

# NORTH COUNTY LIBRARY AUTHORITY



## May 6, 2024 Meeting Packet

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**NORTH COUNTY LIBRARY  
AUTHORITY AGENDA  
REGULAR MEETING  
5:00 PM - Monday, May 6, 2024**

*via Videoconference and In person at the Los Altos Community Center; Manzanita Room  
(sign on details below)*

**PARTICIPATION:** Members of the public may participate by being present at the Los Altos Community Center inside the Manzanita Conference Room located at 97 Hillview Ave, Los Altos, CA 94022. Public comment is accepted in person at the physical meeting location, or via email to [cmansel@solutions-mrg.com](mailto:cmansel@solutions-mrg.com).

**REMOTE MEETING OBSERVATION:** Members of the public may view the meeting via the link below but will not be permitted to provide public comment via Zoom or telephone. Public comment will be taken in person, and members of the public may provide written public comment by following the instructions below.

Participants who wish to observe remotely from outside the United States should email [cmansel@solutions-mrg.com](mailto:cmansel@solutions-mrg.com) to arrange for international access to the meeting.

Time: May 6, 2024 5:00 PM

Link: <https://us06web.zoom.us/j/81811448026?pwd=820cXApJaKaQeYGbdh2Dsa6MrywZOz.1>

Meeting ID: 818 1144 8026  
Passcode: 94022

Mobile: +16699006833,,81811448026#,,,,\*94022# US (San Jose)

**TO SUBMIT WRITTEN COMMENTS:** Prior to the meeting, comments on matters listed on the agenda may be emailed to [cmansel@solutions-mrg.com](mailto:cmansel@solutions-mrg.com). Emails sent to this email address are sent to/received immediately by the Authority. Please include a subject line in the following format:

PUBLIC COMMENT AGENDA ITEM ## - MEETING DATE

Correspondence received prior to the meeting will be included in the public record. Please follow this link for more information on submitting written comments: <https://www.losaltosca.gov/cityclerk/page/public-comments>.

**Public testimony will be taken at the direction of the President, and members of the public may only comment during times allotted for public comments.**

**ESTABLISH QUORUM****PLEDGE OF ALLEGIANCE****PUBLIC COMMENTS**

Members of the audience may bring to the Authority's attention any item that is not on the agenda. Speakers are generally given two or three minutes, at the discretion of the President. Please be advised that, by law, the Authority is unable to discuss or take action on issues presented during the Public Comment Period. According to State Law (also known as "the Brown Act") items must first be noticed on the agenda before any discussion or action.

**ITEMS FOR CONSIDERATION/ACTION**

- 1. Approval of Minutes** for Regular Meeting on 1/29/24
- 2. Approval of FY 22-23 Audit Report**
  - a. NCLA Board Communication
  - b. NCLA Audit Report
  - c. Account Grouping Report
  - d. Adjusting Journal Entries Report
  - e. Representation Letter to Chavan & Associates
- 3. Consideration and Adoption of the NCLA Annual Budget FY 24-25**
  - a. NBS Annual Report of expected income from Parcel Tax 889
  - b. County Investment Fund Current Statement
  - c. Proposed Annual Budget for FY 24-25
- 4. Adopt Resolution 2024-01 Annual Levy Resolution**
- 5. Adopt Resolution 2024-02 Annual Gann Limit Resolution**
- 6. Approval of Current Invoices for Payment**
  - a. Chavan & Associates Invoice for FY22-23 Audit
  - b. MRG Invoices for January – March 2024
- 7. Discussion and Approval of Transfer of Legal Representation**

**INFORMATIONAL ITEMS**

1. Library Commission Ad-Hoc Subcommittee Update
2. Report on Senior Exemptions

### 3. City Staff Reports

## COMMISSIONERS' REPORTS AND COMMENTS

## NEXT MEETING DATE

## ADJOURNMENT

### SPECIAL NOTICES TO PUBLIC

In compliance with the Americans with Disabilities Act and California Law, it is the policy of the City of Los Altos to offer its programs, services and meetings in a manner that is readily accessible to everyone, including individuals with disabilities. If you are a person with a disability and require information or materials in an appropriate alternative format; or if you require any other accommodation, please contact department staff. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility. The City ADA Coordinator can be reached at (650) 947-2607 or by email: [ada@losaltosca.gov](mailto:ada@losaltosca.gov).

Agendas, Staff Reports and some associated documents for the North County Library Authority items may be viewed on the Internet at <https://www.losaltosca.gov/nclibraryauthority>.

If you wish to provide written materials, please provide the Staff Liaison with **10 copies** of any document that you would like to submit to the Authority in order for it to become part of the public record. For other questions regarding the meeting proceedings, please contact the City Clerk at (650) 947-2720.



**NORTH COUNTY LIBRARY AUTHORITY MINUTES  
REGULAR MEETING  
5:00 PM - Monday, January 29, 2024**

*In person at the Los Altos Community Center; Manzanita Room  
with online observation*

**CALL TO ORDER**

President Schmidt called the meeting to order at 5:01 P.M.

**ATTENDANCE**

**Present:** President Lisa Schmidt, Vice President Sally Meadows, Secretary Cindy Hill, Pete Dailey,  
& Aarti Johri

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENTS**

There were no public comments.

**ITEMS FOR CONSIDERATION/ACTION**

**1. Election of Officers: President, Vice President, Secretary**

Cindy Hill nominated Lisa Schmidt to continue in her role as President for another term. Pete Dailey seconded the nomination. Lisa Schmidt was elected for a second term as NCLA Board President in a unanimous vote. Sally Meadows nominated herself for Vice President and Cindy Hill for Secretary. Pete Dailey seconded the nominations. Sally Meadows was re-elected Vice President and Cindy Hill was re-elected Secretary in a unanimous vote.

**2. Library Commission Ad-Hoc Subcommittee Presentation**

At its meeting one week prior, the Los Altos City Council requested that NCLA vote to approve funding an RFP to be issued by the City of Los Altos based upon the Library Commission ad-hoc subcommittee presentation on proposed recommendations for main library improvements.

Pierre Bedard and Julie Crane gave the same presentation which was presented to the Los Altos City Council at this meeting. There were no questions. Suzanne Epstein stated she was in support of creating a master plan towards the ultimate goal of a larger library rather than allowing the current funding to dictate a smaller goal set.

There was discussion about the degree of specificity which the project budget can be known at this time. Aarti Johri asked if the budget was a known quantity. Julie Crane responded that it was not certain and the costs involved would not be certain until an architect with knowledge of costs and mandatory upgrades provides an opinion. President Schmidt reminded the group of the restrictions that are placed on NCLA funds.

Boardmember Dailey also mentioned that land space is limited. His understanding was that the City Council did not believe that there was physical room for expansion. Vice President Meadows summarized that this was a good presentation. She feels that the presentation does not incorporate the Woodland branch and the underway patio expansion. She feels that the RFP is requesting current expertise and needs be evaluated against current costs. This may differ from previous studies. The RFP will generate facts to make an educated decision as to the best course of action. The Los Altos City Council can then make educated decisions to proceed.

President Schmidt stated that she believed that NCLA would specify an amount of monies to put towards the issuing of the RFP. Los Altos City Manager Engeland stated that the process would have the City of Los Altos determining the cost to issue the RFP and then bringing that cost to the NCLA to request what was needed beyond City resources. The City of Los Altos would be the lead agency for the RFP. Secretary Hill asked if the final legal consensus was that NCLA funds could be spent on a remodel. President and Vice President both stated that legal counsel for both the City and NCLA agreed this was a valid use. City Manager Engeland stated that the Los Altos City Council authorized an RFP for the purpose of a remodel. They did not authorize funds to be spent towards an expansion or rebuild.

