee. Guarantor hereby further acknowledges and agrees that the changes in terms of the Loan set forth herein do not require the consent of Guarantor and Lender's request for Guarantor's consent hereunder is not to be construed as requiring consent by Guarantor to any future change in terms of the Loan.

### RELEASE OF CLAIMS.

**Release.** Effective as of the Effective Date, Borrower and Guarantor (together, "Obligors"), on behalf of themselves and all of their respective shareholders, members, partners, officers, directors, managers, employees, agents, servants, attorneys, accountants, and advisors; and each of their respective successors and assigns (collectively, "Releasers"), do hereby forever, finally, and completely release, relieve, acquit, remise, and discharge Lender and all of its present and former parents, subsidiaries, affiliates, divisions, shareholders, partners, members, officers, directors, managers, employees, agents, servants, attorneys, advisors, servicers, and accountants; and each of their respective predecessors, successors, and assigns, and each of them, in all capacities, including individually (collectively, "Releasees"), from and waive any and all actions, suits, judgments, executions, claims, counterclaims, offsets, defenses, demands, debts, liabilities, liens, damages, injuries, contracts, obligations, acts, agreements, costs and expenses (including attorneys' and expert witnesses' fees and costs), accounts, torts, causes of action, and claims for relief of whatever kind or nature, whether known or unknown, suspected or unsuspected, contingent or fixed, that any of Releasers have or may have, or that may hereafter be asserted or accrue against, any of Releasees arising out of, related to, incidental to, appertaining to, in connection with or emanating from this Agreement, the Loan, or the Existing Loan Documents existing as of the Effective Date, including claims for the avoidance and recovery of fraudulent transfers or preferences, or claims for equitable subordination arising out of, related to, incidental to, appertaining to, in connection with or emanating from any of the foregoing (collectively, "Claims"; and the release provided by this section, the "Release").

**Certain Claims Not Released.** Nothing in this Agreement to the contrary withstanding, the Release does not (1) release any of the Releasees from any liability or obligation to any of the Releasers arising from conduct after the Effective Date or arising thereafter under this Agreement or the Existing Loan Documents as changed pursuant to this Agreement; or (2) release Lender from any obligation to any Obligor with respect to any deposit account or certificate of deposit maintained by any Obligor with Lender.

### Release Includes Unknown Claims.

The Release applies to all the Claims that any of Releasers have or may have, or that may hereafter arise in favor of any of them as a result of acts or omissions occurring before the Effective Date, whether or not known or suspected by Releasers. Releasers expressly acknowledge that although ordinarily a general release does not extend to claims that the releasing party does not know or suspect to exist in its favor, which if known by that party must have materially affected the settlement with the party released, they have carefully considered and taken into account in determining to enter into this Agreement, including the Release, the possible existence of those unknown losses or claims. Without limiting the generality of the foregoing, Releasers expressly waive, with respect to the Claims, any and all rights conferred upon them by any statute or rule of law that provides that a release does not extend to claims that the claimant does not know or suspect to exist in its favor at the time of executing the release, which if known by that claimant must have materially affected its settlement with the released party, including under California Civil Code section 1542, which provides as follows, or any similar law:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

In connection with that waiver and relinquishment, Releasers acknowledge that they are aware that they or their respective attorneys or agents may hereafter discover facts in addition to or different from those that they now know or believe to exist with respect to the Claims, but that it is their intention hereby fully, finally, and forever to settle and release all the Claims, known or unknown, suspected or unsuspected, that now exist or may exist hereafter between any of Releasers and any of Releasees, except as is otherwise expressly provided in the Release. The Release will be and remain in effect as a full and complete release notwithstanding the discovery or existence of any of those additional or different facts.

**Complete Defense.** The Release will constitute a complete defense to all the Claims, whether asserted affirmatively or as a counterclaim, offset, or defense, released pursuant hereto. Nothing in the Release is to be construed as, or is to be admissible in any legal action or proceeding as, an admission by any Releasee that any Claims exist, all the same being expressly denied.

