

NLS Executive Committee Meeting

Thursday, May 24, 2018

1:00 p.m. – 3:00 p.m.

Sutter County Library
750 Forbes Ave., Yuba City, CA 95991

- | | | |
|---|------------------|---------------------|
| 1. Welcome and Roll Call | Lightbody, Chair | |
| 2. Public Invited to Comment | Lightbody | |
| 3. Adoption of Agenda (Action Item) | Lightbody | |
| 4. Approve Minutes of 2/26/2018 (Action Item) | Brinkley | Attachment 1 pg. 3 |
| 5. Old Business | | |
| A. Link+ Delivery Study Update | Frost | |
| B. Review Bylaws Revision and Recommend Adoption by the NLS Administrative Council (Action Item) | Hunt | Attachment 2 pg. 5 |
| C. Annual Meeting Planning for June 15, 2018
Administrative Council Meeting | Brinkley | Attachment 3 pg. 18 |
| 6. New Business | | |
| A. Discussion about CLSA Distribution to Libraries as Revenue | Frost/Perry | |
| B. Review Election of Executive Committee & Officers for FY 2018/19 and Recommend Adoption to the NLS Administrative Council (Action Item) | | Attachment 4 pg. 19 |
| C. NLS LSTA Grant "Career Visioning for New Adults in Rural California" | | Attachment 5 pg. 20 |
| D. Review Draft NLS FY 2018/19 CLSA Plan of Service and Recommend Adoption to the NLS Administrative Council (Action Item) | Brinkley | Attachment 6 pg. 25 |
| E. Review NLS Califa membership and Consider Renewal (Action Item) | Frost | Attachment 7 pg. 35 |
| F. Review and Approval of Amendment to NLS/PLP FY 2018/19 Contract to reflect NLS Additional Work (Action Item) | Frost | Attachment 8 pg. 36 |
| G. Review and Approval of NLS FY 2018/19 Draft Budget, and Recommend Adoption to the NLS Administrative Council (to be distributed separately) (Action Item) | Yon | |
| H. Approve NLS FY 2016/17 Financial Audit (Action item) | Yon | Attachment 9 pg. 39 |

7. System Chair Report

Lightbody

8. Next Executive Committee Meeting Date

9. Adjournment

Brown Act: The legislative body of a local agency may use teleconferencing in connection with any meeting or proceeding authorized by law. Cal. Gov't Code § 54953(b)(1). A "teleconference" is "a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both." Cal. Gov't Code § 54953(b)(4). A local agency may provide the public with additional teleconference locations. Cal. Gov't Code § 54953(b)(4).

The teleconferenced meeting must meet the following requirements:

- (1) it must comply with all of the Act's requirements applicable to other meetings;
- (2) all votes must be taken by roll call;
- (3) agendas must be posted at all teleconference locations and the meeting must be conducted in a manner that protects the statutory and constitutional rights of the parties or public appearing before the body;
- (4) each teleconference location must be identified in the notice and agenda and each location must be accessible to the public;
- (5) during the teleconferenced meeting, at least a quorum of the members of the legislative body must participate from locations within the boundaries of the body's jurisdiction; and
- (6) the agenda must provide the public with an opportunity to address the legislative body at each teleconference location. Cal. Gov't Code § 54953(b).

Meeting Locations

NLS Admin office, 2471 Flores Street, San Mateo, CA 94403
Benicia Public Library, 150 East L Street, Benicia, CA 94510
Butte County Library, 110 Oak Grove Parkway, Oroville, CA 95966
Colusa County Library, 738 Market Street, Colusa, CA 95932
Lincoln Public Library, 485 Twelve Bridges Drive, Lincoln, CA 95648
Mono County Free Library, 400 Sierra Park Road, Mammoth Lakes, CA 93546
Solano County Library, 1150 Kentucky Street, Fairfield, CA 94533
Sutter County Library, 750 Forbes Avenue, Yuba City, CA 95991
Tehama County Library, 545 Diamond Avenue, Red Bluff, CA 96080

Conference Information

Phone Number: 1-877-216-1555

Passcode: 907394

DRAFT MINUTES

NLS Special Executive Committee Meeting

February 26, 2018

1. **Welcome and Roll Call** –Chair, Mel Lightbody, Butte County, called the meeting to order at 12:02 p.m. Also present were NLS Executive Committee members Todd Deck, Tehama County, Suzanne Olawski, Solano County Library, James Ochsner, Sutter County Library, and Kathryn Hunt, Lincoln Public Library. Also attending, Tom Poure, Library Systems & Services, Carol Frost, Pacific Library Partnership, and Jacquie Brinkley, NorthNet Library System Coordinator.
2. **Public Invited to Comment** – Tom Poure, LS&S was introduced and welcomed by Lightbody. Poure thanked NLS Executive Committee for allowing him to speak later in the Agenda (Item 5. A.)
3. **Motion to adopt Agenda.** Brinkley noted an error in Attachment 4 – staff recommendation of amount for contract of LINK+ Delivery Study. Correct amount should be “not to exceed \$20,000.” With correction, Hunt moved; Olawski seconded. Motion carried.
4. **Motion to Approve Minutes of 2/2/2018 Executive Committee Meeting.** Deck moved; Ochsner seconded. Motion carried.
5. **Old Business**
 - A. Tom Poure of LS&S presented to the Executive Committee in support of the LS&S response to the NLS Request for Proposal to contract for administrative services. No additional questions from the Executive Committee to Poure.
 - B. Carol Frost of Pacific Library Partnership presented to the Executive Committee in support of the PLP response to the NLS Request for Proposal to contract for administrative services. No additional questions from the Executive Committee to Frost.

Olawski stated that she supported the renewal of contract services with PLP.
 - C. The NLS ad hoc Committee recommended awarding the contract for NLS Fiscal and Administrative Services to Pacific Library Partnership in the amount of \$124,000.

Motion to award the contract for NLS Fiscal and Administrative Services to Pacific Library Partnership in the amount of \$124,000. Ochsner moved; Olawski seconded. Motion carried.

Frost thanked the Executive Committee for their confidence in PLP’s administrative and fiscal management of NLS, and stated that she and staff look forward to continued service to NLS.

D. 1) Frost presented the draft Scope of Work for approved LINK+ Delivery Study.

Motion to approve Scope of Work for LINK+ Delivery Cost and Implementation Analysis. Deck moved; Hunt seconded. Motion carried.

2) Frost presented the draft contract in amount not to exceed \$20,000 for above Scope of Work and recommended NLS contract with Galecia Group to perform services as detailed in draft Scope.

Motion to approve draft contract for LINK+ Study and to award contract to Galecia Group in amount not to exceed \$20,000. Olawski moved; Ochsner seconded. Motion carried.

Olawski commented that because the delivery component of LINK+ is a significant factor, NLS will need to determine the cost for delivery to all interested libraries and that if NLS is committed to pursuing LINK+ for members, this information is necessary to know. Deck agreed. Lightbody agreed.

6. NEW BUSINESS

A. Lightbody discussed past history among and between CLSA Systems and described that at times Systems had not worked together or worked at cross-purposes. She stated that, at the invitation of NLS, Systems' Chairs met in November 2017, and again in February 2018 to discuss how to work together more effectively and to improve communications with the State Library and the California Library Services Board. Lightbody stated that all Chairs agreed that the Systems can all benefit by working together.

Motion to authorize Lightbody, as NLS Chair, to sign the Final Joint Letter of nine Cooperative Systems' Charis to the State Librarian.

Ochsner commented that with no substantial changes to the two versions of attached letter, he supported this motion.

Ochsner moved; Deck seconded. Motion carried.

Meeting Adjourned at 12:35 p.m.

BYLAWS OF THE NORTHNET LIBRARY SYSTEM

Article I. Name

The Joint Powers Agreement of the NorthNet Library System dated May 8, 2009 ("Agreement"), establishes a Joint Powers Authority to be known as the NorthNet Library System (NLS).

Article II. Objectives

NLS is a Regional Library Network as defined in Education Code Section 18810(s). The objectives of NLS shall be to implement and accomplish the purposes described in the Plan of Service agreed upon by the member organizations consistent with the provisions of the California Government Code, Sections 6500-6578 (Joint Exercise of Power), formed under the terms of the California Library Services Act (California Education Code, Section 18700 *et seq.*) and continuing under successor acts, and to otherwise accomplish the purpose and goals of the Agreement.

Article III. Membership

Section 1. Qualifications

- a. A member of NorthNet Library System is any cooperative library system that has the power to provide library services and is organized as a joint powers authority or a joint resolution agency (hereinafter, "System"), or any public library eligible to join Cooperative Library Systems as specified in the California Library Services Act [KH1] (hereinafter, "Public Library"). A System or Public Library may join NLS upon the application of its governing body and upon the consent a majority vote [KH2] of the NLS Administrative Council, provided that such agency has agreed to abide by all the terms of the Joint Powers Agreement and these Bylaws; and upon doing so shall be a member of NLS ("Member"). The individual libraries that comprise the cooperative library systems in NLS shall hereafter be referred to as "constituent libraries." While these constituent libraries shall have voting authority as described in these Bylaws, they shall not individually be considered Members of NLS. Public libraries that have applied individually to NLS shall be considered Members, and shall hereafter be referred to as "member libraries". A library may not be both a constituent library and a member library at the same time, but a former constituent library may apply to be a member library if its affiliated System has withdrawn from NorthNet Library System. [KH3]
- b. Non-public libraries may be admitted as "associate members" by following the same process as prospective member libraries or systems. [KH4]

Section 2. Fees, Dues and Assessments

- a. The NLS fiscal year is defined as July 1 to June 30, and membership fees payable to NLS by the constituent or member libraries of Members shall be in such amount as determined annually by action of the Administrative Council and in light of the Consumer Price Index (CPI [KH5]). In addition, the Council may adopt additional fees for specific services to Members or constituent libraries. The Administrative Council may set separate dues for associate members. [KH6]
- b. Constituent and member libraries are billed at the beginning of the fiscal year for the entire year. If after 90 days no payment has been received, the constituent or member library will be sent a letter informing the library that it needs to pay or submit a formal request for a waiver or reduction to be considered by the Executive Committee. Within 90 days of receiving the letter, the Executive Committee will notify the library if a reduction or waiver has been approved. If no payment or waiver request has been submitted by January 1, services to the constituent or member library will be terminated.

c. The waiver or reduction of membership fees may be requested by a constituent or member library when it has experienced a significant reduction in operating funds through the reduction of budget allocation from the local funding authority, the automatic termination of a local special tax or benefit assessment, or catastrophic loss such as flood, earthquake damage or fire.

e.—

Section 3. Withdrawal

A Member may withdraw by submitting a written notice of termination to the Chair of NLS,

provided that such notice is received between July 1 and September 1 of any year. In the event that a timely notice of termination is received, the termination shall take place effective July 1 of the succeeding year. Constituent libraries wishing to withdraw from any NLS Member System shall do so in accordance with the Bylaws of that individual System.

Article IV. Governance Structure

Section 1. Administrative Council Composition

Pursuant to Education Code Section 18747 (a), the Administrative Council, hereinafter called "Council," shall be comprised of ~~the~~^[KH7] the head librarian or duly authorized alternate of each constituent library and member library.

Section 2. Administrative Council Duties

Pursuant to Section 18747(a) and CSLA Regs. Sec. 20135, it shall be the responsibility of the Council to: oversee and administer the business of NLS; formulate policy and goals; adopt an annual plan of service; adopt an annual budget, and elect a Chair-Elect who shall be Vice-Chair and members of the Executive Committee. Any officer may resign or may be removed with or without cause by the Council at any time. The Council shall also perform additional duties imposed by law or defined in these Bylaws.

Section 3. Council Officers

a. Chair

The Chair-Elect shall assume the office of Chair on July 1 of the year following the Chair-Elect's second year of service as Vice-Chair. The Chair shall hold office for ~~one-~~^[KH8] two years or until he or she shall resign, be removed, or otherwise disqualified to serve, or until his or her successor shall be qualified. It shall be the duty of the Chair to preside at meetings of the Council; to prepare the agendas for meetings of the Council in consultation with the System Administrator; to execute contracts and other instruments on behalf of NLS as authorized by the Council or Executive Committee; to appoint committees as authorized by the Council; and to represent NLS as occasion demands. If the office of Chair becomes vacant by death, resignation, or removal, the Chair-Elect shall serve for the unexpired term.

b. Chair-Elect

At the annual meeting, the Council shall elect from among its members a Chair-Elect who shall serve as Vice-Chair. The Vice-Chair shall take office July 1. He or she shall hold office as Vice-Chair for ~~one-year~~^[KH9] two years or until he or she shall resign, be removed, be otherwise disqualified to serve, or until a successor shall be elected and qualified. He or she shall succeed to the office of Chair on July 1 of the ~~following-~~^[KH9] year following his or her second year of service. The Vice-Chair shall, in the absence or disability of the Chair, perform all the duties of the Chair and when so acting shall have the powers of, and be subject to the restrictions upon the Chair. If the office of Chair-Elect becomes vacant by death, resignation, or removal, the Executive Committee shall appoint a Chair-Elect who shall serve until the next regular meeting, when the appointment shall be confirmed by the Council. If the appointee is not confirmed, a Chair-Elect shall then be elected by the Council.

Section 4. System Administration

The Council shall provide for System Administration either by contracting with an agency or company or by employing personnel to conduct the business of NLS and serve as the System

Administrator. The System Administrator shall be responsible for administration of all NLS services and activities that have not been assigned to Members or constituent libraries.

- a. The System Administrator shall be responsible for the preparation of documents, grant applications and reports, preparing financial reports, maintaining financial records and conducting financial transactions and shall confer with legal counsel and the California State Library and shall conduct any other business as required.
- b. It shall also be the duty of the System Administrator to prepare and distribute notices and/or agendas in advance of meeting dates; to take and to transcribe the minutes of the Council and Executive Committee meetings; to certify official documents of the Council; and to maintain such official records as are required.
- c. The System Administrator shall maintain an office that will be the principal office for the transaction of the NLS business.
- d. If neither a contract is in force nor personnel are employed, the Chair or designee shall assume the duties usually assigned to the System Administrator.

