

NLS Executive Committee Meeting - Revised

May 23, 2023

1:00 p.m.

ZOOM MEETING

<https://us02web.zoom.us/j/86920962922?pwd=V0EyODFDdXFhU2p5NHlOSDVDbDNBUT09>

Meeting ID: 869 2096 2922

Passcode: 488139

Phone: 1 669 444 9171

- 1. Welcome and Roll Call** Halstead, Chair
- 2. Public Invited to Comment** Halstead
- 3. Approval of Consent Calendar (Action Item)** Halstead
 - A. Adoption of Agenda
 - B. Approve Minutes of October 25, 2022 Attachment 1, p. 4
- 4. Old Business**
 - A. Review of Recommendations by Ad Hoc Strategic Priorities Committee **(Action Item)** Adlawan Attachment 2, p. 9
 - B. Review and Approval of Revised Format of CLSA Claim Form and Menu of Services **(Action Item)** Frost Attachment 3, p. 11
 - C. Update on FY 2023-24 LSTA Competitive Grant Ideas Brinkley
 - D. Review Use of NLS Listserv for Assistant/Deputy Directors And Continuation for FY 2023-24 **(Action Item)** Brinkley Attachment 4, p. 17
- 5. New Business**
 - A. Approve Slate of Nominees for FY 2023-24 Executive Committee Members **(Action Item)** Halstead Attachment 5, p. 18
 - B. Recommendation for OverDrive Budget for FY 2023-24 **(Action Item)** Platt Attachment 6, p. 19
 - C. Review and Approval of NLS FY 2023-24 CLSA Plan of Service and Recommendation of Adoption to the NLS Administrative Council **(Action Item)** Brinkley Attachment 7, p. 23
 - D. Review and Approval of NLS/PLP FY 2023/24 Contract **(Action Item)** Frost Attachment 8, p. 38

E. Review and Approval of Proposed NLS FY 2023-24 Budget (Action Item)	Yon	Attachment 9, p. 40
F. Approve NLS FY 2021-22 Financial Audit (Action Item)	Yon	Attachment 10, p. 47
G. Approve Revision to FY 2022-23 NLS Budget for Travel and Refreshments for NLS In-Person June Administrative Council Meeting (Action Item)	Frost	Attachment 11, p. 75
H. Review Memo to Yuba College Library Regarding Membership with NLS	Brinkley	Attachment 12, p. 76

6. Draft Agenda for June 28, 2023 Annual Administrative Council Meeting

- Approval of Slate of Candidates for Executive Committee
- Approval of NLS FY 2023-24 Budget
- Approval of NLS/PLP FY 2023-24 Contract
- Approval of NLS CLSA FY 2023-24 CLSA Plan of Service
- Approval of Strategic Priorities Activities by Ad Hoc Committee
- Approval of Revised Format of the NLS CLSA Claim Form by the Task Force
- Update on Library-to-Go Shared Collection
- Update on Use of NLS List-Serv for Assistant/Deputy Directors

7. System Chair Report

8. Announcements

9. Adjournment

Brown Act: This meeting abides by Cal. Gov't Code § 54953.

Cal. Gov't Code § 54953(b)(1) "Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding."

Cal. Gov't Code § 54953(j)(6) 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."

Gov't Code § 54953 (b)(2) "Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. If the legislative body of a local agency elects to use teleconferencing, the legislative body of a local agency shall comply with all of the following:

(A) All votes taken during a teleconferenced meeting shall be by rollcall.

(B) The teleconferenced meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.

(C) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(D) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.”

Gov't Code § 54953 (3) “If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e).”

Meeting Locations

Benicia Public Library, 150 East L Street, Benicia, CA 94510

Butte County Library, 1820 Mitchell Avenue, Oroville, CA 95966

Humboldt County Library, 1313 3rd Street, Eureka, CA 95501

Mendocino County Library, Ukiah Branch, 105 North Main Street, Ukiah, CA 95482

Napa County Library, 580 Coombs Street, Napa, CA 94559

Nevada County Library, Madelyn Helling Library, 980 Helling Way, Nevada City, CA 95959

Roseville Public Library, 316 Vernon Street, Suite 400, Roseville CA 95678

Solano County Library, 1150 Kentucky Street, Fairfield, CA 94533

2409 Apache Drive, Bishop, CA 93514

NLS Administrative Office, 32 West 25th Avenue, Suite 201, San Mateo, CA 94403



32 West 25th Avenue, Suite 201, San Mateo, CA 94403-2265
(650) 349-5538 Fax: (650) 349-5089

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DRAFT MINUTES

NLS Executive Committee Meeting

October 25, 2022

1. **Welcome and Roll Call** – Chair, Anthony Halstead, Napa County, called the meeting to order at 1:09 p.m. Also present were NLS Executive Committee members: Christopher Cooper, Humboldt County; Deb Fader Samson, Mendocino County; Jennifer Baker, Benicia, and Suzanne Olawski, Solano County. Also attending were NLS fiscal and administrative support, Carol Frost, Pacific Library Partnership; and Jacquie Brinkley, NLS/Pacific Library Partnership, and Chris Durr, California State Library.

2. **Public Invited to Comment.** No public comment was given.

3. **Approval of Consent Calendar – Motion to approve the Consent Calendar**

Olawski moved; Baker seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.

4. **Presentation: eBooks for All**

Presentation by Chris Durr on the California State Library's eBooks for All/Palace Project. Funding is available until November 5, 2022 for libraries to enroll with platform fees paid under the CSL grant. Libraries can join after November 5 to participate, but platform fees would not be covered. Grant funds remaining after November 5 will be applied to building the eBooks for All collection. This funding will expire December 31, 2022. There is currently an LSTA grant opportunity available to libraries who are enrolled in the Palace Project for their collection development. The grant deadline for this funding is December 8, 2022. Funds will be awarded in January 2023.

Discussion and questions from the Executive Committee members regarding the sustainability and implementation of this project. Durr thanked the Executive Committee for the time to present on this project.

5. **Old Business**

A. Review CLSA Study Revisions and Next Steps

Frost presented the CLSA Revised Study noting that the revisions were based on requests from the Executive Committee to add new formula options for review. Frost noted that the consultant did not make any specific recommendations, but included comments regarding the new formula options, with Frost noting one comment regarding the ability of some smaller libraries to spend a larger allocation within a 3-year period as required by CLSA. The limitations of CLSA eligible expenditures could become a larger issue for those smaller libraries. Frost suggested that a

compromise might be to consider paying some shared expenses “off the top” and before the application of a formula to reduce costs to all libraries and benefit the smaller libraries most.

Halstead reported that the Placer County director made a formal request that a review of the revised Study be available for discussion outside of an Action Item at the Administrative Council Mid-Year Meeting in January 2023.

Frost suggested that the Executive Committee include the revised Study in the Mid-Year meeting agenda as a discussion item only, and that Halstead email the new report to NLS directors after today’s meeting to allow time for all to review and be prepared for discussion at the January meeting.

Discussion ensued regarding the new Study results, including how best to format for presenting these new findings to the Administrative Council. Baker suggested lining up the new formula options with Option #1 that was approved for using in FY 22/23, and to include a column to show percent variance for each library for ease of viewing overall impact to NLS libraries. Baker, Cooper and Olawski noted that an analysis of the data would be helpful for their understanding of the application of new formulas.

Discussion regarding current Option #1 formula to be used for FY 22/23 and if any new formula was approved at the Mid-Year or Annual meeting, it would not apply until FY 23/24 or FY 24/25. Date of approval to change would need to be February 2023 at the latest to make a change for FY 23/24.

Olawski noted that consideration might be given to Local Income Per Capita in reviewing the application of the population model formula option. Cooper stated that within a county there can also be a wide variance in Local Income Per Capita, and this should be taken into consideration.

Halstead inquired about funds remaining for any additional work from the consultant now or after the January 2023 meeting. Frost confirmed that \$5,700 funds remain from the \$10,000 that was allocated for the new contract with Library Solutions.

Frost suggested that an Ad Hoc Committee form to work with the consultant (Library Solutions) and with Frost to draft a spreadsheet to compare new formula options with Option #1 and to add a percentage variance column to reflect the impact to all libraries with each formula. The Ad Hoc Committee, with the consultant, will also develop an analysis and narrative to simplify the study results. Frost also suggested that the NLS Executive Committee give the Ad Hoc Committee the latitude to present their recommendations to the Administrative Council for discussion at the Mid-Year meeting. Ad Hoc Committee members are Olawski, Cooper and Fader Samson. Olawski will contact the consultant to schedule an initial meeting with the consultant. Olawski restated that she advocates for any change to not take place before FY 24/25.

The Executive Committee will convene a special meeting to discuss the Ad Hoc Committee recommendations. Dates in early December were discussed. Frost noted that the consultant will need to be consulted on availability before a date can be set. Frost will provide an e-introduction to

the consultant and the Ad Hoc Committee. Frost will be copied on emails from the Ad Hoc Committee to the consultant.

No other Action taken on this item.

6. New Business

A. Finance

a) Review and Approval of CLSA 2021-22 Annual Report

Frost presented the NLS 2021-22 Annual Report and explained that this is the narrative summary of how NLS expended their CLSA funds.

Motion to approve NLS CLSA 2021-22 Annual Report.

Halstead moved; Baker seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.

b) Review and Approval of CLSA 2021-22 System Expenditure Report

Frost presented the 2021-22 Expenditure Report that accompanies the Annual Report.

Motion to approve the CLSA 2021-22 System Expenditure Report.

Olawski moved; Cooper seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.

c) Review and Approval of CLSA 2022-23 System Detailed Budget

Frost presented the 2022-23 System Detailed Budget that projects how NLS will expend their CLSA funds in the coming year.

Motion to approve the CLSA 2022-23 System Detailed Budget.

Baker moved; Halstead seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.

B. Nomination of Vice Chair and Executive Committee Member

Motion to nominate Christopher Cooper to the Vice Chair Position for two-year term ending June 30, 2024.

Halstead moved; Baker seconded. Vote taken by roll call. Voting to approve – Baker, Halstead, Fader Samson, Olawski. Cooper abstained. Motion passed.

Discussion ensued regarding the need for another Executive Committee member to fill the vacancy. Baker will reach out to MVLS members. Cooper will contact NSCLS members.

Nominations will be included in the Mid-Year meeting agenda.

C. FY 2023-24 LSTA Competitive Grant Ideas

Frost opened the discussion regarding LSTA funding opportunities for FY 2023-24 and noted that NLS had several LSTA projects funded in the past including the Student Success, Libraries Lead the Way, Career Visioning, and the Recovering Together Disaster Preparedness Project. Frost noted that a new

format for LSTA grant applications will be presented for FY 2023-24 and that NLS may decide to wait to see what new requirements are included in the application.

Baker shared a suggestion for a next-generation Student Success Initiative grant project based on a current project Benicia is working on with their school district. Benicia Public Library has contracted with the school district to provide professional development for school library tech staff and collection development consultation. Discussion ensued regarding a Toolkit that Benicia could draft for other libraries to work with their school districts with the goal to mitigate disparities and inequities in schools. Public libraries as consultants could be part of that effort and would build relationships between schools and libraries. Benicia will be helping their school district to learn about and how to use the online resources now provided by the State Library.

Olawski stated that she supported this idea. Baker agreed to help on the LSTA grant proposal should the Executive Committee agree once the application is announced. NLS staff will watch for notification from the State Library and work with Baker to review application requirements.

7. Draft Agenda for January 26, 2023 Mid-Year Administrative Council Meeting

Draft Agenda items were reviewed. Regarding the CLSA Funding Formula, Executive Committee Members agreed that the Ad Hoc Committee would present their recommendations regarding the CLSA funding formula options and their impact and encourage discussion among members. With recognition to the request that this item be for discussion outside of an Action Item, the item will be listed as an Action Item in case the Membership is ready to vote but will have the option to defer action if no decision is made at the meeting. The Ad Hoc Committee will have their recommendation ready to include in the Meeting Packet.

Cooper asked about information from the State Library regarding the Building Forward grant funding and next round of applications. Brinkley reported that Reed Strege from the State Library would be attending the Mid-Year meeting to discuss this item among other State Library initiatives.

8. Select Date for NLS Annual Meeting

Brinkley will check on ALA Annual Meeting dates and then send out a Doodle Poll to the Executive Committee for setting the meeting date. Brinkley will send the Doodle Poll for dates in weeks of June 19 and June 26, 2023. Once date is determined, a vote will be taken from all NLS Administrative Council to determine if the Annual Meeting will be held in-person or virtual.

9. System Chair Report

No report.

10. Announcements

A. State Library Report for Cooperative Library Systems

Brinkley announced that Chris Durr will replace Lena Pham as the CSL liaison to NLS effective January 2023.

Brinkley reported that IMLS had contacted the California State Library to request permission to use photos from the Recovering Together website for use on their Grants to States- California page. This will highlight the Preparing to Respond and Recover Together LSTA project of NorthNet.

11. Next Executive Committee Meeting

A special Executive Committee meeting may be scheduled for late January 2023 after the Mid-Year meeting. An Executive Committee meeting is scheduled for April 25, 2023.

Frost reported that the Governor is lifting the pandemic-related Emergency Order effective February 28, 2023. The Emergency Brown Act revisions will cease. The NLS EC reverted back to regular Brown Act several months ago. NLS may consider reverting back to in-person meetings, as the NLS used to hold Executive Committee and Administrative Council Meetings in person. NLS may consider this for the Annual Meeting in June.

Halstead mentioned the passing of AB 2949 that changed teleconferencing requirements for public meetings. Frost reported that the passing of this bill does not apply to NLS as NLS now abides by the Brown Act and lists all voting locations.