**No Suit to Be Maintained.** Releasers may not sue any Releasee and may not in any way assist any entity in suing any Releasee with respect to any of the Claims released pursuant to the Release. The Release may be pled as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit, or other proceeding that may be instituted, prosecuted, or attempted in breach of the Release.

**Risk of Mistake.** In entering into this Agreement and, thereby, the Release, Releasers assume the risk of any mistake, and if Releasers subsequently discover that any understanding of the facts or the law relevant hereto was incorrect, they nonetheless will not be entitled to set aside this Agreement by reason thereof, regardless of any claim of mistake of fact or law, or other circumstances whatsoever.

**Sole Owner of Claims.** Obligors are, between them, the sole and lawful owner of all right, title, and interest in, to, and in respect of the Claims and other matters that each of them releases herein, and none of them has heretofore assigned or transferred, or purported to assign or transfer, in whole or in part, to any entity any of the Claims or other matters herein released, or any interest therein.

**PAYMENT.** Borrower will pay this loan in accordance with the following payment schedule, which calculates interest on the unpaid principal balances as described in the "INTEREST CALCULATION METHOD" paragraph using the interest rates described in this paragraph: 9 monthly



**CHANGE IN TERMS AGREEMENT  
(Continued)**

Loan No: 1772600161

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consecutive interest payments, beginning December 7, 2021, with interest calculated on the unpaid principal balances using an interest rate of 4.500%; 41 monthly consecutive principal and interest payments of \$16,000.00 each, beginning September 7, 2022, with interest calculated on the unpaid principal balances using an interest rate of 4.500%; and one principal and interest payment of \$3,981,324.13 on February 7, 2026, with interest calculated on the unpaid principal balances using an interest rate of 4.500%. This estimated final payment is based on the assumption that all payments will be made exactly as scheduled; the actual final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts on this loan.

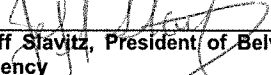
**INTEREST CALCULATION METHOD.** Interest on this loan is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this loan is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rates stated in the loan documents.

**CONTINUING VALIDITY.** Except as expressly changed by this Agreement, the terms of the original obligation or obligations, including all agreements evidenced or securing the obligation(s), remain unchanged and in full force and effect. Consent by Lender to this Agreement does not waive Lender's right to strict performance of the obligation(s) as changed, nor obligate Lender to make any future change in terms. Nothing in this Agreement will constitute a satisfaction of the obligation(s). It is the intention of Lender to retain as liable parties all makers and endorsers of the original obligation(s), including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, will not be released by virtue of this Agreement. If any person who signed the original obligation does not sign this Agreement below, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing party consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension, modification or release, but also to all such subsequent actions.

**PRIOR TO SIGNING THIS AGREEMENT, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT. BORROWER AGREES TO THE TERMS OF THE AGREEMENT.**

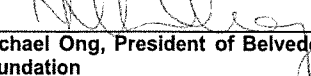
CHANGE IN TERMS SIGNERS:

BELVEDERE TIBURON LIBRARY AGENCY

By:   
 Jeff Slavitz, President of Belvedere Tiburon Library  
 Agency

GUARANTOR:

BELVEDERE-TIBURON LIBRARY FOUNDATION

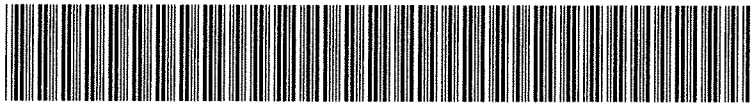
By:   
 Rachael Ong, President of Belvedere-Tiburon Library  
 Foundation

LENDER:

MECHANICS BANK

X \_\_\_\_\_  
 Nicholas Mellon, Relationship Manager





\*00000001772600161028011182021\*

## CORPORATE RESOLUTION TO GRANT COLLATERAL / GUARANTEE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
<b>\$4,000,000.00</b>	<b>11-18-2021</b>	<b>02-07-2026</b>	<b>1772600161</b>	<b>1000</b>	<b>14726</b>	<b>2310</b>	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