Section 5. Standing Committees

5.1 Meetings of all standing committees shall be conducted in accordance with Article V, Sections 1-4 of these Bylaws.

5.2 Executive Committee

- a. The Council shall elect an Executive Committee annually, which shall consist of six Directors who shall be as representative as possible of the sizes and types of libraries that belong to NLS and of the geographic area comprising the NLS service area. The Chair, Vice-Chair and immediate past Chair shall serve in addition to the six Directors as members of the Executive Committee. The Chair shall preside at its meetings. The Vice-Chair shall preside in absence of the Chair. Five members of the Executive Committee shall constitute a quorum for the transaction of business.
- b. The Executive Committee shall supervise and direct the System Administrator and shall appoint interim NLS officers and members of the Executive Committee to fill vacant positions until the Council has the opportunity to meet to elect new ones.
- c. The Executive Committee shall be responsible for overseeing the day-to-day operations of NLS including but not limited to administering the budget, approving contracts, and recommending an annual budget and plan of service to the Council. The Executive Committee shall between Committee meetings act through the Chair, and in his/her absence, the Vice-Chair. The Executive Committee shall meet at least quarterly and all meetings shall be subject to the Brown Act. The Executive Committee shall have all necessary powers and authorities to take such actions as are necessary for NLS excepting only adoption of the annual budget, adoption of the annual plan of service, setting membership fees and charges, electing a Chair-Elect and Executive Committee, and adopting or revising these By-Laws and revising the Agreement, all of which are reserved to the Council.
- d. The Executive Committee shall have authority to adopt interpretations of these Bylaws and of the Agreement, which upon reasonable notice to members shall be binding except as disallowed by a vote of the Council.
- e. Executive Committee members shall serve a two-year term and may serve no more than two consecutive terms, not to include terms as Vice-Chair and/or Chair^[KH10]. Terms shall be staggered such that the terms of three members will conclude in even numbered years and those of three members in odd numbered years. Terms shall begin on July 1 and end on June 30.

5.3 Finance Committee

The Finance Committee includes the Chair, the Chair-Elect, and three members of the Executive Committee appointed by the Chair. The Finance Committee meets as needed to review and discuss matters related to NLS financial affairs including but not limited to budgets, grant requests, disbursements and transfers from restricted funds (reserves) and the management of financial assets. The Finance Committee reports to and makes recommendations to the Executive Committee. Three members shall constitute a quorum.

Section 6. Ad Hoc Committees

The Chair may appoint Ad Hoc committees as needed. Each Ad Hoc Committee will have a specific charge and projected sunset date. Members may include staff of constituent [or member libraries that are not members of Council.](#)

a. Ad Hoc Nominating Committee

The Chair shall annually appoint an Ad Hoc Nominating Committee consisting of at least two sitting Executive Committee members and at least one Council member that is not serving on the Executive Committee. The Ad Hoc Nominating Committee will be charged with nominating candidates for the following year to fill positions on the Executive Committee and to nominate one or more candidates to serve as Chair-Elect of NLS. A slate of candidates shall be submitted to the membership along with the agenda for the Council's Annual Meeting. The Committee will sunset after the Council's Annual Meeting.

Section 7. Communities of Interest

a. Communities of Interest may be established by the Executive Committee as needed. Their purposes are

- To encourage networking and information exchange among library staff;
- To serve as a forum for discussion and ideas related to their particular needs;
- To provide leadership development opportunities to member library staff.

b. Communities of Interest will be responsible for

- Electing their own chairs;
- Scheduling and running their own meetings;
- Choosing their information exchange topics and tools.

c. The System Administrator will assist the Communities of Interest as appropriate.

Article V. Meetings

Section 1. Generalities

The Council shall hold regular meetings at least annually, in order to evaluate the progress and goals of NLS, to adopt an annual budget and plan of service and to conduct elections for Chair-Elect and Executive Committee. The meeting at which elections are conducted shall be designated as the Annual Meeting.

Meetings of the Council, Executive Committee and Finance Committee may occur via electronic means such as telephone conference call, videoconference, or online meeting, provided, however, that all meetings, whether in person or electronic, shall be held in compliance with the Ralph M. Brown Act. Members of the public may attend any electronic meeting by requesting participation instructions from the System Administrator.

Section 2. Changes in Time and Place and Cancellation of Meetings

A meeting may be changed as to time or location or canceled upon approval of Chair of the Council at least 24 hours prior to the regular time of meeting, provided that written notice of such change of time or location is given to all Council members at least 24 hours prior to meeting time.

Section 3. Special Meetings

Special meetings may be called by the Chair of the Council. Notification of such special meetings shall be made to each Council member at least 24 hours before the time of such meeting. The call and notice shall specify the time and place of the special meeting and the business to be transacted. Special meetings shall also be announced to the public under the terms of the Brown Act.

Section 4. Adjournment

The Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting, the System Administrator or Chair may declare the meeting adjourned to a stated time and place. Written notification of such adjournment shall be made in accordance with law.

Section 5. Rules of Order

The rules contained in Roberts Rules of Order, latest revised edition, shall govern all meetings of the Council, except in instances of conflict between said Rules of Order and these Bylaws or the Agreement or provisions of law, in which case Rules of Order shall to that extent not control.

Section 6. Minutes

- a. A complete set of minutes as approved by the Council shall remain on file at the principal office of NLS, and shall be open to inspection by any person at all reasonable times during office hours.
- b. The approved minutes of every Council meeting and Executive Committee meeting shall be made available by posting on the NLS website for a period of at least three years.

Section 7. Voting

The Council shall be composed of the head librarian or duly authorized alternate of each constituent library which is that of any Member System, as well as of each member library. Each constituent and member library shall have one vote to be cast by its representative, except as specified herein.

Only public library Council members shall vote on the disposition of funds restricted to public library purposes under the California Library Services Act (CLSA) or other laws or agreements. Associate members shall not vote upon the disposition of funds which are restricted by law or the terms of their grant to public libraries purposes. ^[KH11] All Council members shall vote on issues that do not relate to CLSA. Decisions shall be made by a majority vote of the members present at Council meetings, except as provided herein.

25% of the total number of Council members shall constitute a quorum for the transaction of business.

Votes shall be taken by voice subject to the requirements of the Brown Act, except that a vote shall be repeated by tally at the request of the Chair or any Council member.

Article VI. Resolutions

An official copy of every resolution passed by the Council shall be attested by the System

Administrator and shall remain on file at the principal office of NLS and shall be open to inspection by any person at all reasonable times during office hours. All resolutions shall bear the date of passage and shall be numbered consecutively. Copies of any resolution shall be provided to any Council member upon request.

Article VII. Execution of Documents

The Executive Committee may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of NLS, and such authority may be general or confined to specific instruments; and unless so authorized by the Administrative Council, no officer, agent, or other person shall have any power or authority to bind NLS by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Article VIII. Adoption of Bylaws

New Bylaws may be adopted or these Bylaws may be amended or repealed by majority vote at any meeting of the Council at which a simple majority of Council members eligible to vote is represented. These Bylaws, and any Bylaws which may be adopted, shall be distributed within seven working days of their adoption to each Council member and to the System Administrator, and to such other persons, firms or agencies as may request them. The System shall keep in its principal office the original or a copy of these Bylaws as amended or otherwise altered to date, certified by the System Administrator, which shall be open to inspection by any person at all reasonable times during office hours.

Article IX. Termination of Agreement

The Agreement shall remain in effect until rescinded by all of the remaining parties, or until the withdrawal of all except one party; the occurrence of either event shall result in dissolution of NLS. In the event of acts constituting dissolution, the members of the Council remaining at that date shall continue as the governing board of the agency for the purpose of settling its affairs (“winding down”), and during the course of such winding down, shall exercise all powers granted by these Bylaws, as may be necessary or convenient in the accomplishment of its duties. When all agency affairs have been finally settled, the Council shall by resolution so declare, at which point the Agreement shall be of no further force or effect. In such winding down all assets of NLS will be converted to cash, or to forms of property converted for division and distribution, and following the payment of all just claims against the System, shall be distributed as follows:

- a. To the Federal and State governments if any applicable law requires the distribution of assets to these governments.
- b. Any remaining balance will be used to pay each member which has ever belonged to the System the amount of the dues and contributions of its constituent libraries, and if the balance is not sufficient, such payments shall be made on a pro rata basis.
- c. Any balance yet remaining shall be distributed among the parties which have belonged to the System on a pro rata basis of one point to each member for each full year of membership.

Adopted by NorthNet Council [03/07/13](#)

BYLAWS OF THE NORTHNET LIBRARY SYSTEM

Article I. Name

The Joint Powers Agreement of the NorthNet Library System dated May 8, 2009 (“Agreement”), establishes a Joint Powers Authority to be known as the NorthNet Library System (NLS).

Article II. Objectives

NLS is a Regional Library Network as defined in Education Code Section 18810(s). The objectives of NLS shall be to implement and accomplish the purposes described in the Plan of Service agreed upon by the member organizations consistent with the provisions of the California Government Code, Sections 6500-6578 (Joint Exercise of Power), formed under the terms of the California Library Services Act (California Education Code, Section 18700 *et seq.*) and continuing under successor acts, and to otherwise accomplish the purpose and goals of the Agreement.

Article III. Membership

Section 1. Qualifications

A member of NorthNet Library System is any cooperative library system that has the power to provide library services and is organized as a joint powers authority or a joint resolution agency (hereinafter, “System”), or any public library eligible to join Cooperative Library Systems as specified in the California Library Services Act (hereinafter, “Public Library”). A System or Public Library may join NLS upon the application of its governing body and upon a majority vote of the NLS Administrative Council, provided that such agency has agreed to abide by all the terms of the Joint Powers Agreement and these Bylaws; and upon doing so shall be a member of NLS (“Member”). The individual libraries that comprise the cooperative library systems in NLS shall hereafter be referred to as “constituent libraries.” While these constituent libraries shall have voting authority as described in these Bylaws, they shall not individually be considered Members of NLS. Public libraries that have applied individually to NLS shall be considered Members, and shall hereafter be referred to as “member libraries”. A library may not be both a constituent library and a member library at the same time, but a former constituent library may apply to be a member library if its affiliated System has withdrawn from NorthNet Library System.

Section 2. Fees, Dues and Assessments

- a. The NLS fiscal year is defined as July 1 to June 30, and membership fees payable to NLS by the constituent or member libraries shall be in such amount as determined annually by action of the Administrative Council and in light of the Consumer Price Index (CPI). In addition, the Council may adopt additional fees for specific services to Members or constituent libraries.
- b. Constituent and member libraries are billed at the beginning of the fiscal year for the entire year. If after 90 days no payment has been received, the constituent or member library will be sent a letter informing the library that it needs to pay or

submit a formal request for a waiver or reduction to be considered by the Executive Committee. Within 90 days of receiving the letter, the Executive Committee will notify the library if a reduction or waiver has been approved. If no payment or waiver request has been submitted by January 1, services to the constituent or member library will be terminated.

- c. The waiver or reduction of membership fees may be requested by a constituent or member library when it has experienced a significant reduction in operating funds through the reduction of budget allocation from the local funding authority, the automatic termination of a local special tax or benefit assessment, or catastrophic loss such as flood, earthquake damage or fire.

Section 3. Withdrawal

A Member may withdraw by submitting a written notice of termination to the Chair of NLS, provided that such notice is received between July 1 and September 1 of any year. In the event that a timely notice of termination is received, the termination shall take place effective July 1 of the succeeding year. Constituent libraries wishing to withdraw from any NLS Member System shall do so in accordance with the Bylaws of that individual System.

Article IV. Governance Structure

Section 1. Administrative Council Composition

Pursuant to Education Code Section 18747 (a), the Administrative Council, hereinafter called "Council," shall comprise the head librarian or duly authorized alternate of each constituent library and member library.

Section 2. Administrative Council Duties

Pursuant to Section 18747(a) and CSLA Regs. Sec. 20135, it shall be the responsibility of the Council to: oversee and administer the business of NLS; formulate policy and goals; adopt an annual plan of service; adopt an annual budget, and elect a Chair-Elect who shall be Vice-Chair and members of the Executive Committee. Any officer may resign or may be removed with or without cause by the Council at any time. The Council shall also perform additional duties imposed by law or defined in these Bylaws.

Section 3. Council Officers

a. Chair

The Chair-Elect shall assume the office of Chair on July 1 of the year following the Chair-Elect's second year of service as Vice-Chair. The Chair shall hold office for two years or until he or she shall resign, be removed, or otherwise disqualified to serve, or until his or her successor shall be qualified. It shall be the duty of the Chair to preside at meetings of the Council; to prepare the agendas for meetings of the Council in consultation with the System Administrator; to execute contracts and other instruments on behalf of NLS as authorized by the Council or Executive Committee; to appoint committees as authorized by the Council; and to represent NLS as occasion demands. If the office of Chair becomes vacant by death, resignation, or removal, the Chair-Elect shall serve for the unexpired term.

b. Chair-Elect

At the annual meeting, the Council shall elect from among its members a Chair-Elect who shall serve as Vice-Chair. The Vice-Chair shall take office July 1. He or she shall hold office as Vice-Chair for two years or until he or she shall resign, be removed, be otherwise disqualified to serve, or until a successor shall be elected and qualified. He or she shall succeed to the office of Chair on July 1 of the year following his or her second year of service. The Vice-Chair shall, in the absence or disability of the Chair, perform all the duties of the Chair and when so acting shall have the powers of, and be subject to the restrictions upon the Chair. If the office of Chair-Elect becomes vacant by death, resignation, or removal, the Executive Committee shall appoint a Chair-Elect who shall serve until the next regular meeting, when the appointment shall be confirmed by the Council. If the appointee is not confirmed, a Chair-Elect shall then be elected by the Council.

Section 4. System Administration

The Council shall provide for System Administration either by contracting with an agency or company or by employing personnel to conduct the business of NLS and serve as the System Administrator. The System Administrator shall be responsible for administration of all NLS services and activities that have not been assigned to Members or constituent libraries.

- a. The System Administrator shall be responsible for the preparation of documents, grant applications and reports, preparing financial reports, maintaining financial records and conducting financial transactions and shall confer with legal counsel and the California State Library and shall conduct any other business as required.
- b. It shall also be the duty of the System Administrator to prepare and distribute notices and/or agendas in advance of meeting dates; to take and to transcribe the minutes of the Council and Executive Committee meetings; to certify official documents of the Council; and to maintain such official records as are required.
- c. The System Administrator shall maintain an office that will be the principal office for the transaction of the NLS business.
- d. If neither a contract is in force nor personnel are employed, the Chair or designee shall assume the duties usually assigned to the System Administrator.

Section 5. Standing Committees

5.1 Meetings of all standing committees shall be conducted in accordance with Article V, Sections 1-4 of these Bylaws.

5.2 Executive Committee

- a. The Council shall elect an Executive Committee annually, which shall consist of six Directors who shall be as representative as possible of the sizes and types of libraries that belong to NLS and of the geographic area comprising the NLS service area. The Chair, Vice-Chair and immediate past Chair shall serve in addition to the six Directors as members of the Executive Committee. The Chair shall preside at its meetings. The Vice-Chair shall preside in absence of the Chair. Five members of the Executive

- Committee shall constitute a quorum for the transaction of business.
- b. The Executive Committee shall supervise and direct the System Administrator and shall appoint interim NLS officers and members of the Executive Committee to fill vacant positions until the Council has the opportunity to meet to elect new ones.
 - c. The Executive Committee shall be responsible for overseeing the day-to-day operations of NLS including but not limited to administering the budget, approving contracts, and recommending an annual budget and plan of service to the Council. The Executive Committee shall between Committee meetings act through the Chair, and in his/her absence, the Vice-Chair. The Executive Committee shall meet at least quarterly and all meetings shall be subject to the Brown Act. The Executive Committee shall have all necessary powers and authorities to take such actions as are necessary for NLS excepting only adoption of the annual budget, adoption of the annual plan of service, setting membership fees and charges, electing a Chair-Elect and Executive Committee, and adopting or revising these By-Laws and revising the Agreement, all of which are reserved to the Council.
 - d. The Executive Committee shall have authority to adopt interpretations of these Bylaws and of the Agreement, which upon reasonable notice to members shall be binding except as disallowed by a vote of the Council.
 - e. Executive Committee members shall serve a two-year term and may serve no more than two consecutive terms, not to include terms as Vice-Chair and/or Chair. Terms shall be staggered such that the terms of three members will conclude in even numbered years and those of three members in odd numbered years. Terms shall begin on July 1 and end on June 30.

