

MEETING NOTICE: There will be a Regular Meeting of the
Blanchard /Santa Paula Library District Board of Trustees
Tuesday, March 22, 2022 at 6:00 p.m.
Blanchard Community Library
119 N. 8th St., Santa Paula, CA 93060.

AGENDA

THIS MEETING WILL BE HELD IN PERSON AT THE LIBRARY

MEMBERS OF THE PUBLIC MAY PARTICIPATE

- A. CALL TO ORDER
- B. PRESENTATION OF THE ANNUAL DONATION FROM THE BLANCHARD LIBRARY
ENDOWMENT COMMITTEE
- C. APPROVAL OF THE ORDER OF THE AGENDA

D. PUBLIC COMMENT

Public comments are welcomed and encouraged. The President of the Board will acknowledge visitors wishing to speak on a topic not on the regular Board agenda. The Board is prohibited from taking action on any item not part of the printed agenda. When addressing the Library Board, please stand to be recognized by the Board President, state your full name and address, and direct your comments to the entire Library Board.

For members in the audience wishing to speak on an Agenda item, the President will announce the item and request the staff or a Board member to give a brief summary. The Board will have an opportunity to ask questions, following which the President will ask whether anyone else wishes to comment. Then the Board will discuss the item and take the appropriate action.

The Library Board of Trustees requests that speakers conduct themselves with civility and keep in mind the rights and well-being of all members of the Santa Paula community.

E. APPROVAL OF MINUTES

- a. Approval of Minutes: Meeting of February 22, 2022

F. REPORTS

- a. Financial Reports—February 2022
- b. Friends of the Library

G. BOARD/ADMINISTRATION COMMENTS, CONCERNS, HANDOUT

H. OLD BUSINESS

- a. Update on Library Renovation (information, discussion, possible action)
- b. Update on Changes in Black Gold Library Cooperative Structure (information, discussion, possible action)

I. NEW BUSINESS

- a. Acceptance of the 2020-21 Financial Audit (information, discussion, possible action)

J. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: District Director

K. REPORT OUT OF CLOSED SESSION

L. REPORTS (CONTINUED)

- a. Staff Reports
 - i. Public Services Reports
 - ii. Facilities Report
 - iii. District Director's Report
- b. Board Committees
 - i. Finance
 - ii. Human Resources
 - iii. Strategic Plan Teams
 - 1. Visioning/Strategic Plan
 - 2. Fundraising/Grants

M. FUTURE AGENDA ITEMS

N. UPCOMING MEETING DATES

Regular Meeting April 26, 2022

O. ADJOURNMENT

In compliance with the Ralph M. Brown Act and the Americans with Disabilities Act, if you need a disability-related modification, accommodation, or other special assistance to participate in this meeting, please contact Ned Branch, District Director of the Blanchard/Santa Paula Community Library, at 805-525-3615 x301. Notification 48 hours before the meeting will enable reasonable arrangements to be made.

CALL TO ORDER---The Teleconference Meeting was called to order at 6:07 PM by Board President Ron Merson. Trustees Christina Eilar and Miriam Zamora were in attendance, a quorum established. Trustees Laura Phillips and Ricardo Reyes were absent. District Director Ned Branch was present.

RESOLUTION - Unanimously approved resolution proclaiming meeting in person would present imminent risks to the health and safety of the attendees. (Zamora/Eilar 3-0)

APPROVAL OF THE ORDER OF AGENDA- Unanimously approved (Zamora/Eilar 3-0).

PUBLIC COMMENT ON NON-AGENDA ITEMS--- None.

APPROVAL OF MINUTES---The Minutes of the Regular Meeting on January 25, 2022 were unanimously approved (Eilar/Zamora 3-0).

REPORTS ---

a. Director Branch presented the Financial Reports for review. Received and filed. (Zamora/Eilar 3-0)

BOARD/ADMINISTRATION COMMENTS, CONCERNS, HANDOUTS --- Trustee Eilar reported on a meeting that the Strategic Planning Committee had with staff on February 15. Comments from staff included:

a. Desktop computers run very slowly and users often ask for better computers. Could a computer fund be added to the budget to upgrade computers regularly? Chromebooks are newer and are available for use, but desktops are slow.

Director Branch stated that most desktops will be replaced with laptops and Chromebooks in the remodel. Computer boot up is slow due to the time it takes for anti-virus and back-up software to load.

b. The classrooms in the back of the library get very hot in summer. Could these have air conditioning added?

Director Branch responded that air conditioning and a dropped ceiling for the new classroom are planned with the HVAC updates.

OLD BUSINESS--- Director Branch

a. Library Renovation Update –

- i. Materials and color options for the library remodel were discussed. Trustees should visit the library to view in person and give feedback.
- ii. The state library has opened the grant application process and HVAC systems are eligible. Bids for the HVAC system are being updated including adding a unit for the new classroom. The grant application is due by the 3rd week of March.
- iii. The bid process for re-roofing has been re-opened and re-published in the newspaper in the hopes of getting additional bids. Trustee Eilar suggested checking with the City of Santa Paula and County of Ventura public works departments for additional places to advertise.

- iv. Design fees were researched and deemed to be reasonable; AKA was given the go ahead to continue with plans for the library remodel.
 - v. Director Branch will meet with Vanessa Beckett (sp?) of the Ventura County Community Foundation for advice on soliciting corporate donations.
- b. Changes to the Black Gold Library Cooperative structure were reviewed. The preliminary budget showed fees for Blanchard increasing by 4%. The final fee increase will likely be between 5-10%
- c. Personnel Evaluation – The evaluation is still outstanding. The special meeting to review the performance evaluation of the Director will be scheduled at a future date.

NEW BUSINESS ---

- a. Resolution - Unanimously approved resolution requesting a contrafund advance of \$228,000 for the 2022-23 fiscal year. (Merson/Zamora 3-0)
- b. Resolution - Unanimously approved resolution levying an assessment of \$40 per non-exempt parcel in the Blanchard/Santa Paula Library District for the 2022-23 fiscal year.. (Merson/Eilar 3-0)

REPORTS (continued)

a. Staff Reports

- i. Public services--- Updates were reviewed.
- ii Facilities Report – Reviewed in Old Business
- iii District Director’s Report---
 - 1. Statistics were reviewed.
 - 2. Status of library operations – Masking is no longer required for fully vaccinated patrons. Staff is still masking.
 - 3. Programming –
 - Group programming may be starting back up at the beginning of the summer with Lunch at the Library and the summer reading program.
 - Justin is working with the Community Center to provide Chromebooks classes for seniors.
 - Book to Action – applied for a grant. Theme will be the Digital Divide.

b. Board Committees

- i Finance --- None
- ii Human Resources --- Director evaluation is outstanding
- iii Strategic Plan Teams -
 - 1. Visioning/Strategic Plan --- Reviewed in Board Comments
 - 2. Fundraising/Grants --- None

iv Endowment Liaison – The endowment committee will be presenting a donation to the Board at the March Board meeting.

FUTURE AGENDA ITEMS--- The Board agreed to include the following future Agenda items: District Director evaluation, Endowment Committee presentation, Review of finishes for the library remodel and new community building, Accept audit report

UPCOMING MEETING DATE--- The next regular meeting will be March 22, 2022 at 6:00 PM.

ADJOURNMENT---There being no further business, the Regular Meeting was adjourned at 7:08 PM. (Zamora/Eilar 3-0)

Library Board Clerk

ATTEST:

District Director

REGULAR MEETING OF MARCH 22, 2022
E. APPROVAL OF MINUTES

1. Approval of Minutes
 - a. Regular Meeting of February 22, 2022

	MOVED	SECONDED	YES	NO	ABSTAIN	ABSENT
Eilar						
Merson						
Phillips						
Reyes						
Zamora						

REGULAR MEETING OF MARCH 22, 2022
F(a). REPORTS: FINANCIAL REPORTS

1. Receive and file February 2022 financial reports

	MOVED	SECONDED	YES	NO	ABSTAIN	ABSENT
Eilar						
Merson						
Phillips						
Reyes						
Zamora						

BUDGET VARIATIONS AND SUMMARIES
YTD as of February 2022 - Month 8 of 12

SIGNIFICANT VARIANCES FROM BUDGET

		ACTUAL	BUDGET		
Income	Property Tax	\$ 639,889	\$ 585,730	9.2%	Unbudgeted parcel taxes received-possibly delinquent
	Grants	\$ 82,682	\$ 68,323	21.0%	Larger than expected State Library Literacy grant
	Donations- YTD	\$ 12,180	\$ 16,720	-27.2%	
Expense	Salaries & Benefits	\$ 385,962	\$ 443,720	-13.0%	One staff member on maternity leave
	Computer Services	\$ 49,717	\$ 56,080	-11.3%	Hoopla no longer categorized as Computer Services
	Collection Development	\$ 41,008	\$ 31,840	28.8%	Hoopla transferred from Computer Services to Databases. WiFi hotspots higher than budgeted.
	Memberships & Dues	\$ 5,711	\$ 3,360	70.0%	CSDA annual dues
	Programs	\$ 4,948	\$ 21,120	-76.6%	Delay in resuming congregate programs due to COVID
	Promotion & Public Relations	\$ 304	\$ 3,867	-92.1%	
	Insurance	\$ 16,601	\$ 14,720	12.8%	September amortization expense posted twice
	Payroll Processing	\$ 2,387	\$ -		New payroll service previously paid as part of now-discontinued accounting service.
	Professional Services	\$ 18,606	\$ 24,360	-23.6%	Have not received final bills from auditors and from actuary. Accounting service brought in house.
	Building Maintenance	\$ 10,335	\$ 12,920	-20.0%	Few repairs. Repairs don't happen often but when they do, they tend to be expensive.
	Utilities	\$ 26,682	\$ 24,000	11.2%	Summertime cooling costs. Budget is based on monthly average, not actual usage.