Board member Dailey made a motion to authorize the City of Los Altos to issue an RFP, jointly by the City and the County Library System with NCLA to cover the costs associated with the issuance of the RFP. Secretary Hill seconded the motion. The motion passed in a unanimous vote.

### **3. Approval of Minutes for Special Meeting of 10/2/23**

Board member Dailey made a motion to approve the minutes as presented. Board member Johri Seconded the motion. The motion passed in a unanimous vote.

### **4. Approval of Current Invoices for Payment**

- a. Meyers Nave October Invoice
- b. MRG September - December Invoices

Vice President Meadows made a motion to approve the invoices for payment. Board member Johri seconded the motion. The motion passed in a unanimous vote.

### **5. Discussion of responsibility for NCLA administrative expenses**

President Schmidt noted the history of the cost share specified by the JPA document. She stated that given the present situation including the upcoming support by the City of Los Altos for the RFP and web hosting, NCLA could bear the costs of all routine administrative services including the administrative officer, legal counsel, and auditor.

There was discussion as to whether this action required the member entities to re-draft the Joint Powers Agreement, but it was concluded that this was not the intent of the document since there were provisions for a basic operating fund.

Vice President Meadows made a motion for NCLA to establish an operating fund from which all administrative and regular operating expenses would be paid. Secretary Hill seconded the motion. The motion passed unanimously.

## **6. Report on Senior Exemptions**

Administrative Officer Mansel reported that due to the transition of personnel and the new service provider managing senior exemption processing some seniors did not find the required paperwork in time for the June 30, 2023 deadline for exemption processing. NBS advised that refunds could be granted to late applicants. The President was in support of this for this year only. There were seven total senior exemption applications for FY2324.

NBS has advised that it is up to the Board to determine if seniors who have qualified for the senior exemption will need to reapply. The Board expressed that it would like seniors to attest that they are still qualifying but not require re-submission of evidence of qualification.

Low-Income Senior Exemption forms will be added to the NCLA webpage within the City of Los Altos website in early April each year as soon as federal low income thresholds are announced. These forms will be due to NBS no later than June 30<sup>th</sup> each year. NBS will reach out to all previous exemption holders to have them attest to their qualifying status.

## **7. Discussion of NCLA web presence**

Board members reported that many have commented to them that the NCLA information is difficult to find on the internet. The Board directed the Administrative Officer to work with the City of Los Altos to improve searchability for NCLA.

## **8. Approval of Future Meeting Date**

The next NCLA Board Meeting date was set for May 6, 2024.

## **INFORMATIONAL ITEMS**

### **1. Financial Update**

Financial updates were presented. The audit was delayed due to personnel matters. It will be presented at the next meeting, but auditors report that everything appears regular and in order.

### **2. NBS Annual Tax Roll Report with SB 165 Report review**

## **COMMISSIONERS' REPORTS AND COMMENTS**

## **ADJOURNMENT**

President Schmidt adjourned the meeting at 6:17 P.M.



To the Board of Directors of the  
North County Library Authority

We have audited the basic financial statements of the North County Library Authority as of and for the year ended June 30, 2023, and have issued our report thereon dated April 17, 2024. Professional standards require that we advise you of the following matters relating to our audit.

***Our Responsibility under Generally Accepted Auditing Standards and Government Auditing Standards***

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the North County Library Authority solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

**Other Information in Documents Containing Audited Financial Statements**

Pursuant to professional standards, our responsibility as auditors for other information in documents containing North County Library Authority's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.





### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated with management except that the report was issued by us later than expected. The delay in the report issuance was due to turnover in the audit team assigned to the engagement.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

### **Significant Risks Identified**

We did not identify any significant risks that required special audit consideration.

### **Qualitative Aspects of the Authority's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the North County Library Authority is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during June 30, 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements include market value adjustments related to LAIF.

We evaluated the key factors and assumptions used to develop the identified estimates and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.



### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting North County Library Authority's financial statements relate to cash and investments which consists of cash held with the county.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that required the attention of management.

### **Identified or Suspected Fraud**

We did not identify nor obtain information that indicates that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

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

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected financial statement misstatements identified.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no material, corrected misstatements noted during the audit. However, we did provide an audit journal entry of \$256,399 to decrease cash in county to fair value. This was just below our threshold for tolerable mistatement.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the North County Library Authority's financial statements or the auditor's report. No such disagreements arose during the course of the audit.



### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of our auditor's report.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated April 17, 2024.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the North County Library Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the North County Library Authority's auditors.

This report is intended solely for the information and use of the Board and management of the North County Library Authority and is not intended to be and should not be used by anyone other than these specified parties.

*C & A LLP*

April 17, 2024  
Morgan Hill, California

**North County Library Authority**  
Los Altos, California

Annual Financial Report

For the Year Ended June 30, 2023



**Chavan & Associates, LLP**

Certified Public Accountants  
15105 Concord Circle, Suite 130  
Morgan Hill, CA 95037

**North County Library Authority**  
 Annual Financial Report  
 For the Fiscal Year Ended June 30, 2023

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**FINANCIAL  
SECTION**



## INDEPENDENT AUDITOR'S REPORT

To the Commissioners  
of the North County Library Authority  
Los Altos, California

### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of the North County Library Authority (NCLA), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise NCLA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental-type activities and the General Fund of the North County Library Authority, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### 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 (GAGAS), 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 NCLA 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

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 NCLA'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 and GAGAS 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 and GAGAS, 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 NCLA'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 NCLA'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.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of





America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated April 17, 2024 on our consideration of NCLA'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 NCLA's internal control over financial reporting and compliance.

*C & A LLP*

April 17, 2024  
Morgan Hill, California

*Management's Discussion and Analysis*

# NORTH COUNTY LIBRARY AUTHORITY

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023

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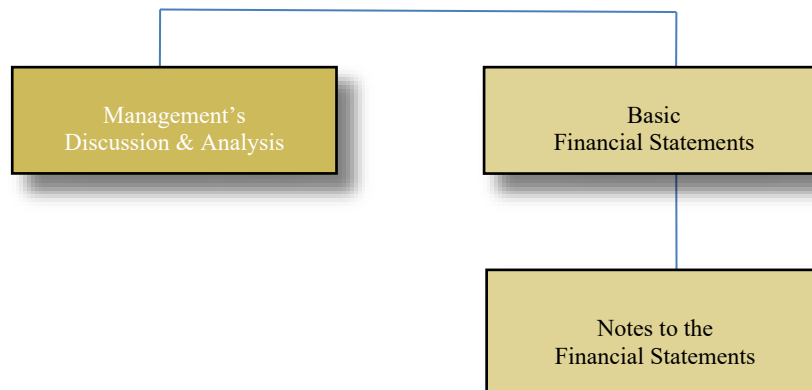
## INTRODUCTION

The Management's Discussion and Analysis (MD&A) is a required section of the Authority's annual financial report, as shown in the overview below. The purpose of the MD&A is to present a discussion and analysis of the Authority's financial performance during the fiscal year that ended on June 30, 2023. This report will (1) focus on significant financial issues, (2) provide an overview of the Authority's financial activity, (3) identify changes in the Authority's financial position, (4) identify any individual fund issues or concerns, and (5) provide descriptions of significant asset and debt activity.

This information, presented in conjunction with the annual Basic Financial Statements, is intended to provide a comprehensive understanding of the Authority's operations and financial standing. The annual report consists of a series of basic financial statements and notes to those statements. These statements are organized so the reader can understand the Authority as an entire operating entity. The statements provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position provide information about the activities of the Authority, presenting both an aggregate view of the Authority's finances and a longer-term view of those finances. The basic financial statements also include notes explaining pertinent information in the financial statements and provide more detailed data.