5.3 Finance Committee

The Finance Committee includes the Chair, the Chair-Elect, and three members of the Executive Committee appointed by the Chair. The Finance Committee meets as needed to review and discuss matters related to NLS financial affairs including but not limited to budgets, grant requests, disbursements and transfers from restricted funds (reserves) and the management of financial assets. The Finance Committee reports to and makes recommendations to the Executive Committee. Three members shall constitute a quorum.

Section 6. Ad Hoc Committees

The Chair may appoint Ad Hoc committees as needed. Each Ad Hoc Committee will have a specific charge and projected sunset date. Members may include staff of constituent or member libraries that are not members of Council.

a. Ad Hoc Nominating Committee

The Chair shall annually appoint an Ad Hoc Nominating Committee consisting of at least two sitting Executive Committee members and at least one Council member that is not serving on the Executive Committee. The Ad Hoc Nominating Committee will be charged with nominating candidates for the following year to fill positions on the Executive Committee and to nominate one or more candidates to serve as Chair-Elect of NLS. A slate of candidates shall be submitted to the membership along with the agenda for the Council's Annual Meeting. The Committee will sunset after the Council's Annual Meeting.

Section 7. Communities of Interest

- a. Communities of Interest may be established by the Executive Committee as needed. Their purposes are
 - To encourage networking and information exchange among library staff;
 - To serve as a forum for discussion and ideas related to their particular needs;
 - To provide leadership development opportunities to member library staff.
- b. Communities of Interest will be responsible for
 - Electing their own chairs;
 - Scheduling and running their own meetings;
 - Choosing their information exchange topics and tools.
- c. The System Administrator will assist the Communities of Interest as appropriate.

Article V. Meetings

Section 1. Generalities

The Council shall hold regular meetings at least annually, in order to evaluate the progress and goals of NLS, to adopt an annual budget and plan of service and to conduct elections for Chair- Elect and Executive Committee. The meeting at which elections are conducted shall be designated as the Annual Meeting.

Meetings of the Council, Executive Committee and Finance Committee may occur via electronic means such as telephone conference call, videoconference, or online meeting, provided, however, that all meetings, whether in person or electronic, shall be held in compliance with the Ralph M. Brown Act. Members of the public may attend any electronic meeting by requesting participation instructions from the System Administrator.

Section 2. Changes in Time and Place and Cancellation of Meetings

A meeting may be changed as to time or location or canceled upon approval of Chair of the Council at least 24 hours prior to the regular time of meeting, provided that written notice of such change of time or location is given to all Council members at least 24 hours prior to meeting time.

Section 3. Special Meetings

Special meetings may be called by the Chair of the Council. Notification of such special meetings shall be made to each Council member at least 24 hours before the time of such meeting. The call and notice shall specify the time and place of the special meeting and the business to be transacted. Special meetings shall also be announced to the public under the terms of the Brown Act.

Section 4. Adjournment

The Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting, the System Administrator or Chair may declare the meeting adjourned to a stated time and place. Written notification of such adjournment shall be made in accordance with law.

Section 5. Rules of Order

The rules contained in Roberts Rules of Order, latest revised edition, shall govern all meetings of the Council, except in instances of conflict between said Rules of Order and these Bylaws or the Agreement or provisions of law, in which case Rules of Order shall to that extent not control.

Section 6. Minutes

- a. A complete set of minutes as approved by the Council shall remain on file at the principal office of NLS, and shall be open to inspection by any person at all reasonable times during office hours.
- b. The approved minutes of every Council meeting and Executive Committee meeting shall be made available by posting on the NLS website for a period of at least three years.

Section 7. Voting

The Council shall be composed of the head librarian or duly authorized alternate of each constituent library which is that of any Member System, as well as of each member library. Each constituent and member library shall have one vote to be cast by its representative, except as specified herein.

Only public library Council members shall vote on the disposition of funds restricted to public library purposes under the California Library Services Act (CLSA) or other laws or agreements. All Council members shall vote on issues that do not relate to CLSA. Decisions shall be made by a majority vote of the members present at Council meetings, except as provided herein.

25% of the total number of Council members shall constitute a quorum for the transaction of business.

Votes shall be taken by voice subject to the requirements of the Brown Act, except that a vote shall be repeated by tally at the request of the Chair or any Council member.

Article VI. Resolutions

An official copy of every resolution passed by the Council shall be attested by the System Administrator and shall remain on file at the principal office of NLS and shall be open to inspection by any person at all reasonable times during office hours. All resolutions shall bear the date of passage and shall be numbered consecutively. Copies of any resolution shall be provided to any Council member upon request.

Article VII. Execution of Documents

The Executive Committee may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of NLS, and such authority may be general or confined to specific instruments; and unless so authorized by the Administrative Council, no officer, agent, or other person shall have any power or authority to bind NLS by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Article VIII. Adoption of Bylaws

New Bylaws may be adopted or these Bylaws may be amended or repealed by majority vote at any meeting of the Council at which a simple majority of Council members eligible to vote is represented. These Bylaws, and any Bylaws which may be adopted, shall be distributed within seven working days of their adoption to each Council member and to the System Administrator, and to such other persons, firms or agencies as may request them. The System shall keep in its principal office the original or a copy of these Bylaws as amended or otherwise altered to date, certified by the System Administrator, which shall be open to inspection by any person at all reasonable times during office hours.

Article IX. Termination of Agreement

The Agreement shall remain in effect until rescinded by all of the remaining parties, or until the withdrawal of all except one party; the occurrence of either event shall result in dissolution of NLS. In the event of acts constituting dissolution, the members of the Council remaining at that date shall continue as the governing board of the agency for the purpose of settling its affairs ("winding down"), and during the course of such winding down, shall exercise all powers granted by these Bylaws, as may be necessary or convenient in the accomplishment of its duties. When all agency affairs have been finally settled, the Council shall by resolution so declare, at which point the Agreement shall be of no further force or effect. In such winding down all assets of NLS will be converted to cash, or to forms of property converted for division and distribution, and following the payment of all just claims against the System, shall be distributed as follows:

- a. To the Federal and State governments if any applicable law requires the distribution of assets to these governments.
- b. Any remaining balance will be used to pay each member which has ever belonged to the System the amount of the dues and contributions of its constituent libraries, and if the balance is not sufficient, such payments shall be made on a pro rata basis.
- c. Any balance yet remaining shall be distributed among the parties which have belonged to the System on a pro rata basis of one point to each member for each full year of membership.

Adopted by NorthNet Council

**Administrative Council Meeting
June 15, 2018– 9:30 a.m. - 2:30 p.m.**

**Solano County Library, Fairfield Cordelia Branch
5050 Business Center Drive Fairfield, CA 94534**

1. Welcome and Introductions Lightbody, Chair
2. Public Invited to Address the Council Lightbody
3. Approval of the Agenda Lightbody
4. Approve Consent Calendar Brinkley
 - A. Minutes of Administrative Council Meeting, January 19, 2018 Attachment
5. Report of Ad Hoc Nominating Committee Dodd, Easterwood, and Ochsner
 - A. Election of Chair, Vice Chair and Executive Committee Members Attachment
6. Approve FY 2018/19 CLSA Plan of Service & Budget Brinkley Attachment
7. Approve FY 2018/19 NLS/PLP Administrative Contract Frost Attachment
8. Approve FY 2018/19 NorthNet Library System Budget Frost/Brinkley
 - A. Membership Dues & Fees Attachment
 - B. NLS Budget Attachment
9. New Business
10. Presentations
 - 11:10 – 12:10
 - A. CalPERS update for NorthNet Legacy Systems – Isabel Safie, Partner, Best Best and Krieger
 - 1:10 – 2:30
 - B. Key Note Speaker – Joaquin Alvarado, Sutter County Library Aspen Institute - Community Participant
11. Adjournment
 - 12:15 – 1:00 p.m.
Working lunch to be provided.



2471 Flores Street, San Mateo, CA 94403
 650-349-5538 Fax: 650-349-5089

www.northnetlibs.org

To: NLS Executive Committee

Date: May 24, 2018

From: Ad hoc Nominating Committee (Lori Easterwood, David Dodd, James Ochsner)

Subject: Nominations for FY 2018/19 NLS Executive Committee & Officers

We nominate the following as officers for 2-year term ending 6/30/2020:

Chair: Todd Deck, Tehama County Library

Chair Elect/Vice-Chair: Suzanne Olawski, Solano County Library

Past Chair: Mel Lightbody, Butte County Library

Executive Committee members for 2-year term ending 6/30/2020:

Mark Fink, Yolo County Library

Jody Meza, Willows/Orland Public Library

Yolande Wilburn, Nevada County Library

Continuing to serve on the Executive Committee with terms ending 6/30/2019 are:

David Dodd, Benicia Public Library

Kathryn Hunt, Lincoln Public Library

James Ochsner, Sutter County Library

**CALIFORNIA STATE LIBRARY
LIBRARY SERVICES AND TECHNOLOGY ACT (LSTA)
PITCH-AN-IDEA REGIONAL/STATEWIDE PROPOSAL - FISCAL YEAR 2018/2019**

Attachment 5

Instructions – Please read carefully!

Welcome to Pitch-an-Idea Regional/Statewide! This form is meant to give the State Library an overview of your idea for an innovative project for grant funding. This is not an application; it's a written "pitch". Your pitch will be evaluated and, if successful, you will be given the green light to apply for grant funding.

Please answer all questions below. Email the completed form to Mickie Potter at mickie.potter@library.ca.gov by **Monday, April 9, 2018**. Incomplete and/or late submissions will not be considered.

Cover Page

1.	Lead Library/Organization:	NorthNet Library System			
2.	Co-Applicants	Pacific Library Partnership and Black Gold Cooperative Library System			
3.	Project Coordinator Name & Title:	Jacquie Brinkley, System Coordinator, NorthNet Library System			
4.	Business Phone Number:	916-873-2640	5.	Email Address:	brinkley@plpinfo.org
6.	Mailing Address:	2471 Flores St	City:	San Mateo	Zip: 94403
7.	Lead Library/Organization Director Name & Title:	Todd Deck, County Librarian, Tehama County & Chair Elect, NorthNet Library System			
8.	Business Phone Number:	530-529-2483 x101	9.	Email Address:	todd@tehamacountylibrary.org
10.	Mailing Address: (if different than above)		City:		Zip:
11.	Draft Project Title:	Career Visioning for New Adults in Rural California			
12.	Estimated funding amount: (minimum \$50,000, maximum \$250,000)	\$84,425			
13.	If this is a multi-year project, please give an estimate of future funding per year. (you can apply for between \$50,000 and \$250,000 per year)	\$0			

14.	We certify that we have reviewed the following documents and this proposed project adheres to the policies and guidelines described therein: (please check)
	<input checked="" type="checkbox"/> Pitch an Idea FAQs http://www.library.ca.gov/Content/StateTemplate/pdf/services/toLibraries/1819PAIFAQ.pdf <input checked="" type="checkbox"/> Restrictions on LSTA Funding http://www.library.ca.gov/Content/StateTemplate/pdf/services/toLibraries/FedRestUseFunds1819.pdf <input checked="" type="checkbox"/> Children's Internet Protection Act (CIPA) Compliance [public and school libraries] http://www.library.ca.gov/Content/StateTemplate/pdf/grants/lsta/CIPA.pdf <input checked="" type="checkbox"/> LSTA Eligibility Requirements http://www.library.ca.gov/Content/StateTemplate/pdf/grants/lsta/LSTAEligibility.pdf <input checked="" type="checkbox"/> California LSTA FY 2018-2022 Five Year Plan http://www.library.ca.gov/Content/StateTemplate/pdf/grants/lsta/CaliforniaFiveYearPlan2018-2022.pdf

15.	Signatures:
Project Coordinator:	<i>Jacquelyn Brinkley</i> Date: 4/9/2018
Lead Library/Organization Director/Designee:	<i>Todd Deck</i> Date: 4/9/2018

16.	<p>Please answer the following questions, using no more than two pages total (not including the cover page), using no smaller than 10 point font.</p>
	<p>1) What need or aspiration would you like to address with this grant project? What methods were used to determine that need or aspiration?</p> <p>According to the California State Library 5 year strategic plan, 80% of California is considered rural. Rural communities in the CLSA Systems of NorthNet Library System, Pacific Library Partnership, and Black Gold Cooperative Library System, which comprise 74,732 square miles, continue to experience higher than state and national average unemployment rates. Several communities within each of these systems are lagging far behind the economic recovery and job development seen in larger urban cities.</p> <p>Workforce resources in rural communities are limited. While Job Centers and Employment Development Department One-Stops are available in the county seats, communities in the very rural and geographically isolated areas are sorely lacking in employment resources and job training. Calls made to these community One-Stops verify that resources are often limited to what is available via their website, or that services are offered only within their central locations. According to the Robert Wood Johnson Foundation Program's 2018 County Health Rankings Report (countyhealthrankings.org), five of the lowest ranking CA counties in Health Outcomes are located in rural Northern CA. Access to employment and education are two of the social and economic factors that influence the overall health of a community.</p> <p>New adults in rural areas, ages 16-24, are particularly hard hit with lack of jobs and resources - the national unemployment rate for teens hovers near 14%, compared to 4.1% for all Americans. Young people in rural communities often lack transportation to access available job training resources and may need to rely on parent or public transportation, if available. In addition, quite often the only adult role models in rural areas are teachers and parents, and their access to, or knowledge of career opportunities and how best to prepare for the developing workforce may be limited.</p> <p>Library directors in rural areas who are engaged with their community youth programs report that new adults, particularly those aging out of foster care or who are part of the probation department, are at highest risk of not learning of or being encouraged to explore career opportunities.</p> <p>Career Visioning for New Adults in Rural CA will target new adults in the most rural communities of the three identified CLSA Systems and provide workshops and job skill resources customized to their communities and meeting with youth where they gather. By providing these workshops and taking them beyond the physical library space, if needed, new adults, as well as other underserved patrons will learn of resources and strategies tailored to their unique geographic region for creating a plan for their future long term career path, sustainable employment, and self sufficiency. Career Visioning will identify community employment resources that are available and include them in workshop planning and presentation, so that new adults and others will know their local resources, as well as the library's programs and collections that can assist them in career exploration and job search.</p>
	<p>2) Briefly describe the idea you have for addressing this need. Include details on how the project will be planned and implemented, who you plan to serve, what staff will be involved, project timeline, etc. If you are conceiving of this as a multi-year project, indicate how many years you expect the project to run, and how much funding per year you would estimate for each year going into the future.</p> <p>Utilizing a model that was successfully implemented in the Inland Library System through LSTA grants (FY 2013/14 and FY 2014/15) we seek to engage new adults and other underserved members of the community, and connect community service providers, job seekers, and librarians together to identify the local barriers to meaningful employment and provide solutions to them through the Career Vision programming.</p> <p>From our initial assessment of counties in our three cooperative systems, we will offer 30 workshops that are 4 to 6 hours in length between September 2018 and June 2019. We have preliminarily identified high unemployment rates for new adults, identified areas lacking in local resources, and reached out to directors to gauge their interest. In our initial query, the following libraries are already interested in participating because of the need for these services they have seen and additional libraries will be identified going forward:</p> <p>NorthNet: Colusa, Tehama, Humboldt, Trinity & Mendocino County Public Libraries (Colusa has the 2nd highest unemployment rate in the state)</p> <p>PLP: Salinas Public Library, Monterey and San Benito County Public Libraries</p> <p>Black Gold: Santa Barbara and Santa Maria Public Libraries</p> <p>Administration for this grant will be handled by the Project Coordinator, who will work with the Lead Library, Tehama County, as well as Jamie Beck, who will lead the Career Visioning workshops. In July, the Project Team will reach out to select libraries to identify the needs of new adults in their regions. The Team</p>