**Borrower:** Belvedere Tiburon Library Agency  
1501 Tiburon Blvd.  
Tiburon, CA 94920

**Lender:** Mechanics Bank  
Commercial Lending Group  
P.O. Box 6010  
Santa Maria, CA 93456-6010

**Corporation:** Belvedere-Tiburon Library Foundation  
1501 Tiburon Blvd.  
Tiburon, CA 94920

**I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:**

**THE CORPORATION'S EXISTENCE.** The complete and correct name of the Corporation is Belvedere-Tiburon Library Foundation ("Corporation"). The Corporation is a non-profit corporation which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of California. The Corporation is duly authorized to transact business in all other states in which the Corporation is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which the Corporation is doing business. Specifically, the Corporation is, and at all times shall be, duly qualified as a foreign corporation in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. The Corporation has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. The Corporation maintains an office at 1501 Tiburon Blvd., Tiburon, CA 94920. Unless the Corporation has designated otherwise in writing, the principal office is the office at which the Corporation keeps its books and records. The Corporation will notify Lender prior to any change in the location of the Corporation's state of organization or any change in the Corporation's name. The Corporation shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to the Corporation and the Corporation's business activities.

**RESOLUTIONS ADOPTED.** At a meeting of the Directors of the Corporation, or if the Corporation is a close corporation having no Board of Directors then at a meeting of the Corporation's shareholders, duly called and held on **November 18, 2021**, at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Resolution were adopted.

**OFFICER.** The following named person is an officer of Belvedere-Tiburon Library Foundation:

<u>NAMES</u>	<u>TITLES</u>	<u>AUTHORIZED</u>	<u>ACTUAL SIGNATURES</u>
Rachael Ong	President	Y    X	

**ACTIONS AUTHORIZED.** The authorized person listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Corporation. Specifically, but without limitation, the authorized person is authorized, empowered, and directed to do the following for and on behalf of the Corporation:

**Guaranty.** To guarantee or act as surety for loans or other financial accommodations to Borrower from Lender on such guarantee or surety terms as may be agreed upon between the officer of the Corporation and Lender and in such sum or sums of money as in his or her judgment should be guaranteed or assured, (the "Guaranty").

**Grant Security.** To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Corporation or in which the Corporation now or hereafter may have an interest, including without limitation all of the Corporation's real property and all of the Corporation's personal property (tangible or intangible), as security for the Guaranty, and as a security for the payment of any loans, any promissory notes, or any other or further indebtedness of Belvedere Tiburon Library Agency to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered. The provisions of this Resolution authorizing or relating to the pledge, mortgage, transfer, endorsement, hypothecation, granting of a security interest in, or in any way encumbering, the assets of the Corporation shall include, without limitation, doing so in order to lend collateral security for the indebtedness, now or hereafter existing, and of any nature whatsoever, of Belvedere Tiburon Library Agency to Lender. The Corporation has considered the value to itself of lending collateral in support of such indebtedness, and the Corporation represents to Lender that the Corporation is benefited by doing so.

**Execute Security Documents.** To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances.

**Further Acts.** To do and perform such other acts and things and to execute and deliver such other documents and agreements as the officer may in his or her discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Resolution.

**ASSUMED BUSINESS NAMES.** The Corporation has filed or recorded all documents or filings required by law relating to all assumed business names used by the Corporation. Excluding the name of the Corporation, the following is a complete list of all assumed business names under which the Corporation does business: **None**.

**NOTICES TO LENDER.** The Corporation will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (A) change in the Corporation's name; (B) change in the Corporation's assumed business name(s); (C) change in the management of the Corporation; (D) change in the authorized signer(s); (E) change in the Corporation's principal office address; (F) change in the Corporation's state of organization; (G) conversion of the Corporation to a new or different type of

**CORPORATE RESOLUTION TO GRANT COLLATERAL / GUARANTEE  
(Continued)**

business entity; or (H) change in any other aspect of the Corporation that directly or indirectly relates to any agreements between the Corporation and Lender. No change in the Corporation's name or state of organization will take effect until after Lender has received notice.