12. Meeting adjourned at 3:18 p.m.



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To: NLS Executive Committee
From: Strategic Priorities Ad-Hoc Committee
Subject: Update on Setting Measurable Goals and Timeline for Tier 1 Strategic Priorities
Date: May 23, 2023

Strategic Priorities Ad-Hoc Committee Members

Mary George (Placer), Diana Lopez (Yolo), Michael Perry (Siskiyou), Lana Adlawan (Marin)

Background

The NLS Administrative Council recently approved the Strategic Priorities and Values and, at the January 2023 Council meeting, formed an Ad Hoc Committee to *"identify measurable goals and timelines to track progress for those activities. The Ad Hoc Committee recommends that the newly formed Ad Hoc Committee start with Tier 1 and identify working groups from among all NLS members to get others involved."*

Tier 1 Priorities:

1. Disaster Preparation
2. Future Shared Resources
3. Capacity Building for Staff
4. Investigate NorthNet Membership in Government Alliance on Race and Equity (GARE)
5. Shared Collection Management and Resource Sharing

Recommendations

The Ad Hoc Committee determined that there would be efficiencies in assigning work to already established groups in NorthNet for each of the priorities and those groups could report back goals and timelines.

1. Disaster Preparation:

Ad Hoc Committee recommends assigning this to the Chairs of the legacy systems: MVLS, NBLCS, and NSCLS. These legacy system Chairs would form working groups to identify measurable goals and timelines for their assignment and report back to the NLS Strategic Priorities Ad Hoc Committee or the Executive Committee.

2. Future Shared Resources Recommendation

Ad Hoc Committee recommends assigning this to the Executive Committee to track as they represent the NLS body and are the main contact between NLS and the State Library.

3. Capacity Building for Staff

Ad Hoc Committee recommends assigning this to the Chairs of the legacy systems: MVLS, NBLCS, and NSCLS. Once assigned, these legacy system Chairs would form working groups to identify measurable goals and timelines for their assignment and report back to the NLS Strategic Priorities Ad Hoc Committee or the Executive Committee.

4. Investigate NorthNet Membership in Government Alliance on Race and Equity (GARE)

Ad Hoc Committee recommends that NorthNet Library System Administrative Council joins GARE at the June annual meeting. GARE offers support and resources as well as connections to effectively address and change racial inequalities in our libraries.

State/Regional Agency Members pay annual dues on a sliding scale, based on number of employees:

Up to 500 employees = \$2,500/year
501 – 4,000 employees = \$5,000/year
4,001 – 10,000 employees = \$8,000/year
More than 10,000 employees = \$15,000/ year

5. Shared Collection Management and Resource Sharing

Ad Hoc Committee recommends the Library-to-Go Committee (and the collection development librarians working in that committee) to develop goals and timelines.

There was some consensus by the Ad-Hoc Committee around first establishing a list of all the resources we currently share and defining a “minimum” sharing guideline for library systems.

The Ad Hoc Committee also recommends that the Tier 1 Priorities have a standing agenda item for future Executive Committee meetings so that updates can regularly be provided, and to ensure NLS is making progress to meet these priorities.



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To: NLS Executive Committee
From: Carol Frost
Subject: Review of NLS Revised CLSA Claim Form and Menu of Services
Date: May 23, 2023

Background

Each year, NLS reviews the menu of services on the CLSA claim form. The menu is based on the allowable items as defined by the California Library Service Act and input from the member libraries.

At the January 2023 NLS Administrative Council meeting, an Ad Hoc Group was formed by Lindsay Fuchs and Michael Perry to update the format of the CLSA claim form, in response to a recommendation from the NLS report "Study of CLSA Cost Share Formula and Allocation of Funds," where some NLS members felt the CLSA claim form was 'confusing.'

The purpose of this memo is to update the CLSA menu of services for FY2023-24, and to review the revised CLSA claim form.

Revised CLSA Claim Form

Fuchs and Perry have developed a redesigned claim form (**Exhibit A**). The significant changes include those on the second page, including:

- Creating sections for types of costs, and clarifying if those funds will be disbursed to libraries or go towards consortia initiatives.
- Combining the Link+ software and courier costs to make it more uniform with other cooperative claim forms.
- Shared Digital Content has been condensed, including a place for libraries to write in the less popular shared materials. The form has been updated to include Filmocracy, based on the State Library's review and the discussion below.

Menu of Items on the CLSA Claim Form

Attached to this memo is the FY 2022-23 NLS CLSA claim form for public libraries (**Exhibit B**). The current claim form includes the following menu of options. Listed below are the current options, and in parentheses are the number of NLS libraries which claimed the item in FY 2022-23.

1. NLS Library-to-Go Shared OverDrive Collection (27 libraries)
2. NLS Shared OverDrive eMagazine Collection (27 libraries)
3. NLS Shared Delivery (for MVLS and NBCLS) (16 libraries)
4. Additional funds towards NLS Library-to-Go Shared OverDrive Collection (15 libraries)
5. Link+ Software Subscription Fee (7 libraries)
6. Additional Delivery costs (*Link+ Courier or NSCLS Postage for Delivery*) (2 libraries)
7. Other Shared Local Delivery (3 libraries)
8. Other Shared eResources (*enki; Bibliotheca Cloud Library consortia product, Northern California Digital Library or other eResources shared between three or more libraries*). (3 libraries)
9. Broadband hardware costs (0 libraries)
10. CENIC telecommunication costs, costs for covering warranties in data center (5 libraries)
11. Palace eBooks for All (1 library)
12. OCLS/ILL annual subscription fee (1 library)

Consideration of Additional Item for Menu

There has been interest and discussion among NLS members about NLS contracting for video streaming services. Plumas County Library Director Lindsay Fuchs researched multiple streaming options for NLS and scheduled two demos with the video streaming service, Filmocracy, for members to attend. An interest survey was also issued to NLS members for Filmocracy. Based on survey responses, it was determined that there were not enough interested libraries to pursue an NLS shared contract, but that a few libraries wanted to subscribe and want to use CLSA funds. Libraries are requesting that this be added to the menu of services on the FY 2023-24 Claim Form.

NLS administration has confirmed with the State Library that Filmocracy is an allowable cost for CLSA funds.

Recommendation

It is recommended that the NLS Executive Committee add Filmocracy to the FY 2023-24 CLSA Claim Form, and approve the revised Claim Form, and recommend that the NLS Administrative Council adopt the revised Claim Form and items.



CLAIM FORM FOR CALIFORNIA LIBRARY SERVICES ACT (CLSA) FUNDS

Library: _____

Fiscal Year: _____

Accompanying this Claim Form is the approved CLSA funding distribution spreadsheet for NLS public member libraries.

The spreadsheet included with this form shows:

- Your library's Fiscal Year allocation of CLSA funds
- Your library's delivery costs, if participating, in a delivery contract managed by NLS
- Your library's cost, if participating, in the Library-to-Go shared collection
- Your library's cost, if participating, in the OverDrive eMagazine shared collection

Per the accompanying spreadsheet, your library's CLSA allocation this fiscal year is \$_____.

SECTION 1: Approved Allocations in NLS Shared Services

This section will be automatically filled in based on the NLS Shared Services your library participates in.

\$_____ Annual fee for OverDrive eBook/eAudiobook Library-to-Go shared collection

\$_____ Annual fee for OverDrive eMagazine consortium subscriptions

\$_____ Delivery

COMPLETING THIS FORM

1. ***If your library has a remaining balance of CLSA funds after NLS Shared Services costs are deducted***, please indicate in Section 2 how your library would like to use the remainder of funds.
2. ***If your library costs exceed its CLSA allocation***, your library will be invoiced for any amount due.

Remaining Balance: \$_____

Invoice Amount: \$_____

The ***filled out*** and ***signed*** CLSA Claim Form should be submitted by _____

a) via email as a legible PDF attachment to NLSclaims@plpinfo.org

OR

b) by mail with an original signed signature to

NorthNet Library System
Attn: Accounting Dept.
32 W. 25th Avenue, Suite 201
San Mateo CA 94403

SECTION 2: Approved CLSA Allocations in NLS Shared Services

My library's remaining CLSA funds will be distributed as follows

NorthNet Consortia Managed Services (Funds will be re-directed to the consortia)
\$ _____ OverDrive Library-to-Go (consortium materials)
Link + (Funds will be sent to the library system)
\$ _____ Link+ Software and Associated Courier
Other Delivery (Funds will be sent to the library system)
\$ _____ NSCLS Postage for Delivery
\$ _____ Other Shared Courier
Telecommunication Costs (Funds will be sent to the library system)
\$ _____ Broadband hardware (this should not be claimed multiple years in a row)
\$ _____ CENIC telecommunication costs, costs for covering warranties in data center (only by rural libraries)
Shared Digital Content (Funds will be sent to the library system)
\$ _____ OverDrive (Library-to-Go Advantage Plus materials that will be shared) \$ _____ OverDrive (Other shared OverDrive collections) \$ _____ Palace eBooks-for-All Project (materials that will be shared) \$ _____ Other valid resource (e.g. enki, SimplyE, Filmocracy, Bibliotheca's CloudLibrary Consortium product etc.) Please name resource _____ For Shared Digital Content, please indicate the estimated number of titles to be purchased and circulation _____ # of Titles _____ Circulation

Certification

I hereby certify that our library system shall use this Fiscal Year's funds for CLSA approved purposes that facilitate resource sharing among the NLS Members.

Signature: _____

Title: _____

Name: _____

Date: _____

For Staff Use

Approved by: Carol Frost: Signature: _____ Date: _____

Updated May 11, 2023



FY 2022-23 CLAIM FORM FOR CALIFORNIA LIBRARY SERVICES ACT (CLSA) FUNDS

Library: _____

Accompanying this Claim Form is the approved CLSA funding distribution spreadsheet for NLS member libraries. Your allocation is listed, as well as your portion for the shared NLS eMagazine, OverDrive, and delivery costs. If your library has a balance of CLSA funds remaining after shared costs are deducted, please indicate which shared resource you would like to apply the remainder of funds. If costs exceed CLSA allocation, your library will be invoiced for any amount due.

The spreadsheet included with this form shows:

- Your library's FY 2022-23 allocation of CLSA funds
- Your library's delivery costs, if participating, of a delivery contract managed by NLS
- Your library's cost, if participating, in the Library-to-Go OverDrive eBook/eAudiobook shared collection
- Your library's cost, if participating, of the OverDrive eMagazine shared collection
- Your library's cost, if participating, of the Link+ Services contract managed by NLS

DIRECTIONS FOR COMPLETING THIS FORM

✓ If you are participating in the shared NLS delivery, OverDrive eBook/eAudio, or shared OverDrive eMagazine collection, please complete **Section 1**. If your library has a balance of CLSA funds remaining after shared costs are deducted, please indicate which shared resource you would like to apply the remainder of funds by completing **Section 2 and/or Section 3**. **If costs exceed CLSA allocation, your library will be invoiced for any amount due.**

✓ If you are participating in the shared NLS delivery, OverDrive eBook/eAudio, or shared OverDrive eMagazine collection, please complete **Section 3**.

Per the accompanying spreadsheet, my CLSA allocation is \$_____. These funds will be used for my FY 2022-23 allocation of services as indicated on the spreadsheet.

SECTION 1: Participating Libraries' Approved Allocations in NLS Shared Services:

\$_____ Annual fee for OverDrive eBook/eAudiobook shared collection

\$_____ Annual fee for OverDrive eMagazine consortium subscriptions

\$_____ Delivery *(Please note that if the library participates in an NLS-managed delivery contract, I understand that the library's share of the delivery contract will be paid by NLS from these funds.)*

Remaining Available Allocation: \$_____

SECTION 2: Participating Libraries May Redirect Additional Allocations to NLS Shared Services:

My library has remaining CLSA funds, and I am choosing to distribute them as follows:

\$_____ Additional OverDrive eBook/eAudiobook contribution for consortium materials

(Please see other side for more options and for signature)

Library: _____

SECTION 3: Allocation will be used for my Library Local Resources:

\$ _____ Link+ Software Subscription Fee (for Link+ Courier costs, please use line below)

\$ _____ Additional Delivery costs (**Circle Choice:** Link+ Courier, NSCLS Postage for Delivery, Other Shared Courier)

\$ _____ Other Shared eResources (enki, Bibliotheca Cloud Library consortia product, Northern California Digital Library, Palace eBooks-for-All, OverDrive Advantage titles (if part of Library-to-Go and titles will be shared immediately) or other eResources shared between three or more libraries). If you have chosen Other Shared eResources, please indicate the estimated number of titles to be purchased, and the estimated circulation of those purchased titles for FY 2022-23.

This statistical information below is needed for accountability reporting to the California State Library.

Please fill-in required fields.

_____ # of Titles _____ Circulation _____ Name of eResource

\$ _____ Broadband hardware costs (this should not be claimed multiple years in a row)

\$ _____ CENIC telecommunication costs, costs for covering warranties in data center (only by rural libraries)

Please ensure that the full amount of your approved allocation has been designated. **Only options included on this form are allowable.**

If remaining funds are due to your library for communications and delivery and eResources costs that are not included in NLS managed shared services contracts, a check will only be issued to your library upon receipt of the completed and signed claim form.

Certification

I hereby certify that the library named above shall use these funds for CLSA approved purposes that facilitate resourcing sharing among the NLS Members in FY 2022-23.

Signature: _____ Title: _____

Name: _____ Date: _____
Print Name

.....
For Staff use:

Approved By: Carol Frost

Signature: _____ Date: _____

.....
The completed and signed CLSA Claim form can be submitted as a PDF attachment (*must be legible*) via email to: NLSClaims@plpinfo.org or by mail with an original signed signature by **February 28, 2023 to:**

**NorthNet Library System
Attn: Accounting Dept
32 W. 25th Avenue, Suite 201
San Mateo CA 94403**



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To: NLS Executive Committee
From: Jacquie Brinkley, NLS System Coordinator
Subject: Update on Use of Listserv for NLS Assistant and Deputy Directors
Date: May 23, 2023

Background

NLS received a request in early 2022 from Ann Hammond, the Director of the Sonoma County Library, to establish an NLS listserv for Assistant and Deputy Directors. The request was brought to the NLS Administrative Council for their consideration at the June 2022 Annual Meeting.