	<p>will book workshop dates, customize program fliers, connect with local library staff and train them on their role in the grant. In August, the coordinator and presenter will begin to work with the libraries to identify community partners and to advertise the workshops. Our presenter will research, revise and customize the presentation materials and resources for each community. A digital course with local resources and book list recommendations will be created for each library. After each workshop, a survey will be given to participants to gauge their increase in knowledge and increase in confidence in visioning a career and they will be surveyed on print material needs. Libraries will receive funds to purchase print materials based on patron and presenter request after attending the workshops. Libraries will also follow up with the community partners established as a result of the grant and continue to design ways to work with them to support their patrons.</p>
	<p>3) This project must fall under least one of the first five goals in the California State Library's 2018-2022 Five Year Plan (http://www.library.ca.gov/Content/StateTemplate/pdf/grants/lsta/CaliforniaFiveYearPlan2018-2022.pdf). Please tell us the goal(s) under which your project aligns.</p> <p>Goal 1 - California libraries provide access to information, services, and resources in a trusted community space.</p> <p>Libraries will receive a resource guide customized to their local area for continued service and ongoing career visioning support.</p> <p>Goal 2 - California libraries deliver essential literacy services and provide learning opportunities for their communities.</p> <p>Libraries will receive a video and electronic version of the training to place on their onsite computers and use with patrons for continuing career visioning support.</p> <p>While it may make more fiscal sense to offer these workshops completely digitally, the LSTA five-year strategic plan states that "52 percent of California's adults are "relatively hesitant" and less likely to use digital tools for personal learning. About one fifth lack the fundamental digital literacy skills they need to participate fully in the information economy. " In rural areas these numbers may be even higher and providing personal, on site training will increase patron success.</p> <p>Goal 5 - California libraries contribute to economic development and workforce innovation in their communities.</p> <p>Our presenter is knowledgeable of workforce issues and challenges for rural areas. She will be focusing on online and short term educational attainment, self-study of various skills and trades via nontraditional means to boost employability, working online or telecommuting from home, and entrepreneurship for our most rural areas where traditional jobs may be lacking. While everyone in the communities will be invited to attend, special attention will be focused on "new adults" who have never worked before. Our goal is to align them with library services, get them connected in their communities, and arm them with the excitement and the tools necessary to take new steps towards a redefined success.</p> <p>Of the 37 counties in the three Cooperative Systems, 16 have unemployment rates 5% or higher with Colusa County having the second highest unemployment rate in the state (Colusa at 17.3%, Imperial County at 17.9%). This project will specifically target the outreach to engage "new adults" and under-employed adults, contributing to the area's economic development and workforce. While we are experiencing a lower national unemployment rate for adults, the unemployment rate for teens and new adults remains at 13.9%.</p> <p>3 of the counties we are serving are in the top four counties with the highest poverty rates (Santa Barbara, Lake, and Mendocino Counties).</p>
	<p>4) What community partners do you plan to work with, and how might they contribute to the project? (Please note: The Institute of Museum and Library Services requires that, for the purposes of LSTA grant funding, organizations listed as partners in a project must contribute resources [either cash or in-kind], and there must be a written agreement between the partner and the grantee for this contribution. You do NOT have to have this written agreement at this stage in the application process.)</p> <p>Our goal is to partner with a variety of local agencies and organizations in each area where we will be hosting a workshop. Library directors and System Directors will connect Project Team to established partners in each community including foster youth organizations and county probation departments. In addition, other potential partners may include Tribal TANF, CalWorks, Workforce Development, Office of Education, Community Colleges, Local Churches, and Service Clubs. Since several rural counties may have workforce development centers, but may not be targeting new adults, we will work with the local libraries to identify the best potential community partners.</p>
	<p>5) Please tell us what you hope to accomplish with this project (we will ask for more detailed information about outcomes in the full application).</p> <ul style="list-style-type: none"> • This project will introduce and provide resources, and teach skills for career visioning to new adults and others who may otherwise have limited access to employment resources in their communities. We anticipate training between 300 and 750 patrons through live presentations and leave the local libraries equipped to

	<p>more effectively serve the employment seeking population.</p> <ul style="list-style-type: none"> • Libraries will receive support through grant funds to purchase needed career, job seeking, and test prep books for their location based on patrons needs as surveyed during the workshops. • Libraries will be supplied with copies of the employment handbook and a local resource guide to give to patrons who stop into the library seeking employment, giving them access to resource videos prepared by Career Vision that summarize the information from the workshop, tell them how to use the handbook, and walk them through the local resources, allowing librarians to more confidently and comprehensively serve unemployed patrons with future career visioning services. • Local workforce professionals and service agencies working with these populations will be connected to resources at the library and will be connected to a population in need of services who they may not know exists.
	<p>6) How do you plan to sustain this project beyond the grant period?</p> <p>The model of several consortiums working together to promote a single program is something that we are interested in exploring as a means of consolidating and streamlining administrative efforts. We would like to pilot this program not only for its content and relevance to our rural libraries, but also as a model for collaboration. In addition to inviting the community to attend these workshops we will be inviting local workforce investment boards and workforce programs in each county to attend not only so they are trained in this innovative approach, especially to employment in more rural areas, but also so they can see how the library is an ideal “third place” where they can offer programming, serve clients, and invest local resources to bring in similar programming in the future, leading to future collaborative efforts and funding.</p>

17.	Budget Outline
	<p>Please include a budget outline which includes a breakdown of how you plan to use these funds and why, including potential for in-kind and cash match funding. Be sure to refer to the documentation on LSTA eligible expenditures (http://www.library.ca.gov/Content/StateTemplate/pdf/services/toLibraries/FedRestUseFunds1819.pdf).</p> <p>Please provide enough information for us to see how you plan to spend the grant funding. We will ask you to provide a more detailed budget if your pitch is successful.</p>

Budget Item/Description	LSTA Funded	In-kind/Cash Match
Consultant/Trainer - Jamie Beck- 30 customized regional specific workshop presentations (includes all expenses and travel) \$1500 per workshop	\$45,000	\$0
Project Manager - Todd Deck - Oversight of project, apprx 40 hrs	\$0	\$4,000
Project Coordinator - Jacquie Brinkley, apprx 200 hrs (In-kind from NLS)	\$12,500	\$2,500
Project Support - PLP & BGCLS System Directors - apprx 25 hrs each	\$0	\$5,000
Print/Media Collection Materials (workforce development/career prep) for each site (\$300 x 30)	\$9,000	\$0
Workshop Materials - Printing of Handbook & Local Resource Guide (\$7ea x 750)	\$5,250	\$0
Marketing & Promotional materials & Ad space (FB/local newspaper)	\$5,000	\$0
Host Libraries staff support (30 sites x 1 staff x 15 hrs)	\$0	\$20,000
Library Meeting Space @ \$500/site x 30 sites	\$0	\$15,000
	\$0	\$0
	\$0	\$0
	\$0	\$0
	\$0	\$0
	\$0	\$0
	\$0	\$0
	\$0	\$0
	\$0	\$0
	\$0	\$0
Indirect Cost	\$7,675	\$0
Total	\$84,425	\$46,500

file:mcp/lsta/announce.apps&instr/reg.stateproposal/1819

System Information

FY 2018/19

System Name: NorthNet Library System			
Director: Carol Frost		Email: frost@plpinfo.org	
Address: 2471 Flores Street		City: San Mateo	State: CA Zip: 94403
Phone: 650-349-5538		Fax: 650-349-5089	

System Chair for FY 2018/19 (if known): Todd Deck	Fiscal Agent: Pacific Library Partnership
--	--

Date approved by Administrative Council:
--

x	
Signature of System Administrative Chair for FY 2018-19	Date
Print Name: Todd Deck	

Demographics of System Service Area

System Population Profile, FY 2018/19

Total Population of System Service Area: 4,703,096

Underserved Population	Number	Percentage of Total Population
Economically Disadvantaged (Below poverty level)	720,165	15.31%
Institutionalized	64,469	1.37%
Aged (65+)	745,484	15.85%
Children & Youth:	284,637	6.05%
• Under 5		
• 5 to 9	304,454	6.47%
• 10 to 14	304,693	6.48%
• 15 to 19	311,448	6.62%
Handicapped	628,207	13.36%
Speakers of limited English or English as a Second Language	455,317	9.68%
Non-English Speaking	1,125,386	23.93%
Ethnicity	255,128	5.42%
• Black		
• Hispanic	1,017,395	21.63%
• Asian	442,611	9.41%
• Native American	56,640	1.20%
• Other (specify)	26,119	0.56%
Geographically Isolated	694,227	14.76%
Functionally Illiterate	391,178	8.32%
Shut-In	240,322	5.11%

List source(s) of this data:

United States Census Bureau, American Fact Finder/2012-2016 American Community Survey, Demographic and Housing Estimates (DP05)

2012-2016 American Community Survey 5-Year Estimates S1701 used in 2018

United States Census Bureau, American Fact Finder/2010 Profile of General Population and Housing Characteristics (DP-1)

United States Census Bureau/2012-2016 American Community Survey, Disability Characteristics (S1810)

United States Census Bureau, American Fact Finder/2012-2016 American Community Survey, Selected Social Characteristics in the US (based on population 5 years and over who "Speak English less than 'very well'") (DP02)

2012-2016 American Community Survey 5-Year Estimates

2010-2014 American Community Survey 5-Year Estimates

United States Census Bureau, American Fact Finder/2010 Census Summary File 1, Urban and Rural (P2). NOTE: Use 'Rural' not 'Frontier'

U.S. Dept. of Ed. Institute of Educational Sciences National Assessment of Adult Literacy State and County Estimates of Low Literacy 2013, Released 2009

United States Census Bureau, American Fact Finder/ 2012-2016 American Community Survey, Disability Characteristics (Shut-in was based on noninstitutionalized population 18+ "with an independent living difficulty") (S1810)

Describe briefly how this data will be used to plan CLSA-funded services:

This data is use for planning activities of our various committees and to serve all segments of the underserved.

DRAFT

SERVICE PROGRAM BASELINE BUDGET REQUEST - FY 2018/19
SYSTEM COMMUNICATION & DELIVERY (Section 18745)

SYSTEM NAME: NorthNet Library System

<p>(a) Personnel (Attach job descriptions)</p> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Classification</th> <th style="text-align: center;">FTE/No. of Positions</th> <th style="text-align: right;">Salary</th> <th style="text-align: right;">Benefits</th> <th style="text-align: right;">Total</th> </tr> </thead> <tbody> <tr> <td>PLP CEO</td> <td style="text-align: center;">/</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Coordinator</td> <td style="text-align: center;">/</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Controller</td> <td style="text-align: center;">/</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>See List</td> <td style="text-align: center;">/</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Total (a):</td> <td style="text-align: center;">/</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ _____</td> <td style="text-align: right;">\$ <u>\$163,379</u></td> </tr> </tbody> </table> <p>(b) Operations (continued)</p> <p>6. Contract Services (specify) <u>Delivery Services</u> \$ <u>TBD</u></p> <p>7. Telecommunications (specify) <u>List-servs, conference calls</u> \$ <u>1,500</u></p> <p>8. Indirect Costs/Fiscal Agent Fee (provide description of services received) Do Not Include System Indirect (pc&e) \$ _____</p> <p>9. Other: (specify) <u>Postage, UPS</u> \$ <u>1,800</u></p> <p align="right">Total (b): \$ <u>\$ _____</u></p>	Classification	FTE/No. of Positions	Salary	Benefits	Total	PLP CEO	/	\$ _____	\$ _____	\$ _____	Coordinator	/	\$ _____	\$ _____	\$ _____	Controller	/	\$ _____	\$ _____	\$ _____	See List	/	\$ _____	\$ _____	\$ _____	Total (a):	/	\$ _____	\$ _____	\$ <u>\$163,379</u>	<p>(b) Operations</p> <p>1. Office Supplies \$ <u>1,200</u></p> <p>2. Duplication/Photocopy \$ _____</p> <p>3. Travel \$ _____</p> <p>4. Training \$ _____</p> <p>5. e-Resources \$ _____</p> <p>(c) Capital Outlay</p> <p>Equipment (specify) \$ _____</p> <p>_____</p> <p>Equipment Replacement Revolving Fund \$ _____</p> <p align="right">Total (c): \$ _____</p> <p>(d) Anticipated Current (2018/19) Year-end Balance in the Equipment Revolving Fund</p> <p>\$ _____</p> <p align="right">Total of (a), (b), (c): \$ <u>\$816,895</u></p>
Classification	FTE/No. of Positions	Salary	Benefits	Total																											
PLP CEO	/	\$ _____	\$ _____	\$ _____																											
Coordinator	/	\$ _____	\$ _____	\$ _____																											
Controller	/	\$ _____	\$ _____	\$ _____																											
See List	/	\$ _____	\$ _____	\$ _____																											
Total (a):	/	\$ _____	\$ _____	\$ <u>\$163,379</u>																											

2018/19 PROPOSED CLSA BUDGET

BUDGET SUMMARY	
Expense Category	Communications & Delivery Program
Salaries & Benefits	
Operations	\$653,516
Equipment	
Service Program Sub-total	
System Administration (PC&E) ¹	\$163,379
TOTAL	\$816,895

¹Must not exceed System Administrative (PC&E) total

Funding for Communications and Delivery – FY 2018/19

There are two sections to this portion of the plan. The first section requires your best estimate for workload for the physical delivery of items, and estimated totals for e-resources, training, and broadband usage. The second section contains several questions that help us understand your plans for communication and delivery.