BUDGET SUMMARY

	20-21 YTD Actual	21-22 YTD Actual	21-22 YTD Budget	YTD Variance	21-22 Annual Budget
Income	\$ 709,012	\$ 736,198	\$ 671,593	9.6%	\$ 993,873
Expense	\$ 651,300	\$ 582,866	\$ 662,667	-12.0%	\$ 992,800
Other					
Income	\$ -	\$ -	\$ -		\$ -
Expense	\$ -	\$ -			\$ 18,000

Blanchard/Santa Paula Library District
Balance Sheet
 As of February 28, 2022

	Feb 28, 22
ASSETS	
Current Assets	
Checking/Savings	
1010.10 · General Fund	39,798.77
Payroll (Checking Account - Payroll)	58.13
Literacy	
1010.30 · Checking - FLAIR	6,783.68
1014.30 · CD - FLAIR	5,406.57
Total Literacy	12,190.25
1020 · Book Trust Account	23,831.59
1010.20 · County Accounts	1,238,040.34
Investment Accounts	394,377.30
Building Fund	
1010.40 · Santa Paula City	207,738.28
Blake	33,550.75
1015.10 · Petty Cash - General	380.00
1016.10 · Copy Machine Change Fund	31.40
Total Checking/Savings	2,055,277.81
Other Current Assets	
1063.10 · Prepaid Expenses	26,082.00
Total Other Current Assets	26,082.00
Total Current Assets	2,081,359.81
Fixed Assets	
	763,295.72
TOTAL ASSETS	2,844,655.53
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	9,604.82
Credit Cards	472.97
Other Current Liabilities	
Deferred Revenue	224.98
2100.10 · Payroll Liabilities	5,706.33
2510 · Due to Friends of the Library	382.55
2572.10 · Compensated Absences	38,030.00
Total Other Current Liabilities	44,343.86
Total Current Liabilities	54,421.65
Total Liabilities	54,421.65
Equity	
Fund Bal Offset - Comp. Absence	-38,030.00
31300 · Perm. Restricted Net Assets (Other Income)	340,845.14
3704.10 · Investment Gen. Fixed Asset	755,308.22
3901.10 · Fund Balance - General	1,558,949.88
Net Income	173,160.64
Total Equity	2,790,233.88
TOTAL LIABILITIES & EQUITY	2,844,655.53

Blanchard/Santa Paula Library District Profit & Loss Prev Year Comparison July 2021 through February 2022

	Jul '21 - Feb ...	Jul '20 - Feb ...	\$ Change	% Change
Ordinary Income/Expense				
Income				
4000 · Property Taxes	639,888.74	613,197.88	26,690.86	4.4%
4700 · Grants	82,682.00	72,935.76	9,746.24	13.4%
4600 · Donations	12,180.00	20,190.82	-8,010.82	-39.7%
4800 · Library Services	1,265.25	542.94	722.31	133.0%
4900 · Miscellaneous Income	180.81	1,708.10	-1,527.29	-89.4%
Interest Income	1.59	436.09	-434.50	-99.6%
Total Income	736,198.39	709,011.59	27,186.80	3.8%
Gross Profit	736,198.39	709,011.59	27,186.80	3.8%
Expense				
*Reconciliation Discrepancies	0.00	0.00	0.00	0.0%
Salaries & Employee Benefits	385,961.55	453,837.45	-67,875.90	-15.0%
Services	103,300.77	112,115.23	-8,814.46	-7.9%
Administration	49,263.96	48,720.54	543.42	1.1%
Facilities	44,339.53	36,627.06	7,712.47	21.1%
Total Expense	582,865.81	651,300.28	-68,434.47	-10.5%
Net Ordinary Income	153,332.58	57,711.31	95,621.27	165.7%
Other Income/Expense				
Other Income				
Extraordinary Income (Extraordinary Income)	4,079.42	3,949.93	129.49	3.3%
Library Impact Fees	15,748.64	36,359.58	-20,610.94	-56.7%
Total Other Income	19,828.06	40,309.51	-20,481.45	-50.8%
Net Other Income	19,828.06	40,309.51	-20,481.45	-50.8%
Net Income	173,160.64	98,020.82	75,139.82	76.7%

Blanchard/Santa Paula Library District Profit & Loss Prev Year Comparison July 2021 through February 2022

	Jul '21 - Feb 22	Jul '20 - Feb 21	\$ Change	% Change
Ordinary Income/Expense				
Income				
4000 · Property Taxes	639,888.74	613,197.88	26,690.86	4.4%
4700 · Grants	82,682.00	72,935.76	9,746.24	13.4%
4600 · Donations	12,180.00	20,190.82	-8,010.82	-39.7%
4800 · Library Services	1,265.25	542.94	722.31	133.0%
4900 · Miscellaneous Income	180.81	1,708.10	-1,527.29	-89.4%
Interest Income	1.59	436.09	-434.50	-99.6%
Total Income	736,198.39	709,011.59	27,186.80	3.8%
Gross Profit	736,198.39	709,011.59	27,186.80	3.8%
Expense				
*Reconciliation Discrepancies	0.00	0.00	0.00	0.0%
Salaries & Employee Benefits				
Salaries	275,137.32	340,139.12	-65,001.80	-19.1%
Payroll Tax	22,315.51	27,710.49	-5,394.98	-19.5%
Retirement	45,816.28	44,570.61	1,245.67	2.8%
Health Insurance	41,618.86	39,952.20	1,666.66	4.2%
Insurance- Workers Comp.	1,073.58	1,465.03	-391.45	-26.7%
Total Salaries & Employee Benefits	385,961.55	453,837.45	-67,875.90	-15.0%
Services				
Computer Services	49,717.41	49,960.71	-243.30	-0.5%
Collection Development				
AV Materials	2,789.83	3,749.12	-959.29	-25.6%
Books	19,377.20	17,940.09	1,437.11	8.0%
Databases	9,312.92	10,279.92	-967.00	-9.4%
WiFi Hot Spots	6,478.99	3,468.64	3,010.35	86.8%
Periodicals	3,049.25	1,713.15	1,336.10	78.0%
Total Collection Development	41,008.19	37,150.92	3,857.27	10.4%
Library Supplies	1,570.42	2,455.99	-885.57	-36.1%
Memberships & Dues Programs				
Adult Programs	206.87	602.63	-395.76	-65.7%
Young Adult Programs	264.61	850.74	-586.13	-68.9%
Children's Programs	1,440.16	3,574.60	-2,134.44	-59.7%
Literacy Programs	3,035.95	2,594.30	441.65	17.0%
Total Programs	4,947.59	7,622.27	-2,674.68	-35.1%
Promotion & Public Relations	303.81	13,279.68	-12,975.87	-97.7%
Travel and Meetings	41.98	0.00	41.98	100.0%
Total Services	103,300.77	112,115.23	-8,814.46	-7.9%
Administration				
Advertising	0.00	135.00	-135.00	-100.0%
Bank Charges	528.17	377.05	151.12	40.1%
Insurance	16,600.68	13,003.04	3,597.64	27.7%
Miscellaneous	60.00	0.00	60.00	100.0%
Office Expenses (Office expenses)	7,169.83	4,601.13	2,568.70	55.8%
Payroll Processing	2,387.18	277.40	2,109.78	760.6%
Professional Services				

Blanchard/Santa Paula Library District
Profit & Loss Prev Year Comparison
July 2021 through February 2022

	Jul '21 - Feb 22	Jul '20 - Feb 21	\$ Change	% Change
Accounting Fees	1,751.00	6,239.00	-4,488.00	-71.9%
Audit Services	9,000.00	12,020.00	-3,020.00	-25.1%
Collection Services	196.90	957.90	-761.00	-79.4%
Legal Fees	7,658.43	7,587.50	70.93	0.9%
Total Professional Services	18,606.33	26,804.40	-8,198.07	-30.6%
Public & Legal Notices	80.20	477.40	-397.20	-83.2%
Staff Development & Recognition	597.47	482.87	114.60	23.7%
Strategic Planning	1,004.90	0.00	1,004.90	100.0%
Telephone Expense	2,229.20	2,562.25	-333.05	-13.0%
Total Administration	49,263.96	48,720.54	543.42	1.1%
Facilities				
Janitorial Services & Supplies	7,142.56	7,114.89	27.67	0.4%
Repairs & Maintenance	10,334.51	7,865.27	2,469.24	31.4%
Utilities (Utilities)	26,862.46	21,646.90	5,215.56	24.1%
Total Facilities	44,339.53	36,627.06	7,712.47	21.1%
Total Expense	582,865.81	651,300.28	-68,434.47	-10.5%
Net Ordinary Income	153,332.58	57,711.31	95,621.27	165.7%
Other Income/Expense				
Other Income				
Extraordinary Income (Extraordinary...)	4,079.42	3,949.93	129.49	3.3%
Library Impact Fees	15,748.64	36,359.58	-20,610.94	-56.7%
Total Other Income	19,828.06	40,309.51	-20,481.45	-50.8%
Net Other Income	19,828.06	40,309.51	-20,481.45	-50.8%
Net Income	173,160.64	98,020.82	75,139.82	76.7%