NLS staff provided an update at the January 2023 Administrative Council meeting and reported that to date, a total of 6 (six) names made up the listserv and that no activity had occurred since its creation other than postings from NLS staff.

There are currently 14 names on the listserv (8 names were added after the NLS mid-year meeting). Unfortunately, there continues to be no activity other than postings from NLS staff on this listserv. NLS pays \$90 annually to maintain each listserv it hosts.

From Draft Minutes of NLS Administrative Council Meeting of January 2023:

D. Update on Use of NLS Listserv for Assistant/Deputy Directors

Brinkley presented memo on the status and use of the NLS Assistant and Deputy Director listserv, reporting that no activity other than posting of messages by NLS staff had occurred since inception in July 2022. Brinkley noted that the cost to NLS to set up and maintain a listserv runs \$90 per year.

Discussion ensued with members agreeing to continue the listserv and to promote to staff to encourage use before any decision to terminate. Brinkley will report again on usage at the Annual Meeting in June 2023.

Motion to continue support and promotion of the Assistant/Deputy Director listserv.

Fuchs moved; Kenton seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.

Recommendation

It is recommended that with no activity on this listserv, the NLS Executive Committee recommends to the Administrative Council to discontinue maintenance of the Assistant Director/Deputy Director listserv.



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www.northnetlibs.org

To: NLS Executive Committee
From: NLS Chair, Anthony Halstead and Vice Chair, Christopher Cooper
Subject: Approval of Slate of Nominees for FY 2023/24 NLS Executive Committee Members
Date: May 23, 2023

We nominate the following Executive Committee members for a 2-year term ending 6/30/2025:

Natasha Martin, Roseville Public Library (MVLS)
 Christopher Platt, Mono County Library, (MVLS)
 Deborah Fader Samson, Mendocino County Library (NBCLS)

Continuing to serve on the Executive Committee with terms ending 6/30/2024 are:

Jennifer Baker, Benicia Public Library (NBCLS)
 Narinder Sufi, Butte County Library (NSCLS)
 Nick Wilczek, Nevada County Library (MVLS)

Also continuing to serve on the Executive Committee are:

Anthony Halstead, Napa County Library (NBCLS), Chair (through June 30, 2024)
 Christopher Cooper, Humboldt County Library (NSCLS), Vice Chair (through June 30, 2024)
 Suzanne Olawski, Solano County, Past Chair (through June 30, 2024)

Thank you to the slate of candidates for their continued service to NorthNet Library System and the Executive Committee.

To: NorthNet Library System Executive Committee
From: Library-to-Go Committee Co-Chairs Christopher Platt and Renée Forté
Subject: Proposed FY 2023/24 Library-to-Go Budget
Date: May 23rd, 2023

Background

Following are the proposed Library-to-Go budget for FY 2023/24 as well as the cost-share breakdown per participating library for the circulating OverDrive ebooks/audiobooks collection and the OverDrive eMagazine collection.

In preparing this proposed budget, the Committee included the following considerations and changes:

- Last year NLS signaled a desire to spend out the approved fiscal budget within the fiscal year rather than carrying over any monies into the following year. A complicating concern at the time was a need for a 'buffer' amount to carry us through in case the following year's budget was severely reduced. The implementation of the Reciprocal Lending Agreement, requiring a minimum materials spend of \$45,000 mitigates this concern. The Committee is spending down the FY 2022/23 fiscal budget by June 30th, which will result in strong usage well into the Fall.
- It is still too soon to understand strategic budget ramifications of the RLA as NLS is still by far a net borrower. We will analyze trends to understand if we can safely and cooperatively adjust our budgets due to RLA use by NLS members, or MARINet or PLS members.
- FY 2022/23's mid-year CSLA redirects to the OverDrive collection came in under the target. We are proposing an even more conservative target for FY 2023/24 as a result.
- Looking for an alternative to the 'all in or all out' model for OverDrive's shared eMagazine platform, we investigated PressReader as a possible substitute use of CSLA funds. We tabled this due to lack of overall participant interest and cost.

Discussion

- Last year the Executive Committee used some of its set-aside monies to augment spending on this collection. Depending on how the overall budget situation looks mid-year, we may want to revisit either another contribution or conversely, setting aside a rollover into FY 2024/25.

Recommendation

- We recommend the NLS Executive Committee approve the proposed Library-to-Go FY 2023/24 Budget as articulated below, with \$75,000 allocated to ebooks and \$55,000 allocated to eMagazines.

Proposal for NLS Library To Go Budget FY 23-24

<u>Revenues</u>	<u>Budget</u>	<u>Comments</u>
Previous Fiscal Year		
Local Funds - Materials Carryover (FY 22/23)	\$0	<i>This is a change: shift to spend out within current fiscal year since the RLA guarantees us a minimum spend amount any year. Last year \$42,479 rolled over.</i>
23/24 Fiscal Year		
Local Funds		
Platform	\$12,000	<i>Same as last year</i>
Materials	\$63,000	<i>This includes the \$45,000 RLA min spend requirement</i>
CLSA C&D Funds (FY 23/24)	\$45,000	<i>Conservative estimate based on 22/23's actual redirects which came in approx \$5k short of \$60k estimate</i>
Exec Committee Contribution	\$0	<i>Last year Exec contributed an extra \$25k.</i>
Total	\$120,000	<i>\$77,479 less than last year for reasons cited above.</i>

<u>Expenditures</u>	<u>Budget</u>	<u>Comments</u>
Platform Fee (standard)	\$12,000	
Material Orders (eBook, Audiobook)		
English	\$39,847	
Spanish Language	\$6,870	<i>New category</i>
Other Languages	\$1,992	<i>Availability still an issue</i>
Re-purchase MA titles	<u>\$9,962</u>	
Sub-Total	\$58,672	
Holds Management		
High Holds	\$42,206	
Lucky Day Purchases	<u>\$4,122</u>	
Subtotal	\$46,328	
Simultaneous Use		
Audiobooks	<u>\$3,000</u>	<i>prepackaged price</i>
Sub-Total	\$3,000	
Reserve for Materials from FY 23/24	\$0	<i>Will revisit with NLS mid-year when we know larger CSLA \$s situation better.</i>
Total	\$120,000	

FY2023-24 OverDrive Cost Share \$75,000

Formula cost share for participating libraries: 50% using circulation, 50% using unique users.

<u>Library</u>	<u>Circulation</u>	<u>% Total Circulation</u>	<u>50% cost per Circ</u>	<u>Unique Users</u>	<u>% Total Users</u>	<u>50% Cost Unique User</u>	<u>Total cost for library</u>
	1,161,892		37,500	55,154		37,500	75,000
NLS-Alpine County Library	1228	0.11%	\$39.63	64	0.12%	\$43.51	\$83.15
NLS-Benicia Public Library	37353	3.21%	\$1,205.57	1,984	3.60%	\$1,348.95	\$2,554.52
NLS-Butte County Library	111615	9.61%	\$3,602.37	4249	7.70%	\$2,888.96	\$6,491.32
NLS-Colusa County Library	1485	0.13%	\$47.93	104	0.19%	\$70.71	\$118.64
NLS-Del Norte County Library District	8366	0.72%	\$270.01	276	0.50%	\$187.66	\$457.67
NLS-El Dorado County Library	126402	10.88%	\$4,079.62	6,278	11.38%	\$4,268.50	\$8,348.12
NLS-Folsom Public Library	57861	4.98%	\$1,867.46	3,112	5.64%	\$2,115.89	\$3,983.35
NLS-Humboldt County Library	95335	8.21%	\$3,076.93	3,644	6.61%	\$2,477.61	\$5,554.54
NLS-Lassen Library District	4024	0.35%	\$129.87	134	0.24%	\$91.11	\$220.98
NLS-Lincoln Public Library	39976	3.44%	\$1,290.22	2,118	3.84%	\$1,440.06	\$2,730.28
NLS-Modoc County Library	3031	0.26%	\$97.83	92	0.17%	\$62.55	\$160.38
NLS-Mono County Library	10688	0.92%	\$344.95	567	1.03%	\$385.51	\$730.47
NLS-Napa County Library	110791	9.54%	\$3,575.77	5,291	9.59%	\$3,597.43	\$7,173.20
NLS-Nevada County Library	102126	8.79%	\$3,296.11	4,598	8.34%	\$3,126.25	\$6,422.36
NLS-Orland Free Library	5252	0.45%	\$169.51	199	0.36%	\$135.30	\$304.81
NLS-Placer County Library	159142	13.70%	\$5,136.30	8,015	14.53%	\$5,449.51	\$10,585.81
NLS-Plumas County Library	7423	0.64%	\$239.58	364	0.66%	\$247.49	\$487.07
NLS-Roseville Public Library	89067	7.67%	\$2,874.63	5,839	10.59%	\$3,970.02	\$6,844.65
NLS-Shasta Public Libraries	85125	7.33%	\$2,747.40	3,334	6.04%	\$2,266.83	\$5,014.24
NLS-Siskiyou County Library	20456	1.76%	\$660.22	869	1.58%	\$590.85	\$1,251.06
NLS-St. Helena Public Library	13393	1.15%	\$432.26	540	0.98%	\$367.15	\$799.41
NLS-Sutter County Library	20353	1.75%	\$656.89	947	1.72%	\$643.88	\$1,300.77
NLS-Tehama County Library	14826	1.28%	\$478.51	497	0.90%	\$337.92	\$816.43
NLS-Trinity County Library	3180	0.27%	\$102.63	130	0.24%	\$88.39	\$191.02
NLS-Willows Public Library	3596	0.31%	\$116.06	107	0.19%	\$72.75	\$188.81
NLS-Woodland Public Library	23281	2.00%	\$751.39	1,443	2.62%	\$981.12	\$1,732.51
NLS-Yuba County Library	6517	0.56%	\$210.34	359	0.65%	\$244.09	\$454.43

FY2023-24 OverDrive eMagazine Cost Share \$55,000

Formula cost share for participating libraries: 50% using eMagazine circulation, 50% using eMagazine unique users.

<u>Library</u>	<u>Circulation</u>	<u>% Total Circulation</u>	<u>50% cost per Circ</u>	<u>Unique Users</u>	<u>% Total Users</u>	<u>50% Cost Unique User</u>	<u>Total cost for library</u>
	95,765		27,500	7,166		27,500	55000
NLS-Alpine County Library	71	0.07%	\$20.39	6	0.08%	\$23.03	\$43.41
NLS-Benicia Public Library	4016	4.19%	\$1,153.24	285	3.98%	\$1,093.71	\$2,246.95
NLS-Butte County Library - Adult	4255	4.44%	\$1,221.87	401	5.60%	\$1,538.86	\$2,760.74
NLS-Colusa County Library	29	0.03%	\$8.33	8	0.11%	\$30.70	\$39.03
NLS-Del Norte County Library District	695	0.73%	\$199.58	46	0.64%	\$176.53	\$376.11
NLS-El Dorado County Library	8995	9.39%	\$2,583.02	763	10.65%	\$2,928.06	\$5,511.08
NLS-Folsom Public Library	2897	3.03%	\$831.91	357	4.98%	\$1,370.01	\$2,201.92
NLS-Humboldt County Library	6417	6.70%	\$1,842.71	551	7.69%	\$2,114.50	\$3,957.21
NLS-Lassen Library District	982	1.03%	\$281.99	23	0.32%	\$88.26	\$370.26
NLS-Lincoln Public Library	1766	1.84%	\$507.13	270	3.77%	\$1,036.14	\$1,543.27
NLS-Modoc County Library	152	0.16%	\$43.65	19	0.27%	\$72.91	\$116.56
NLS-Mono County Library	831	0.87%	\$238.63	85	1.19%	\$326.19	\$564.82
NLS-Napa County Library	8492	8.87%	\$2,438.57	715	9.98%	\$2,743.86	\$5,182.43
NLS-Nevada County Library	8658	9.04%	\$2,486.24	620	8.65%	\$2,379.29	\$4,865.53
NLS-Orland Free Library	428	0.45%	\$122.91	33	0.46%	\$126.64	\$249.54
NLS-Placer County Library	15010	15.67%	\$4,310.29	996	13.90%	\$3,822.22	\$8,132.51
NLS-Plumas County Library	579	0.60%	\$166.27	55	0.77%	\$211.07	\$377.33
NLS-Roseville Public Library	9224	9.63%	\$2,648.78	700	9.77%	\$2,686.30	\$5,335.07
NLS-Shasta Public Libraries	11343	11.84%	\$3,257.27	507	7.08%	\$1,945.65	\$5,202.92
NLS-Siskiyou County Library	4274	4.46%	\$1,227.33	130	1.81%	\$498.88	\$1,726.21
NLS-St. Helena Public Library	1144	1.19%	\$328.51	81	1.13%	\$310.84	\$639.36
NLS-Sutter County Library	1370	1.43%	\$393.41	150	2.09%	\$575.63	\$969.05
NLS-Tehama County Library	1213	1.27%	\$348.33	81	1.13%	\$310.84	\$659.17
NLS-Trinity County Library	287	0.30%	\$82.42	27	0.38%	\$103.61	\$186.03
NLS-Willows Public Library	203	0.21%	\$58.29	24	0.33%	\$92.10	\$150.40
NLS-Woodland Public Library	1939	2.02%	\$556.81	180	2.51%	\$690.76	\$1,247.57
NLS-Yuba County Library	495	0.52%	\$142.14	53	0.74%	\$203.39	\$345.54



CALIFORNIA LIBRARY SERVICES ACT
PLAN OF SERVICE AND BUDGET
For use with 2023/2024 Communication & Delivery Program