Section 1

Estimated Workload of Physical Delivery

Physical Items Sent by:	Physical Items Delivered to:			
	System Member Public Libraries	Non-public Libraries in System Area	TOTAL	
a. System member public library	1,100,000	79,000	1,179,000	
b. Non-public libraries in System area	85,000	1,000	86,000	
TOTAL	1,185,000	80,000	1,265,000	
		System Owned	Contracted Vendor	
c. Number of delivery vehicles that physically move items			4	
d. Frequency/schedule of physical delivery service			3	
e. Percentage of items to be physically delivered by:				
U.S. Mail	UPS	System Van	Contracted Van	Other
19.5%	1%	0%	79.5%	0%

Estimated Totals for e-Resources, Training, and Broadband Usage

f. Estimated total number of e-resources to be used (circulated/downloaded/streamed, etc.) by residents of System member libraries	272,000 (Enki and Overdrive)
g. Percentage of CLSA funds to be spent on e-resources?	TBD%
h. Estimated number of training events to be presented using C&D Operations funds	0
i. Estimated number of training events to be presented using System Administration funds	0

j. Percentage of CLSA funds to be used for Broadband technology improvements	0%
k. Which member libraries will benefit from Broadband improvements using CLSA allocated funds? (please list)	
We do not plan to spend any FY 18/19 C&D funds on broadband improvements.	

Section 2

1. Describe the goals for the Communication and Delivery funding. How will they support the needs of your community? How did you determine these needs? Will you be using any of the communications funding to address broadband connectivity issues?

DRAFT NARRATIVE

Delivery - to support resource sharing continues to be a high priority for most NLS libraries.

Shared e-resources also remain a priority for all NorthNet members, especially those in smaller, more geographically remote areas. With this priority in mind, NLS has committed C&D funds to the implementation of a LINK+ or similar model of alternative interlibrary lending of materials within the NorthNet System. Upon results and recommendations of an Interlibrary Loan & Delivery Study to be completed for NLS in Spring 2018, this alternative lending approach is intended to allow participating libraries to dramatically increase the amount of materials they offer, reduce fulfillment time, decrease costs, and raise their profile and visibility in their user communities.

Zinio - NLS member libraries (current # here) use a blend of CLSA C&D funds as well as local resources to continue supporting the Zinio consortium. The consortium purchase allows members to receive significant discounted subscription rates on electronic periodicals. Zinio subscriptions have proven to be very popular with patrons in individual NLS libraries and became affordable for many more as a consortium pricing package.

OverDrive, NLS also committed one-time CLSA funding to expand the very popular Overdrive subscription and membership. This investment has proven to be very successful and OverDrive usage has increased across the system.

Include OverDrive notes from Jeanne Amos here.

In addition, enki subscriptions continue to be popular with NLS System patrons and member libraries invest C&D and local resources to provide these valued resources to their communities. The enki Library is a shared open source eBook Network that allows California libraries to own and store eBooks for access by library patrons; to share access to more content than any individual library can purchase on its own; to add features and functionality lacking in current third-party vendor models; and to share access to unique local digitized content with other libraries within the Network.

Knowledge Sharing/Document Repository - NLS, in cooperation with the other eight CA cooperative library systems, continues to support the on-going development of CLSA-INFO, a knowledge-sharing database for systems and libraries statewide. This document sharing tool was created as a direct result of one strategic priority (knowledge-sharing) identified by five of the eight systems.

Broadband is of great interest too, and several NLS libraries benefited from the California Public Library's Broadband Project and the ability to join CENIC and connect to CalREN. This grant funding allowed several NLS member libraries to leverage local funding in order to apply for State funds and to significantly increase their broadband capabilities. The geographic span of NLS and the large number of members (41), however, means that broadband connectivity will not come to all members at the same time or in the same way. There are currently no plans to use FY 2018/19 C&D funding for broadband connectivity.

2. How will your Communication and Delivery funds be disbursed (i.e., system wide, allocated to individual libraries, mix)? How much of your CLSA funds are spent on each program or service? If not all libraries are participating in programs/services indicate which ones are and why others are not served (i.e. choice, funds, etc.).

CLSA funds are distributed by formula to NLS libraries. CLSA distribution formula is based on service population and library budget. 80% of NLS CLSA funds are distributed to member libraries. Member libraries contribute **additional \$xx** to support communications and delivery on local level.

All NLS member libraries participate in some level of shared resources.

3. Are the programs funded by CLSA being supplemented with local funds and if so how much or what percentage of the funding? Please briefly describe how any non-CLSA funds will be used to support communication and delivery. This information will help to document the significant contributions of non-CLSA funds toward library cooperation in California.

TBD

4. If you are providing e-resources, what exactly are you providing? (i.e. number of books, kind of titles, how many libraries are you providing this service to, any circulation statistics if available)

TBD

5. Describe your current delivery model. How has it changed from last year? Will you be making any changes in the upcoming year?

Due to the geographic size of our region, NLS libraries use a combination of several delivery models including US Postal Service and private delivery services for remote locations with low volume as well as contracted services by delivery companies for moving high volume loads between member libraries using a shared ILS in more populated areas.

NLS member libraries continue to seek out more economical and efficient methods to move materials. A feasibility Study has been commissioned by NLS to review current delivery methods throughout the

system and to develop a cost/benefit analysis of implementing an alternative resource sharing and delivery model. The Study is to be completed Spring 2018, and based on recommendations, NLS may consider planning for implementation of new model of delivery system-wide, or regionally.

6. What is the estimated average cost (including library and system staff time) to move one item in the region? Please give description of how you utilized your administrative funding? (i.e. staff, what type of staff, do which program did you allocate staff, how much time was allocated)

Because of the variations in delivery demand and method, the costs differ from one region to another. For contracted services, costs are based on volume, number of stops and distance. Cost of shipping items through package delivery is determined based on weight and other variables.

NEEDS UPDATED

Overall, the average cost is estimated a \$0.16 per item (15/16 figure). **CALCULATE ESTIMATED CHANGE FOR FY 2018/19.**

7. How will you evaluate that the goals have been met and the funding has met the needs of the community?

ILL statistics will continue to be tracked and reported as they have in the past. Use of shared e-resources will be measured and compared to the most recent fiscal year to demonstrate that aspect of the C&D program for FY 2018/19. We continually monitor effectiveness of services through feedback from member libraries.

Future Plans for Cooperative System

Given the uncertainty of State funding, how is your cooperative system preparing and planning for the future? How will you be funded? What services are priorities? And lastly, how will your system evolve?

TO BE FURTHER DEVELOPED

NLS established a Reserve Policy in FY 2017/18 which will ensure fiscal safeguards and priorities for the organization.

NLS will continue to use the Strategic Directions established in FY 2016/17 to identify service priorities.

Zip Books is an initiative that replaces ILL with a “buy v borrow” procurement model. This program has been supported by the California State Library with a number of rural libraries from around the state participating. The California Library Services Board approved a \$1 million dollar statewide expansion of Zip Books for FY 2017-2019 with NLS as the lead system on development and implementation of this project. An Advisory Group met and will continue to provide guidance as the details and logistics of expansion are developed. NLS staff will work closely with Califa (Zip Books operations lead) and the State Library to implement expansion of the Zip Books project.

UPDATE WITH NEW NLS LIBRARIES PARTICIPATING IN ZIP BOOKS

Additional information will be provided on these items:

- LINK+ Study and implementation, if feasible
- State Library Mental Health Initiative – Continuing from FY 2017/18 – Update with NLS participation
- PLP/NLS Student Success – Continuing from FY 2017/18

- NLS/PLP & Black Gold Career Visioning LSTA Pitch FY 2018/19 – APPLICATION FOR FUNDING

System Audits

Please also provide your systems Annual audits with their annual reports/expenditures.

PLP will provide NLS System Audit documents

DRAFT

NorthNet Member Name	FTE Staff	Califa Membership Fee	Libraries with no activity
ALPINE COUNTY LIBRARY/ARCHIVES	3	\$200	x
BELVEDERE-TIBURON LIBRARY	17	\$400	
BENICIA PUBLIC LIBRARY	19	\$400	
BUTTE COUNTY LIBRARY	23.9	\$400	x
COLUSA COUNTY FREE LIBRARY	8.5	\$300	
DEL NORTE COUNTY LIBRARY DISTRICT	2	\$200	x
DIXON PUBLIC LIBRARY DISTRICT	10	\$300	
EL DORADO COUNTY LIBRARY	34	\$400	
FOLSOM PUBLIC LIBRARY	12	\$300	
HUMBOLDT COUNTY LIBRARY	29	\$400	x
LAKE COUNTY LIBRARY	12	\$300	x
LARKSPUR PUBLIC LIBRARY	9	\$300	
LASSEN LIBRARY DISTRICT	3	\$200	x
LINCOLN PUBLIC LIBRARY	5	\$200	x
MARIN COUNTY FREE LIBRARY	90.1	\$400	
MENDOCINO COUNTY LIBRARY	29.05	\$400	
MILL VALLEY PUBLIC LIBRARY	20	\$400	
MODOC COUNTY LIBRARY	4	\$200	x
MONO COUNTY FREE LIBRARY	9	\$300	x
NAPA COUNTY LIBRARY	52.3	\$400	
NEVADA COUNTY LIBRARY	22	\$400	
ORLAND FREE LIBRARY	4	\$200	
PLACER COUNTY LIBRARY	39.22	\$400	
PLUMAS COUNTY LIBRARY	8	\$300	x
ROSEVILLE PUBLIC LIBRARY	42	\$400	
Sacramento Public Library	279.5	\$500	
SAN ANSELMO PUBLIC LIBRARY	5	\$200	
SAN RAFAEL PUBLIC LIBRARY	24	\$400	
SAUSALITO PUBLIC LIBRARY	9	\$300	
SHASTA PUBLIC LIBRARIES	26	\$400	x
SISKIYOU COUNTY FREE LIBRARY	4	\$200	x
SOLANO COUNTY LIBRARY	109	\$500	
SONOMA COUNTY LIBRARY	130.34	\$500	
ST. HELENA PUBLIC LIBRARY	11	\$300	
SUTTER COUNTY LIBRARY	14	\$300	x
TEHAMA COUNTY LIBRARY	6	\$300	x
TRINITY COUNTY FREE LIBRARY	3	\$200	x
WILLOWS PUBLIC LIBRARY	4.28	\$200	
WOODLAND PUBLIC LIBRARY	14.49	\$300	
YOLO COUNTY LIBRARY	37.8	\$400	
YUBA COUNTY LIBRARY	9	\$300	x

total for all \$13,400 16

with 10% discount **\$12,060**

(and waiver of \$150 System Office fees for NLS, MARINET, and SPLASH)



2471 Flores Street, San Mateo, CA 94403
650-349-5538 Fax: 650-349-5089

www.northnetlibs.org

To: NLS Executive Committee
From: Carol Frost, CEO, Pacific Library Partnership
Subject: Review and Approval of Revisions to FY 2018/19 NLS/PLP Contract for Additional Work
Date: May 24, 2018

Background

At the February 26, 2018 NLS Executive Committee meeting, the RFP for fiscal and administrative services from the Pacific Library Partnership was approved. The scope of work detailed in the RFP is for the baseline services. As noted in the RFP, it would be expected that staff discuss with the Executive Committee the work which NLS foresees in FY 2018/19 which is beyond the baseline and negotiate additional costs for that work. The purpose of this memo is to discuss the projected additional services for FY 2018/19 and associated costs.

In previous contracts, the annual contract has included funds to support activities above and beyond the baseline services. Those activities included the work regarding the CalPERS obligations for the legacy systems; conducting the work of the NLS Link+ study; and activities related to the Loomis library leaving the Placer County Library and Loomis' establishment as a city library, which has resulted in the review of the NLS Bylaws. Because of those additional activities, System Coordinator's time has been increased from 8 hours per week to 14 hours per week in the current FY 2017/18 contract (along with slight increases in other staff support).

Recommendation

It is anticipated that in FY 2018/19, NLS will continue to have activities which are beyond the baseline services described in the Scope of Work. Those activities will include:

- continuing the work of the NLS Link+ study, including negotiating costs with Innovative, working with individual libraries regarding their interest, and developing an implementation plan
- further work related to Loomis library (including coordination with the California State Library and California Library Services Board) and other activities related to the change in the NLS Bylaws (such as libraries requesting to join NLS rather than the legacy system)
- work related to the LSTA regional grant "Career Visioning for New Adults in Rural California," where NLS is the lead, partnering with the Pacific Library Partnership and the Black Gold Cooperative Library System, including 200 hours or 3.8 hour per week of the System Coordinator's time (167 hours funded by the grant, and 33 hours of in-kind)
- completing the Zip Books statewide grant

Exhibit A shows the current contract for fiscal and administrative services. It is recommended that the NLS Executive Committee approve Exhibit B, which includes one additional hour per week for the CEO, and 5 hours per week of additional work for the System Coordinator, for an additional \$27,942, bringing the contract from \$124,133 to \$152,075. This compares to the FY 2017/18 contract of \$171,183. In FY 2018/19, it is anticipated that NLS will receive \$163,379 of CLSA funds for System Administration, and these funds will cover the costs associated with this contract.

Pacific Library Partnership

Exhibit A PLP / NorthNet Contract FY 2018-2020

<u>Staff</u>	<u>FTE</u>		<u>Total</u>
<u>Administration</u>			
CEO	0.05	2 hours/week at \$113.50/hour	\$11,804
Office Manager	0.20	8 hours/week @ 60.50/hour <i>manage website, listservs and rosters. Point of contact for System Delivery and PLSEP grant. Prepare and distribute agenda packets and minutes, manage UPS accounts, set up conference calls for committees.</i>	\$25,168
Secretary	0.04	1.50 hours/week @52.50/hour <i>prepare system contracts, open mails, mail ILL materials coordinate Form 700s, annual summer reading program</i>	\$4,095
Database Manager	0.05	2 hours/week @60.50/hour <i>prepare CalPERS reports, prepare document for liability insurance</i>	\$6,292
Subtotal - Administration	0.34		\$47,359
<u>Fiscal Accounting</u>			
Controller	0.10	4 hours/week @ \$91.50 <i>prepare/monitor budget, authorize and approve payments prepare reports/paperwork for audit, prepare financial reports for State and local government. Coordinate database renewal, review delivery contracts/services</i>	\$19,032
Account Clerk	0.08	3 hours/week at \$44.75 <i>Process payables weekly, prepare invoices, prepare deposits,</i>	\$6,981
Accountant	0.04	1.5 hours/week at \$ 53.70 <i>Prepare invoices and deposits, reconcile bank statements</i>	\$4,189
Administrative Assistant	0.10	4 hours/week at \$17.75/hour <i>Filing, prepare Holiday Schedule, mail Summer reading materials, mail checks and invoices</i>	\$3,692
Subtotal - Fiscal Acctg	0.31		\$33,894
Total Administration/Fiscal Accounting			\$81,253
Coordinator	0.20	8 hours/week at \$75/hour <i>Distribute legislative, CLSA and other State Library Correspondence, prepare agenda together with Executive Council committee, take Council and Executive minutes, work with CalPERS related issues Prepare plan of service and annual reports</i>	\$31,200
			\$112,453
<u>Mileage</u>			<u>\$396</u>
3 round trips @242 mile@ 54.5 cents per mile			
Total			\$112,848
10% Overhead			\$11,285
Total FTE	0.85	Grand Total	\$124,133

Exhibit B Amended PLP / NorthNet Contract FY 2018/19

The following additional services will be provided to NLS for FY 2018/19

Continuing the work of the NLS Link+ study, including negotiating costs with Innovative, working with individual libraries regarding their interest, and developing an implementation plan

Further work related to Loomis library (including coordination with the California State Library and California Library Services Board) and other activities related to the change in the NLS Bylaws (such as libraries requesting to join NLS rather than the legacy system)

Work related to the LSTA regional grant "Career Visioning for New Adults in Rural California," where NLS is the lead, partnering with the Pacific Library Partnership and the Black Gold Cooperative Library System, including 200 hours or 3.8 hour per week of the System Coordinator's time (167 hours funded by the grant, and 33 hours of in-kind)

Completing the Zip Books statewide grant

<u>Staff</u>	<u>Additional Hours</u>	<u>Total</u>
CEO	1 hour/week at \$113.50/hour	\$5,902
Coordinator	5 hours/week at \$75/hour	\$19,500
Subtotal		\$25,402
	10% Overhead	\$2,540
	Grand Total	\$27,942
Current Contract		\$124,133
TOTAL CONTRACT		\$152,075

NORTHNET LIBRARY SYSTEM
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

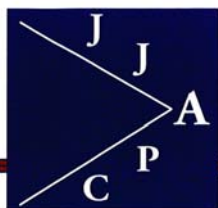
This page intentionally left blank.