**CERTIFICATION CONCERNING OFFICERS AND RESOLUTIONS.** The officer named above is duly elected, appointed, or employed by or for the Corporation, as the case may be, and occupies the position set opposite his or her respective name. This Resolution now stands of record on the books of the Corporation, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

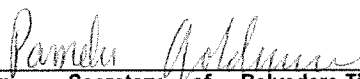
**NO CORPORATE SEAL.** The Corporation has no corporate seal, and therefore, no seal is affixed to this Resolution.

**CONTINUING VALIDITY.** Any and all acts authorized pursuant to this Resolution and performed prior to the passage of this Resolution are hereby ratified and approved. This Resolution shall be continuing, shall remain in full force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by Lender at Lender's address shown above (or such addresses as Lender may designate from time to time). Any such notice shall not affect any of the Corporation's agreements or commitments in effect at the time notice is given.

**IN TESTIMONY WHEREOF, I have hereunto set my hand and attest that the signature set opposite the name listed above is his or her genuine signature.**

**I have read all the provisions of this Resolution, and I personally and on behalf of the Corporation certify that all statements and representations made in this Resolution are true and correct. This Corporate Resolution to Grant Collateral / Guarantee is dated November 18, 2021.**

**CERTIFIED TO AND ATTESTED BY:**

X   
By: Secretary of Belvedere-Tiburon Library  
Foundation

NOTE: If the officer signing this Resolution is designated by the foregoing document as one of the officers authorized to act on the Corporation's behalf, it is advisable to have this Resolution signed by at least one non-authorized officer of the Corporation.



\*000000001772600161028011182021\*

## CORPORATE RESOLUTION TO BORROW / GRANT COLLATERAL

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
<b>\$4,000,000.00</b>	<b>11-18-2021</b>	<b>02-07-2026</b>	<b>1772600161</b>	<b>1000</b>	<b>14726</b>	<b>2310</b>	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

**Corporation:** Belvedere Tiburon Library Agency  
1501 Tiburon Blvd.  
Tiburon, CA 94920

**Lender:** Mechanics Bank  
Commercial Lending Group  
P.O. Box 6010  
Santa Maria, CA 93456-6010

### I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:

**THE CORPORATION'S EXISTENCE.** The complete and correct name of the Corporation is Belvedere Tiburon Library Agency ("Corporation"). The Corporation is a non-profit corporation which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of California. The Corporation is duly authorized to transact business in all other states in which the Corporation is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which the Corporation is doing business. Specifically, the Corporation is, and at all times shall be, duly qualified as a foreign corporation in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. The Corporation has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. The Corporation maintains an office at 1501 Tiburon Blvd., Tiburon, CA 94920. Unless the Corporation has designated otherwise in writing, the principal office is the office at which the Corporation keeps its books and records. The Corporation will notify Lender prior to any change in the location of the Corporation's state of organization or any change in the Corporation's name. The Corporation shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to the Corporation and the Corporation's business activities.

**RESOLUTIONS ADOPTED.** At a meeting of the Directors of the Corporation, or if the Corporation is a close corporation having no Board of Directors then at a meeting of the Corporation's shareholders, duly called and held on **November 18, 2021**, at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Resolution were adopted.

**OFFICER.** The following named person is an officer of Belvedere Tiburon Library Agency:

<u>NAMES</u>	<u>TITLES</u>	<u>AUTHORIZED</u>	<u>ACTUAL SIGNATURES</u>
Jeff Slavitz	President	Y    X	

**ACTIONS AUTHORIZED.** The authorized person listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Corporation. Specifically, but without limitation, the authorized person is authorized, empowered, and directed to do the following for and on behalf of the Corporation:

**Borrow Money.** To borrow, as a cosigner or otherwise, from time to time from Lender, on such terms as may be agreed upon between the Corporation and Lender, such sum or sums of money as in his or her judgment should be borrowed, without limitation.