Blanchard/Santa Paula Library District Profit & Loss Budget Performance February 2022

	Feb 22	Budget	Jul '21 - Feb...	YTD Budget	Annual Bud...
Ordinary Income/Expense					
Income					
4000 · Property Taxes	0.00	500.00	639,888.74	585,730.00	883,230.00
4700 · Grants	0.00	0.00	82,682.00	68,323.00	69,323.00
4600 · Donations	-116.60	2,090.00	12,180.00	16,720.00	40,080.00
4800 · Library Services	226.20	100.00	1,265.25	820.00	1,240.00
4900 · Miscellaneous Income	0.00		180.81		
Interest Income	0.26		1.59		
Total Income	109.86	2,690.00	736,198.39	671,593.00	993,873.00
Gross Profit	109.86	2,690.00	736,198.39	671,593.00	993,873.00
Expense					
*Reconciliation Discrepancies	0.00		0.00		
Salaries & Employee Benefits	54,476.79	59,240.00	385,961.55	443,720.00	680,680.00
Services	5,051.43	8,883.34	103,300.77	119,066.64	170,600.00
Administration	2,917.21	5,030.00	49,263.96	56,240.00	76,360.00
Facilities	4,516.59	5,230.00	44,339.53	43,640.00	65,160.00
Total Expense	66,962.02	78,383.34	582,865.81	662,666.64	992,800.00
Net Ordinary Income	-66,852.16	-75,693.34	153,332.58	8,926.36	1,073.00
Other Income/Expense					
Other Income					
Extraordinary Income (Extraordinary Income)	0.00		4,079.42		
Library Impact Fees	0.00		15,748.64		
Total Other Income	0.00		19,828.06		
Other Expense					
Extraordinary Expenses	0.00	0.00	0.00	0.00	0.00
Total Other Expense	0.00	0.00	0.00	0.00	0.00
Net Other Income	0.00	0.00	19,828.06	0.00	0.00
Net Income	-66,852.16	-75,693.34	173,160.64	8,926.36	1,073.00

Blanchard/Santa Paula Library District
Profit & Loss Budget Performance
February 2022

	Feb 22	Budget	Jul '21 - Feb...	YTD Budget	Annual Bud...
Ordinary Income/Expense					
Income					
4000 · Property Taxes	0.00	500.00	639,888.74	585,730.00	883,230.00
4700 · Grants	0.00	0.00	82,682.00	68,323.00	69,323.00
4600 · Donations	-116.60	2,090.00	12,180.00	16,720.00	40,080.00
4800 · Library Services	226.20	100.00	1,265.25	820.00	1,240.00
4900 · Miscellaneous Income	0.00		180.81		
Interest Income	0.26		1.59		
Total Income	109.86	2,690.00	736,198.39	671,593.00	993,873.00
Gross Profit	109.86	2,690.00	736,198.39	671,593.00	993,873.00
Expense					
*Reconciliation Discrepancies	0.00		0.00		
Salaries & Employee Benefits					
Salaries	39,960.09	44,320.00	275,137.32	325,820.00	503,100.00
Payroll Tax	3,436.74	3,640.00	22,315.51	27,520.00	42,080.00
Retirement	5,915.06	6,180.00	45,816.28	49,080.00	73,800.00
Health Insurance	5,020.71	4,930.00	41,618.86	39,440.00	59,160.00
Insurance- Workers Comp.	144.19	170.00	1,073.58	1,860.00	2,540.00
Salaries & Employee Benefits - O...	0.00	0.00	0.00	0.00	0.00
Total Salaries & Employee Benefits	54,476.79	59,240.00	385,961.55	443,720.00	680,680.00
Services					
Computer Services	859.30	1,010.00	49,717.41	56,080.00	76,120.00
Collection Development					
AV Materials	187.11	400.00	2,789.83	3,200.00	4,800.00
Books	2,066.77	2,180.00	19,377.20	17,440.00	26,160.00
Databases	0.00	690.00	9,312.92	5,520.00	8,280.00
WiFi Hot Spots	383.74	500.00	6,478.99	4,000.00	6,000.00
Periodicals	232.21	210.00	3,049.25	1,680.00	2,520.00
Collection Development - Other	0.00	0.00	0.00	0.00	0.00
Total Collection Development	2,869.83	3,980.00	41,008.19	31,840.00	47,760.00
Library Supplies	808.00	170.00	1,570.42	1,360.00	2,040.00
Memberships & Dues	275.28	420.00	5,711.37	3,360.00	5,040.00
Programs					
Adult Programs	0.00	380.00	206.87	3,040.00	4,560.00
Young Adult Programs	15.49	420.00	264.61	3,360.00	5,040.00
Children's Programs	0.00	1,170.00	1,440.16	9,360.00	14,040.00
Literacy Programs	200.39	670.00	3,035.95	5,360.00	8,040.00
Programs - Other	0.00	0.00	0.00	0.00	0.00
Total Programs	215.88	2,640.00	4,947.59	21,120.00	31,680.00
Promotion & Public Relations	29.99	483.34	303.81	3,866.64	5,800.00
Travel and Meetings	-6.85	180.00	41.98	1,440.00	2,160.00
Services - Other	0.00	0.00	0.00	0.00	0.00
Total Services	5,051.43	8,883.34	103,300.77	119,066.64	170,600.00
Administration					
Advertising	0.00	30.00	0.00	240.00	360.00
Bank Charges	63.65	40.00	528.17	320.00	480.00
Insurance	1,844.52	1,840.00	16,600.68	14,720.00	22,080.00

Blanchard/Santa Paula Library District Profit & Loss Budget Performance February 2022

	Feb 22	Budget	Jul '21 - Feb...	YTD Budget	Annual Bud...
Miscellaneous	0.00		60.00		
Office Expenses (Office expenses)	310.18	1,170.00	7,169.83	9,360.00	14,040.00
Payroll Processing	374.56		2,387.18		
Professional Services					
Accounting Fees	0.00	920.00	1,751.00	7,360.00	11,040.00
Audit Services	0.00		9,000.00	12,000.00	12,000.00
Collection Services	35.80		196.90		
Grant Writing	0.00	0.00	0.00	1,000.00	1,000.00
Legal Fees	88.50	500.00	7,658.43	4,000.00	6,000.00
Professional Services - Other	0.00	0.00	0.00	0.00	0.00
Total Professional Services	124.30	1,420.00	18,606.33	24,360.00	30,040.00
Public & Legal Notices	0.00		80.20		
Staff Development & Recognition	200.00	170.00	597.47	1,360.00	2,040.00
Strategic Planning	0.00		1,004.90	3,000.00	3,000.00
Telephone Expense	0.00	360.00	2,229.20	2,880.00	4,320.00
Administration - Other	0.00	0.00	0.00	0.00	0.00
Total Administration	2,917.21	5,030.00	49,263.96	56,240.00	76,360.00
Facilities					
Janitorial Services & Supplies	863.14	840.00	7,142.56	6,720.00	10,080.00
Repairs & Maintenance	906.40	1,390.00	10,334.51	12,920.00	19,080.00
Utilities (Utilities)	2,747.05	3,000.00	26,862.46	24,000.00	36,000.00
Facilities - Other	0.00	0.00	0.00	0.00	0.00
Total Facilities	4,516.59	5,230.00	44,339.53	43,640.00	65,160.00
Total Expense	66,962.02	78,383.34	582,865.81	662,666.64	992,800.00
Net Ordinary Income	-66,852.16	-75,693.34	153,332.58	8,926.36	1,073.00
Other Income/Expense					
Other Income					
Extraordinary Income (Extraordinary...	0.00		4,079.42		
Library Impact Fees	0.00		15,748.64		
Total Other Income	0.00		19,828.06		
Other Expense					
Extraordinary Expenses	0.00	0.00	0.00	0.00	0.00
Total Other Expense	0.00	0.00	0.00	0.00	0.00
Net Other Income	0.00	0.00	19,828.06	0.00	0.00
Net Income	-66,852.16	-75,693.34	173,160.64	8,926.36	1,073.00

**Blanchard/Santa Paula Library District
Deposit Detail
February 2022**

Type	Date	Name	Account	Amount
Deposit	02/04/2022		1010.10 · General Fund	6.85
		Olivia O. Escoto	Meals	-6.85
TOTAL				-6.85
Deposit	02/08/2022		1010.10 · General Fund	10.00
			4801 · Books Lost & Paid	-10.00
TOTAL				-10.00
Deposit	02/09/2022		1010.10 · General Fund	55.00
			4801 · Books Lost & Paid	-55.00
TOTAL				-55.00
Deposit	02/09/2022		1010.10 · General Fund	75,000.00
			1010.20 · County Accounts	-75,000.00
TOTAL				-75,000.00
Deposit	02/09/2022		1010.10 · General Fund	2.00
			4801 · Books Lost & Paid	-2.00
TOTAL				-2.00
Deposit	02/25/2022		1010.10 · General Fund	238.45
			4601 · Friends of the Library	-88.00
			4802 · Fines	-150.45
TOTAL				-238.45
Deposit	02/28/2022		Blake	0.26
			Interest Income	-0.26
TOTAL				-0.26
Deposit	02/28/2022		1010.10 · General Fund	8.75
			4801 · Books Lost & Paid	-8.75
TOTAL				-8.75