Northnet Library System
Basic Financial Statements
For the year ended June 30, 2017

Table of Contents

	<u>Page(s)</u>
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-9
Basic Financial Statements:	
General Fund Balance Sheet/Statement of Net Position	12
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance/Statement of Activities	13
Notes to Basic Financial Statements.....	15-22
Required Supplementary Information	24
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	25-26

This page intentionally left blank.



JJACPA, Inc.

A Professional Accounting Services Corp.

INDEPENDENT AUDITOR'S REPORT

To the Administrative Council of the
Northnet Library System
San Mateo, California

Report on the Financial Statements

We have audited the accompanying basic financial statements of the Northnet Library System (NLS) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise NLS's basic financial statements as listed in the table of contents. The prior-year comparative total information presented has been derived from the NLS's 2016 basic financial statements.

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.

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and the budgetary comparison information of NLS, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3-9 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2018 on our consideration of NLS'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 NLS's internal control over financial reporting and compliance.

March 29, 2018

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA

Northnet Library System

Management's Discussion and Analysis

For the year ended June 30, 2017

Management's Discussion and Analysis

This section of the Northnet Library System's (NLS) basic financial statements presents management's discussion and analysis of NLS's financial performance during the fiscal year ended June 30, 2017. Since this management's discussion and analysis is designed to focus on current activities, resulting change, and current known facts, please read it in conjunction with NLS's basic financial statements (pages 12 and 13) as well as the footnotes to the financial statements (pages 15 - 22).

Financial Highlights

At June 30, 2017, NLS ended the year with a net position balance of \$1,664,457 which is an increase of \$1,112,650 over the net position balance of \$551,807 at June 30, 2016. This increase was due to funding from the State Library for the Zip Books Statewide Expansion Project.

Using This Report

In June 1999, the Governmental Accounting Standards Board (GASB) released Statement No. 34, *Basic Financial Statements -- and Management's Discussion and Analysis -- for State and Local Governments*. Changes in Statement No. 34 require a comprehensive one-line look at the entity as a whole and capitalization of assets and depreciation. The major reconciling items necessary were capitalization and depreciation of capital assets and inclusion of long-term liabilities. NLS has selected the single governmental fund (General Fund) presentation since this reflects the most concise and easily readable presentation for NLS's operations.

The annual financial statements include the Independent Auditor's Report, this management's discussion and analysis, the basic financial statements, and notes to basic financial statements and required supplementary information.

Northnet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2017

Financial Analysis of NLS as a Whole

Statement of Net Position
As of June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Assets:				
Current Assets	<u>\$ 2,161,047</u>	<u>\$ 1,059,955</u>	<u>\$ 1,101,092</u>	103.9%
Total Assets	<u>2,161,047</u>	<u>1,059,955</u>	<u>1,101,092</u>	103.9%
Liabilities:				
Current Liabilities	<u>472,590</u>	<u>502,332</u>	<u>(29,742)</u>	-5.9%
Total liabilities	<u>472,590</u>	<u>502,332</u>	<u>(29,742)</u>	-5.9%
Deferred inflows - Unavailable revenue	<u>24,000</u>	<u>5,816</u>	<u>18,184</u>	312.7%
Net position:				
Restricted	<u>-</u>	<u>180,099</u>	<u>(180,099)</u>	0.0%
Unrestricted	<u>1,664,457</u>	<u>371,708</u>	<u>1,292,749</u>	347.8%
Total net position	<u>1,664,457</u>	<u>551,807</u>	<u>1,112,650</u>	201.6%
Total liabilities, deferred inflows and net position	<u><u>\$ 2,161,047</u></u>	<u><u>\$ 1,059,955</u></u>	<u><u>1,101,092</u></u>	103.9%

This schedule is prepared from NLS's Statement of Net Position, which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

Net position of \$1,664,457 at June 30, 2017, consisted of unrestricted amount available for operations.

Northnet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2017

Financial Analysis of NLS as a Whole, *continued*

Operating Results
For the years ended June 30, 2017 and 2016

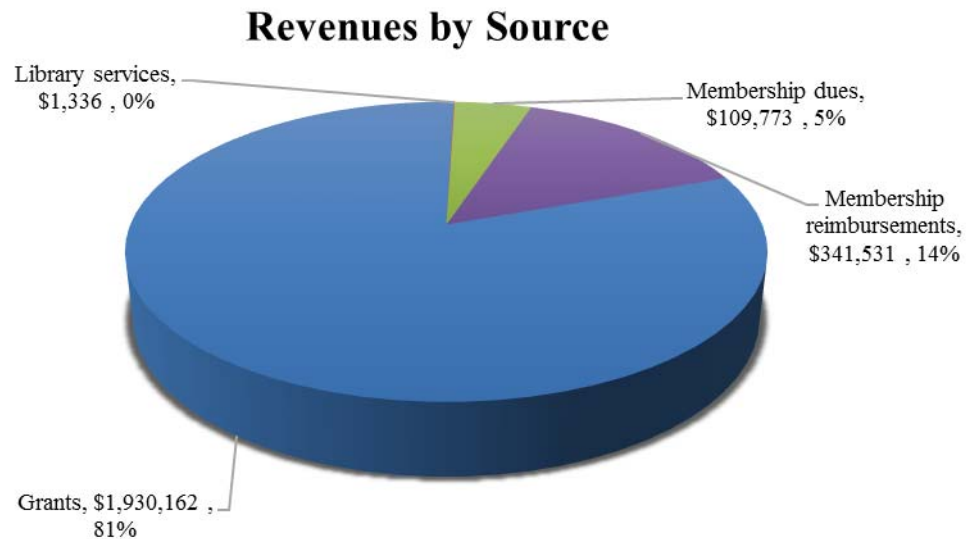
	2017	2016	Increase (Decrease)	Percent Change
Operating expenses	<u>\$ 1,282,605</u>	<u>\$ 902,959</u>	<u>\$ 379,646</u>	<u>42.0%</u>
Program revenues:				
Grants	1,930,162	469,135	1,461,027	311.4%
Library Services	1,336	28,447	(27,111)	-95.3%
Membership dues	109,773	101,964	7,809	7.7%
Membership reimbursements	341,531	310,732	30,799	9.9%
Total program revenue	<u>2,382,802</u>	<u>910,278</u>	<u>1,491,826</u>	<u>163.9%</u>
Net operating expenses	<u>(1,100,197)</u>	<u>(7,319)</u>	<u>(1,092,878)</u>	<u>14932.1%</u>
General revenue:				
Interest	12,453	4,611	7,842	170.1%
Total general revenue	<u>12,453</u>	<u>4,611</u>	<u>7,842</u>	<u>170.1%</u>
Increase (decrease) in net position	<u>1,112,650</u>	<u>11,930</u>	<u>1,100,720</u>	<u>9226.5%</u>
Net position:				
Beginning of year	551,807	539,877	11,930	2.2%
End of year	<u>\$ 1,664,457</u>	<u>\$ 551,807</u>	<u>\$ 1,112,650</u>	<u>201.6%</u>

In fiscal year 2016-17, program revenues were primarily from grants and memberships, which amounted to \$2,382,802. General revenues consisted of interest revenue.

Northnet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2017

Financial Analysis of NLS as a Whole, *continued*

The following is a graphic illustration of revenues by source for the year ended June 30, 2017:



Operating Expenses
For the years ended June 30, 2017 and 2016

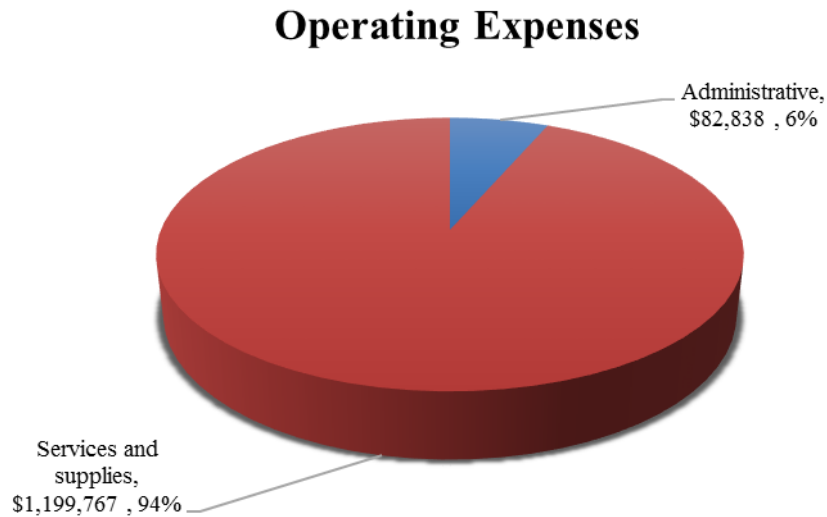
	2017	2016	Increase (Decrease)	Percent Change
Operating expense:				
Administrative	\$ 82,838	\$ 187,539	\$ (104,701)	-55.8%
Services and Supplies	1,199,767	715,420	484,347	67.7%
Total	<u>\$ 1,282,605</u>	<u>\$ 902,959</u>	<u>\$ 379,646</u>	42.0%

Operating expenses in the amount of \$1,282,605 were split amongst two major categories; administrative and services and supplies.

Northnet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2017

Financial Analysis of NLS as a Whole, *continued*

The following is a graphic illustration of operating expenses for the year ended June 30, 2017:



Analysis of Net Position
As of June 30, 2017 and 2016

	2017	2016	Increase (Decrease)	Percent Change
Net Position:				
Restricted	\$ -	\$ 180,099	\$ (180,099)	100.0%
Unrestricted	1,664,457	371,708	1,292,749	347.8%
Total	<u>\$ 1,664,457</u>	<u>\$ 551,807</u>	<u>\$ 1,112,650</u>	201.6%

The increase in net position of \$1,112,650 is primarily due to additional revenue from CLSA Zip Books Statewide Expansion Project.

Northnet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2017

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In considering NLS's Budget for fiscal year 2017-18 the Administrative Council and management used the following criteria:

The key assumptions in our revenue forecast were:

1. Interest earnings should be approximately the same.
2. State library and membership fees are expected to be approximately the same.

The adopted budget for the new fiscal year of 2017-18 was \$1,274,369 and is summarized as follows:

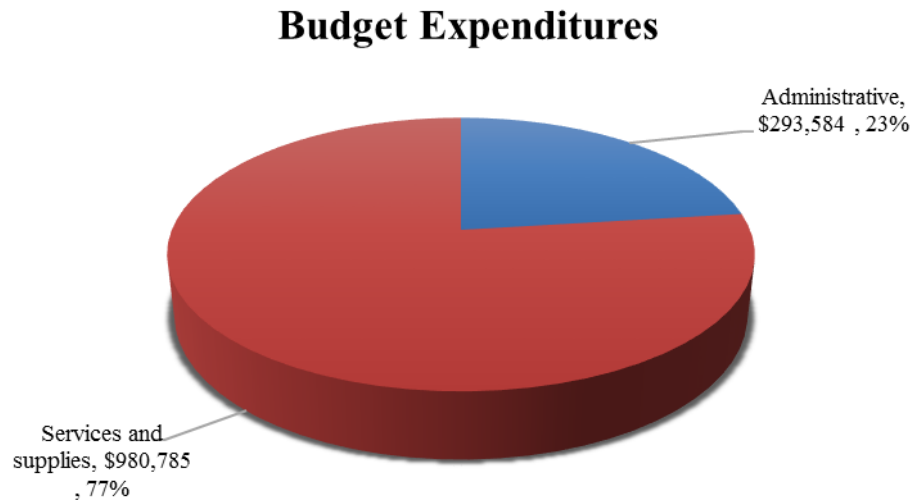
	<u>FY 2017-18</u>	<u>FY 2016-17</u>	<u>Percentage change</u>
Expenditures:			
Administrative	\$ 293,584	\$ 200,676	46.3%
Services and supplies	<u>980,785</u>	<u>649,635</u>	51.0%
Total Expenditures	<u>1,274,369</u>	<u>850,311</u>	49.9%
Total budget	<u>\$ 1,274,369</u>	<u>\$ 850,311</u>	49.9%

1. Administrative – Shows an increase of approximately 46.3%, which is mainly due to additional funds for NLS member libraries staff training.
2. Services and Supplies – Shows an increase of approximately 51% due to a decrease in contractual services and an increase in CLSA funds allocation budget.

Northnet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2017

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES, *continued*

The following is a graphic illustration of appropriations for fiscal year 2017-18:



Contacting NLS

This financial report is designed to provide our customers and creditors a general overview of NLS's finances and to demonstrate NLS's accountability for the money it receives and is allocated to it. If you have questions about this report, contact the Northnet Library System, 2471 Flores Street, San Mateo, CA 94403, telephone number (650) 349-5538.