**Execute Notes.** To execute and deliver to Lender the promissory note or notes, or other evidence of the Corporation's credit accommodations, on Lender's forms, at such rates of interest and on such terms as may be agreed upon, evidencing the sums of money so borrowed or any of the Corporation's indebtedness to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

**Grant Security.** To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Corporation or in which the Corporation now or hereafter may have an interest, including without limitation all of the Corporation's real property and all of the Corporation's personal property (tangible or intangible), as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes), or any other or further indebtedness of the Corporation to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered.

**Execute Security Documents.** To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances.

**Negotiate Items.** To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Corporation or in which the Corporation may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the Corporation's account with Lender, or to cause such other disposition of the proceeds derived therefrom as he or she may deem advisable.

**Further Acts.** In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances under such lines, and in all cases, to do and perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements as the officer may in his or her discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Resolution.

**ASSUMED BUSINESS NAMES.** The Corporation has filed or recorded all documents or filings required by law relating to all assumed business names used by the Corporation. Excluding the name of the Corporation, the following is a complete list of all assumed business names under which the Corporation does business: **None.**

**NOTICES TO LENDER.** The Corporation will promptly notify Lender in writing at Lender's address shown above (or such other addresses as

**CORPORATE RESOLUTION TO BORROW / GRANT COLLATERAL  
(Continued)**

Loan No: 1772600161

Page 2

Lender may designate from time to time) prior to any (A) change in the Corporation's name; (B) change in the Corporation's assumed business name(s); (C) change in the management of the Corporation; (D) change in the authorized signer(s); (E) change in the Corporation's principal office address; (F) change in the Corporation's state of organization; (G) conversion of the Corporation to a new or different type of business entity; or (H) change in any other aspect of the Corporation that directly or indirectly relates to any agreements between the Corporation and Lender. No change in the Corporation's name or state of organization will take effect until after Lender has received notice.

**CERTIFICATION CONCERNING OFFICERS AND RESOLUTIONS.** The officer named above is duly elected, appointed, or employed by or for the Corporation, as the case may be, and occupies the position set opposite his or her respective name. This Resolution now stands of record on the books of the Corporation, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

**NO CORPORATE SEAL.** The Corporation has no corporate seal, and therefore, no seal is affixed to this Resolution.

**CONTINUING VALIDITY.** Any and all acts authorized pursuant to this Resolution and performed prior to the passage of this Resolution are hereby ratified and approved. This Resolution shall be continuing, shall remain in full force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by Lender at Lender's address shown above (or such addresses as Lender may designate from time to time). Any such notice shall not affect any of the Corporation's agreements or commitments in effect at the time notice is given.

**IN TESTIMONY WHEREOF,** I have hereunto set my hand and attest that the signature set opposite the name listed above is his or her genuine signature.

I have read all the provisions of this Resolution, and I personally and on behalf of the Corporation certify that all statements and representations made in this Resolution are true and correct. This Corporate Resolution to Borrow / Grant Collateral is dated November 18, 2021.

**CERTIFIED TO AND ATTESTED BY:**

x   
By: Secretary of Belvedere Tiburon Library Agency

NOTE: If the officer signing this Resolution is designated by the foregoing document as one of the officers authorized to act on the Corporation's behalf, it is advisable to have this Resolution signed by at least one non-authorized officer of the Corporation.

**Belvedere Tiburon Library Agency Director's**

**AGREEMENT**

Entered into as of December 13, 2021, by and between the Belvedere-Tiburon Library Agency (hereinafter referred to as "the Agency") and Deborah Mazzolini, Library Director (hereinafter referred to as "the Employee").