### Required Components of the Annual Financial Report



# NORTH COUNTY LIBRARY AUTHORITY

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2023

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### FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year were as follows:

- Total assets were \$8,237,838 as of June 30, 2023, an increase of \$937,679 over the prior fiscal year.
- Net position increased by \$937,679 during the fiscal year,
- Investment earnings decreased by \$114,633 as compared to the prior fiscal year.
- Expenses totaled \$50,458 for the fiscal year as compared to \$18,397 in the prior fiscal year.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report includes the Management's Discussion and Analysis report, the Independent Auditor's report and the Basic Financial Statements of the Authority. The financial statements also include notes that explain the information in the financial statements in more detail.

### BASIC FINANCIAL STATEMENTS

The Financial Statements of the Authority report information about the Authority's accounting methods similar to those used by private sector companies. These statements have been prepared and audited using generally acceptable accounting standards. These required statements offer short-term and long-term financial information about the Authority's activities and are often used to assess the financial position and health of the Authority.

#### *Statement of Net Position*

This statement includes all of the Authority's assets, deferred outflow of resources, liabilities, and deferred inflow of resources, and provides information about the nature and amounts of investments in resources and obligations to creditors. It also provides the basis for evaluating the capital structure of the Authority.

#### *Statement of Activities*

This statement accounts for all revenues and expenses during the reporting period. This statement reflects the result of Authority operations over the past year as well as non-operating revenues, expenses, and contributed capital.

### FINANCIAL ANALYSIS OF THE AUTHORITY

One of the most important questions asked about the Authority's finances is whether or not the Authority's overall financial position has improved or deteriorated. The Statement of Net Position and the Statement of Activities report information about the Authority's activities in a way that will help answer this question. These two statements report the net position of the Authority as well as related changes. The difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources (net position) is one way to measure financial health or financial

**NORTH COUNTY LIBRARY AUTHORITY**

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2023

position. Over time, increases or decreases in the Authority's net position is one of many indicators to ascertain if its financial health is improving or deteriorating.

**Table 1 - Summary of Net Position**

	<b>Fiscal Year June 30, 2023</b>	<b>Fiscal Year June 30, 2022</b>	<b>Dollar Change</b>	<b>Percent Change</b>
<b>Assets</b>				
Cash and Investments	\$ 8,174,283	\$ 7,282,849	\$ 891,434	12%
Interest Receivable	63,555	17,310	46,245	267%
<b>Total Assets</b>	<b>8,237,838</b>	<b>7,300,159</b>	<b>937,679</b>	<b>13%</b>
<b>Net Position</b>				
Restricted	8,237,838	7,300,159	937,679	13%
<b>Total Net Position</b>	<b>\$ 8,237,838</b>	<b>\$ 7,300,159</b>	<b>\$ 937,679</b>	<b>13%</b>

Net position increased by \$937,679 to \$8,237,838 from fiscal year 2021-22 to fiscal year 2022-23 as special assessments reported as charges for services exceeded expenses by this amount. NCLA has the authority to continue to levy the special parcel tax annually in accordance with its mission to support library services in Los Altos and Los Altos Hills.

**Table 2 - Change in Net Position**

	<b>Fiscal Year June 30, 2023</b>	<b>Fiscal Year June 30, 2022</b>	<b>Dollar Change</b>	<b>Percent Change</b>
<b>Revenues:</b>				
Program Revenues:				
Charges for Services	\$ 1,051,404	\$ 1,072,157	\$ (20,753)	-2%
General Revenues:				
Investment earnings (loss)	(63,267)	51,366	(114,633)	-223%
<b>Total Revenues</b>	<b>988,137</b>	<b>1,123,523</b>	<b>(135,386)</b>	<b>-12%</b>
<b>Expenses:</b>				
Administration and Community Services	50,458	18,397	32,061	174%
<b>Total Expenses</b>	<b>50,458</b>	<b>18,397</b>	<b>32,061</b>	<b>174%</b>
<b>Change in net position</b>	937,679	1,105,126	(167,447)	-15%
<b>Net position - beginning</b>	7,300,159	6,195,033	1,105,126	18%
<b>Net position - ending</b>	<b>\$ 8,237,838</b>	<b>\$ 7,300,159</b>	<b>\$ 937,679</b>	<b>13%</b>

Program Revenues reflect the parcel tax base and decreased by \$20,753 while investment earnings decreased by \$114,633 due to fair value adjustments in the County pool.

## **NORTH COUNTY LIBRARY AUTHORITY**

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2023

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### **FACTORS BEARING ON THE AUTHORITY'S FUTURE**

NCLA proactively creates reserves to be prepared for any budget changes. Its only limitations in providing the best services possible are those embedded within the Measure L language which specifies that NCLA funds can only be used to sustain the existing level of service. However, as new technologies and lifestyle habits in response to those technologies develop, merely maintaining services will not be enough for the citizens of Los Altos and Los Altos Hills. As NCLA looks to a future beyond its currently funded term, it will depend on receiving a broadened scope of services for which its funds can be utilized.

NCLA will continue to allocate funding as needed to provide an additional 17 operational hours per week at the Los Altos Library and an additional 25 hours per week at the Woodland Branch Library.

### **CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, customers, taxpayers, investors and creditors with a general overview of NCLA's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the North County Library Authority, One North San Antonio Road, Los Altos, CA 94022

*Basic Financial Statements*

**North County Library Authority**  
Statement of Net Position  
June 30, 2023

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<b>Assets</b>	Governmental Activities
Current assets:	
Cash and investments	\$ 8,174,283
Interest receivable	63,555
Total Assets	\$ 8,237,838
 <b>Net Position</b>	
Restricted	\$ 8,237,838
Total Net Position	\$ 8,237,838

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



**North County Library Authority**  
**Statement of Activities**  
For the Fiscal Year Ended June 30, 2023

Function/Program	Expenses	Program Revenues  Charges for Services	Net (Expense) Revenue and Changes in Net Position
Governmental activities:			
Administration and community services	\$ 50,458	\$ 1,051,404	\$ 1,000,946
Total governmental activities	<u>\$ 50,458</u>	<u>\$ 1,051,404</u>	1,000,946
General revenues:			
Investment earnings (loss)			<u>(63,267)</u>
Change in net position			<u>937,679</u>
Beginning Net Position			<u>7,300,159</u>
Ending Net Position			<u>\$ 8,237,838</u>

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

**North County Library Authority**

Balance Sheet

Governmental Funds

June 30, 2023

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	General Fund
<b>ASSETS</b>	
Cash and investments	\$ 8,174,283
Interest receivable	63,555
Total Assets	<u>\$ 8,237,838</u>
<b>FUND BALANCE</b>	
Restricted	\$ 8,237,838
Total Fund Balance	<u>\$ 8,237,838</u>

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

**North County Library Authority**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2023

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	<u>General Fund</u>
Revenues:	
Taxes and special assessments	\$ 1,051,404
Investment earnings (loss)	<u>(63,267)</u>
Total revenues	<u>988,137</u>
Expenditures:	
Contractual Services	<u>50,458</u>
Total expenditures	<u>50,458</u>
Net change in fund balance	937,679
Beginning Fund Balance	<u>7,300,159</u>
Ending Fund Balance	<u><u>\$ 8,237,838</u></u>

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

# North County Library Authority

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2023

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## NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

### A. General

The North County Library Authority of Santa Clara County (the Authority or NCLA), formed in 1985 by a joint exercise of powers agreement between the City of Los Altos (City) and the Town of Los Altos Hills, provides library services for member residents. The Authority was created as a means to provide financing for capital improvements and additional services by the public libraries serving the area. Although the City owns the libraries and their sites, the County of Santa Clara (County) is responsible for all library operations. However, since 1985, the Authority has levied a voter approved special parcel tax to compensate for service reductions due to cutbacks by the County. The special tax has been collected by the County on behalf of the Authority. The Authority provides funding to the County for additional County staff hours at the two libraries in Los Altos, based on county costing of labor costs. The County and the City of Los Altos perform administrative and accounting services for the Authority. The Authority has no employees.