This page intentionally left blank

BASIC FINANCIAL STATEMENTS

Northnet Library System
General Fund Balance Sheet/Statement of Net Position
June 30, 2017

	General Fund	Adjustments (Note 8)	Statement of Net Position	2016
ASSETS				
<u>Current</u>				
Cash and investments:				
Available for operations	2,153,247	\$ -	\$ 2,153,247	\$ 1,037,495
Accounts receivable	2,500	-	2,500	20,965
Interest receivable	5,300	-	5,300	1,495
Total assets	\$ 2,161,047	\$ -	\$ 2,161,047	\$ 1,059,955
LIABILITIES AND FUND BALANCES				
Liabilities:				
<u>Current</u>				
Accounts payable and accrued liabilities	18,593	\$ -	\$ 18,593	\$ 48,335
Deposits payable	453,997	-	453,997	453,997
Total liabilities	472,590	-	472,590	502,332
Deferred Inflows:				
Unavailable revenue	24,000	-	24,000	5,816
Total Deferred Inflows	24,000	-	24,000	5,816
Fund balances/Net position:				
Unassigned, reported in:				
General fund	1,664,457	(1,664,457)	-	-
Total fund balances	1,664,457	(1,664,457)	-	-
Total liabilities, deferred inflows and fund balances	\$ 2,161,047			
NET POSITION				
Restricted		-	-	180,099
Unrestricted	1,664,457		1,664,457	371,708
Total net position	\$ 1,664,457		1,664,457	551,807
Total liabilities, deferred inflows and net position			\$ 2,161,047	\$ 1,059,955

The accompanying notes are an integral part of these basic financial statements

Northnet Library System
Statement of General Fund Revenues, Expenditures, and
Changes in Fund Balance/Statement of Activities
For the year ended June 30, 2017

	General Fund	Adjustments (Note 9)	Statement of Activities	2016
EXPENDITURES/EXPENSES:				
Administrative	82,838	\$ -	\$ 82,838	\$ 187,539
Services and supplies	1,199,767	-	1,199,767	715,420
Total expenditures/expenses	1,282,605	-	1,282,605	902,959
REVENUES:				
Program revenues:				
Grants	1,930,162	-	1,930,162	469,135
Library services	1,336	-	1,336	28,447
Membership dues	109,773	-	109,773	101,964
Member reimbursements	341,531	-	341,531	310,732
Total program revenues	2,382,802	-	2,382,802	910,278
Net program expense	(1,100,197)	-	(1,100,197)	(7,319)
General revenues:				
Interest	12,453	-	12,453	4,611
Total general revenues	12,453	-	12,453	4,611
REVENUES OVER (UNDER)				
EXPENDITURES	1,112,650			
CHANGE IN NET POSITION		-	1,112,650	11,930
FUND BALANCES/NET POSITION:				
Beginning of the year	551,807	-	551,807	539,877
End of the year	\$ 1,664,457	\$ -	\$ 1,664,457	\$ 551,807

The accompanying notes are an integral part of these basic financial statements

This page intentionally left blank.

Northnet Library System
Notes to Basic Financial Statements
For the year ended June 30, 2017

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Northnet Library System (“NLS”) is a Joint Powers Agency under Government Code Section 6500 *et. seq.* established on January 9, 2009 which began operations on July 1, 2009 through a Joint Powers Agreement entered into on May 8, 2009 by the North Bay Cooperative Library System, Mountain Valley Library System and the North State Cooperative Library System. NLS is a library services organization which has the powers necessary to establish, improve and extend library services held by its members and those powers designated in Government Code Section 6508. No single member controls NLS. NLS also delivers library materials to members, provides research services and general education workshops, and training seminars for its members.

NLS is governed by an Administrative Council composed of all of the library directors of library agencies therein. Oversight responsibility, the ability to conduct independent financial affairs, issue debt instruments, approve budgets, and otherwise influence operations and account for fiscal matters is exercised by NLS's Administrative Council. NLS is a separate reporting entity for financial reporting purposes and the accompanying basic financial statements reflect the assets, liabilities, fund balances/net position, revenues, and expenditures/expenses of NLS only.

The Peninsula Library System (PLS) acts as fiscal agent and Treasurer/Controller for NLS and acts as the depository and has custody of the money of NLS and performs those duties required by Government Code sections 6505 and 6505.5. PLS took over these duties on July 1, 2013. More information regarding the contract with PLS is located in Note 5.

The financial statements of NLS have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

In June 1999, the GASB released Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. NLS has selected the single governmental fund (General Fund) presentation since this reflects the most concise and easily readable presentation for NLS’s operations.

A. Reporting Entity

As defined by GASB Statement No.39, *The Financial Reporting Entity*, NLS is not financially accountable for any other entity other than itself, nor are there any other entities for which the nature and significance of their relationship with NLS are such that exclusion would cause NLS’s financial statements to be misleading or incomplete.

In addition, based upon the above criteria, NLS is not aware of any entity which would be financially accountable for NLS which would result in NLS being considered a component of the entity.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued

B. Basis of Accounting

The fund-based financial statement columns (Governmental Funds column) on Pages 10 and 11 are accounted for using the modified accrual basis of accounting and reflect balances for NLS's General Fund. This funds revenues are recognized when they become measurable and available as net current assets. Measurable means the amount of the transaction can be determined and available means the amount is collectible within the current period or soon enough thereafter (generally sixty days) to be used to pay liabilities of the current period. Amounts, which could not be measured or were not available, were not accrued as revenue in the current fiscal year. The Statements of Net Position and Activities columns on Pages 10 and 11 have been prepared on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

C. Use of Estimates

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

D. Budgets

Budgets are prepared on the modified accrual basis of accounting, in which capital assets acquired are recorded as expenditures and depreciation is not recorded.

NLS follows these procedures in establishing the budgetary data reflected in the financial statements:

- By June 30, the proposed budget is presented to the Administrative Council to review and approve for the year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- The budget is legally enacted through passage of a motion during a Administrative Council meeting prior to year-end.
- Formal budgeting is employed as a management control device during the year for the general fund.
- Budgets for the General Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Northnet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2017

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued

D. Budgets, *continued*

The legal level of a budgetary control, the amount to which budget should not be exceeded, is the program level.

Budgeted amounts are as originally adopted or as amended by the Administrative Council. Individual amendments were not material in relation to the original appropriations.

E. Cash and Investments

NLS pools cash and investments from all funds for the purpose of increasing income through investment activities. Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Market value is used as fair value for those securities for which market quotations are readily available.

2. CASH AND INVESTMENTS

The System had the following cash and investments at June 30, 2017:

	FDIC/ SIPC insured	Not rated	Fair Value
Cash deposits - Boston Private Bank & Trust Company	\$ (101,549)	\$ -	\$ (101,549)
Local Agency Investment Fund (LAIF)	-	2,254,796	2,254,796
Total	<u>\$ -</u>	<u>\$ 2,254,796</u>	<u>\$ 2,153,247</u>

A. Cash Deposits

NLS pools cash from all sources. NLS invests excess cash in LAIF.

The California Government Code requires California banks and savings and loan associations to secure government cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral is considered to be held in the government's name.

According to California law, the market value of pledged securities with banking institutions must equal at least 110% of the government's cash deposits. California law also allows institutions to secure government deposits by pledging first trust deed mortgage notes having a value of 150% of the government's total cash deposits. The government can waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation.

Northnet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2017

2. CASH AND INVESTMENTS, *continued*

B. Investments

NLS is authorized by State statutes and Administrative Council action to invest in the following:

- United States Treasury notes, bonds, bills or certificates of indebtedness.
- Registered state warrants or treasury notes or bonds of the State of California.
- Bonds, notes, warrants or other evidences of indebtedness of any local agency within the State of California.
- Obligations issued by banks and guaranteed by federal agency or United States government-sponsored enterprise.
- Negotiable certificates of deposit or time deposits placed with commercial banks and/or savings and loan companies.
- Banker's acceptances.
- Commercial paper.
- California Local Agency Investment Fund (LAIF).

NLS invests in LAIF, an unrated pool, which limits the exposure of the funds to interest rate and credit risk by treating all balances as current.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments were stated at fair value using the aggregate method, which includes any adjustments recorded in interest/investment income.

C. Investments in External Investment Pools

NLS's investments with LAIF at June 30, 2017, included a portion of the pool funds invested in structured notes and asset backed securities and similar transactions.

As of June 30, 2017, the NLS had \$2,254,796.19 invested directly in LAIF. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2017 has a portfolio with market valuation including accrued interest of \$ 77,616,683. Of the total invested, 97.38% was invested in non-derivative financial products and 2.89% in structured notes and asset-backed securities.

Northnet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2017

3. DEPOSITS PAYABLE

NLS records payments for services not yet rendered as deposits payable. The deposits payable balance consists of payments made by member systems. The balance at June 30, 2017 consists of the following contributions:

North Bay Cooperative Library System	\$ 268,117
Mountain Valley Library System	<u>185,880</u>
Total Deposits Payable	<u>\$ 453,997</u>

4. DEFERRED INFLOWS – UNAVAILABLE REVENUE

NLS records payments for services not yet rendered as deferred inflows. NLS expects to recognize \$24,000 as revenue during the fiscal year 2017-18.

5. RELATED PARTY TRANSACTIONS

NLS contracts with the Peninsula Library System (PLS), as its fiscal agent, for administrative services and/or materials. In compensation for services provided, NLS paid \$124,654 to PLS for the year ended June 30, 2017. These amounts were reported as administration expenses in the Statement of Activities.

6. FUND BALANCES/NET POSITION

Fund Balances consist of the following: Nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance consists of investments that will not convert to cash soon enough to affect the current period. Restricted fund balance consists of resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government. Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of NLS's highest level of decision-making authority. Assigned fund balance consists of amounts where intent is expressed by the governing body itself or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. Unassigned amounts represent fund balance in the general fund in excess of nonspendable, restricted, committed and assigned fund balance. Currently, the NLS uses only the unassigned category.

	<u>Fund Balance</u>
Unassigned	<u>1,664,457</u>
Total	<u><u>\$ 1,664,457</u></u>

Northnet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2017

6. FUND BALANCES/NET POSITION, *continued*

Net position consists of unrestricted amount. Unrestricted amounts reflect balances available for current operations. At June 30, 2017, NLS had only unrestricted balance:

	<u>Net Position</u>
Unrestricted	<u>1,664,457</u>
Total	<u><u>\$ 1,664,457</u></u>

7. INSURANCE

NLS purchases catastrophic liability insurance to protect itself from unforeseen losses utilizing a premium based policy.

Northnet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2017

8. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEETS AND THE STATEMENTS OF NET POSITION

“Total fund balances” of NLS’s General fund of \$1,664,457 does not differ from “net position” of governmental activities of \$1,664,457, reported in the Statement of Net Position. A difference may occur from the long-term economic focus of the statement of net position versus the current financial resources focus of the General fund balance sheet. As of June 30, 2017 there was no difference between the long-term economic focus of the statement of net position and the current financial resources focus of the General fund balance sheet. Any effects of this difference would be illustrated below:

Balance Sheet/Statement of Net Position

	General Fund	Reclassifications and Eliminations	Statement of Net Position
Assets:			
Cash and investments	\$ 2,153,247	\$ -	\$ 2,153,247
Accounts receivable	2,500	-	2,500
Interest receivable	5,300	-	5,300
Total assets	\$ 2,161,047	\$ -	\$ 2,161,047
Liabilities:			
Accounts payable and accrued liabilities	18,593	-	18,593
Deposits payable	453,997	-	453,997
Total liabilities	472,590	-	472,590
Deferred Inflows:			
Unavailable revenue	24,000	-	24,000
Total Deferred Inflows	24,000	-	24,000
Fund Balances/Net Position			
Total fund balances/net position	1,664,457		1,664,457
Total liabilities, deferred inflows, and fund balances/net position	\$ 2,161,047	\$ -	\$ 2,161,047

Northnet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2017

**9. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND
OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES**

The “net change in fund balances” for the General fund, \$1,112,650, does not differ from the “change in net position” for governmental activities of \$1,112,650 reported in the Statement of Activities. A difference may occur from NLS incurring any long term liabilities or depreciation expense. As of June 30, 2017, there was no difference between the long-term economic focus of the statement of activities versus the current financial resources of the general fund. Any effects of the difference would be illustrated below:

**Statement of Revenues, Expenditures, and Changes in
Fund Balances/Statement of Activities**

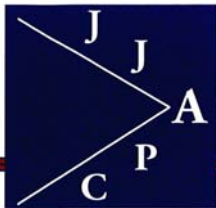
	General Fund	Reclassifications and Eliminations	Statement of Activities
EXPENDITURE/EXPENSES:			
Administrative	\$ 82,838	\$ -	\$ 82,838
Services and supplies	1,199,767	-	1,199,767
Total expenditures/expenses	1,282,605	-	1,282,605
REVENUES:			
Program revenues:			
Grants	1,930,162	-	1,930,162
Library services	1,336	-	1,336
Membership dues	109,773	-	109,773
Member reimbursements	341,531	-	341,531
Total program revenues	2,382,802	-	2,382,802
Net program expense	(1,100,197)	-	(1,100,197)
General revenues:			
Interest	12,453	-	12,453
Total general revenues	12,453	-	12,453
REVENUES OVER (UNDER)			
EXPENDITURES	1,112,650		
CHANGE IN NET POSITION		-	1,112,650
FUND BALANCES/NET POSITION			
Beginning of the year	551,807	-	551,807
End of the year	\$ 1,664,457	\$ -	\$ 1,664,457

REQUIRED SUPPLEMENTARY INFORMATION

Northnet Library System
Required Supplementary Information
For the year ended June 30, 2017

Budgetary Comparison Schedule
General Fund
For the year ended June 30, 2017

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final Budget Positive (Negative)
Budgetary Fund Balance, July 1, 2016	\$ 457,913	\$ 457,913	\$ 551,807	\$ (93,894)
Resources (inflows):				
Grants:				
Federal	4,297	4,297	2,957	1,340
State	424,544	424,544	823,785	(399,241)
Other agencies	-	-	1,336	(1,336)
Membership dues	110,270	110,270	109,773	497
Membership reimbursements	340,967	340,967	341,531	(564)
Interest	1,950	1,950	12,452	(10,502)
Budgeted Fund balance	40,230	40,230	-	40,230
Amounts available for appropriation	922,258	922,258	1,291,834	(369,576)
Changes to appropriations (outflows):				
Administrative	200,676	200,676	211,364	(10,688)
Services and supplies	759,796	759,796	920,710	(160,914)
Total charges to appropriations	960,472	960,472	1,132,074	(171,602)
Budgetary fund balance, June 30, 2017	\$ 419,699	\$ 419,699	\$ 711,567	\$ (197,974)



JJACPA, Inc.

A Professional Accounting Services Corp.

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

Administrative Council
Northnet Library System
San Mateo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Northnet Library System (NLS), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively NLS's basic financial statements, and have issued our report thereon dated March 29, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered NLS's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NLS's internal control. Accordingly, we do not express an opinion on the effectiveness of NLS's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

March 29, 2018

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA



2471 Flores Street, San Mateo, CA 94403
650-349-5538 Fax: 650-349-5089

www.northnetlibs.org

To: NLS Executive Committee
From: Andrew Yon, Controller
Subject: Review of Draft FY 2018/19 NLS Budget
Date: May 24, 2018

Background

The purpose of this memo is to provide the NLS Executive Committee with a preview and highlights of the NLS FY 2018/19 Budget. The overall NLS budget is \$1,682,995.

ADMINISTRATION

Revenues:

The membership fees of \$110,270 represent a 3% CPI increase adjustment. Membership allocations are based in part on population. The California State Library will release the population figures in early June, and the allocation will be reviewed before being presented to the NLS Administrative Council. It is estimated that NLS will receive \$163,379 of CLSA funds for CLSA System Administration. \$75,042 of additional revenue will go to the Fund Balance.

Expenditures:

Contractual Services reflects the \$124,133 NLS/PLP baseline contract. Should the Executive Committee choose to approve the additional services and accompanying costs, this line item will be adjusted to \$151,306.

The Membership Fees and Dues line item reflects \$12,060 for Califa membership fee. Should the Executive Committee choose to not renew this, these funds will be reallocated.