10:00 AM

03/10/22

Blanchard/Santa Paula Library District Check Detail February 2022

Type	Num	Date	Name	I...	Account	Paid Amount
Check	dr	02/02/2022	Merchant		1010.10 · General Fund	
					Credit Card Fees	-63.65
TOTAL						-63.65
Check	EFT	02/08/2022	Calif. Public Employee...		Blake	
					CALPERS (Payee Account - Employe...	-306.85
TOTAL						-306.85
Check	EFT	02/08/2022	Calif. Public Employee...		Blake	
					CALPERS (Payee Account - Employe...	-1,457.32
TOTAL						-1,457.32
Check	EFT	02/10/2022	Calif. Public Employee...		1010.10 · General Fund	
					PERS Group Health Insurance	-3,300.53
					Annuitant Health Insurance	-2,251.94
TOTAL						-5,552.47
Check	EFT	02/14/2022	Calif. Public Employee...		1010.10 · General Fund	
					CALPERS (Payee Account - Employe...	-384.48
TOTAL						-384.48
Check	EFT	02/23/2022	Calif. Public Employee...		1010.10 · General Fund	
					CALPERS (Payee Account - Employe...	-1,400.17
TOTAL						-1,400.17
Check	EFT	02/23/2022	Calif. Public Employee...		1010.10 · General Fund	
					CALPERS (Payee Account - Employe...	-387.70
TOTAL						-387.70
Check	PP	02/22/2022	Paychex - Processing		Payroll (Checking Account - Payroll)	
					Payroll Processing	-128.00
TOTAL						-128.00
Bill Pmt -...	11347	02/10/2022	Amazon Capital Servic...		1010.10 · General Fund	
Bill	1P11-9...	12/08/2021			Janitorial Services & Supplies	-66.00
Bill	1T3Q-...	01/17/2022			Literacy Programs	-43.08
Bill	1FXW-...	01/23/2022			Young adult books	-147.27
Bill	1GGY-...	01/30/2022			Children's Books	-58.60
TOTAL						-314.95
Bill Pmt -...	11348	02/10/2022	Athens Enviromental		1010.10 · General Fund	

10:00 AM

03/10/22

Blanchard/Santa Paula Library District Check Detail February 2022

Type	Num	Date	Name	I...	Account	Paid Amount
Bill	117012...	02/01/2022			Trash	-223.28
TOTAL						-223.28
Bill Pmt -...	11349	02/10/2022	City of Santa Paula (06...		1010.10 · General Fund	
Bill	12-24-...	01/30/2022			Water and Sewer	-406.34
TOTAL						-406.34
Bill Pmt -...	11350	02/10/2022	City of Santa Paula (06...		1010.10 · General Fund	
Bill	12-24-...	01/30/2022			Water and Sewer	-91.70
TOTAL						-91.70
Bill Pmt -...	11351	02/10/2022	Kelly Cleaning & Supp...		1010.10 · General Fund	
Bill	589695...	02/01/2022			Janitorial Services & Supplies	-700.00
TOTAL						-700.00
Bill Pmt -...	11352	02/10/2022	Landscape Valley		1010.10 · General Fund	
Bill	Januar...	02/01/2022			Grounds Maintenance	-305.00
TOTAL						-305.00
Bill Pmt -...	11353	02/10/2022	Los Angeles Times		1010.10 · General Fund	
Bill	Februa...	01/18/2022			Periodicals	-136.13
TOTAL						-136.13
Bill Pmt -...	11354	02/10/2022	Moss, Levy & Hartzhei...		1010.10 · General Fund	
Bill	29869	01/31/2022			Audit Services	-2,000.00
TOTAL						-2,000.00
Bill Pmt -...	11355	02/10/2022	Ned Branch		1010.10 · General Fund	
Bill	Februa...	02/01/2022			PERS Group Health Insurance	-565.33
TOTAL						-565.33
Bill Pmt -...	11356	02/10/2022	Sparkletts		1010.10 · General Fund	
Bill	464871...	01/27/2022			Office Expense	-68.69
TOTAL						-68.69
Bill Pmt -...	11357	02/10/2022	T-Mobile		1010.10 · General Fund	
Bill	12-21-...	01/21/2022			WiFi Hot Spots	-397.28
TOTAL						-397.28
Check	11358	02/10/2022	Anita McLaughlin		1010.10 · General Fund	

10:00 AM

03/10/22

Blanchard/Santa Paula Library District Check Detail February 2022

Type	Num	Date	Name	I...	Account	Paid Amount
					Young Adult Programs	-15.49
TOTAL						-15.49
Bill Pmt -...	11359	02/25/2022	Amazon Capital Servic...		1010.10 · General Fund	
Bill	1CN4-...	02/07/2022			Literacy Programs	-134.00
Bill	16MYT...	02/11/2022			Children's Books	-135.13
TOTAL						-269.13
Bill Pmt -...	11360	02/25/2022	Andy's Plumbing Place		1010.10 · General Fund	
Bill	10297-...	02/21/2022			Building Maintenance	-361.77
TOTAL						-361.77
Bill Pmt -...	11361	02/25/2022	Baker & Taylor Books		1010.10 · General Fund	
Bill	203646...	01/18/2022			General	-22.30
Bill	203646...	01/18/2022			General	-62.75
Bill	203643...	01/18/2022			General	-189.19
Bill	203638...	01/18/2022			General	-136.52
Bill	203638...	01/18/2022			General	-21.11
Bill	203643...	01/18/2022			Children's Books	-535.41
Bill	203646...	01/18/2022			Children's Books	-51.91
TOTAL						-1,019.19
Bill Pmt -...	11362	02/25/2022	Black Gold Cooperativ...		1010.10 · General Fund	
Bill	22-269	12/31/2021			Databases	-659.92
					Legal Fees	-542.43
TOTAL						-1,202.35
Bill Pmt -...	11363	02/25/2022	LightGabler LLP		1010.10 · General Fund	
Bill	62834	02/08/2022			Legal Fees	-38.50
TOTAL						-38.50
Bill Pmt -...	11364	02/25/2022	Los Angeles Times		1010.10 · General Fund	
Bill	April / ...	02/05/2022			Periodicals	-135.17
TOTAL						-135.17
Bill Pmt -...	11365	02/25/2022	Midwest Tape		1010.10 · General Fund	
Bill	501631...	02/01/2022			Adult AV	-24.61
TOTAL						-24.61
Bill Pmt -...	11366	02/25/2022	Minitex		1010.10 · General Fund	
Bill	104244	02/01/2022			Book Binding/Mending	-808.00
TOTAL						-808.00
Bill Pmt -...	11367	02/25/2022	SoCalGas		1010.10 · General Fund	

10:00 AM

03/10/22

Blanchard/Santa Paula Library District
Check Detail
February 2022

Type	Num	Date	Name	I...	Account	Paid Amount
Bill	01-04-...	02/07/2022			Gas	-333.45
TOTAL						-333.45
Bill Pmt -...	11368	02/25/2022	Unique Management S...		1010.10 · General Fund	
Bill	6097973	02/01/2022			Collection Services	-35.80
TOTAL						-35.80
Bill Pmt -...	11369	02/25/2022	Friends Of Blanchard ...		1010.10 · General Fund	
Bill	Circulat...	02/25/2022			4601 · Friends of the Library	-116.60
TOTAL						-116.60

REGULAR MEETING OF MARCH 22, 2022
G. BOARD/ADMINISTRATION COMMENTS, CONCERNS, HANDOUTS

REGULAR MEETING OF MARCH 22, 2022

I(a) NEW BUSINESS: ACCEPTANCE OF 2019-2020 FINANCIAL AUDIT

The library’s financial statements are audited annually to ensure the accuracy of the statements and to reassure the taxpayers in the library district that the Board has fulfilled its fiduciary obligations. The draft audit report is attached. There are no adverse findings.

RECOMMENDATION: Staff recommends that the Board accept and approve the 2020-2021 financial audit and authorize the Board President and the District Director to execute the acceptance letter.

	MOVED	SECONDED	YES	NO	ABSTAIN	ABSENT
Eilar						
Merson						
Phillips						
Reyes						
Zamora						



Moss, Levy & Hartzheim LLP

Certified Public Accountants

February 21, 2022

Blanchard/Santa Paula Public Library District
Attn: Ned Branch
119 N. 8th Street
Santa Paula, California 93060

Attached is a draft copy of your audit review. After reviewing and upon your approval, please sign and fax back this letter to our office. We will not finalize the audit until we receive your response, a signed and dated Management Representation Letter (to be prepared by you), a written response from your attorney to the legal representation letter or a letter from you stating that no legal counsel was retained.

Sincerely,

MOSS, LEVY & HARTZHEIM LLP

Moss, Levy & Hartzheim LLP

RESPONSE:

I have reviewed the draft copy of the Blanchard/Santa Paula Public Library District audit for and give my approval.