California State Library
Sacramento
April 2023

Greg Lucas, Chief Executive Officer
California Library Services Board

System Information

FY 2023/2024

System Name: NorthNet Library System			
Director: Carol Frost		Email: frost@plpinfo.org	
Address: 32 W. 25 th Avenue, Suite 201		City: San Mateo	State: CA Zip: 94403
Phone: 650-349-5538		Fax:	

System Chair for FY 2023/2024 (if known): Anthony Halstead	Fiscal Agent: Pacific Library Partnership
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Date approved by Administrative Council: June 28, 2023

X	June 28, 2023
Signature of System Administrative Chair for FY 2023/2024 Print Name: Anthony Halstead	
Date	

Demographics of System Service Area

System Population Profile, FY 2023/24

Total Population of System Service Area: 4,922,784^a

Total Population of the System Service Area should come from the State Library certified population numbers

Underserved Population	Number	Percentage of Total Population
Economically Disadvantaged ^b (Below poverty level)	587,979	11.94%
Institutionalized ^c	64,436	1.31%
Aged (65+) ^d	868,351	17.64%
Children & Youth: ^d	278,976	5.67%
• Under 5		
• 5 to 9	301,838	6.13%
• 10 to 14	322,141	6.54%
• 15 to 19	316,088	6.42%
Persons with disabilities ^e	627,167	12.74%
Speakers of limited English or English as a Second Language ^f	454,536	9.23%
Non-English Speaking ^g	1,183,135	24.03%
Ethnicity ^d	264,325	5.37%
• Black		
• Hispanic	1,127,110	22.90%
• Asian	511,765	10.40%
• Native American	54,849	1.11%
• Other (specify)	29,818	0.61%
Geographically Isolated (RURAL) * see note		
Functionally Illiterate ⁱ	391,178	7.95%
Shut-In ^j	238,866	4.85%

List source(s) of this data: (example US Census Bureau, California Library Statistics, Population Projections from Department of Finance)

^a Use the CA State Certified Population Figures 2122

^b U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates (S1701)

- ^c U.S. Census Bureau, 2010 Census, Housing Characteristics, Institutionalized (P29)
- ^d U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates, Demographic and Housing Estimates (DP05)
- ^e U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates, Disability Characteristics (S1810)
- ^f U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates, Selected Social Characteristics in the US (based on population 5 years and over who "Speak English less than 'very well'") (DP02)
- ^g U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates (S1601)
- ^h
- ⁱ U.S. Dept. of Ed. Institute of Educational Sciences National Assessment of Adult Literacy
- ^j U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates, 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 used for planning activities of our various committees and to serve all segments of the underserved.

Comments/ Additional Information:

*** Geographically Isolated/ Rural**

"Rural" is essentially "that which is not named as urban." "Urban areas represent densely developed territory, and encompass residential, commercial, and other nonresidential urban land uses. Each urban area must encompass at least 2,000 housing units or at least 5,000 people. This is a change from the previous minimum of 2,500 people which had been in place since the 1910 Census."

Funding for Communications and Delivery – FY 2023/2024

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	820,000	0	820,000	
b. Non-public libraries in System area	0	0	0	
TOTAL	820,000	0	820,000	
		System Owned	Contracted Vendor	
c. Number of delivery vehicles that physically move items			4	
d. Frequency/schedule of physical delivery service			1-5 days	
e. Percentage of items to be physically delivered by:				
U.S. Mail	UPS	System Van	Contracted Van	Other
5%	.2%	%	94.8%	%

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

f. Estimated total number of e-resources to be purchased (circulated/downloaded/streamed, etc.) for residents of System member libraries	Est 1.1+ million circulated
g. Percentage of CLSA funds to be spent on e-resources?	42%
h. Percentage of CLSA funds to be used for Broadband technology improvements	6%

“It is the intent of the California Library Services Act is to provide all residents with the opportunity to obtain from their public libraries needed materials and informational services by facilitating access to the resources of all libraries in this state. This policy shall be accomplished by assisting public libraries to improve service to the underserved of all ages, and by enabling public libraries to provide their users with the services and resources of all libraries in this state.” (Education Code 18702)

When submitting your Library Systems’ proposals, they shall be based upon the most cost-effective methods of exchanging print and digital materials and information among the member libraries.

Unless otherwise prohibited by Education Codes 18745-18746, intra-system communication, delivery, and resource sharing include the acquisition or maintenance of technology or digital transmission products required to locate, create, or make accessible digital, virtual, or electronic material, which may also include telecommunication equipment and its installation along with service fees. The System must describe the communication, delivery method, or shared resource and the outcome of providing it.

Section 2 Funding Goal (What have you done, for whom, and for what benefit?)

1. How will the Library System determine the needs of their community. Please describe the goals for the Communication and Delivery funding for your Library System and how it addresses that need.

The primary goals for NLS are to share materials and resources (both physical and electronic), and these goals are being met through using CLSA funds to support shared courier/delivery services and shared eMaterials including eBooks, eAudiobooks and eMagazines.

NLS leadership has conducted numerous member surveys over the past several years to understand how they can better serve all NLS libraries and their communities, and to determine how to most equitably distribute and allocate CLSA funding throughout the region. From the survey results and member recommendations, NLS hired a qualified consultant to study the existing cost share formula for California Library Services Act (CLSA) funds, as well as examine the priorities of services paid for using CLSA funds. The study included an analysis of the current CLSA member cost share formula, the current CLSA shared services cost allocation plan, and the current CLSA menu of services. The analysis also included a review of recent member surveys and results, surveys and interviews with NLS directors, analysis of formulas from other CLSA cooperatives, and other data points. At its Annual Meeting in June 2022, the Administrative Council approved the report and the funding formula which will support the needs of the diverse communities within NorthNet.

2. Please specify how the Library System will spend its 2023-2024 CLSA allocation of funding and provide specifics amounts allocated for each service or program based on your C&D Service Program Budget Request. Provide details of the services and how many libraries will benefit from the funding.

Delivery – In FY 2023/24, CLSA funds will continue to support the physical movement of resources from one library to another. This delivery system enables resource sharing among System members which is a high priority for most NLS libraries. For FY 2023/24, the total cost of delivery for NLS member libraries includes two contract courier services totals \$359,252. The NLS FY 2023/24 CLSA budget includes \$250,500 is allocated support the contracted services of two couriers serving the Mountain Valley Library System (10 libraries) and the North Bay Cooperative Library System (6 libraries), with additional local and inter-library delivery services paid with local funding.

Shared e-resources remain a priority for all NLS members, especially those in smaller, more geographically remote areas. NLS surveyed member libraries to determine funding priorities for their CLSA shared e-resources. The NLS Executive Committee approved a portion of the FY 2023/24 allocation of CLSA funds to the e-resources consortia of OverDrive eBooks/eAudiobooks and eMagazines. For **OverDrive eBooks/eAudiobooks**, the investment in the shared collection among 27-member library systems has proven to be very successful, and usage continues to increase. For **OverDrive eMagazines**, the shared consortium purchase allows members to receive significant discounted subscription rates on electronic periodicals. Using the menu of choices for libraries (described in #6 below), libraries may allocate CLSA funds to support the NLS shared OverDrive collection, or to allocate funds to other shared eCollections. Shared e-resources (including eBook, eAudioBooks and eMagazines) will account for an estimated \$275,860 of the FY 2023/24 C&D budget.

Resource Sharing - In FY 2023/24, NLS will allocate \$93,550 of CLSA funds to support **Link+ and OCLC ILL**. In FY 2019/2020, NLS completed two years of negotiations to establish a Link+ master contract with Innovative Interfaces Inc, absorbing the contracts of the 14 existing NLS Link+ libraries and adding four new NLS libraries (El Dorado County, Sonoma County, Woodland Public and Nevada County libraries). The shared contract is saving NLS participating libraries nearly \$17,000 annually.

Broadband – Using the menu of choices for libraries (described in #6 below), it is estimated that five libraries will allocate \$40,000 for CENIC or other service provider, subscription or hardware costs.

3. How did you determine the funding amounts per your C&D Service Program Budget Request?

The funding amounts are based off the NLS priorities that are reviewed and approved annually by the NLS Executive Committee, and also the CLSA funding formula which divides the Baseline amount among libraries using a formula of population and operating budget expenditures.

4. If it will take you longer than 1 year to spend 2023-2024 funding specify why?

It is not expected that the funds will take longer than one year to expend. However, should there be funds unexpended, it may be in relation to the shared OverDrive eMaterials budget. This is due to the CLSA funds not being received until halfway through the fiscal year, resulting in a limited time frame to expend the funds.

5. If you plan on using roll-over funds from a previous year to supplement 2023-2024 funding goals; what are the amounts, for which program or service will it be used, and what was the original intent on that funding when approved by the Board?

We do not anticipate any roll-over funds.

6. How will the System's Communication and Delivery funds be disbursed (i.e., system wide, allocated to individual libraries, mix)? If not, all libraries are participating in programs/services indicate which ones are and why others are not served (i.e., choice, funds, etc.).

The Communication and Delivery baseline funds are allocated into two categories. The first category includes Baseline services for NLS, including office supplies, postage, and basic communications. Over the past several years, the use of Zoom for communication has increased significantly, and the Baseline costs include Zoom, a toll-free 800 number phone line, as well as costs for the website support. The budget includes \$4,000 for these Baseline services.

The second category is allocating a portion of Baseline CLSA funds back to the libraries for them to choose their own priority for expending CLSA funds, based on an approved menu for the libraries to choose from, with the expectation that all members will benefit equally from CLSA funding. The NLS CLSA distribution formula is based on 50% service population and 50% library budget. Member libraries contribute additional local resources to support Communications and Delivery on local level. All NLS member libraries participate in some level of shared resources. The approved menu includes Link+; purchasing OverDrive, or other shared eMaterials in a shared environment. Member libraries are able to choose from the menu of services.

NLS libraries have determined that delivery remains a priority expenditure of their CLSA C&D allocation. CLSA and local funds support delivery services within two of the NLS regions. The delivery is handled through couriers and the contracts and funds are managed centrally. In FY 2023/24, \$250,500 of CLSA funds are budgeted to support the contracted services of two couriers serving the Mountain Valley Library System (10 libraries) and the North Bay Cooperative Library System (6 libraries), with additional local and inter-library delivery services paid with individual CLSA allocations and/or local funding. Libraries who do not use delivery contracts (non-available or cost prohibitive in most remote areas) utilize UPS or US Postal Service to move materials and share resources among other library jurisdictions.

7. How will the System determine and evaluate that the funding goals for their community where met?

ILL statistics will continue to be tracked and reported to evaluate if C&D expenditures are meeting the goals of NLS and the communities they serve. 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 2023/24. We continually monitor the effectiveness of services through feedback from member libraries.

8. Are the programs funded by CLSA (those proposed in your C&D Service Program Budget Request) being supplemented with local funds and if so, how much, and 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.

NLS member libraries will contribute approximately \$196,752 in local funds to support 5-day delivery. In addition, local funding is dedicated to supplement CLSA to enable effective resource sharing. NLS libraries are committed to continue supporting e-resources with local funding, as well as the physical delivery of items within the system, even as delivery costs have increased significantly over the past few years.

9. If the System is providing e-resources, what exactly are those e-resources? (How many libraries are you providing this service to)

Shared e-resources include OverDrive (eBooks and eAudiobooks) with FY 2022/23 circulation among 27 member library systems at 966,279 total checkouts (thru April 26, 2023). Also used among NLS members is an eMagazine resource with circulation among member libraries at 80,843 (through April 26, 2023).

Formats	% of Circulation
eBooks	49%
eAudiobooks	43%
eMagazines	8%
eVideo	<1%

The audience breakdown is based on eBooks/eAudiobook circulation

Audience	% of Circulation
Adults	80%
Young Adult	8%
Juvenile	11%

10. Describe the System's current delivery model. Specify if it changed from last year or if the System will 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. Contracted couriers service the Mountain Valley and the North Bay library systems. There is no change from prior year to the NLS delivery model.

11. What is the estimated average cost (including library and system staff time) to move one item in the region? Please provide a description of how the System utilized C&D 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. Approximately 16 of the 40 NLS member libraries utilize a contract courier service to move items, in addition to their local branch-to-branch delivery.

Administrative funding is allocated to .33 FTE of the Coordinator's salary, .10 FTE of the CEO salary, .11 FTE of the Controller's salary, .2 of the Operations Manager's salary, .08 of the Accounting Clerk's salary, .04 of the Administrative Assistant II's salary, .1 of the Administrative Assistant's salary, and .09 of the Fiscal and Administrative services Specialist's salary. The allocated time supports coordination of and attendance at 10-12 Council and Committee meetings annually to support the three legacy systems of NLS as well as the NLS Executive Committee and Administrative Council; work with members and the Executive Committee to allocate CLSA funds; oversee contract negotiations for work related to expenditures of funds; work with accounting staff to ensure all CLSA budgets and reports are submitted and ensure compliance; payment of invoices; liaison with California Library Staff, attend California Library Service Board meetings.

12. Will the System be using any of the communications funding to address broadband connectivity issues? If so, what were the funds used for and what were the connectivity issues? If this includes installation along or service fees, please specify the cost and which member libraries will benefit (please list libraries)?

Broadband is of great interest, and several NLS libraries continue to benefit from the original California Public Library's Broadband Project. That 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 (40), however, means that broadband connectivity will not come to all members at the same time or in the same way. NLS staff will encourage member libraries to apply for any new Broadband funding offered through the California State Library as many NLS libraries would qualify under the targeted "hard to connect library locations."

The expansion of eligible C&D costs regarding Broadband expenditures approved by the CLSB in 2020 assisted NLS libraries to enhance hardware and security on their networked systems. In FY 2023/24, it is estimated that five libraries may allocate an estimated \$40,000 for CENIC or other service provider costs.