### B. Reporting Entity

NCLA's combined financial statements include the accounts of all its operations. NCLA evaluated whether any other entity should be included in these financial statements. The basic, but not the only, criterion for including a governmental department, agency, institution, commission, public authority, or other governmental organization in a governmental unit's reporting entity for general purpose financial reports is the ability of the governmental unit's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one governmental unit is dependent on another and that the dependent unit should be reported as part of the other. Oversight responsibility is derived from the governmental unit's power and includes, but is not limited to:

- Financial interdependency
- Selection of governing authority
- Designation of management
- Ability to significantly influence operations
- Accountability for fiscal matters

Accordingly, for the year ended June 30, 2023, NCLA does not have any component units.

### C. Accounting Principles

The accounting policies of NCLA conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

### D. Basis of Presentation

#### **Government-wide Financial Statements:**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of NCLA. The Statement of Net Position reports all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position.

## North County Library Authority

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023

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

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

### **Fund Financial Statements:**

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

### E. Basis of Accounting

#### **Government-Wide Financial Statements:**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments and service charges are recognized as revenues in the year for which they are levied. Expenses are recorded when liabilities are incurred.

#### **Governmental Fund Financial Statements:**

Governmental fund financial statements (i.e., balance sheet and statement of revenues, expenditures and changes in fund balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the NCLA, "available" means collectible within the current period or within 60 days after year-end.

## North County Library Authority

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023

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Non-exchange transactions, in which the NCLA receives value without directly giving equal value in return, include assessments and interest income. Under the accrual basis, revenue from assessments is recognized in the fiscal year for which the assessments are levied. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Expenses/Expenditures:

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

### F. Fund Accounting

The accounts of NCLA are organized into one governmental fund, the General Fund, which has a separate set of self-balancing accounts. The purpose of this fund is to account for all financial resources except those required to be accounted for in another fund. The general fund is required to be presented as a major fund.

### G. Budgets and Budgetary Accounting

The Authority annually adopts a budget on or before June 30 for the ensuing fiscal year. From the effective date of the budget, the amounts become the “annual appropriated budget”. Appropriations lapse at the end of the fiscal year. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. Budget information is presented for government fund types on a consistent basis with accounting principles generally accepted in the United States of America. Budgeted revenue and expenditure amounts represent the original budget modified for adjustments during the year.

### H. Cash and Investments

As described in Note 2, NCLA’s cash and investments are held with the Santa Clara County Treasury, as part of the cash and investment pool with other County Funds. In accordance with GASB Statement No. 31, investments are stated at fair value. However, the value of the pool shares in the County Treasurer's investment pool that may be withdrawn is determined on an amortized cost basis, which is different from the fair value of NCLA’s position in the pool. The County Treasurer's investment pool is subject to regulatory oversight by the Treasury Oversight Committee, as required by Section 27134 of the California Government Code. Statutes authorize the County to invest in the following:

1. Obligations of the County or any local agency and instrumentality in or of the State of California.
2. Obligations of the U.S. Treasury, agencies and instrumentalities

## North County Library Authority

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023

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3. Bankers' acceptances eligible for purchase by Federal Reserve System.
4. Commercial paper.
5. Repurchase agreements or reverse repurchase agreement.
6. Medium-term notes with a five-year maximum maturity of corporations operating within the United States and rated in the top three rating categories.
7. Guaranteed investment contracts.

Investments are recorded at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available:

- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.
- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

### I. Accounting Estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### J. Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by NCLA or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. NCLA applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Unrestricted net position reflects amounts that are not subject to any donor-imposed restrictions. This class also includes restricted contributions whose donor-imposed restrictions were met during the fiscal year.

## North County Library Authority

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023

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### K. Fund Balance

As applicable, the Authority classifies fund balances into the following five categories to comply with the GASB No. 54, Fund Balance and Governmental Fund Types.

**Nonspendable** fund balances include amounts that cannot be spent because these are either in nonspendable form or they are legally required to be maintained intact. Examples of nonspendable fund balances include inventory and prepaid items.

**Restricted** fund balances exist when constraints are placed on the use of those resources that are either externally imposed or imposed by law. In general, most reserve funds will fall into this category. The Authorities special assessments are restricted to specific uses as listed in the voter approved parcel tax.

**Committed** fund balances are amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (Governing Board).

**Assigned** fund balances are those amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted, nor committed. The intent can be made by either the governing body itself or a body or official to which the governing body has delegated the authority to (purchasing agent and business official). Appropriated fund balance and the majority of encumbrances will be reclassified into the assigned category. The Authority reported no fund balances as assigned on the balance sheet of the governmental funds.

**Unassigned** fund balances will represent those funds that have not been assigned, committed, restricted or considered nonspendable. The general fund is the only fund that will report an unassigned fund balance, unless a deficit fund balance resulting from overspending in other funds exists. Fund balance in other funds will either be assigned, committed, restricted or nonspendable unless the fund reports a deficit.

### NOTE 2 - CASH AND INVESTMENTS

#### Summary of Cash and Investments

NCLA maintained cash with the Santa Clara County Treasurer's commingled pool totaling \$8,174,283 as of June 30, 2023.

#### Fair Value Measurements

GASB 72 established a hierarchy of inputs to the valuation techniques above. This hierarchy has three levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.



## North County Library Authority

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2023

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Investments in the County Treasury Investment Pool are not measured using the input levels above because NCLA's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

### **Cash in Santa Clara County Treasury**

The fair value of NCLA's investment in the county pool is reported at amounts based on NCLA's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis. Santa Clara County investment pool funds were available for withdrawal on demand and had an average weighted maturity of 648 days. All cash and investments are stated at fair value. Pooled investment earnings are allocated monthly based on the average cash and investment balances of the various funds of the County.

### **Risk Disclosures**

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are described below:

#### **a) Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to the changes in market interest rates. NCLA manages its exposure to interest rate risk by investing in the Santa Clara County investment pool, which had a fair value of approximately \$5.9 billion as of June 30, 2023.

#### **b) Credit Risk**

Credit risk is the risk of loss due to the failure of the security issuer. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investment with the County's investment pool is governed by the County's general investment policy. The County's investments included U.S. government securities, medium-term corporate notes, commercial paper, certificates of deposit or obligations explicitly guaranteed by the U.S. government that are not considered to have credit risk exposure. The County's two other investment types, LAIF and money market mutual funds, are not rated. The money pooled with the County of Santa Clara Investment Pool is not subject to a credit rating.

#### **c) Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, NCLA's deposits may not be returned to it. NCLA does not have a policy for custodial credit risk for deposits. However, the California Government code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. With respect to investments, custodial credit risk generally applies

## North County Library Authority

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2023

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only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the money invested by NCLA in the County of Santa Clara Investment Pool).