By: _____

Title: _____

Date: _____

BLANCHARD/SANTA PAULA LIBRARY DISTRICT

FINANCIAL STATEMENTS
JUNE 30, 2021

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
TABLE OF CONTENTS
JUNE 30, 2021

Independent Auditors' Report 1

Basic Financial Statements:

 Government-wide Financial Statements:

 Statement of Net Position 3

 Statement of Activities 4

 Fund Financial Statements:

 Balance Sheet – Governmental Funds 5

 Reconciliation of the Governmental
 Funds Balance Sheet to the Statement of Net Position 6

 Statement of Revenues, Expenditures, and Changes In Fund Balance -
 Governmental Funds 7

 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in
 Fund Balance to the Statement of Activities 8

 Notes to Basic Financial Statements 9

Required Supplementary Information Section:

 Schedule of Revenues, Expenditures and Changes In Fund Balance –
 Budget to Actual – General Fund 27

 Schedule of Revenues, Expenditures and Changes In Fund Balance –
 Budget to Actual – Literacy Programs Fund 28

 Schedule of Proportionate Share of Net Pension Liability 29

 Schedule of Pension Contributions..... 30

 Schedule of Changes in the OPEB Liability and Related Ratios..... 31

 Schedule of OPEB Contributions 32



Moss, Levy & Hartzheim LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Blanchard/Santa Paula Library District
Santa Paula, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Blanchard/Santa Paula Library District (the District) as of and for the fiscal year ended June 30, 2021, which collectively comprise the District's basic financial statements as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Blanchard/Santa Paula Library District.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 each major fund of the Blanchard/Santa Paula Library District, as of June 30, 2021, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Emphasis of Matter

As more fully described in Note 11 to the financial statements, the District may be materially impacted by the outbreak of the novel coronavirus (COVID-19), which was declared a global pandemic by the World Health Organization in March 2020.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the budgetary information on pages 27 and 28, the schedule of proportionate share of net pension liability on page 29, the schedule of pension contributions on page 30, the schedule of changes in OPEB liability and related ratios on page 31, and the schedule of OPEB contributions on page 32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is

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

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February XX, 2022, on our consideration of the Blanchard/Santa Paula Library District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Santa Maria, California
February XX, 2022

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS

Cash and investments	\$ 1,955,298
Prepaid expenses	4,228
Capital assets:	
Depreciable, net	<u>498,310</u>
Total assets	<u>2,457,836</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred pensions	78,401
Deferred other post-employment benefits	<u>182,748</u>
Total deferred outflows of resources	<u>261,149</u>

LIABILITIES

Current Liabilities:	
Accounts payable	4,588
Accrued wages and benefits	34,286
Due to the Friends of the Library	366
Compensated absences	5,626
Total current liabilities	<u>44,866</u>
Long-term liabilities:	
Compensated absences	50,638
Other post-employment benefits	1,095,371
Net pension liability	612,580
Total long-term liabilities	<u>1,758,589</u>
Total liabilities	<u>1,803,455</u>

DEFERRED INFLOWS OF RESOURCES

Deferred other post-employment benefits	130,790
Deferred pensions	<u>18,384</u>
Total deferred inflows of resources	<u>149,174</u>

NET POSITION

Net investment in capital assets	498,310
Unrestricted	<u>268,046</u>
Total net position	<u>\$ 766,356</u>

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
Library services	\$ 1,032,322	\$ 1,300	\$ 32,869	\$ 34,995	\$ (963,158)
FLAIR program	-		61,590		61,590
Payments to Black Gold	60,828				(60,828)
Total governmental activities	<u>\$ 1,093,150</u>	<u>\$ 1,300</u>	<u>\$ 94,459</u>	<u>\$ 34,995</u>	<u>(962,396)</u>
General Revenue					
Property taxes					575,590
Special assessment tax					311,219
Miscellaneous					5,906
Investment income					437
Total general revenue					<u>893,152</u>
Change in net position					(69,244)
Net position at beginning of fiscal year					<u>835,600</u>
Net position at end of fiscal year					<u>\$ 766,356</u>

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2021

	General Fund	Literacy Programs Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and investments	\$ 1,955,298	\$ -	\$ 1,955,298
Prepaid expenditures	4,228		4,228
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 1,959,526</u>	<u>\$ -</u>	<u>\$ 1,959,526</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 4,588	\$ -	\$ 4,588
Accrued wages and benefits	34,286		34,286
Due to Friends of the Library	366		366
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>39,240</u>	<u> </u>	<u>39,240</u>
Fund balances:			
Restricted			
Literacy programs			
Unassigned	1,920,286		1,920,286
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>1,920,286</u>	<u> </u>	<u>1,920,286</u>
Total liabilities and fund balances	<u>\$ 1,959,526</u>	<u>\$ -</u>	<u>\$ 1,959,526</u>

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
RECONCILIATION OF THE GOVERNMENTAL
FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2021

Total Fund Balance - Governmental Funds		\$	1,920,286
Amounts reported for governmental activities in the statement of net position are different because:			
In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.			
			498,310
Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:			
Compensated absences	\$	(56,264)	
Other post-employment benefits		(1,095,371)	
Net pension liability		(612,580)	
Total		<u>(1,764,215)</u>	(1,764,215)
Deferred outflows and inflows of resources relating to pensions and other post-employment benefits: In governmental funds, deferred outflows and inflows of resources relating to pensions and other post-employment benefits are not reported because they are applicable to future reporting periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions and other post employment benefits and other post-employment benefits are not reported.			
Deferred inflows of resources relating to pensions	\$	(18,384)	
Deferred outflows of resources relating to other post-employment benefits		182,748	
Deferred inflows of resources relating to other post-employment benefits		(130,790)	
Deferred outflows of resources relating to pensions		78,401	
Net		<u>111,975</u>	111,975
Total Net Position - Governmental Net Activities		<u>\$</u>	<u>766,356</u>

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
June 30, 2021

	General Fund	Literacy Programs Fund	Total Governmental Funds
Revenues:			
Property taxes	\$ 575,590	\$ -	\$ 575,590
Special assessment tax	311,219		311,219
Library services	1,300		1,300
Interest income	437		437
Donations/memorials	32,869		32,869
Impact fees	34,995		34,995
State/Federal/Other grants		61,590	61,590
Miscellaneous	5,906		5,906
Total revenues	962,316	61,590	1,023,906
Expenditures:			
Salaries and employee benefits	625,730		625,730
Services and supplies	185,104		185,104
Utilities	31,718		31,718
Payments to Black Gold	60,828		60,828
Total expenditures	903,380		903,380
Excess (deficiency) of revenues over expenditures	58,936	61,590	120,526
Other Financing Sources (Uses):			
Transfers	133,531	(133,531)	
Total other financing sources (uses)	133,531	(133,531)	120,526
Net change in fund balances	192,467	(71,941)	120,526
Fund balances - July 1	1,727,819	71,941	1,799,760
Fund balances - June 30	<u>\$ 1,920,286</u>	<u>\$ -</u>	<u>\$ 1,920,286</u>

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

BLANCHARD/SANTA PAULA PUBLIC LIBRARY DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Net Change in Fund Balance - Governmental Fund	\$	120,526
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital assets of \$0 is less than depreciation expense of \$43,340:</p>		
		(43,340)
<p>In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, compensated absences earned was more than the amounts used.</p>		
		(16,808)
<p>In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between accrual basis OPEB costs and actual employer contributions was:</p>		
		(64,437)
<p>In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. The fiscal year, the difference between pension costs and actual employer contributions was:</p>		
		(65,185)
Change in Net Position - Governmental Activities	\$	<u>(69,244)</u>

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Ventura County Board of Supervisors formed and organized the District on October 31, 1967. Before this date, the City of Santa Paula had operated a municipal library as the Dean Hobbs Blanchard Memorial Library.

On July 1, 1968, the District became operational. On this date the assets, all real and personal properties of the municipal library, were transferred to the District with the provision that at such time as the District or its successors cease to operate and maintain a public library within the City of Santa Paula, an amount equal to the total value of these assets will be returned to the City of Santa Paula.

On July 15, 1969, the Board of Trustees of the Santa Paula Union High School Public Library District created a Library Commission of five members to govern the operations of the District.

As a result of a separation resolution adopted by the Santa Paula Union High School Public Library District on November 8, 1995, a new district was formed, Blanchard/Santa Paula Library District – Blanchard Community Library, to oversee the Library. This action was taken pursuant to the enactment of Senate Bill 614, Chapter 529, Statutes of 1995. Accordingly, the Board of Supervisors of the County of Ventura appointed an initial governing Board of Trustees for the new District consisting of the members of the Library Commission of the old District. The new Board assumed their responsibilities at their first meeting on January 16, 1996, at which time the Library Commission ceased to exist. Consequently, all assets, liabilities and fund balances of the old District were transferred to the new District.

B. Component Unit

The reporting entity is the Blanchard/Santa Paula Library District – Blanchard Community Library. There are no component units included in this report which meets the criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39, No. 61, and No. 80.

C. Government-wide and Fund Financial Statements

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

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

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

D. Basis of Presentation

Government-wide and fund financial statements:

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Presentation (Continued)

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

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

Fund Financial Statements:

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

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

E. Basis of Accounting

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

Revenues – exchange and non-exchange transactions:

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

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include grants. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue:

Unearned revenues arise when assets are received before revenue recognition criteria have been satisfied. Grants received before eligibility requirements are met are recorded as unearned revenue.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Basis of Accounting (Continued)

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

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

F. Fund Accounting

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

Major Governmental Funds:

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

The *Literacy Programs Fund* accounts for special revenues restricted for the District's literacy program (FLAIR).

G. Use of Estimates

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

H. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the major funds. All annual appropriations lapse at fiscal year-end.

I. Cash and Investments

The unexpended cash of the General Fund is deposited in the County of Ventura Treasury and the City of Santa Paula. The County and the City maintain cash and investment pools and allocates interest to the various funds based upon the average monthly cash balances. Other cash deposits are held in various local banks in the District's name and are insured by the FDIC. Investments are stated at fair value.

J. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. For budgetary purposes, appropriations lapse at fiscal year-end except for that portion related to encumbered amounts. Encumbrances outstanding at year-end are carried forward to the new fiscal year. Such encumbrances constitute the equivalent of expenditures for budgetary purposes and accordingly, the accompanying financial statements present comparisons of actual results to the budgets of governmental funds on the budget basis of accounting.

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets

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

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

Equipment and vehicles	5 to 7 years
Furniture and fixtures	7 years
Buildings and improvements	30 years

L. Prepaid Items

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

M. Long-term Obligations

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

N. Compensated Absences

Twenty-five percent of sick leave pay, after ten years of service, and all vacation leave pay plus related payroll taxes are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

O. Fund Balances

Fund balance of the governmental funds are classified as follows:

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

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

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

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Balances (continued)

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

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

P. Net Position

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

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

Q. Deferred Outflows and Inflows of Resources

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The District has two items which qualify for reporting in this category; refer to Notes 6 and 7 for a detailed listing of the deferred outflows of resources the District has reported.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has two items which qualify for reporting in this category; refer to Notes 6 and 7 for a detailed listing of the deferred inflows of resources the District has reported.

R. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Blanchard/Santa Paula Library District’s California Public Employees’ Retirement System (CalPERS) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

S. OPEB

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. Future Accounting Pronouncements

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

Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after June 15, 2021.
Statement No. 89	"Accounting for Interest Cost Incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2020.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2021.
Statement No. 92	"Omnibus 2020"	The provisions of this statement are effective for fiscal years beginning after June 15, 2021.
Statement No. 93	"Replacement of Interbank Offered Rates"	The provision of this statement except for paragraphs 11b, 13, and 14 are effective for fiscal years beginning after June 15, 2020. Paragraph 11b is effective for fiscal years beginning after December 31, 2021. Paragraphs 13 and 14 are effective for fiscal years beginning after June 15, 2021.
Statement No. 94	"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 96	"Subscription-Based Information Technology Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 97	"Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32"	The provision of this statement except for paragraphs 6-9 are effective for fiscal years beginning after December 15, 2019. Paragraph 6-9 is effective for fiscal years beginning after June 15, 2021.

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – CASH AND INVESTMENTS

On June 30, 2021, the District had the following cash and investments on hand:

Cash on hand	\$ 411
Cash in bank	222,192
Cash and investments with the City of Santa Paula	190,288
Cash and investments with the Ventura County Treasurer	1,154,361
Negotiable Certificates of Deposit	<u>388,046</u>
 Total cash and investments	 <u>\$ 1,955,298</u>

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

Cash and investments, statement of net position	<u>\$ 1,955,298</u>
---	---------------------

The District categorizes its fair value measurements within the fair value hierarchy established by U.S. Generally Accepted Accounting Principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Fair value of assets measured on a recurring basis at June 30, 2021, are as follows:

June 30, 2021	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Uncategorized (Level 3)
Negotiable Certificates of Deposit	\$ 388,046	\$ 388,046	\$ -	\$ -
Investments with the Ventura County Treasurer	1,154,361		1,154,361	
City of Santa Paula Investment Pool	190,288		190,288	
	<u>\$ 1,732,695</u>	<u>\$ 388,046</u>	<u>\$ 1,344,649</u>	<u>\$ -</u>

Investments Authorized by the California Government Code

The following table identifies the investment types that are authorized for the District by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
City Pooled Investment Fund	N/A	None	None
County Pooled Investment Fund	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
JPA Pools (other investment pools)	N/A	None	None

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – CASH AND INVESTMENTS (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investments by maturity:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months Or Less</u>	<u>13-24 Months</u>	<u>25-60 Months</u>	<u>More than 60 Months</u>
Ventura County Investment Pool	\$ 1,154,361	\$ 1,154,361	\$ -	\$ -	\$ -
City of Santa Paula Investment Pool	190,288	190,288			
Negotiable Certificates of Deposit	<u>388,046</u>	<u>76,927</u>	<u>311,119</u>		
Total	<u>\$ 1,732,695</u>	<u>\$ 1,421,576</u>	<u>\$ 311,119</u>	<u>\$ -</u>	<u>\$ -</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented on the following page, is the minimum rating required by the California Government Code, the District’s investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Fiscal Year End</u>		
				<u>AAA</u>	<u>Aa</u>	<u>Not Rated</u>
Ventura County Investment Pool	\$1,154,361	N/A	\$ -	\$ -	\$ -	\$1,154,361
City of Santa Paula Investment Pool	190,288	N/A				190,288
Negotiable Certificates of Deposit	<u>388,046</u>	N/A				<u>388,046</u>
Total	<u>\$1,732,695</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,732,695</u>

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The District currently holds negotiable certificates of deposit with American Express of \$232,840 and Capital One of \$80,135 that are over 5% of the District’s total investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – CASH AND INVESTMENTS (Continued)

Custodial Credit Risk (Continued)

exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or governmental investment pools (such as the Ventura County Investment Pool).

As of June 30, 2021, none of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

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

NOTE 3 – PROPERTY TAXES

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

Property Valuations - are established by the Assessor of the County of Ventura for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. From the base assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal.

Tax Levies - are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Tax Levy Dates - are attached annually on January 1, preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at the time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

Tax Collections - are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property may be paid in two installments: the first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the county for late payments.

Tax Levy Apportionments - Due to the nature of the District-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under State legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the county auditor-controller based primarily on the ratio that each agency represented of the total District-wide levy for the three years prior to fiscal year 1979.

Property Tax Administration Fees - The State of California FY 90-91 Budget Act authorized Counties to collect an

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – PROPERTY TAXES (Continued)

administrative fee for collection and distribution of property taxes.

NOTE 4 – CAPITAL ASSETS

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

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Governmental activities				
Non-depreciable capital assets:				
Land	\$ 69,309	\$ -	\$ -	\$ 69,309
Construction in progress	8,000			8,000
Total non-depreciable capital assets	<u>\$ 77,309</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,309</u>
Depreciable capital assets:				
Buildings	\$ 474,710	\$ -	\$ -	\$ 474,710
Equipment	312,198			312,198
Improvements	769,092			769,092
Furniture and fixtures	292,310			292,310
Total depreciable capital assets	<u>1,848,310</u>			<u>1,848,310</u>
Less accumulated depreciation	<u>1,383,969</u>	<u>43,340</u>		<u>1,427,309</u>
Net depreciable capital assets	<u>\$ 464,341</u>	<u>\$ (43,340)</u>	<u>\$ -</u>	<u>\$ 421,001</u>
Net capital assets	<u>\$ 541,650</u>	<u>\$ (43,340)</u>	<u>\$ -</u>	<u>\$ 498,310</u>

NOTE 5 – LONG-TERM LIABILITIES

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

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due Within One Year
Governmental activities:					
Compensated absences	\$ 39,456	\$ 36,956	\$ 20,148	\$ 56,264	\$ 5,626
Other post-employment benefits	1,021,239	103,806	29,674	1,095,371	
Net pension liability	590,754	88,744	66,918	612,580	
Total long-term liabilities:	<u>\$ 1,651,449</u>	<u>\$ 229,506</u>	<u>\$ 116,740</u>	<u>\$ 1,764,215</u>	<u>\$ 5,626</u>

NOTE 6 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

For eligible employees, the District provides for 100% of the cost of health insurance coverage for its retirees exclusive of family members subject to the following conditions:

- To be eligible for coverage, the retiree must have worked for the District for at least 10 years for 50% and 20 years for 100% coverage;
- Upon reaching age 65, retirees and their dependents are only eligible for the District to provide supplemental benefits to their Medicare Plan;
- Upon death of the retiree, no further health insurance benefits will be paid.

Funding Policy

The District's Board of Directors will not be funding the plan in the current year, except on a pay-as-you-go basis. The Board will review the funding requirements and policy annually. No assets are accumulated in a trust that meets criteria in paragraph 4 of GASB Statement 75.

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Employees Covered

As of June 30, 2021, actuarial valuation, the following current and former employees were covered by the benefit terms under the District’s plan:

Active plan members	5
Inactive plan members or beneficiaries currently receiving benefits	7
Inactive plan members or beneficiaries currently not receiving benefits	1
	13
	13

OPEB Liability

The District’s OPEB Liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2020. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

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

Salary increases	3.25%
Discount rate	2.66% as of June 30, 2020, 2.18% as of June 30, 2021
Healthcare cost trend rate	7.5% as of June 30, 2019
Assumed wage inflation	3.25%
General inflation rate	2.75%

Pre-retirement mortality rates were based on Macleod Watts Scale 2017 applied generally from 2008 on.

Actuarial assumptions used in the June 30, 2020 valuation were based on a review of plan experience during the period July 1, 2020 to June 30, 2021.

Discount rate. GASB 75 requires a discount rate that reflects the following:

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

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

Reporting Date	Measurement Date	Long-Term		
		Expected Return (if any)	Municipal Bond of Plan Investments 20 Year High Grade	Discount Rate
July 1, 2017	July 1, 2017	4%	3.13%	3.13%
June 30, 2018	June 30, 2018	4%	2.92%	2.92%
June 30, 2019	June 30, 2019	4%	2.79%	2.79%
June 30, 2020	June 30, 2020	4%	2.66%	2.66%
June 30, 2021	June 30, 2021	4%	2.18%	2.18%

Change of Assumptions: The change in assumptions reflect a discount change from 2.66% in 2020 to 2.18% in 2021.