Future Plans for Cooperative System

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

The FY 2023/24 CLSA budget for NLS has been developed with guidance from the NLS Executive Committee and NLS membership. NorthNet continues to remain cautious regarding its budget as local and State budgets project significant deficits over the next few years. Delivery remains an NLS priority expenditure for CLSA.

Strategic Priorities: In FY 2021/22 NLS leadership undertook a review and revision to the Strategic Priorities developed in FY 2015/16. With the Executive Committee's recommendation to the to the Administrative Council at the January 26, 2023 Mid Year Meeting, the Strategic Priorities were approved and adopted to include the projects identified under Tier 1 and Tier 2 below. NLS directors and other staff will be engaged to carry out the proposed tasks under each priority.

Tier One Priorities:

1. Disaster Preparedness and Response
2. Future of Shared eResources
3. Capacity Building for Staff – Our Most Valuable Asset a. Organizational culture
4. Investigate NorthNet joining the Government Alliance on Race and Equity (GARE)
5. Shared Collection Management and Resource Sharing

Tier Two Priorities:

1. Monitoring CalPERS liability for the legacy systems
 2. Advocacy
 3. Maximizing the effectiveness of NLS training and communication practices, with an emphasis on:
- NLS Website:** The NLS website will continue to maintain the website that allows for sharing of initiatives and communication with members regarding current meeting notifications, as well as historical documentation.

California State Library
C&D Service Program Budget Request FY 2023/2024
(Section 18745)

System Administration

A) Personnel (Salaries & Personnel)

Classification	FTE/NO of positions	Salary	Benefits	Total
Coordinator	0.33	\$ 50,700		50700
CEO	0.1	\$ 21,640	\$ 6,007	27647
Controller	0.11	\$ 20,026	\$ 6,065	26091
Operations Manager	0.2	\$ 21,532	\$ 7,567	29099
Accounting Clerk	0.08	\$ 5,658	\$ 2,468	8126
Administrative Assistant II	0.04	\$ 2,288	\$ 1,361	3649
Administrative Assistant	0.1	\$ 4,470	\$ 458	4928
Fiscal&Admin Services Specialist	0.09	\$ 9,420	\$ 3,311	12731
Total of A	AMOUNT BUDGETED			\$ 162,971

B) Planning, Coordination, & Evaluation (PC&E)

Total of B	AMOUNT BUDGETED	\$ -
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C) Indirect Cost (Do not include PC&E and provide description of services)

Total of C	AMOUNT BUDGETED	\$ 3,006
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TOTAL OF A-C		\$ 165,977
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C&D Service Program Budget Request FY 2023/2024 (Section 18745)

Baseline Budget

D) Operations

1.Office Supplies		
duplication/photocopy		
postage		\$ 250
general office supplies		\$ 100
other		
	AMOUNT BUDGETED	\$ 350
2.Training (C&D program related)		
	AMOUNT BUDGETED	
3. E-Resouces:		
ENKI		
Zinio		
OverDrive		\$ 205,860
Flipster		
Hoopla		
Bibliotheca Cloud Library		
E-books (Palace eBooks for All)		\$ 15,000
E-Magazines (OverDrive)		\$ 55,000
E-Audiobooks (please specify)		
PressReader		
Simply E		
Other not specified (name service):		
Other not specified (name service):		
Other not specified (name service):		
Total of 3	AMOUNT BUDGETED	\$ 275,860
4. Contracted Services for Delivery		
UPS		
US Postal Service		
Contracted Van/ Courier		\$ 250,500
Software that supports Remote Reference		
Software that supports Curbside Pickup		
Other		
Total of 4	AMOUNT BUDGETED	\$ 250,500
5.System Van/Vehicle		
Fuel		
Insurance		
Maintenance		
Other (specify)		
Total of 5	AMOUNT BUDGETED	\$ -

C&D Service Program Budget Request FY 2023/2024 (Section 18745)

6. Telecommunications		
Conferencing Services		
Support		
ZOOM		\$ 450
Internet		
Website updates/hosting		\$ 2,205
Phone/Fax		\$ 450
Telecommunications equipment		
Other (Doodle, SurveyMonkey)		\$ 545
Total of 6	AMOUNT BUDGETED	\$ 3,650
7. Broadband		
Service Provider Fees (CENIC or other)		\$ 40,000
Connection Fees		
Disconnection Fees		
Hardware Cost (Specify)		
Warranty Cost For Data Centers/Firewalls/Routers/Switches		
Total of 7	AMOUNT BUDGETED	\$ 40,000
8. Resource Sharing		
Link+		\$ 93,000
Document Depository		
Knowledge Sharing Database		
Other (OCLC ILL)		\$ 550
Other (Specify)		
Total of 8	AMOUNT BUDGETED	\$ 93,550
9. Other (with prior approval) and Planning, Coordination, & Evaluation (PC&E) not used in System Administration		
Audit		
Other (Specify)		
Total of 9	AMOUNT BUDGETED	\$ -
Total of Items 1-9 Section D		\$ 663,910
Total from A-C from SysAdmin		\$165,977.00
TOTAL OF A-D		\$ 829,887

**FY 2023-24 Proposed CLSA Budget
BUDGET SUMMARY**

Expense Category	Communication and Delivery Program
System Administration (PC&E)	
Salaries and Benefits	\$ 162,971
PC&E	\$ -
Indirect	\$ 3,006
SUBTOTAL	\$ 165,977
Baseline	663910
Operations	663910
Equipment	
SUBTOTAL	\$ 663,910
TOTAL	\$ 829,887

C&D FUNDING: System Administration 20%
System Baseline 80%



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www.northnetlibs.org

To: NLS Executive Committee
From: Carol Frost
Subject: Review and Approval of FY 2023-24 NLS/PLP Contract for Administrative and Fiscal Services
Date: May 23, 2023

Background

The NorthNet Library System (NLS) contracts with PLP for fiscal and administrative work. PLP was awarded the bid to administer NLS in February 2022, for a period of three years, from FY 2022-23 through FY 2024-25, with up to two two-year renewals.

If there is any additional work, such as CalPERS activities, work related to grants, or any other activities not outlined in the contract, a separate proposal will be developed with the anticipated additional work to be done during the fiscal year.

The purpose of this memo is to present the baseline contract for FY 2023-24.

Discussion of Baseline Budget

The FY 2023-24 baseline contract includes preparing and monitoring budgets and contracts such as OverDrive eBooks and eMagazines, Link+, ProQuest Heritage Quest, and Gale subscriptions; contracts with delivery vendors; filing regular CalPERS paperwork; invoice payment; billing and distribution of CLSA funds; preparing meeting agenda packets for NLS as well as the three legacy systems; and other general support. It includes 13 hours per week of the NLS Coordinator's time.

Per the contract agreement between agencies, Year 2 (FY 2023-24) and any subsequent year will include a Consumer Price Index (CPI) adjustment based on the previous annual December's BLS's Pacific Cities and U.S. City Average (All Urban Consumers for San Francisco, Oakland, Hayward, CA) CPI Index. The CPI applied to this contract is 4.9%.

The total for the FY 2023-24 baseline contract is \$188,575, which is 8.6% higher than last year's \$173,546.

Recommendation

It is recommended that the NLS Executive Committee approve the baseline contract of \$188,575 for FY 2023-24.

PLP / NorthNet Contract FY 2023-24

<u>Staff</u>	<u>FTE</u>	<u>Administration</u>	<u>Total</u>
CEO	0.10	4 hours/week at \$132.92/hour <i>Provide oversight; work with Executive Committee and Coordinator</i>	\$27,647
Office Manager	0.20	8 hours/week @ \$69.95/hour <i>Manage website, listservs and rosters. Point of contact for System Delivery. Prepare and distribute agenda packets and minutes, manage UPS accounts, delivery contracts, committee Zoom, etc.</i>	\$29,099
Administrative Assistant II	0.04	1.50 hours/week @ \$46.78/hour <i>Prepare system contracts, open mails, mail ILL materials coordinate Form 700s.</i>	\$3,649
Subtotal - Administration	0.34		\$60,395
		<u>Fiscal Accounting</u>	
Controller	0.11	4.5 hours/week @ \$111.50 <i>Prepare/monitor budget, authorize and approve payments. Prepare reports/paperwork for audit, prepare financial reports for State and local government. Coordinate database and eContent contract renewal, review delivery contracts/services</i>	\$26,091
Account Clerk	0.08	3 hours/week at \$52.09 <i>Process payables weekly, prepare invoices, prepare deposits</i>	\$8,126
Fiscal/Admin Services Spec.	0.09	3.5 hours/week at \$ 69.95 <i>Prepare invoices and deposits, reconcile bank statements prepare CalPERS reports, prepare document for liability insurance</i>	\$12,731
Administrative Assistant	0.10	4 hours/week at \$23.69 <i>Filing, prepare Holiday Schedule, mail checks and invoices</i>	\$4,928
Subtotal - Fiscal Acctg	0.38		\$51,875
		Total Administration/Fiscal Accounting	\$112,271
Coordinator	0.33	13 hours/week at \$75/hour <i>Distribute legislative, CLSA and other State Library Correspondence, prepare agenda with Executive Council committee, take Council and Executive meeting minutes, work with CalPERS related issues Prepare CLSA Plan of Service and annual reports</i>	\$50,700
		Total Staffing	\$162,971
		<i>Dec 2022 All Urban Consumers 4.9%</i>	\$7,986
		Mileage	
		3 round trips @242 mile@ .655 cents per mile	\$476
		Total	\$171,432
		10% Overhead	\$17,143
Total FTE	<u>1.04</u>	Grand Total	\$188,575



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To: NLS Executive Committee
From: Andrew Yon, Controller
Subject: Review and Approval of Proposed FY2023-24 NLS Budget
Date: May 23, 2023

BACKGROUND

The purpose of this memo is to provide the NLS Executive Committee with highlights of the NLS FY 2023-24 proposed budget. The proposed budget is \$1,561,622, which represents a -5.3% decrease from the previous fiscal year's \$1,648,532.

ADMINISTRATION BUDGET

Revenues:

In 2017, the NLS Administrative Council approved an annual CPI increase to the membership fees using the December Consumer Price Index (CPI). In FY 2019-20 NLS also approved that any contract over \$100,000 include a 5% administrative fee, and contracts below \$100,000 should include a 10% administrative fee. This modified fee structure has been applied to this schedule. Membership base allocations are based in part on population. The proposed budget includes the most current certified population figures, which are for FY 2021-22, provided by the California State Library (CSL). The CSL generally releases the latest numbers in mid-June. When the population figures are released, the schedule will be updated to reflect that information.

- The CPI in December 2022 was 4.9%, which is reflected in the FY 2023-24 membership fees of \$111,540 and is higher than last year's 4.2% CIP increase.
- NLS's CLSA allocation is \$829,887, including \$165,977 for System Administration and \$663,910 for Baseline CLSA funds.
- The Administration revenue budget shows a credit towards Fund Balance of \$52,586.
- There is no revenue from grants, as NLS did not apply for any LSTA regional grants, and PLSEP grants are now managed statewide.

Expenditures:

- Administration's Contractual Services reflects \$188,575 for the FY 2023-24 NLS/PLP baseline contract.
- Administration's Contractual Services includes \$585 for the ongoing support of the Recovering Together website, \$90 for the Collection Development Policy email for Library-to-Go, and \$90 for the Assistant Director Listserv.
- Administration's Special Departmental reflects \$1,500 per library for staff training.
- The Califa membership fee for all libraries is \$11,790.
- Additional funds have been added to Travel and Meetings in anticipation of in-person Administrative Council meetings, increasing the budget to \$5,000.

COMMUNICATIONS AND DELIVERY AND LOCAL

The FY 2023-24 CLSA Communications and Delivery Baseline allocation is \$663,910. The budget includes the following elements:

- The budget reflects local contributions of \$196,752 for delivery within NBCLS and MVLS.
- All prior year funds have been allocated and there are no roll-over funds.
- Communication and Delivery's Contractual Services includes MVLS Delivery Contract, \$65,717, and NBCLS Delivery Contract, \$293,535.
- \$75,000 for the shared OverDrive and \$55,000 for the shared eMagazine collections.
- \$497,410 to be distributed to libraries for local C&D costs, including Link+, other local eResources, local delivery, telecommunications, etc.
- The overall cost for Link+ includes an ongoing reduction of \$2,750 due to Solano County adopting Innovative's Polaris, thus eliminating the external connector.

CLSA FUTURE PURCHASES

Through being fiscally conservative, NLS has been able to use roll-over funds to offset CLSA reductions. When the Governor released his May revised budget, CLSA funds remained intact, but it is noted that from the time when he released his January 2023 budget, when \$100B surplus was anticipated, it is now reported that a \$22.5B deficit or more is anticipated. In FY2021-22 the approved California State budget included a 50% reduction of CLSA funds, and the FY 2022-23 CLSA budget reflected a restoration of those funds. The Executive Committee may choose to allocate the FY 2023-24 funds back to the libraries to choose from the Menu of Services and may choose to allocate a portion of the FY 2023-24 remaining funds to future purchases, which may include future use should CLSA allocations be reduced. Per California law, a system has three years from receipt of funds to expend CLSA funds.

FUND BALANCE AND OPERATING RESERVE

The June 30, 2023, NLS Fund Balance is estimated to be \$1,263,736. The Operating Reserve Fund is equal to three months of the administrative costs. The NLS Operating Reserve is \$71,730. The Fund Balance includes \$24,000 reserved for attorney fees related to CalPERS work. This was approved by the NLS Executive Committee at the August 13, 2019 meeting, with \$8,000 for each legacy system. Should any system like to use these funds, it will be approved by the legacy system's council and reported back to the NLS Executive Committee. To date, no system has requested use of the funds.