**WITNESSETH:**

1. **DUTIES.** The Employee shall perform the functions and duties of Library Director as specified in the job description, and will perform other legally permissible and proper duties and functions that the Belvedere-Tiburon Library Agency may from time to time assign.
2. **HOURS OF WORK.** The Employee shall work a full time at 37.5 hours per week, except as otherwise agreed, and shall not be eligible for overtime compensation. In recognition of the fact that the Employee may be required to perform library business outside of normal business hours, it is appropriate that on occasion minor personal matters may be taken care of during normal business hours.
3. **TERM.** Other than termination for cause, the Employee may be terminated upon mutual agreement by the parties hereto with sixty (60) days notice, or by unilateral action by the Agency after sixty (60) days written notice of intent is served on the Employee.
4. **SALARY.** The Employee shall receive a salary of \$186,849. In addition, the Employee's salary may be reviewed during the term of this contract as appropriate.
5. **MEMBERSHIP DUES, SUBSCRIPTIONS, AND RELATED MEETINGS.** In recognition of the need for the Employee to remain current in her profession, particularly to those areas directly related to the library and its business, the Agency shall include in its annual budget a reasonable amount for membership dues, subscriptions, and related meetings, taking into due consideration the Employee's requests as well as the financial condition of the Agency.
6. **LEAVE.** (a) Sick Leave. The Employee shall have 12 days sick leave per year that shall accumulate from year to year.  
 (b) Vacation. The Employee shall receive four weeks of vacation plus three days of administrative leave for a total of four weeks and three days and vacation time shall accumulate from year to year. The administrative leave concept is in recognition of the hours spent on work "outside" of normal work hours. The Employee's vacation leave can accumulate from year to year. Upon termination the director shall be paid for accrued vacation leave.  
 (c) Unless otherwise provided for herein, the employee's sick and vacation leave and floating holidays shall be administered in accordance with the Personnel Policy.
7. **BENEFITS.** The Agency shall make required premium payments for the Employee for the following disability, health and dental insurance:
  - (a) Worker's Compensation Insurance as required by law, the premium to be paid entirely by the Agency.
  - (b) Unemployment Insurance as required by law, the premium to be paid entirely by the Agency.
  - (c) Health and Dental Insurance or other benefits in accordance with policy.
  - (d) The Agency will pay for one year of PERS retirement credit as allowed by the California Public Employee Retirement System. Request reimbursement for one year. I bought four years when they were available from deferred comp.

**8. RETIREMENT.**

(a) The Employee shall be enrolled in the State of California Public Employees Retirement System (PERS). The Agency will pay the set portion of her PERS retirement directly as we do for all employees. The Agency will reimburse the Employee her payments for the other portion of her PERS retirement contribution.

(b) Upon retirement the Agency will make contributions toward a medical insurance plan capped at the Kaiser single rate. The rate is based on consecutive service. Rate for 15 years of service is 50% and 75% for 20 years of service.

**9. CAR ALLOWANCE.** The Agency will provide a car allowance of \$350 per month, annual cost to the Agency is \$4,200 per year.

**10. UMBRELLA LIABILITY INSURANCE.** The Agency will reimburse the director for an umbrella liability insurance policy of \$300 to \$500 per year.

**11. OTHER TERMS AND CONDITIONS.** The Agency shall from time-to-time fix such other terms and conditions of employment relating to the Employee's performance, provided such other terms and conditions are not inconsistent or in conflict with this letter or applicable law.

**12. EFFECTIVE DATE.** The effective date of this agreement is July 1, 2021-January 14, 2022.

\_\_\_\_\_  
Deborah Mazzolini, Library Director

\_\_\_\_\_  
Jeff Slavitz, Chair  
Belvedere-Tiburon Library Agency

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## **Belvedere-Tiburon Library Agency Future Meeting Dates**

### **Special Meeting-Director Search Friday, November 12, 2021 10am-3pm**

December 13 or 20, 2021

January 10, 2022 (*second Monday due to MLK Holiday*)

February 14, 2022 (*second Monday due to Presidents' Day Holiday*)

March 21, 2022

April 18, 2022

May 16, 2022

June 20, 2022

All meetings are held on Mondays at 6:15 pm remotely via Zoom  
Unless otherwise noted