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Changes in the OPEB Liability

	<u>Total OPEB Liability</u>
Balance at June 30, 2020 (Valuation Date July 1, 2020)	\$ 1,021,239
Changes recognized for the measurement period:	
Service Cost	41,341
Interest Cost	27,870
Changes of benefit terms	
Difference between expected and actual experience	
Changes of assumptions	34,595
Benefit payments	<u>(29,674)</u>
Net Changes	74,132
Balance at June 30, 2021 (Measurement Date June 30, 2021)	<u><u>\$ 1,095,371</u></u>

Sensitivity of the OPEB liability to changes in the discount rate. The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.66%) or 1-percentage-point higher (3.66%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
OPEB Liability	\$ 1,335,388	\$ 1,095,371	\$ 909,585

Sensitivity of the OPEB liability to changes in the healthcare cost trend rates. The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
OPEB Liability	\$ 870,533	\$ 1,095,371	\$ 1,411,350

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

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$94,111. As of the fiscal year ended June 30, 2021, the District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 130,790
Change in assumptions	182,748	
	<u>\$ 182,748</u>	<u>\$ 130,790</u>

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – POST EMPLOYEMENT BENEFITS OTHER THAN PENSIONS (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Fiscal year ending June 30,</u>	<u>Amount</u>
2022	\$ 19,609
2023	13,384
2024	7,746
2025	5,844
2026	5,375
	<u>\$ 51,958</u>

NOTE 7 – PENSION PLAN

A. General Information about the Pension Plans

Plan Descriptions

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

Benefits Provided

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

The Plans’ provisions and benefits in effect at June 30, 2020 are summarized as follows:

	<u>Miscellaneous</u>	
	<u>Prior to</u>	<u>On or after</u>
Hire Date	<u>January 1, 2013</u>	<u>January 1, 2013</u>
Benefit formula	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52-67
Monthly benefits, as a % of eligible compensation	2.0% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.0%	6.25%
Required employer contribution rates	8.79%	7.73%
Employer payment of unfunded liability	\$39,132	\$2,083

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 District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan from the District were \$52,634 for the fiscal year ended June 30, 2021.

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – PENSION PLAN (Continued)

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

At June 30, 2021, the District reported a liability of \$612,580 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020 using standard roll-forward procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. The District’s proportionate share of the net pension liability for the miscellaneous plan as of June 30, 2019 and 2020 was as follows:

	<u>Miscellaneous</u>
Proportion-June 30, 2019	0.01475%
Proportion-June 30, 2020	<u>0.01452%</u>
Change-Increase (Decrease)	<u><u>-0.00023%</u></u>

For the fiscal year ended June 30, 2021, the District recognized pension expense of \$88,744. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 23,558	\$ -
Differences between expected and actual experience	31,568	
Changes in assumptions		4,369
Net difference between projected and actual earnings on retirement plan investments	18,198	
Adjustment due to differences in proportions	5,077	
Difference in actual contributions and proportionate share of contributions		14,015
	<u>\$ 78,401</u>	<u>\$ 18,384</u>

\$23,558 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2022	\$ (301)
2023	15,465
2024	12,565
2025	8,730
	<u>\$ 36,459</u>

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions:

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – PENSION PLAN (Continued)

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

Actuarial Assumptions (Continued)

	Miscellaneous
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7% Net Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality	Derived using CalPERS' Membership Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies; 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the 2017 experience study report.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF B), CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund, including PERF B. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2022. Any changes to the discount rate will require Board action and proper shareholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2021-22 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as it has changed its methodology.

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

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 Employee's Retirement Fund) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. 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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – PENSION PLAN (Continued)

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

Discount Rate (continued)

(11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

Asset Class	New Strategic Allocation	Real Return Years 1-10(a)	Real Return Years 11+(b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.0% was used for this period.

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

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

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

	1% Decrease 6.15%	Discount Rate 7.15%	1% Increase 8.15%
District's proportionate share of the net pension plan liability	\$ 903,643	\$ 612,580	\$ 372,083

Pension Plan Fiduciary Net Position

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

C. Payable to Pension Plan

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – CONTINGENCIES

According to the District's Management, no contingent liabilities are outstanding and no lawsuits of any real financial consequence are pending. The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements would not be material.

NOTE 9 – RISK MANAGEMENT

The District participates in the Special District Risk Management Authority, a joint powers agency formed pursuant to Section 6500 et. seq., California Government Code, comprised of California special districts and agencies including such districts, is referred to as SDRMA. SDRMA provides district insurance coverage, including workers' compensation. The District is exposed to various risks of losses related to the public, damage to assets and errors and omissions. SDRMA provides liability, property, inverse condemnation, and public official's liability coverage. Individual claims (and aggregate public liability and property claims) in excess of specified levels are covered by excess insurance policies purchased from commercial carriers. A Board comprised of members from participating districts governs SDRMA. The board controls the operations of SDRMA, including selection of management and approval of operating budgets, independent of any influence by the members beyond their representation on the board. Each member would share in any risk margin deficiencies proportionally to its participation in SDRMA. SDRMA provides basic liability coverage of \$2,500,000 with \$2,500,000 maximum per occurrence/aggregate where applicable. The District's deductibles are \$1,000 on property, \$1,000 on boiler and machinery, \$1,000 on auto, and \$500 on personal injury.

NOTE 10 – SUBSEQUENT EVENTS

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity as of the date of issuance of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

BLANCHARD/SANTA PAULA LIBRARY DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 464,230	\$ 464,230	\$ 575,590	\$ 111,360
Special assessment tax	314,000	314,000	311,219	(2,781)
Library services			1,300	1,300
Interest income	12,000	12,000	437	(11,563)
Donations/memorials	35,040	35,040	32,869	(2,171)
Impact fees			34,995	34,995
State/Federal/Other grants	1,000	1,000		(1,000)
Miscellaneous	2,400	2,400	5,906	3,506
Total revenues	828,670	828,670	962,316	133,646
Expenditures:				
Salaries and employee benefits	550,440	550,440	625,730	(75,290)
Services and supplies	265,040	265,040	185,104	79,936
Utilities	34,560	34,560	31,718	2,842
Payments to Black Gold			60,828	(60,828)
Capital outlay				
Total expenditures	850,040	850,040	903,380	(53,340)
Excess (deficiency) of revenues over expenditures	(21,370)	(21,370)	58,936	80,306
Other Financing Sources (Uses):				
Transfers			133,531	133,531
Total other financing sources (uses)			133,531	133,531
Net change in fund balances	(21,370)	(21,370)	192,467	213,837
Fund balance - July 1	1,727,819	1,727,819	1,727,819	
Fund balance - June 30	\$ 1,706,449	\$ 1,706,449	\$ 1,920,286	\$ 213,837

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
LITERACY PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Donations/memorials	\$ -	\$ -	\$ -	\$ -
State/Federal/Other grants			61,590	61,590
Total revenues			61,590	61,590
Expenditures:				
Salaries and employee benefits				
Services and supplies				
Total expenditures				
Excess (deficiency) of revenues over expenditures			61,590	61,590
Other Financing Sources (Uses):				
Transfers			(133,531)	(133,531)
Total other financing sources (uses)			(133,531)	(133,531)
Net change in fund balances			(71,941)	(71,941)
Fund balance - July 1	71,941	71,941	71,941	
Fund balance - June 30	<u>\$ 71,941</u>	<u>\$ 71,941</u>	<u>\$ -</u>	<u>\$ (71,941)</u>

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 LAST 10 YEARS*
 AS OF JUNE 30, 2021

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the net pension liability	0.00577%	0.00577%	0.00580%	0.00580%
Proportionate share of the net pension liability	\$ 612,580	\$ 590,754	\$ 558,665	\$ 575,561
Covered payroll	\$ 402,480	\$ 341,511	\$ 321,644	\$ 281,457
Proportionate share of the net pension liability as percentage of covered payroll	152.20%	172.98%	173.69%	204.49%
Plan's total pension liability	\$ 43,702,930,887	\$ 41,426,453,489	\$ 38,944,855,364	\$ 37,161,348,332
Plan's fiduciary net position	\$ 32,822,501,335	\$ 31,179,414,067	\$ 29,308,589,559	\$ 27,244,095,376
Plan fiduciary net position as a percentage of the total pension liability	75.10%	75.26%	75.26%	73.31%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Proportion of the net pension liability	0.00621%	0.00579%	0.00747%	
Proportionate share of the net pension liability	\$ 537,602	\$ 397,121	\$ 464,790	
Covered payroll	\$ 270,912	\$ 260,546	\$ 278,703	
Proportionate share of the net pension liability as percentage of covered payroll	198.44%	152.42%	166.77%	
Plan's total pension liability	\$ 33,358,627,624	\$ 31,771,217,402	\$ 30,829,966,631	
Plan's fiduciary net position	\$ 24,705,532,291	\$ 24,907,305,871	\$ 24,607,502,515	
Plan fiduciary net position as a percentage of the total pension liability	74.06%	78.40%	79.82%	

Notes to Schedule:

Changes in assumptions - In 2018, inflation was changed from 2.75% to 2.50% and individual salary increases and overall payroll growth were reduced from 3.00% to 2.75%.

Changes in assumptions - In 2017, as part of the Asset Liability Management review cycle, the discount rate was changed from 7.65% to 7.15%.