RECOMMENDATION

It is recommended that the NLS Executive Committee approve the FY 2023-24 budget and recommend approval to the NLS Administrative Council.

FY 2023-24 NorthNet Libraries Dues and Fees

Revised Date: May 16, 2023

Library & Academic	CSL Certified 2021-22 Population Figures	CSL FY2021-22 Total Operating Expenditures	Base Dues	Delivery Admin Fee (5%>\$100K, 10%<\$100K)	OverDrive Admin Fee (10%<\$100K)	eMagazine Admin Fee (10%<\$100K)	GALE Database Admin Fee (10%<\$100K)	ProQuest Admin Fee (10%<100K)	Link+ Admin Fee (5%>\$100K)	Total Member Dues	NBCLS and MVLS Deliveries (Incl. CPI Adj)	OverDrive	eMagazine	GALE Chilton Library	ProQuest Heritage Quest**	Link+	NBCLS CalPERS Cost Share
Alpine County Library	1,200	\$ 278,358	\$ 606		\$ 8	\$ 4	\$ 15			\$ 633		\$ 83	\$ 43	\$ 147			
Bel-Tiburon Public Library	11,036	\$ 3,070,926	\$ 2,425							\$ 2,425						MARINet	\$ 1,179
Benicia Public Library	26,656	\$ 2,488,861	\$ 2,425	\$ 1,164	\$ 256	\$ 225				\$ 4,069	\$ 23,272	\$ 2,555	\$ 2,247			SPLASH	\$ 1,338
Butte County Library	201,608	\$ 5,347,820	\$ 3,637		\$ 649	\$ 276				\$ 4,562		\$ 6,491	\$ 2,761				
CSU Chico			\$ 606							\$ 606							
Colusa County Library	21,807	\$ 1,408,036	\$ 1,212	\$ 592	\$ 12	\$ 4				\$ 1,820	\$ 5,919	\$ 119	\$ 39				
Del Norte County Library Dist.	27,218	\$ 336,508	\$ 606		\$ 46	\$ 38				\$ 690		\$ 458	\$ 376				
El Dorado County Library	190,465	\$ 4,239,195	\$ 3,637	\$ 32	\$ 835	\$ 551			\$ 969	\$ 6,024	\$ 317	\$ 8,348	\$ 5,511			\$ 19,387	
Folsom Public Library	84,592	\$ 1,726,898	\$ 1,212	\$ 1,184	\$ 398	\$ 220				\$ 3,015	\$ 11,837	\$ 3,983	\$ 2,203				
Humboldt County Library	135,168	\$ 3,536,460	\$ 3,637		\$ 556	\$ 396				\$ 4,588		\$ 5,555	\$ 3,957				
Lake County Library	67,407	\$ 1,475,793	\$ 1,212	\$ 2,501						\$ 3,714	\$ 50,024						\$ 1,906
Larkspur Public Library	12,797	\$ 766,115	\$ 606							\$ 606						MARINet	\$ 511
Lassen Library District	13,212	\$ 287,716	\$ 606		\$ 22	\$ 37				\$ 665		\$ 221	\$ 370				
Lincoln Public Library	51,252	\$ 935,699	\$ 606	\$ 296	\$ 273	\$ 154				\$ 1,329	\$ 2,959	\$ 2,730	\$ 1,543				
Marin County Free Library	139,175	\$ 18,670,925	\$ 4,850						\$ -	\$ 4,850						MARINet	\$ 8,726
Mendocino County Library	89,999	\$ 3,922,749	\$ 3,637	\$ 4,257						\$ 7,894	\$ 85,143						\$ 3,144
Mill Valley Public Library	13,850	\$ 2,474,466	\$ 2,425						\$ -	\$ 2,425						MARINet	\$ 1,057
Modoc County Library	8,690	\$ 273,874	\$ 606		\$ 16	\$ 12				\$ 634		\$ 160	\$ 117				
Mono County Free Library	13,379	\$ 1,178,282	\$ 1,212		\$ 73	\$ 57				\$ 1,342		\$ 730	\$ 565				
Napa County Library	130,742	\$ 8,954,258	\$ 4,850		\$ 717	\$ 518			\$ 782	\$ 6,867		\$ 7,173	\$ 5,182			\$ 15,648	\$ 5,565
Nevada County Library	101,242	\$ 5,153,200	\$ 3,637		\$ 642	\$ 487			\$ 422	\$ 5,188		\$ 6,422	\$ 4,865			\$ 8,439	
Orland Free Library	15,295	\$ 478,920	\$ 606		\$ 31	\$ 25				\$ 662		\$ 305	\$ 250				
Placer County Library	200,000	\$ 8,761,911	\$ 4,850	\$ 296	\$ 1,059	\$ 813				\$ 7,017	\$ 2,959	\$ 10,586	\$ 8,132				
Plumas County Library	25,400	\$ 622,353	\$ 606		\$ 49	\$ 38				\$ 693		\$ 487	\$ 377				
Roseville Public Library	151,034	\$ 3,588,778	\$ 3,637	\$ 296	\$ 685	\$ 534	\$ 59			\$ 5,210	\$ 2,959	\$ 6,845	\$ 5,335	\$ 593			
Sacramento Public Library	1,492,026	\$ 54,577,619	\$ 12,730	\$ 1,480					\$ 1,315	\$ 15,525	\$ 14,796					\$ 26,300	
Sacramento Law			\$ 606							\$ 606							
St. Helena Public Library	5,437	\$ 1,001,729	\$ 1,212	\$ 849	\$ 80	\$ 64			\$ -	\$ 2,206	\$ 16,988	\$ 799	\$ 639			SPLASH	\$ 424
San Anselmo Public Library	12,645	\$ 1,068,158	\$ 606						\$ -	\$ 606						MARINet	\$ 600
San Rafael Public Library	60,560	\$ 4,350,632	\$ 3,637						\$ -	\$ 3,637						MARINet	\$ 2,640
Sausalito Public Library	7,072	\$ 818,173	\$ 606						\$ -	\$ 606						MARINet	\$ 403
Shasta Public Libraries	180,531	\$ 2,759,182	\$ 2,425		\$ 501	\$ 520				\$ 3,446		\$ 5,014	\$ 5,203				
Siskiyou County Library	43,830	\$ 885,040	\$ 606		\$ 125	\$ 173				\$ 904		\$ 1,251	\$ 1,726				
Solano County Library	420,585	\$ 22,404,349	\$ 12,730	\$ 3,433				\$ 846	\$ -	\$ 17,009	\$ 68,656				\$ 8,459	SPLASH	\$ 15,940
Sonoma County Library	482,404	\$ 32,685,661	\$ 12,730	\$ 2,473				\$ 905	\$ 1,458	\$ 17,565	\$ 49,452				\$ 9,048	\$ 29,152	\$ 20,425
Sutter County Library	99,145	\$ 1,835,514	\$ 1,212	\$ 1,184	\$ 130	\$ 97				\$ 2,623	\$ 11,837	\$ 1,301	\$ 969				
Tehama County Library	65,052	\$ 623,340	\$ 606		\$ 82	\$ 66				\$ 754		\$ 816	\$ 659				
Trinity County Library	16,023	\$ 438,886	\$ 606		\$ 19	\$ 19				\$ 644		\$ 191	\$ 186				
Willows Public Library	13,455	\$ 300,611	\$ 606		\$ 19	\$ 15				\$ 640		\$ 189	\$ 150				
Woodland Public Library	60,137	\$ 2,282,310	\$ 1,212	\$ 1,184	\$ 173	\$ 125			\$ 292	\$ 2,986	\$ 11,837	\$ 1,733	\$ 1,248			\$ 5,832	
Yolo County Library	161,028	\$ 7,919,288	\$ 4,850	\$ 30					\$ 838	\$ 5,717	\$ 297					\$ 16,764	
Yuba County Library	82,275	\$ 770,002	\$ 606		\$ 45	\$ 35				\$ 686		\$ 454	\$ 346				
Total	4,935,429	\$ 214,698,595	\$ 111,540	\$ 21,248	\$ 7,500	\$ 5,500	\$ 74	\$ 1,751	\$ 6,076	\$ 153,689	\$ 359,252	\$ 75,000	\$ 55,000	\$ 740	\$ 17,507	\$ 265,283	\$ 63,858

**SPLASH Cost Shown Under Solano County Library (incl. Benicia Public Library and St. Helena Public Library)
Link+ cost reduced due to Solano County adopting Polaris ILS

Source: California State Library Statistics
- 2021/2022 budget (total expenditures from California State Library website)
- 2021/2022 CSL Certification of Population Figures

\$ 77,950	Link+ Invoice (incl. 5% Admin.Fee) will be sent to MARINet
\$ 72,999	Link+ Invoice (incl. 5% Admin.Fee) will be sent to SPLASH

Base Dues	FY23/24 (4.9% CPI*)	FY22/23 (4.2% CPI*)
Under 100,000 Pop. And Under \$1,000,000 Budget	\$606	\$578
Under 300,000 Pop. And Under \$2,000,000 Budget	\$1,212	\$1,156
Under 300,000 Pop. And Under \$3,000,000 Budget	\$2,425	\$2,312
Under 200,000 Pop. And Over \$3,000,000 Budget	\$3,637	\$3,467
Under 300,000 Pop. And Over \$5,000,000 Budget	\$4,850	\$4,623
Over 300,000 Pop. Or \$5,000,000 Budget	\$12,730	\$12,135

*BLS Dec 2022 CPI Index All Urban Consumers

Total
NBCLS Delivery \$ 293,535
MVLS Delivery \$ 65,717

Admin Fee for Services (Adopted NLS Exec. Comm. Mtg 8/13/19)
5% Fee for Contracts ≥ \$100K - NBCLS Delivery and Link+
10% Fee for Contracts < \$100K - MVLS Delivery, OverDrive, and Databases

NorthNet Library System

FY 2023-24 Proposed Budget Summary

Acct		ADMINISTRATION	COMMUNICATION & DELIVERY	LOCAL	TOTAL
<u>Revenue</u>					
3510	Interest Earned	\$20,350			\$20,350
3661	Membership Fees	153,689			153,689
3667	State Library CLSA	165,977	663,910		829,887
3668	LSTA-Indirect	-			0
3674	Reimbursable from Members		196,752	413,530	610,282
3000	Fund Balance	(52,586)			(52,586)
Total Revenue		\$287,430	860,662	413,530	\$1,561,622

<u>Expenditure</u>					
4212	Communication		3,650		3,650
4219	Professional Services				-
4220	Contractual Services	204,840	359,252	265,283	829,375
4230	Office Expense		100		100
4233	Postage		250		250
4234	Special Departmental	63,000	497,410		560,410
4301	Insurance	2,700			2,700
4302	Membership Fees/Dues	11,790			11,790
4303	Travel & Meeting	5,000			5,000
4373	Service Fees	100			100
4445	Reimbursable from Members			148,247	148,247
TOTAL EXPENDITURE		\$287,430	\$860,662	\$413,530	\$1,561,622

Fund Balance and Reserve	Ending 6/30/2022	Ending 6/30/2023	Percent Change
Fund Balance	\$ 1,168,006	\$ 1,211,150	3.69%
Operating Reserves	71,730	71,730	0.00%
Legacy Systems Legal Fund (\$8K Per Sys.)	24,000	24,000	0.00%
Estimated Total	\$ 1,263,736	\$ 1,306,880	3.41%

NORTHNET LIBRARY SYSTEM
FY 2023-24 PROPOSED BUDGET

ADMINISTRATION (918)

		Adopted FY 22/23	Proposed FY 23/24	Note
<u>GL Acct</u>	<u>Revenue</u>			
3510	Interest Earned	\$2,000	\$20,350	State Treasurer's LAIF Investment
3661	Membership Fees	143,772	153,689	NorthNet Members Dues
3667	CLSA-State Library	166,501	165,977	CLSA System Admin Funds
3668	Federal Grants-LSTA Indirect	4,730	0	PLSEP no longer handled by region
3000	Budgeted Fund Balance	(52,977)	(52,586)	Fund Balance (Credit)
	TOTAL REVENUE	\$264,026	\$287,430	8.86%
	<u>Expenditure</u>			
4220	Contractual Services	\$173,546	\$188,575	FY23/24 NLS/PLP Contract
4220	Contractual Services	10,000	15,500	Annual Single Audit Services (\$10K); PS Storage (\$5.5K)
4220	Contractual Services	2,090	765	Recovering Together Website Services \$585; Library-to-Go Email & Asst. Dir. Listserv: \$180
4234	Special Departmental	63,000	63,000	Staff Training Funds for Libraries (\$1,500 ea)
4301	Insurance	2,500	2,700	Professional Liability Insurance
4302	Membership Fees & Dues	11,790	11,790	Califa Membership Fees for Members
4303	Travel & Meeting	1,000	5,000	Administrative Council Meetings
4373	Service Fees	100	100	Bank Fees
	TOTAL EXPENDITURE	\$264,026	\$287,430	8.86%

NORTHNET LIBRARY SYSTEM
FY 2023-24 PROPOSED BUDGET

COMMUNICATION & DELIVERY (916)

		Adopted FY 22/23	Proposed FY 23/24	Note
<u>GL Acct</u>	<u>Revenue</u>			
3667	CLSA State Library	\$666,002	\$663,910	CLSA C & D Funds
3674	Reimbursable Costs	162,328	196,752	NBCLS & MVLS Deliveries (\$359,252- \$162,500 CLSA)
3000	Fund Balance - CSLA	90,000		No Roll-Over of CLSA Funds
	TOTAL REVENUE	\$918,330	\$860,662	(6.28%)
	<u>Expenditure</u>			
4212	Communication	\$4,000	\$3,650	Website Hosting (\$2,205); SurveyMonkey (\$460); Doodle (\$85), Zoom (\$450), Domain Names (\$450)
4220	Contractual Services	349,828	359,252	MVLS (\$65,717) and NBCLS (\$293,535) Delivery Services
4230	Office Supplies	600	100	NLS Checks and Envelopes
4233	Postage	450	250	USPS, UPS, FedEx
4234	Special Departmental	\$498,452	\$497,410	CLSA allocation for members (including \$75,000 for OverDrive & \$55,000 for eMagazine)
4234	Special Departmental	65,000		No Roll-over CLSA Funds
4234	Special Departmental	0	0	Future Purchases
	TOTAL EXPENDITURE	\$918,330	\$860,662	(6.28%)