COMMUNICATION AND DELIVERY

Revenue:

The FY 2018/19 CLSA allocation is \$653,516 for Communication and Delivery. Libraries participating in delivery within NBCLS and MVLS provide additional funds for these services. The delivery costs for NBCLS are slightly higher than last year due to a change in courier.

The \$430,356 in Fund Balance - CLSA account reflects the roll-over of additional FY 2016/17 and FY 2017/18 CLSA funds for Zinio and Overdrive approved by NLS Executive Committee at the February 26, 2018 meeting, as well as the funds for Link+.

Expenditures:

The \$1,078,372 in the Special Departmental account represents the FY 2018/19 CLSA Communication and Delivery \$649,016 allocation, and the additional earmarked FY 2016/17 and FY 2017/18 CLSA funds for Zinio Overdrive content, and the Link+ project.



2471 Flores Street, San Mateo, CA 94403
650-349-5538 Fax: 650-349-5089

www.northnetlibs.org

In reviewing NLS CLSA allocations, it is important to note that CLSA funds must be fully expended within 3 years of receipt, or else the funds must be given back to the State. When NLS received additional FY 2016/17 CLSA funds, they allocated \$100,000 to Zinio and \$100,000 to Overdrive for additional material and for new members to join. They also allocated funds to Link+. Below is a review of the remaining funds:

Overdrive:	\$55,000 baseline services
	\$55,000 of one-time FY 2016/17 CLSA funds from Zinio from February meeting
	\$40,750 of one-time FY 2016/17 CLSA funds
Zinio:	\$71,403 for baseline services
	\$10,000 of one-time FY 2016/17 CLSA funds

Michael Perry has provided a letter (Exhibit A) on behalf of the Zinio Committee as the incoming chair. This leaves \$35,000 of FY 2016/17 CLSA funds which were to be allocated to Zinio which must be allocated and spent before June 30, 2019.

The CLSA funds allocated to Link+ include \$128,093 from FY 2016/17 and \$200,000 FY 2017/18 funds.

LOCAL

The local costs are derived from individual library subscriptions to Gale databases, and the shared Overdrive and Zinio collections. These costs are paid centrally.

The CLSA Zip Book grant will be ending in December 2018. NorthNet will be the lead partner for the Career Visioning for New Adults LSTA grant, and will receive \$7,675 of indirect costs for managing the grant. In addition, NLS anticipate receiving \$1,000 for the NLS PLSEP indirect.

FUND BALANCE and OPERATING RESERVE

The 6/30/18 NLS Fund Balance is estimated to be \$868,147. The Operating Reserve Fund is equal to three months of the administrative costs. The NLS Operative Reserve is \$71,730.

Additional Note

It has been brought to our attention by the outgoing Library-to-Go Chair that the CLSA allocation for Overdrive has not increased in several years. She has recommended that the allocations be reviewed and an increase be considered, whether by CPI or by a fixed dollar amount. This would need to be reviewed by the Administrative Council since an increase in funds would result in participating libraries re-evaluating their CLSA distribution of funds.



SISKIYOU COUNTY LIBRARY

719 Fourth Street
Yreka, California 96097
(530) 842-8805 FAX: (530) 842-7001

MICHAEL PERRY, COUNTY LIBRARIAN
mperry@co.siskiyou.ca.us

May 23, 2018

Re: CLSA distribution for Zinio additional subscriptions in FY 17/18 and FY 18/19

To whom it may concern:

At the February 6th Executive Committee meeting, staff recommended that Zinio would allocate \$15,000 in FY 17/18, and \$30,000 in FY 18/19 for additional content (item 6B).

We did not add any additional Zinio subscriptions for FY 17/18. And we anticipate adding no more than \$10,000 in new content for FY 18/19 (i.e. magazines titles that were not in the collection in FY 17/18).

Given the nature of Zinio's model for access and distribution, our current capacity for each individual magazine title is more than sufficient to meet current patron demand. We have never reached the ceiling for any of our titles (i.e. no patron has been turned away from checking out a magazine).

Additionally, there is not a lot of new and popular content for us to select: most of the most well-known titles have already been selected (in FY 17/18) or will be selected (for FY 18/19).

I recommend that Zinio set-aside \$10,000 in total for new subscription purchases to be used by June 30, 2019 and release the other allocated funds back to the consortia.

The Zinio committee will update the Executive Committee by the end of 2018 about any remaining surplus from the \$10,000.

Yours sincerely,

Michael Perry

NorthNet Library System
FY 2018-19 Proposed Budget Summary

Acct		ADMINISTRATION	COMMUNICATION & DELIVERY	LOCAL	TOTAL
<u>Revenue</u>					
3510	Interest Earned	\$17,000			\$17,000
3661	Membership Fees	110,270			110,270
3667	State Library CLSA	177,968	653,516		831,484
3668	LSTA-Indirect	8,675			8,675
3674	Reimbursable from Members		231,347	128,905	360,252
3000	Fund Balance	(75,042)	430,356		355,314
Total Revenue		\$238,871	\$1,315,219	\$128,905	\$1,682,995

<u>Expenditure</u>					
4212	Communication		1,500		1,500
4219	Professional Services				-
4220	Contractual Services	217,261	232,347		449,608
4230	Office Expense		1,200		1,200
4233	Postage		1,800		1,800
4235	Special Departmental		1,078,372		1,078,372
4301	Insurance	2,500			2,500
4302	Membership Fees/Dues	12,060			12,060
4303	Travel & Meeting	7,000			7,000
4373	Service Fees	50			50
4445	Reimbursable from Members			128,905	128,905
TOTAL EXPENDITURE		\$238,871	\$1,315,219	\$128,905	\$1,682,995

Fund Balance and Reserve	Ending 6/30/2017	Ending 6/30/2018	
Fund Balance	\$ 539,877	\$ 868,147	
Operating Reserves	-	71,730	
Total	\$ 539,877	\$ 939,877	Estimated

NORTHNET LIBRARY SYSTEM
FY 2018-19 PROPOSED BUDGET

ADMINISTRATION (918)

		Adopted FY 17/18	Proposed FY 18/19	Note
<u>GL Acct</u>	<u>Revenue</u>			
3510	Interest Earned	\$3,000	\$17,000	State Treasurer's LAIF Investment
3661	Membership Fees	103,607	110,270	NorthNet Members
3667	CLSA-State Library	163,946	163,379	CLSA System Admin Funds
		12,000	14,589	CLSA indirect for Zip Books grant
3668	LSTA-Indirect	4,368	1,000	FY 18/19 PLSEP Grant
3668	LSTA-Indirect		7,675	FY 18/19 Career Visioning for New Adult Grant
3000	Budgeted Fund Balance		(75,042)	Credit to Fund Balance
TOTAL REVENUE		\$286,921	\$238,871	-16.75%
 <u>Expenditure</u>				
4219	Professional Services	11,000	-	FY17/18 Annual Audit
4220	Contractual Services	254,311	217,261	PLP & NLS Contract: \$124,133 Annual Audit \$10,000, and Other \$83,128 (\$1,000 Staff Training to Libraries up to \$50,000)
4301	Insurance	2,500	2,500	Professional Liability Insurance
4302	Membership Fees & Dues	12,060	12,060	Califa Membership Fees for Members
4303	Travel & Meeting	7,000	7,000	Annual Meeting
4373	Service Fees	50	50	Bank Fees
TOTAL EXPENDITURE		\$286,921	\$238,871	-16.75%

NORTHNET LIBRARY SYSTEM
FY 2018-19 PROPOSED BUDGET

COMMUNICATION & DELIVERY (916)

		Adopted	Proposed	
		FY 17/18	FY 18/19	Note
<u>GL Acct</u>	<u>Revenue</u>			
3667	CLSA State Library	\$339,635	\$653,516	CLSA C & D Funds
3674	Reimbursable Costs	150,000	231,347	NBCLS & MVLS Deliveries
3000	Fund Balance - CSLA		430,356	Use of FY16/17 and FY17/18 CLSA Funds
TOTAL REVENUE		\$489,635	\$1,315,219	168.61%
		<u>Expenditure</u>		
4212	Communication	900	1,500	Conferencing Services
4220	Contractual Services	485,735	232,347	MVLS and NBCLS Delivery Services, Website Hosting \$1,000
4230	Office Supplies	1,200	1,200	
4233	Postage	1,800	1,800	USPS, UPS, FedEx, USPS
4235	Special Departmental		\$1,078,372	CLSA allocation for members \$649,016 & Other C & D Projects (Link+)
<u>Additional Earmarked CLSA Funds</u>				
<i>FY16/17 CLSA Add'l Zinio Allocation \$15,000</i>				
<i>FY16/17 Rolled-Over Zinio for FY18/19 Add'l CLSA Allocation \$30,000</i>				
<i>FY16/17 Add'l Overdrive Allocation \$55,000</i>				
<i>FY16/17 CLSA Add'l Overdrive Allocation \$40,750</i>				
<i>FY16/17 Unspent Link+ \$128,093 ; FY17/18 Unspent Link+ \$200,000</i>				
TOTAL EXPENDITURE		\$489,635	\$1,315,219	168.61%

NORTHNET LIBRARY SYSTEM
FY 2018-19 PROPOSED BUDGET

LOCAL (915)

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 17/18	Proposed FY 18/19	Note
3674	Reimbursable Costs	\$160,000	\$128,905	OverDrive Collection \$55,000 ; Zinio \$71,403 <i>less</i> FY17/18 Sonoma PL Zinio Payment \$16,513 Gale Databases-Chilton Library and Access Fee Consortia \$4,515; ProQuest \$14,500
TOTAL REVENUE		\$160,000	\$128,905	-19.43%

Expenditure

4445	Reimbursable-Library Expenses	160,000	128,905	OverDrive Collection \$55,000; Zinio \$71,403 <i>less</i> FY17/18 Sonoma PL Payment Credit Gale Databases-Chilton Library and Access Fee Consortia \$4,515; ProQuest \$14,500
TOTAL EXPENDITURE		\$160,000	\$128,905	-19.43%

Grants

ZIP BOOKS Statewide Expansion Project
CLSA Grant 1/1/17-6/30/19

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 17/18	Proposed FY 18/19	Note
3667	CLSA State Library	\$388,000	\$388,000	
TOTAL REVENUE		\$388,000	\$388,000	0.00%

Expenditure

4220	Contractual Service	\$28,000	\$28,000	Califa Group - Zip Books Grant Management Fee
4238	Library Materials	355,000	355,000	Library Materials Year 3 (7/1/18 - 6/30/19)
4303	Travel & Meeting	5,000	5,000	
TOTAL EXPENDITURE		\$388,000	\$388,000	0.00%

NORTHNET LIBRARY SYSTEM
FY 2018-19 PROPOSED BUDGET

**Career Visioning for New Adults
in Rural California**

		Adopted FY 17/18	Proposed FY 18/19	Note
<u>GL Acct</u>	<u>Revenue</u>			
3668	Federal Grants		\$76,750	
	TOTAL REVENUE	\$0	\$76,750	100.00%

Expenditure

4219	Professional Services		\$57,500	Consultant/Trainer
4250	Misc Supplies and Other		19,250	Workshop and Promotional Materials
	TOTAL EXPENDITURE	\$0	\$76,750	100.00%

**Public Library Staff Education
Program (PLSEP)**

		Adopted FY 17/18	Proposed FY 18/19	Note
<u>GL Acct</u>	<u>Revenue</u>			
3668	Federal Grants		\$10,000	
	TOTAL REVENUE	\$0	\$10,000	100.00%

Expenditure

4220	Contractual Service		\$10,000	
	TOTAL EXPENDITURE	\$0	\$10,000	100.00%

NorthNet Library System
NBCLS, MVLS, & NSCLS
FY 2018-19 Proposed Budget Summary

Acct		NBCLS	MVLS	NSCLS	TOTAL
<u>Revenue</u>					
3510	Interest Earned	\$2,500	\$2,000		\$4,500
3674	Reimbursable from Members	200		46,357	46,557
3000	Fund Balance	46,072	26,506		72,578
Total Revenue		\$48,772	\$28,506	\$46,357	\$123,635
<u>Expenditure</u>					
4105	Retiree Benefits	48,672	28,506	46,357	123,535
4219	Professional Services				-
4220	Contractual Services				-
4230	Office Expense				-
4233	Postage				-
4235	Special Departmental				-
4301	Insurance				-
4302	Membership Fees/Dues	100			100
4303	Travel & Meeting				-
4373	Service Fees				-
4445	Reimbursable from Members				-
TOTAL EXPENDITURE		\$48,772	\$28,506	\$46,357	\$123,635

North Bay Cooperative System Library Budget (921)

		Adopted FY 17/18	Proposed FY 18/19	Note
<u>GL Acct</u>	<u>Revenue</u>			
3000	Budgeted Fund Balance	\$36,491	\$46,072	NBCLS Fund Balance
3510	Interest Income	400	2,500	
3674	Reimbursement-retirees	200	200	
	TOTAL REVENUE	\$37,091	\$48,772	31.49%
	<u>Expenditure</u>			
4105	Retiree Benefits	37,091	48,672	CalPERS \$32,165, \$650 GASB Report, Medical \$14,500 and Medicare-LS \$1,357
4302	Membership Fees & Dues	100	100	
	TOTAL EXPENDITURE	37,191	48,772	31.14%
	Fund Balance as of 6/30/17	\$ 241,164.94		
	FY 17/18 Expenditure	(35,571.00)		
	<u>Fund Balance as of 6/30/18</u>	<u>\$ 205,593.94</u>	Estimated	

Mountain Valley Library System (922)

		Adopted FY 17/18	Proposed FY 18/19	Note
<u>GL Acct</u>	<u>Revenue</u>			
3000	Fund Balance	\$22,936	\$26,506	MVLS Fund Balance
3510	Interest Income	500	2,000	
	TOTAL REVENUE	\$23,436	\$28,506	21.63%
	<u>Expenditure</u>			
4105	Retiree Benefits	23,436	28,506	CalPERS
	TOTAL EXPENDITURE	\$23,436	\$28,506	21.63%
	Fund Balance as of 6/30/17	\$ 172,340.00		
	FY 17/18 Expenditure	(23,135.84)		
	<u>Fund Balance as of 6/30/18</u>	<u>\$ 149,204.16</u>	Estimated	

North State Library Cooperative Library System (923)

		Adopted	Proposed	Note
		FY 17/18	FY 18/19	
<u>GL Acct</u>	<u>Revenue</u>			
3674	Reimbursement from Members	\$38,783	\$46,357	CalPERS \$45,707, GASB Report \$650
	TOTAL REVENUE	\$38,783	\$46,357	19.53%
	<u>Expenditure</u>			
4105	Retiree Benefits	38,783	46,357	CalPERS \$45,707, GASB Report \$650
	TOTAL EXPENDITURE	\$38,783	\$46,357	19.53%
Fund Balance as of 6/30/17		\$ 172,340.00		
FY 17/18 Expenditure		(37,232.32)		
<u>Fund Balance as of 6/30/18</u>		<u>\$ 135,107.68</u>	Estimated	