### **d) Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of an investor's holdings in a single issuer. NCLA's investment in the County's commingled pool is diversified by the County Treasurer by limiting the percentage of the portfolio that can be invested in any one issuer's name. Investments in U.S. Treasuries, U.S. Agency securities explicitly backed by the U.S., and mutual and pooled funds are not subject to this limitation. More than 5% of the County's commingled pooled investments are invested with the Federal National Mortgage Association, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Federal Farm Credit Bank.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**North County Library Authority**  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual (GAAP)  
General Fund  
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual (GAAP Basis)	Variance with Final Budget Positive - (Negative)
	Original	Final		
Revenues:				
Taxes and special assessments	\$ 1,051,554	\$ 1,051,554	1,051,404	\$ (150)
Investment earnings (loss)	-	-	(63,267)	(63,267)
Total revenues	<u>1,051,554</u>	<u>1,051,554</u>	<u>988,137</u>	<u>(63,417)</u>
Expenditures:				
Contractual Services	41,247	41,247	50,458	(9,211)
Total expenditures	<u>41,247</u>	<u>41,247</u>	<u>50,458</u>	<u>(9,211)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,010,307</u>	<u>1,010,307</u>	<u>937,679</u>	<u>(72,628)</u>
Fund balance beginning	<u>7,300,159</u>	<u>7,300,159</u>	<u>7,300,159</u>	<u>-</u>
Fund balance ending	<u><u>\$ 8,310,466</u></u>	<u><u>\$ 8,310,466</u></u>	<u><u>\$ 8,237,838</u></u>	<u><u>\$ (72,628)</u></u>

The Authority annually adopts a budget on or before June 30 for the ensuing fiscal year. From the effective date of the budget, the amounts become the "annual appropriated budget". Appropriations lapse at the end of the fiscal year. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. Budget information is presented for government fund types on a consistent basis with accounting principles generally accepted in the United States of America. Budgeted revenue and expenditure amounts represent the original budget modified for adjustments during the year.

**OTHER INDEPENDENT  
AUDITOR'S REPORTS**



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

To the Commissioners  
of the North County Library Authority  
Los Altos, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the North County Library Authority (NCLA) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise NCLA's basic financial statements, and have issued our report thereon dated April 17, 2024.

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether NCLA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not



**Chavan and Associates, LLP**  
Certified Public Accountants

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.

*C & A LLP*

April 17, 2024  
Morgan Hill, California

Client: 36004 - North County Library Authority  
 Engagement: 36004 - North County Library Authority  
 Period Ending: 6/30/2023  
 Trial Balance: 1200.01 - Trial Balance  
 Workpaper: 1101.05 - Account Grouping Report

Account	Description	UNADJ 6/30/2023	JE Ref #	AJE 6/30/2023	ADJ 6/30/2023	1st PP-FINAL 6/30/2022	\$Var	%Var
<b>Group : [4002]</b>	<b>Cash and Cash Equivalents</b>							
<b>Subgroup : [4002.01]</b>	<b>Cash and Cash Equivalents</b>							
1100000	Cash-Clearing	8,430,682.00		(256,399.00)	8,174,283.00	7,282,849.00	891,434.00	12.24%
<b>Subtotal [4002.01]</b>	<b>Cash and Cash Equivalents</b>	<u>8,430,682.00</u>		<u>(256,399.00)</u>	<u>8,174,283.00</u>	<u>7,282,849.00</u>	<u>891,434.00</u>	<u>12.24%</u>
<b>Total [4002]</b>	<b>Cash and Cash Equivalents</b>	<u>8,430,682.00</u>		<u>(256,399.00)</u>	<u>8,174,283.00</u>	<u>7,282,849.00</u>	<u>891,434.00</u>	<u>12.24%</u>
<b>Group : [4003]</b>	<b>Accounts Rec</b>							
<b>Subgroup : [4003.02]</b>	<b>Interest Receivable</b>							
1121500	Interest Rec-Accrual	63,555.00		0.00	63,555.00	17,310.00	46,245.00	267.16%
<b>Subtotal [4003.02]</b>	<b>Interest Receivable</b>	<u>63,555.00</u>		<u>0.00</u>	<u>63,555.00</u>	<u>17,310.00</u>	<u>46,245.00</u>	<u>267.16%</u>
<b>Total [4003]</b>	<b>Accounts Rec</b>	<u>63,555.00</u>		<u>0.00</u>	<u>63,555.00</u>	<u>17,310.00</u>	<u>46,245.00</u>	<u>267.16%</u>
<b>Group : [4020]</b>	<b>Net Position</b>							
<b>Subgroup : [4020.02]</b>	<b>Unrestricted</b>							
3400000	Fund Bal/Retain Earn	(7,300,159.00)		0.00	(7,300,159.00)	(6,195,033.00)	(1,105,126.00)	17.84%
<b>Subtotal [4020.02]</b>	<b>Unrestricted</b>	<u>(7,300,159.00)</u>		<u>0.00</u>	<u>(7,300,159.00)</u>	<u>(6,195,033.00)</u>	<u>(1,105,126.00)</u>	<u>17.84%</u>
<b>Total [4020]</b>	<b>Net Position</b>	<u>(7,300,159.00)</u>		<u>0.00</u>	<u>(7,300,159.00)</u>	<u>(6,195,033.00)</u>	<u>(1,105,126.00)</u>	<u>17.84%</u>
<b>Group : [8000]</b>	<b>Operating Revenue</b>							
<b>Subgroup : [8001]</b>	<b>Investment Income</b>							
4301100	Interest-Deposits	(193,132.00)		256,399.00	63,267.00	(51,366.00)	114,633.00	(223.17%)
<b>Subtotal [8001]</b>	<b>Investment Income</b>	<u>(193,132.00)</u>		<u>256,399.00</u>	<u>63,267.00</u>	<u>(51,366.00)</u>	<u>114,633.00</u>	<u>(223.17%)</u>
<b>Subgroup : [8007]</b>	<b>Other Financing Sources</b>							
4980010	Trust Funds-Receipts	0.00		0.00	0.00	(20,603.00)	20,603.00	(100.00%)
4980350	Trust-Direct Assess	(1,051,404.00)		0.00	(1,051,404.00)	(1,051,554.00)	150.00	(0.01%)
<b>Subtotal [8007]</b>	<b>Other Financing Sources</b>	<u>(1,051,404.00)</u>		<u>0.00</u>	<u>(1,051,404.00)</u>	<u>(1,072,157.00)</u>	<u>20,753.00</u>	<u>(1.94%)</u>
<b>Total [8000]</b>	<b>Operating Revenue</b>	<u>(1,244,536.00)</u>		<u>256,399.00</u>	<u>(988,137.00)</u>	<u>(1,123,523.00)</u>	<u>135,386.00</u>	<u>(12.05%)</u>
<b>Group : [8200]</b>	<b>Expenditures</b>							
<b>Subgroup : [8210.01]</b>	<b>Expenditures</b>							
5800010	Trust Funds-Disbursements	50,458.00		0.00	50,458.00	18,397.00	32,061.00	174.27%
<b>Subtotal [8210.01]</b>	<b>Expenditures</b>	<u>50,458.00</u>		<u>0.00</u>	<u>50,458.00</u>	<u>18,397.00</u>	<u>32,061.00</u>	<u>174.27%</u>
<b>Total [8200]</b>	<b>Expenditures</b>	<u>50,458.00</u>		<u>0.00</u>	<u>50,458.00</u>	<u>18,397.00</u>	<u>32,061.00</u>	<u>174.27%</u>
	<b>NET (INCOME) LOSS</b>	<u>(1,194,078.00)</u>		<u>256,399.00</u>	<u>(937,679.00)</u>	<u>(1,105,126.00)</u>	<u>167,447.00</u>	<u>(15.15%)</u>
	<b>Sum of Account Groups</b>	<u>0.00</u>		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>



Client: **36004 - North County Library Authority**  
 Engagement: **36004 - North County Library Authority**  
 Period Ending: **6/30/2023**  
 Trial Balance: **1200.01 - Trial Balance**  
 Workpaper: **1300.01 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries</b>				
<b>Adjusting Journal Entries JE # 1</b>				
FV Adjustment				
4301100	Interest-Deposits		256,399.00	
1100000	Cash-Clearing			256,399.00
<b>Total</b>			<b><u>256,399.00</u></b>	<b><u>256,399.00</u></b>
	<b>Total Adjusting Journal Entries</b>		<b><u>256,399.00</u></b>	<b><u>256,399.00</u></b>
	<b>Total All Journal Entries</b>		<b><u>256,399.00</u></b>	<b><u>256,399.00</u></b>

# NORTH COUNTY LIBRARY AUTHORITY



May 6, 2024

Chavan & Associates, LLP  
15105 Concord Circle, Ste. 130  
Morgan Hill, CA 95037

This representation letter is provided in connection with your audit of the basic financial statements including government-wide financial statements and fund financials statements of the North County Library Authority (NCLA) as of June 30, 2023 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position and results of operations, where applicable, of the various opinion units of the NCLA in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of April 17, 2024:

## **Financial Statements**

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations, as applicable.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at

fair value, are reasonable.

- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP, as applicable.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.
- The effects of uncorrected misstatements summarized and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
  - There were no uncorrected misstatements to be evaluated.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP, if applicable.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed, if applicable.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported, if applicable.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
  - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With respect to the attached nonattest service(s), we have performed the following:
  - Made all management decisions and performed all management functions;
  - Assigned a competent individual to oversee the services;

- Evaluate the adequacy of the services performed;
- Evaluated and accepted responsibility for the result of the service performed; and
- Established and maintained internal controls, including monitoring ongoing activities.
- Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, line of credit, or similar arrangements have been properly disclosed.
- We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.

### **Information Provided**

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware, as applicable.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The North County Library Authority has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
  - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
  - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).

- The North County Library Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- We have provided to you our views on reported audit findings, conclusions, and recommendations, as well as planned corrective actions.

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Lisa Schmidt, NCLA President

Date

# **NORTH COUNTY LIBRARY AUTHORITY**

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*Fiscal Year 2023/24 Annual Report for:*

**Measure L (Library Parcel Tax)**

**December 2023**

Prepared by:



**Corporate Headquarters**  
32605 Temecula Parkway, Suite 100  
Temecula, CA 92592  
Toll free: 800.676.7516

# FISCAL YEAR 2023/24 LEVY SUMMARY

Voters within the City of Los Altos and the Town of Los Altos Hills approved Measure L by 78% in June of 2010. Measure L authorizes the North County Library Authority (“NCLA”) to levy a \$76 special parcel tax upon parcels within the NCLA district boundary. The special parcel tax may be levied for 20 years beginning with Fiscal Year 2010/11 and ending after Fiscal Year 2029/30.

The purpose of the NCLA is to create an agency which will plan, support, acquire, maintain and operate programs and facilities for the extension of public library services for the benefit of the inhabitants within the collective boundaries of the City of Los Altos and Town of Los Altos Hills.

The following table provides a summary of the Fiscal Year 2023/24 final levy amount.

Parcel Type	Parcel Count	FY 2023/24 Levy
Developed	13,996	\$1,063,696.00
Exempt- Undeveloped	258	0.00
Exempt- Public Property <sup>(1)</sup>	261	0.00
Exempt – Senior	4	0.00
<b>Totals</b>	<b>14,519</b>	<b>\$1,063,696.00</b>

(1) Includes 23 properties listed as parking lots.

The following table provides a historical summary of levied parcels.

Fiscal Year	Total Levied Parcels	Net Change in Parcels Levied	Total Levy Amount
2011/12	13,688	62	\$1,040,288.00
2012/13	13,694	6	1,040,744.00
2013/14	13,815	121	1,049,940.00
2014/15	13,854	39	1,052,904.00
2015/16	13,907	53	1,056,932.00
2016/17	13,938	31	1,059,288.00
2017/18	13,948	10	1,060,048.00
2018/19	13,938	(10)	1,059,288.00
2019/20	13,974	36	1,062,024.00
2020/21	13,976	2	1,062,176.00
2021/22	13,976	0	1,062,176.00
2022/23	13,974	(2)	1,062,024.00
2023/24	13,996	22	1,063,696.00

The following table provides a difference in number of parcels between Fiscal Year 2022/23 and Fiscal Year 2023/24:

Parcel Type	FY22/23 Parcel Count	FY23/24 Parcel Count	Difference
<b>All Parcels</b>	<b>14,521</b>	<b>14,519</b>	<b>(2)</b>
Developed (Levied)	13,974	13,996	22
<b>Subtotal Levied</b>	<b>13,974</b>	<b>13,996</b>	<b>22</b>
Exempt- Undeveloped	273	258	(15)
Exempt- Public Property	259	261	2
Exempt – Senior	15	4	(11)
<b>Subtotal Exempt</b>	<b>547</b>	<b>523</b>	<b>(24)</b>

**NBS**

Amanda Welker, Project Analyst  
 Adina McCargo, Project Manager  
 Tim Seufert, Client Services Director



FUND 8210 N County Library Authority Pool Deposit

F U L L A C C R U A L

GL Acct	Document No.	DT	Post Date	Cost Cntr	Internal Order	WBS Element	Doc Header Text	Reference	Line Text	Debit Amount	Credit Amount
<b>A S S E T S</b>											
1100000	Cash-Clearing								Beginning Balance	8,532,725.64	
	105145939	SA	01/19/24				202400001280-1	12/10/23 SEC FIN		626,889.04	
	105170728	SA	01/29/24				Reclass 01/29/24 Deposit	1200608553-01/29		20,170.48	
									Doc Type Subtotal	647,059.52	0.00
									Total Period Activity	647,059.52	0.00
1100000	Cash-Clearing								Ending Balance	9,179,785.16	
1121500	Interest Receivable-Accrual								Beginning Balance	0.00	
	105170728	SA	01/29/24	T8210	00999999		Reclass 01/29/24 Deposit	1200608553-01/29	City of Los Altos, ck 174750		20,170.48-
									Doc Type Subtotal	0.00	20,170.48-
									Total Period Activity	0.00	20,170.48-
1121500	Interest Receivable-Accrual								Ending Balance		20,170.48-
<b>E Q U I T Y</b>											
3400000	Fund Balance / Retained Earnings								Beginning Balance		8,494,237.20-
									Total Period Activity	0.00	0.00
3400000	Fund Balance / Retained Earnings								Ending Balance		8,494,237.20-
<b>R E V E N U E S</b>											
4301100	Interest - Deposits and Investments								Beginning Balance		65,083.69-
									Total Period Activity	0.00	0.00
4301100	Interest - Deposits and Investments								Ending Balance		65,083.69-
4980350	Trust Funds-Direct Assessments								Beginning Balance	0.00	
	105145939	SA	01/19/24	T8210			202400001280-1	12/10/23 SEC FIN 0889	Los Altos City (NCLA Library Tax)	76.00	
	105145939	SA	01/19/24	T8210			202400001280-1	12/10/23 SEC FIN 1037	No. County Library Authority		626,965.04-
									Doc Type Subtotal	76.00	626,965.04-
									Total Period Activity	76.00	626,965.04-
4980350	Trust Funds-Direct Assessments								Ending Balance		626,889.04-

FUND 8210 N County Library Authority Pool Deposit

F U L L A C C R U A L

GL Acct	Document No.	DT	Post Date	Cost Cntr	Internal Order	WBS Element	Doc Header Text	Reference	Line Text	Debit Amount	Credit Amount
<b>E X P E N D I T U R E S</b>											
5800010	Trust Funds-Disbursements								Beginning Balance	26,595.25	
									Total Period Activity	0.00	0.00
5800010	Trust Funds-Disbursements								Ending Balance	26,595.25	
*TOTAL FUND	N County Library Authority Pool Deposit								Ending Balance	0.00	0.00