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

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

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
SCHEDULE OF PENSION CONTRIBUTIONS
LAST 10 YEARS
AS OF JUNE 30, 2021

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

	2021	2020	2019	2018
Contractually required contribution (actuarially determined)	\$ 52,634	\$ 75,878	\$ 64,303	\$ 55,966
Contribution in relation to the actuarially determined contributions	(52,634)	(75,878)	(64,303)	(55,966)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 283,715	\$ 402,480	\$ 341,511	\$ 321,644
Contributions as a percentage of covered payroll	18.55%	18.85%	18.83%	17.40%
	2017	2016	2015	
Contractually required contribution (actuarially determined)	\$ 48,945	\$ 46,610	\$ 41,972	
Contribution in relation to the actuarially determined contributions	(48,945)	(46,610)	(41,972)	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	
Covered payroll	\$ 281,457	\$ 270,912	\$ 260,546	
Contributions as a percentage of covered payroll	17.39%	17.20%	16.11%	

Notes to Schedule

Valuation Date: 6/30/2016

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2015/2016 were derived from the June 30, 2013 funding valuation report.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2013 funding valuation report.
Inflation	2.75%
Salary Increases	Varies by entry age and service
Payroll Growth	3.00%
Investment Rate of Return	7.375% net of pension plan investment and administrative expenses; includes inflation.
Retirement Age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

There were no changes in methods or assumptions used to determine the legally required contributions, which are actuarially determined, from the June 30, 2012 to the June 30, 2013 funding valuation report.

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS
 Last 10 Years*
 As of June 30, 2021

Measurement Period	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 41,341	\$ 38,764	\$ 36,381	\$ 33,556
Interest on the total OPEB liability	27,870	27,562	27,292	27,208
Actual and expected experience difference				
Changes in assumptions	34,595	24,950	23,354	34,209
Changes in benefit terms				
Benefit payments	(29,674)	(38,285)	(34,129)	(30,656)
Net change in total OPEB liability	<u>74,132</u>	<u>52,991</u>	<u>52,898</u>	<u>64,317</u>
Total OPEB liability-beginning	1,021,239	968,248	915,350	851,033
Total OPEB liability-ending	<u>\$ 1,095,371</u>	<u>\$ 1,021,239</u>	<u>\$ 968,248</u>	<u>\$ 915,350</u>
Covered Payroll	\$ 302,129	\$ 323,154	\$ 293,337	\$ 342,563
Total OPEB Liability as a percentage of covered payroll	362.55%	316.02%	330.08%	267.21%

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

BLANCHARD/SANTA PAULA LIBRARY DISTRICT
SCHEDULE OF OPEB CONTRIBUTIONS
Last 10 Years*
As of June 30, 2021

The District's contribution for the fiscal year ended June 30, 2021, was \$29,674. The District did not have an actuary calculate the Annually Determined Contribution for the fiscal year ended June 30, 2021, therefore the District does not need to comply with GASB 75's Required Supplementary Information requirements.

The District's contribution for the fiscal year ended June 30, 2020, was \$38,285. The District did not have an actuary calculate the Annually Determined Contribution for the fiscal year ended June 30, 2020, therefore the District does not need to comply with GASB 75's Required Supplementary Information requirements.

The District's contribution for the fiscal year ended June 30, 2019, was \$34,129. The District did not have an actuary calculate the Annually Determined Contribution for the fiscal year ended June 30, 2019, therefore the District does not need to comply with GASB 75's Required Supplementary Information requirements.

The District's contribution for the fiscal year ended June 30, 2018, was \$30,656. The District did not have an actuary calculate the Annually Determined Contribution for the fiscal year ended June 30, 2018, therefore the District does not need to comply with GASB 75's Required Supplementary Information requirements.

REGULAR MEETING OF MARCH 22, 2022
K(a)(i) REPORTS: PUBLIC SERVICES

FEBRUARY 2022 ADULT SERVICES REPORT

Programs & Services

There were no adult programs in February.

Additional Connectivity Kits + Upgrades



Nine additional Connectivity Kits were distributed to the library via the California State Library. This shipment also included upgrades (laptop bags, mice, headset) for the nine kits originally received in September 2021. Funding for these kits and peripherals was made available through the American Rescue Plan Act (ARPA).

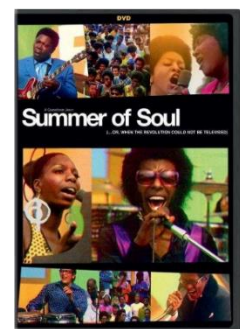
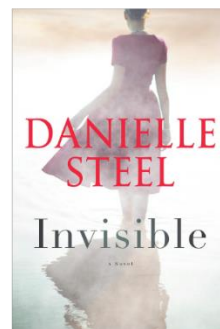
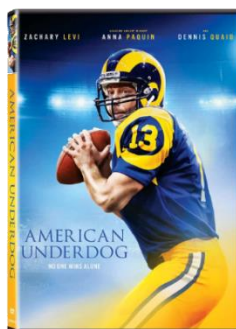
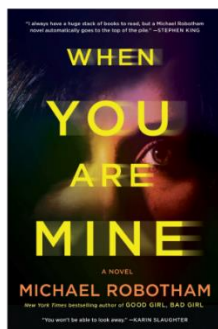
To date, the California State Library supplied Connectivity Kits have circulated a total of 82 times. Due to their popularity, loan periods have been extended from one week to three weeks.

Collection

126 adult-oriented items were added to the collection in February 2022.

2022	FICTION	NON-FIC	LARGE PRINT	SPANISH	AUDIO	DVD	BLU-RAY
JULY	17	5	0	0	0	49	3
AUGUST	48	62	3	6	0	69	3
SEPTEMBER	23	8	1	0	4	28	6
OCTOBER	56	66	4	9	1	19	6
NOVEMBER	49	60	7	4	0	3	1
DECEMBER	34	26	2	7	3	17	7
JANUARY	60	24	2	7	2	9	2
FEBRUARY	62	28	1	3	3	20	9

Five of the most popular items added this month were...



February 2022 BEST Learning Center Library Board Report

Adult Literacy

One- To-One Adult Literacy Tutoring

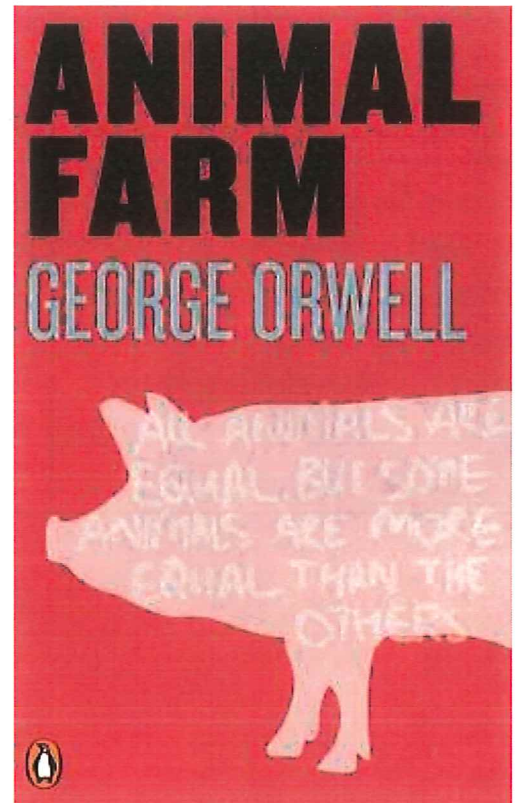
In February adult literacy tutors and learners spent a combined total of 149 hours practicing reading and writing skills.

BEST Virtual Book Discussion with Tricia Lemmon

Participants of our weekly *Best Virtual Book Discussion* began reading an abridged version of *Animal Farm* by George Orwell. Our facilitator, Tricia Lemmon has dedicated several hours modifying the original text to a simplified version more suitable for emerging readers.

ESL Funds Awarded by California Library Literacy Services

We are very pleased to report that BEST Adult Learning Center was awarded \$10,500 dollars from California Library Literacy Services to support ESL services and programming. Our proposed program plan consists of a beginning ESL class taught by a credentialed ESL instructor, an English conversational group, and one-to-one ESL tutoring for adult learners who possess beginning to intermediate conversational English skills. Literacy staff is currently recruiting teachers for the beginning ESL class and conversational English group.



Family Literacy:

BEST hosted 4 *Families Connect* sessions in February. *Families Connect* promotes early literacy and family engagement through interactive storytimes and play-based learning activities. Unfortunately, we didn't receive any attendance for *Families Connect* this month. We anticipate that this was mainly due to the recent Omicron surge and suspect caregivers had reservations about attending in-person programming with their small children. Despite this setback, BEST will remain optimistic and continue to offer *Families Connect* sessions moving forward.

February sessions comprised of the following;

- 2/2: Lunar New Year Celebration
- 2/9: National Pizza Day
- 2/16: Hugs and Kisses
- 2/23: National California Day

Note: Statistics on page 2

Statistics:

One-To-One Tutoring (ALS)	Adult Literacy Small Groups
Active Tutors: 10 Active Learners: 9 Total Learner Hours: 72 hrs. Total Tutor Hours: 77hrs. Total Tutoring Hours: 149 hrs.	BEST Virtual Book Discussion: Total participants: 20

REGULAR MEETING OF MARCH 22, 2022
K(a)(ii) REPORTS: FACILITIES

REGULAR MEETING OF MARCH 22, 2022
K(a)(iii) REPORTS: DISTRICT DIRECTOR'S REPORT

1. Statistics
2. Status of library operations as a result of state and county health orders regarding mitigation of COVID 19/staff vaccination.