NORTHNET LIBRARY SYSTEM
FY 2023-24 PROPOSED BUDGET

LOCAL (915)

		Adopted FY 22/23	Proposed FY 23/24	Note
<u>GL Acct</u>	<u>Revenue</u>			
3674	Reimbursable Costs	\$114,000	\$130,000	OverDrive eBooks (\$75,000)+ eMagazines (\$55,000)
3674	Reimbursable Costs	17,424	18,247	Gale Databases-Chilton Library \$740; ProQuest \$17,507
3674	Reimbursable Costs	259,752	265,283	Member Libraries Link+ Year 5 Cost Reimbursements
3000	Fund Balance	65,000		No Roll-over CLSA Funds
TOTAL REVENUE		<u>\$456,176</u>	<u>\$413,530</u>	(9.35%)
	<u>Expenditure</u>			
4220	Contractual Services	\$ 259,752	\$ 265,283	III Link+ Year 5 Cost (with \$2,750 credit)
4445	Reimbursable-Library Expenses	\$179,000	\$130,000	OverDrive eBooks (\$75,000)+ eMagazines (\$55,000)
4445	Reimbursable-Library Expenses	17,424	18,247	Gale Databases-Chilton Library \$740; ProQuest \$17,507
TOTAL EXPENDITURE		<u>\$ 456,176</u>	<u>\$ 413,530</u>	(9.35%)

NORTHNET LIBRARY SYSTEM
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

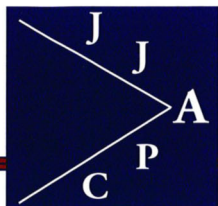
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NorthNet Library System
Basic Financial Statements
For the year ended June 30, 2022

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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 Audit of the Financial Statements

Opinions

We have audited the accompanying basic financial statements of the NorthNet Library System (NLS) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise System'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 2021 basic financial statements and, in our report dated May 12, 2022, we expressed an unmodified opinion on those financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the NLS, as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the NLS and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the NorthNet Library System's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the NLS's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4-9 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.

To the Administrative Council of the
NorthNet Library System
San Mateo, California
Page 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023, 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.

May 10, 2023

JJACPA, Inc.

**JJACPA, Inc.
Dublin, CA**

NorthNet Library System

Management's Discussion and Analysis

For the year ended June 30, 2022

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, 2022. 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 11 and 12) as well as the footnotes to the financial statements (pages 13 - 20).

Financial Highlights

At June 30, 2022, NLS ended the year with a net position balance of \$1,236,094 which is an increase of \$141,300 over the net position balance of \$1,094,794 at June 30, 2021. This increase was primarily due to the restoration of CLSA funds from the State Library. Last fiscal year, the California State Library budget reflected a 50% reduction of CLSA funds.

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, 2022

Financial Analysis of NLS as a Whole

Statement of Net Position
As of June 30, 2022 and 2021

	2022	2021	Increase (Decrease)	Percent Change
Assets:				
Current Assets	\$ 1,541,497	\$ 1,536,131	\$ 5,366	0.3%
Total Assets	1,541,497	1,536,131	5,366	0.3%
Liabilities:				
Current Liabilities	182,284	409,210	(226,926)	-55.5%
Total liabilities	182,284	409,210	(226,926)	-55.5%
Deferred inflows - Unavailable revenue	33,119	32,127	992	3.1%
Net position:				
Restricted	71,730	71,730	-	0.0%
Unrestricted	1,164,364	1,023,064	141,300	13.8%
Total net position	1,236,094	1,094,794	141,300	13.8%
Total liabilities, deferred inflows and net position	\$ 1,451,497	\$ 1,536,131	(84,634)	-5.5%

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 \$1,236,094 at June 30, 2022, consisted of \$1,164,364 unrestricted amount available for operations.

NorthNet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2022

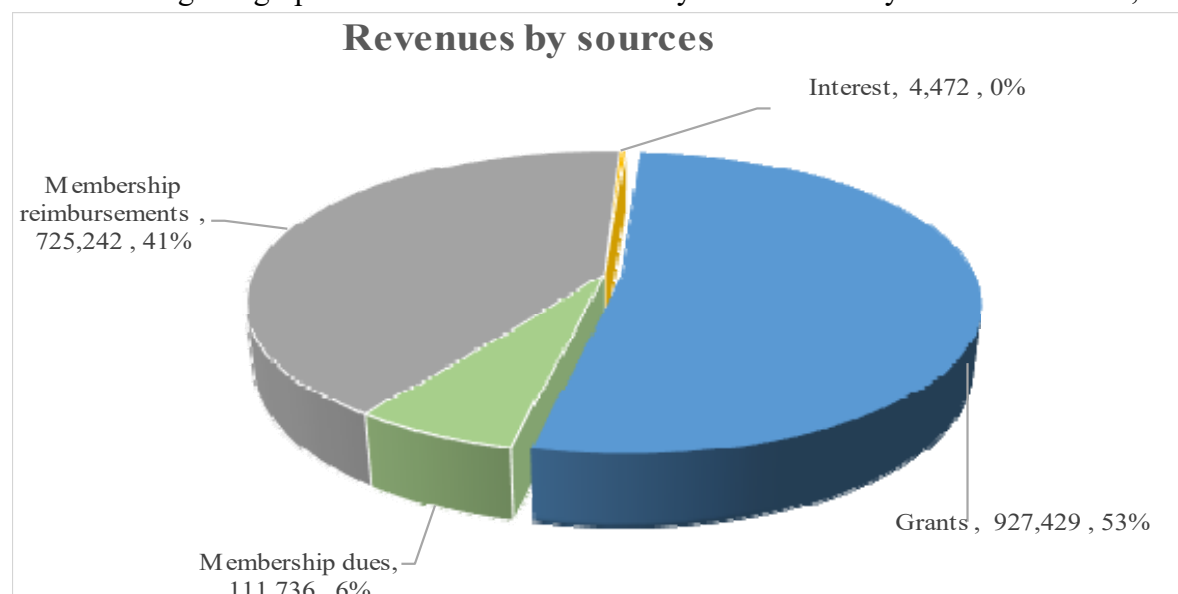
Financial Analysis of NLS as a Whole, *continued*

Operating Results
For the years ended June 30, 2022 and 2021

	2022	2021	Increase (Decrease)	Percent Change
Operating expenses	<u>\$ 1,627,579</u>	<u>\$ 2,641,474</u>	<u>\$ (1,013,895)</u>	<u>-38.4%</u>
Program revenues:				
Grants	927,429	1,727,445	(800,016)	-46.3%
Membership dues	111,736	114,847	(3,111)	-2.7%
Membership reimbursements	<u>725,242</u>	<u>452,029</u>	<u>273,213</u>	<u>60.4%</u>
Total program revenue	<u>1,764,407</u>	<u>2,294,321</u>	<u>(526,803)</u>	<u>-23.0%</u>
Net operating expenses	<u>(136,828)</u>	<u>347,153</u>	<u>(483,981)</u>	<u>-139.4%</u>
General revenue:				
Interest	<u>4,472</u>	<u>7,565</u>	<u>(3,093)</u>	<u>-40.9%</u>
Total general revenue	<u>4,472</u>	<u>7,565</u>	<u>(3,093)</u>	<u>-40.9%</u>
Increase (decrease) in net position	141,300	(339,588)	480,888	-141.6%
Net position:				
Beginning of year	1,094,794	1,434,382	(339,588)	-23.7%
End of year	<u>\$ 1,236,094</u>	<u>\$ 1,094,794</u>	<u>\$ 141,300</u>	<u>12.9%</u>

In fiscal year 2021-22, program revenues were primarily from CLSA funds and memberships, which amounted to \$1,764,407. General revenues consisted of interest revenue.

The following is a graphic illustration of revenues by source for the year ended June 30, 2022:



NorthNet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2022

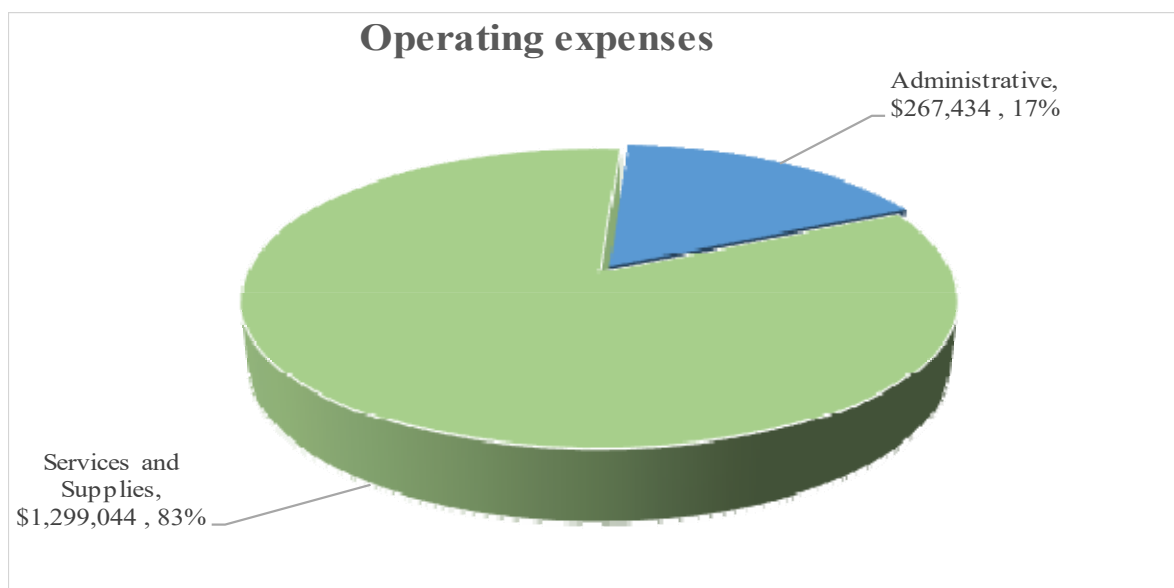
Financial Analysis of NLS as a Whole, *continued*

Operating Expenses
For the years ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Operating expense:				
Administrative	\$ 267,434	\$ 169,976	\$ 97,458	57.3%
Services and Supplies	<u>1,299,044</u>	<u>1,089,877</u>	<u>209,167</u>	19.2%
Total	<u><u>\$ 1,566,478</u></u>	<u><u>\$ 1,259,853</u></u>	<u><u>\$ 306,625</u></u>	24.3%

Operating expenses in the amount of \$1,566,478 were split amongst two major categories; administrative and services and supplies.

The following is a graphic illustration of operating expenses for the year ended June 30, 2022:



Analysis of Net Position
As of June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Net Position:				
Restricted	\$ 71,730	\$ 71,730	\$ -	0.0%
Unrestricted	<u>1,164,364</u>	<u>1,023,064</u>	<u>141,300</u>	13.8%
Total	<u><u>\$ 1,236,094</u></u>	<u><u>\$ 1,094,794</u></u>	<u><u>\$ 141,300</u></u>	13.8%

The decrease in net position of \$141,300 is primarily due to increased CLSA funds from the State Library.

NorthNet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In considering NLS's Budget for fiscal year 2022-23 the Administrative Council and management used the following criteria:

The key assumptions in our revenue forecast were:

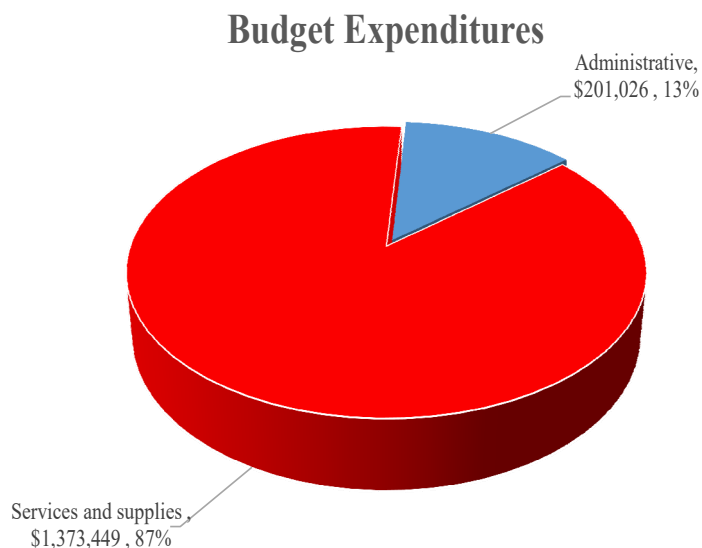
1. Interest earnings are to increase gradually.
2. State Library funding is expected to be approximately the same and membership fees to increase based on an annual CPI adjustment.

The adopted budget for the new fiscal year of 2022-23 was \$1,574,475 and is summarized as follows:

	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>Percentage change</u>
Expenditures:			
Administrative	\$ 201,026	\$ 185,953	8.1%
Services and supplies	<u>1,373,449</u>	<u>1,270,345</u>	8.1%
Total Expenditures	<u>1,574,475</u>	<u>1,456,298</u>	8.1%
Total budget	<u>\$ 1,574,475</u>	<u>\$ 1,456,298</u>	8.1%

1. Administrative – Shows a increase of approximately 8.1%, which is mainly due to the restoration of CLSA funds for administrative support services.
2. Services and Supplies – Shows an increase of approximately 8.1% due to the restoration of CLSA funds.