The County Of Santa Clara  
 Trial Balance: Full Accrual By Fund Within Fund Group

Account	Beg Balanc	Debit	Credit	End Balanc	YTD Debit	YTD Credit
1100000 Cash-Clearing	8,430,681.88	775,698.53	26,595.25-	9,179,785.16	775,698.53	26,595.25-
* Unrestricted	8,430,681.88	775,698.53	26,595.25-	9,179,785.16	775,698.53	26,595.25-
** Cash & Investments	8,430,681.88	775,698.53	26,595.25-	9,179,785.16	775,698.53	26,595.25-
1121500 Interest Rec-Accrual	63,555.32	63,555.32-	20,170.48-	20,170.48-	63,555.32-	20,170.48-
** Receivables	63,555.32	63,555.32-	20,170.48-	20,170.48-	63,555.32-	20,170.48-
*** Current Assets	8,494,237.20	712,143.21	46,765.73-	9,159,614.68	712,143.21	46,765.73-
**** Total Assets-Full	8,494,237.20	712,143.21	46,765.73-	9,159,614.68	712,143.21	46,765.73-
2100000 A/P Reconciliation		26,595.25	26,595.25-		26,595.25	26,595.25-
** Accounts Payable		26,595.25	26,595.25-		26,595.25	26,595.25-
*** Current Liabilities		26,595.25	26,595.25-		26,595.25	26,595.25-
**** Total Liabilities-Full		26,595.25	26,595.25-		26,595.25	26,595.25-
3400000 Fund Bal/Retain Earn	8,494,237.20-			8,494,237.20-		
*** Fund Balance-Full	8,494,237.20-			8,494,237.20-		
**** Total Equities-Full	8,494,237.20-			8,494,237.20-		
4301100 Interest-Deposits			65,083.69-	65,083.69-		65,083.69-
** Investment Income			65,083.69-	65,083.69-		65,083.69-
*** Revenue From The Use of Money & P			65,083.69-	65,083.69-		65,083.69-
4980350 Trust-Direct Assess		76.00	626,965.04-	626,889.04-	76.00	626,965.04-
** Non-Budgeted Accounts		76.00	626,965.04-	626,889.04-	76.00	626,965.04-
*** Other Financing Sources - Full		76.00	626,965.04-	626,889.04-	76.00	626,965.04-
**** Total Revenues-Full		76.00	692,048.73-	691,972.73-	76.00	692,048.73-
5800010 Trust Fds-Disburseme		26,595.25		26,595.25	26,595.25	
*** Non-Budgetary Expenditures		26,595.25		26,595.25	26,595.25	
**** Total Expenditures-Full		26,595.25		26,595.25	26,595.25	
***** 8210 N Cty Library Author		765,409.71	765,409.71-		765,409.71	765,409.71-
***** FUND TOTAL		765,409.71	765,409.71-		765,409.71	765,409.71-
* Net Revenue & Expens		26,671.25	692,048.73-	665,377.48-	26,671.25	692,048.73-
Total Liabilities		26,595.25	26,595.25-		26,595.25	26,595.25-
* Total Equities	8,494,237.20-			8,494,237.20-		
* Total Assets	8,494,237.20	712,143.21	46,765.73-	9,159,614.68	712,143.21	46,765.73-

FUND 8210 N County Library Authority Pool Deposit

F U L L A C C R U A L

GL Acct	Document No.	DT	Post Date	Cost Cntr	Internal Order	WBS Element	Doc Header Text	Reference	Line Text	Debit Amount	Credit Amount
<b>A S S E T S</b>											
1100000	Cash-Clearing								Beginning Balance	9,179,785.16	
	105166069	SA	02/01/24				Int Alloc-FY24 Qtr 2 Adva			39,568.64	
									Doc Type Subtotal	39,568.64	0.00
	2004458027	ZQ	02/06/24				20240205-BTA01				348.71-
	2004458095	ZQ	02/06/24				20240205-BTA01				10,679.88-
									Doc Type Subtotal	0.00	11,028.59-
									Total Period Activity	39,568.64	11,028.59-
1100000	Cash-Clearing								Ending Balance	9,208,325.21	
1121500	Interest Receivable-Accrual								Beginning Balance		20,170.48-
									Total Period Activity	0.00	0.00
1121500	Interest Receivable-Accrual								Ending Balance		20,170.48-
<b>L I A B I L I T I E S</b>											
2100000	AP Vendor Reconciliation Account								Beginning Balance	0.00	
	1907124036	KR	02/06/24					210005	*NCLA-Meyers Nave, 210005, ACH#391		348.71-
	1907124037	KR	02/06/24					3-23-928	*NCLA-MRG, 3-23-928, ACH#392		10,679.88-
									Doc Type Subtotal	0.00	11,028.59-
	2004458027	ZQ	02/06/24				20240205-BTA01			348.71	
	2004458095	ZQ	02/06/24				20240205-BTA01			10,679.88	
									Doc Type Subtotal	11,028.59	0.00
									Total Period Activity	11,028.59	11,028.59-
2100000	AP Vendor Reconciliation Account								Ending Balance	0.00	
<b>E Q U I T Y</b>											
3400000	Fund Balance / Retained Earnings								Beginning Balance		8,494,237.20-
									Total Period Activity	0.00	0.00
3400000	Fund Balance / Retained Earnings								Ending Balance		8,494,237.20-

FUND 8210 N County Library Authority Pool Deposit

F U L L A C C R U A L

GL Acct	Document No.	Post DT	Cost Date	Internal Cntr	Order	WBS Element	Doc Header Text	Reference	Line Text	Debit Amount	Credit Amount
4301100	Interest - Deposits and Investments								Beginning Balance		65,083.69-
	105166069	SA	02/01/24	T8210			Int Alloc-FY24 Qtr 2 Adva		8210 Int Alloc - FY 2024 QTR 2 Advance		39,568.64-
									Doc Type Subtotal	0.00	39,568.64-
									Total Period Activity	0.00	39,568.64-
4301100	Interest - Deposits and Investments								Ending Balance		104,652.33-
4980350	Trust Funds-Direct Assessments								Beginning Balance		626,889.04-
									Total Period Activity	0.00	0.00
4980350	Trust Funds-Direct Assessments								Ending Balance		626,889.04-
E X P E N D I T U R E S											
5800010	Trust Funds-Disbursements								Beginning Balance	26,595.25	
	1907124036	KR	02/06/24	T8210	00999999			210005	NCLA-Meyers Nave, 210005, ACH#391	348.71	
	1907124037	KR	02/06/24	T8210	00999999			3-23-928	NCLA-MRG, 3-23-928, ACH#392	10,679.88	
									Doc Type Subtotal	11,028.59	0.00
									Total Period Activity	11,028.59	0.00
5800010	Trust Funds-Disbursements								Ending Balance	37,623.84	
*TOTAL FUND	N County Library Authority Pool Deposit								Ending Balance	0.00	0.00



The County Of Santa Clara  
 Trial Balance: Full Accrual By Fund Within Fund Group