The following is a graphic illustration of appropriations for fiscal year 2022-23:



NorthNet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2022

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, 32 West 25th Avenue, Suite 201, San Mateo, CA 94403, telephone number (650) 349-5538.

BASIC FINANCIAL STATEMENTS

NorthNet Library System
General Fund Balance Sheet/Statement of Net Position
June 30, 2022

	General Fund	Adjustments (Note 8)	Statement of Net Position	2021
ASSETS				
<u>Current</u>				
Cash and investments:				
Available for operations	\$ 1,418,249	\$ -	\$ 1,418,249	\$ 1,534,522
Accounts receivable	30,894	-	30,894	593
Interest receivable	2,354	-	2,354	1,016
Total assets	\$ 1,451,497	\$ -	\$ 1,451,497	\$ 1,536,131
LIABILITIES AND FUND BALANCES				
Liabilities:				
<u>Current</u>				
Accounts payable and accrued liabilities	\$ 70,002	\$ -	\$ 70,002	\$ 313,019
Deposits payable	112,282	-	112,282	96,191
Total current liabilities	182,284	-	182,284	409,210
Total liabilities	182,284	-	182,284	409,210
Deferred Inflows:				
Unavailable revenue	33,119	-	33,119	32,127
Total Deferred Inflows	33,119	-	33,119	32,127
Fund balances/Net position:				
Committed	71,730	(71,730)	-	-
Unassigned, reported in:				
General fund	1,164,364	(1,164,364)	-	-
Total fund balances	1,236,094	(1,236,094)	-	-
Total liabilities, deferred inflows and fund balances	\$ 1,451,497			
NET POSITION				
Restricted		71,730	71,730	71,730
Unrestricted		1,164,364	1,164,364	1,023,064
Total net position	\$ 1,236,094		1,236,094	1,094,794
Total liabilities, deferred inflows and net position			\$ 1,451,497	\$ 1,536,131

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, 2022

	General Fund	Adjustments (Note 9)	Statement of Activities	2021
EXPENDITURES/EXPENSES:				
Administrative	\$ 267,434	\$ -	\$ 267,434	\$ 169,976
Services and supplies	1,299,044		1,299,044	1,089,877
Total operating expenses	1,566,478	-	1,566,478	1,259,853
Special programs:				
Federal	-	-	-	24,596
State	61,101	-	61,101	1,357,025
Total expenditures/expenses	1,627,579	-	1,627,579	2,641,474
REVENUES:				
Program revenues:				
Grants	927,429	-	927,429	1,880,577
Membership dues	111,736	-	111,736	114,847
Member reimbursements	725,242	-	725,242	452,029
Total program revenues	1,764,407	-	1,764,407	2,447,453
Net program expense	(136,828)	-	(136,828)	194,021
General revenues:				
Interest	4,472	-	4,472	7,565
Total general revenues	4,472	-	4,472	7,565
REVENUES OVER (UNDER)				
EXPENDITURES	141,300			
CHANGE IN NET POSITION		-	141,300	(186,456)
FUND BALANCES/NET POSITION:				
Beginning of the year	1,094,794	-	1,094,794	1,281,250
End of the year	<u>\$ 1,236,094</u>	<u>\$ -</u>	<u>\$ 1,236,094</u>	<u>\$ 1,094,794</u>

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

NorthNet Library System
Notes to Basic Financial Statements
For the year ended June 30, 2022

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.

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2022

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, 2022

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, 2022:

	FDIC/ SIPC insured	Not rated	Fair Value
Cash deposits - Boston Private Bank & Trust Company	\$ 222,613	\$ -	\$ 222,613
Local Agency Investment Fund (LAIF)	-	1,195,636	1,195,636
Total	<u>\$ 222,613</u>	<u>\$ 1,195,636</u>	<u>\$ 1,418,249</u>

A. Cash Deposits

The System pools cash from all sources. The System 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, 2022

2. CASH AND INVESTMENTS, *continued*

A. 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' investments with LAIF at June 30, 2022, included a portion of the pool funds invested in structured notes and asset backed securities and similar transactions. These investments may include the following:

As of June 30, 2022, the NLS had \$1,195,636 invested directly in LAIF. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2022 has a portfolio with market valuation of \$231.868 billion. The current average life of the LAIF portfolio as of June 30, 2022 was 311 days.

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2022

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, 2022 consists of the following contributions:

North Bay Cooperative Library System	\$ 7,625
Mountain Valley Library System	80,870
North State Library System	23,787
Total Deposits Payable	<u>\$ 112,282</u>

4. DEFERRED INFLOWS – UNAVAILABLE REVENUE

NLS records payments for services not yet rendered as deferred/unearned revenue. Northnet expects to recognize \$33,119 of deferred/unearned revenue as earned during the fiscal year 2022-23.

5. RELATED PARTY TRANSACTIONS

NLS contracts with the Pacific Library Partnership (PLP), as its fiscal agent, for administrative services and/or materials. In compensation for services provided, NLS paid \$161,881 to PLP for the year ended June 30, 2022. 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>
Committed	\$ 71,730
Unassigned	<u>1,164,364</u>
Total	<u><u>\$ 1,236,094</u></u>

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2022

6. FUND BALANCES/NET POSITION, *continued*

Net position consists of unrestricted amount. Unrestricted amounts reflect balances available for current operations. At June 30, 2022, NLS had only unrestricted balance:

	<u>Net Position</u>
Restricted	\$ 71,730
Unrestricted	<u>1,164,364</u>
Total	<u><u>\$ 1,236,094</u></u>

7. INSURANCE

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

8. PANDEMIC EFFECTS

The COVID-19 pandemic, whose effects first became known in January 2021, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. NLS is closely monitoring its investment portfolio and its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on the NLS's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the NLS's employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact NLS's financial position and changes in net position, fund balance and cash flows is uncertain, and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2022

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

“Total fund balances” of NLS’s General fund of \$1,236,094 does not differ from “net position” of governmental activities of \$1,236,094, 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, 2022, 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	\$ 1,418,249	\$ -	\$ 1,418,249
Accounts receivable	30,894	-	30,894
Interest receivable	2,354	-	2,354
Total assets	\$ 1,451,497	\$ -	\$ 1,451,497
Liabilities:			
Accounts payable and accrued liabilities	70,002	-	70,002
Deposits payable	112,282	-	112,282
Total liabilities	182,284	-	182,284
Deferred Inflows:			
Unavailable revenue	33,119	-	33,119
Total Deferred Inflows	33,119	-	33,119
Fund Balances/Net Position			
Total fund balances/net position	1,236,094		1,236,094
Total liabilities, deferred inflows, and fund balances/net position	\$ 1,451,497	\$ -	\$ 1,451,497

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2022

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

The “net change in fund balances” for the General fund, \$141,300, does not differ from the “change in net position” for governmental activities of \$141,300 reported in the Statement of Activities. A difference may occur from NLS incurring any long-term liabilities or depreciation expense. As of June 30, 2022, 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**

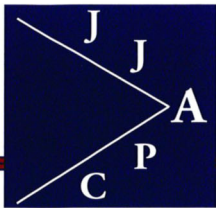
	General Fund	Reclassifications and Eliminations	Statement of Activities
EXPENDITURE/EXPENSES:			
Administrative	\$ 267,434	\$ -	\$ 267,434
Services and supplies	1,299,044	-	1,299,044
Special programs			
Federal	-	-	-
State	61,101	-	61,101
Total expenditures/expenses	1,627,579	-	1,627,579
REVENUES:			
Program revenues:			
Grants	927,429	-	927,429
Membership dues	111,736	-	111,736
Member reimbursements	725,242	-	725,242
Total program revenues	1,764,407	-	1,764,407
Net program expense	(136,828)	-	(136,828)
General revenues:			
Interest	4,472	-	4,472
Total general revenues	4,472	-	4,472
REVENUES OVER (UNDER)			
EXPENDITURES	141,300		
CHANGE IN NET POSITION		-	141,300
FUND BALANCES/NET POSITION			
Beginning of the year	1,094,794	-	1,094,794
End of the year	\$ 1,236,094	\$ -	\$ 1,236,094

REQUIRED SUPPLEMENTARY INFORMATION

NorthNet Library System
Required Supplementary Information
For the year ended June 30, 2022

Budgetary Comparison Schedule
General Fund
For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final Budget Positive (Negative)
Budgetary Fund Balance, July 1, 2021	\$ 1,094,794	\$ 1,094,794	\$ 1,094,794	\$ -
Resources (inflows):				
Grants:				
Federal	3,637	3,637	-	(3,637)
State	862,435	862,435	927,429	64,994
Membership dues	122,238	122,238	111,736	(10,502)
Membership reimbursements	751,525	751,525	725,242	(26,283)
Interest	10,170	10,170	4,472	(5,698)
Amounts available for appropriation	<u>1,750,005</u>	<u>1,750,005</u>	<u>1,768,879</u>	<u>(18,874)</u>
Changes to appropriations (outflows):				
Administrative	272,527	272,527	267,434	5,093
Services and supplies	1,469,097	1,469,097	1,299,044	170,053
Special programs:				
Federal	3,637	3,637	-	3,637
State	-	-	61,101	(61,101)
Total charges to appropriations	<u>1,745,261</u>	<u>1,745,261</u>	<u>1,627,579</u>	<u>175,146</u>
Budgetary fund balance, June 30, 2022	<u>\$ 1,099,538</u>	<u>\$ 1,099,538</u>	<u>\$ 1,236,094</u>	<u>\$ 136,556</u>



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, 2022, and the related notes to the financial statements, which collectively NLS's basic financial statements, and have issued our report thereon dated May 17, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the NLS's internal control over financial reporting (internal control) as a basis for designing 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 System's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 the 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 considered to be material weaknesses. However, material weaknesses may exist that we have not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. 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.

May 17, 2022

JJACPA, Inc.

JJACPA, Inc.

Dublin, CA



32 West 25th Avenue, Suite 201, San Mateo, CA 94403-2265
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www.northnetlibs.org

To: NLS Executive Committee
From: Jacquie Brinkley
Subject: Approve Revision to FY 2022-23 NLS Budget for Travel and Refreshments for NLS In-Person June Administrative Council Meeting
Date: May 23, 2023

Background

Since the pandemic, the NorthNet Administrative Council has been meeting virtually for its annual and mid-year meetings.

At the January 2023 mid-year meeting, it was expressed that the Council would like to meet in person at the June 2023 meeting. It was acknowledged that some members may choose to attend virtually, so the meeting will be held at a location that can accommodate a hybrid style meeting.

The NorthNet FY2022-23 approved budget includes a \$1,000 budget line item for travel and meetings.

Recommendation

It is recommended that the Executive Committee approve an additional \$3,000 for refreshments and for travel reimbursements for the June in-person Administrative Council meeting.

The current approved budget includes approximately \$43,000 unallocated funds going to the Fund Balance. Some of these funds can be used to support this budget request.



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To: Elena Flacks, Yuba College Library
From: Carol Frost, CEO, Pacific Library Partnership/NorthNet Library System
Subject: Inquiry regarding Yuba College Library Membership with NorthNet
Date: May 1, 2023

This memo is in response to your phone call on April 13, 2023 requesting information about Yuba College rejoining the NorthNet Library System (NLS), and the potential of Yuba College Library joining the NLS shared OverDrive collection.

To prepare for our conversation, we reviewed historical files and determined that Yuba College Library became a member of the Mountain Valley System (MVLS) in FY 1973/74 under a federal grant to the California State Library.

You provided us with a copy of an email you sent to NorthNet Library System (NLS) in January 2010 where Yuba College Library notified NLS that Yuba College Library would no longer pay membership fees. We can find no formal letter of withdrawal from Yuba College Library to either Mountain Valley or NorthNet, nor was any record of acknowledging the withdrawal found in system meeting minutes, as per the Bylaws of MVLS. It may be assumed that the intent was to withdraw from MVLS, but it would need to be determined by the MVLS Council to confirm that, since no formal record can be found.

Based on your inquiry as to how Yuba College Library could reinstate their membership with the NLS in order to access the NLS Library-to-Go OverDrive collection, we have confirmed that OverDrive would not allow an academic library to join the public library consortia. According to the NLS OverDrive representative, *"the sales and distribution rights granted to OverDrive by the supplying publishers require public libraries and colleges/universities to be treated as separate channels."* We can provide you with the OverDrive academic representative's contact information.

In 2009, the NorthNet Library System (NLS) was formed. The Mountain Valley Library System became a member of the NorthNet Library System at that time.

We have reviewed the NLS Bylaws, which state that an associate member (such as a college or other institution that is not a public library), can join NLS if there are no other obligations to one of the systems, such as MVLS.

We have reviewed the MVLS Bylaws to determine Yuba College's membership in MVLS, and have spoken with the Chair of MVLS, and the Chair of NLS. The Chairs of MVLS and NLS have expressed that should Yuba College Library wish to rejoin, they would rejoin MVLS, rather than NLS.

At this time, if Yuba College Library were to request reinstatement with MVLS, the following process would be required:

1. Submit a formal letter of intent (on agency letterhead) to request re-entry to MVLS agreeing to adhere to NLS and MVLS Bylaws, and provide a description of the value that the agency would bring to the library system.
2. The MVLS Council of Librarians would review the agency's request and, should MVLS consider this request, would provide an estimate of fees for reinstatement including any CalPERS obligations and other consortia obligations since 2010.
3. Yuba College Library would need to also agree to pay the annual NLS membership fee for associate members (approximately \$600).
4. Should both parties agree to the terms, the MVLS Council of Librarians would develop a Resolution to allow Yuba College Library to rejoin, and it would be adopted at an MVLS Council of Librarians meeting.

Should you have any questions about this, please feel free to contact me at frost@plpinfo.org or at 650-349-5538.