Account	Beg Balanc	Debit	Credit	End Balanc	YTD Debit	YTD Credit
1100000 Cash-Clearing	8,430,681.88	815,267.17	37,623.84-	9,208,325.21	815,267.17	37,623.84-
* Unrestricted	8,430,681.88	815,267.17	37,623.84-	9,208,325.21	815,267.17	37,623.84-
** Cash & Investments	8,430,681.88	815,267.17	37,623.84-	9,208,325.21	815,267.17	37,623.84-
1121500 Interest Rec-Accrual	63,555.32	63,555.32-	20,170.48-	20,170.48-	63,555.32-	20,170.48-
** Receivables	63,555.32	63,555.32-	20,170.48-	20,170.48-	63,555.32-	20,170.48-
*** Current Assets	8,494,237.20	751,711.85	57,794.32-	9,188,154.73	751,711.85	57,794.32-
**** Total Assets-Full	8,494,237.20	751,711.85	57,794.32-	9,188,154.73	751,711.85	57,794.32-
2100000 A/P Reconciliation		37,623.84	37,623.84-		37,623.84	37,623.84-
** Accounts Payable		37,623.84	37,623.84-		37,623.84	37,623.84-
*** Current Liabilities		37,623.84	37,623.84-		37,623.84	37,623.84-
**** Total Liabilities-Full		37,623.84	37,623.84-		37,623.84	37,623.84-
3400000 Fund Bal/Retain Earn	8,494,237.20-			8,494,237.20-		
*** Fund Balance-Full	8,494,237.20-			8,494,237.20-		
**** Total Equities-Full	8,494,237.20-			8,494,237.20-		
4301100 Interest-Deposits			104,652.33-	104,652.33-		104,652.33-
** Investment Income			104,652.33-	104,652.33-		104,652.33-
*** Revenue From The Use of Money & P			104,652.33-	104,652.33-		104,652.33-
4980350 Trust-Direct Assess		76.00	626,965.04-	626,889.04-	76.00	626,965.04-
** Non-Budgeted Accounts		76.00	626,965.04-	626,889.04-	76.00	626,965.04-
*** Other Financing Sources - Full		76.00	626,965.04-	626,889.04-	76.00	626,965.04-
**** Total Revenues-Full		76.00	731,617.37-	731,541.37-	76.00	731,617.37-
5800010 Trust Fds-Disburseme		37,623.84		37,623.84	37,623.84	
*** Non-Budgetary Expenditures		37,623.84		37,623.84	37,623.84	
**** Total Expenditures-Full		37,623.84		37,623.84	37,623.84	
***** 8210 N Cty Library Author		827,035.53	827,035.53-		827,035.53	827,035.53-
***** FUND TOTAL		827,035.53	827,035.53-		827,035.53	827,035.53-
* Net Revenue & Expens		37,699.84	731,617.37-	693,917.53-	37,699.84	731,617.37-
Total Liabilities		37,623.84	37,623.84-		37,623.84	37,623.84-
* Total Equities	8,494,237.20-			8,494,237.20-		
* Total Assets	8,494,237.20	751,711.85	57,794.32-	9,188,154.73	751,711.85	57,794.32-



FUND 8210 N County Library Authority Pool Deposit

F U L L A C C R U A L

GL Acct	Document No.	DT	Post Date	Cost Cntr	Internal Order	WBS Element	Doc Header Text	Reference	Line Text	Debit Amount	Credit Amount
<b>A S S E T S</b>											
1100000	Cash-Clearing								Beginning Balance	9,208,325.21	
	105237881	SA	03/11/24				Int Alloc-FY24 Qtr 2 Fina			31,166.33	
									Doc Type Subtotal	31,166.33	0.00
									Total Period Activity	31,166.33	0.00
1100000	Cash-Clearing								Ending Balance	9,239,491.54	
1121500	Interest Receivable-Accrual								Beginning Balance		20,170.48-
									Total Period Activity	0.00	0.00
1121500	Interest Receivable-Accrual								Ending Balance		20,170.48-
<b>E Q U I T Y</b>											
3400000	Fund Balance / Retained Earnings								Beginning Balance		8,494,237.20-
									Total Period Activity	0.00	0.00
3400000	Fund Balance / Retained Earnings								Ending Balance		8,494,237.20-
<b>R E V E N U E S</b>											
4301100	Interest - Deposits and Investments								Beginning Balance		104,652.33-
	105237881	SA	03/11/24	T8210			Int Alloc-FY24 Qtr 2 Fina	8210 Int Alloc - FY 2024 QTR 2 Final		31,166.33-	
									Doc Type Subtotal	0.00	31,166.33-
									Total Period Activity	0.00	31,166.33-
4301100	Interest - Deposits and Investments								Ending Balance		135,818.66-
4980350	Trust Funds-Direct Assessments								Beginning Balance		626,889.04-
									Total Period Activity	0.00	0.00
4980350	Trust Funds-Direct Assessments								Ending Balance		626,889.04-
<b>E X P E N D I T U R E S</b>											
5800010	Trust Funds-Disbursements								Beginning Balance	37,623.84	

Report: ZGLR001  
 Userid: BATCH\_ADM  
 System: PEV / 777

Santa Clara County  
 General Ledger Account Analysis (ZGLTRIALBAL)  
 Report Period 09 FY 2024

Date: 04/08/2024  
 Time: 01:30:47  
 Page: 2

FUND 8210 N County Library Authority Pool Deposit

F U L L A C C R U A L

GL Acct	Document No.	DT	Post Date	Cost Cntr	Internal Order	WBS Element	Doc Header Text	Reference	Line Text	Debit Amount	Credit Amount
									Total Period Activity	0.00	0.00
5800010	Trust Funds-Disbursements								Ending Balance	37,623.84	
*TOTAL FUND	N County Library Authority Pool Deposit								Ending Balance	0.00	0.00

GL Acct	Document No.	DT	Post Date	Cost Cntr	Internal Order	WBS Element	Doc Header Text	Reference	Line Text	Debit Amount	Credit Amount
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Objects for selection screen 1000

Fiscal Year					2024						
From Fiscal Period					009						
To Fiscal Period					009						
Fund Group.											
Fund											
Single Value					8210						
Modified Accrual											
Full Accrual											
Print Rev/Exp Transaction Dtl						X					
Summarize Rev/Exp Transactions						X					
Filename											
Document Types to Summarize											
No selections											
Logical File Path											
Source System					ZOUTBOUND_NFS						
					OTH						

Invisible selection criteria

The County Of Santa Clara  
 Trial Balance: Full Accrual By Fund Within Fund Group

Account	Beg Balanc	Debit	Credit	End Balanc	YTD Debit	YTD Credit
1100000 Cash-Clearing	8,430,681.88	846,433.50	37,623.84-	9,239,491.54	846,433.50	37,623.84-
* Unrestricted	8,430,681.88	846,433.50	37,623.84-	9,239,491.54	846,433.50	37,623.84-
** Cash & Investments	8,430,681.88	846,433.50	37,623.84-	9,239,491.54	846,433.50	37,623.84-
1121500 Interest Rec-Accrual	63,555.32	63,555.32-	20,170.48-	20,170.48-	63,555.32-	20,170.48-
** Receivables	63,555.32	63,555.32-	20,170.48-	20,170.48-	63,555.32-	20,170.48-
*** Current Assets	8,494,237.20	782,878.18	57,794.32-	9,219,321.06	782,878.18	57,794.32-
**** Total Assets-Full	8,494,237.20	782,878.18	57,794.32-	9,219,321.06	782,878.18	57,794.32-
2100000 A/P Reconciliation		37,623.84	37,623.84-		37,623.84	37,623.84-
** Accounts Payable		37,623.84	37,623.84-		37,623.84	37,623.84-
*** Current Liabilities		37,623.84	37,623.84-		37,623.84	37,623.84-
**** Total Liabilities-Full		37,623.84	37,623.84-		37,623.84	37,623.84-
3400000 Fund Bal/Retain Earn	8,494,237.20-			8,494,237.20-		
*** Fund Balance-Full	8,494,237.20-			8,494,237.20-		
**** Total Equities-Full	8,494,237.20-			8,494,237.20-		
4301100 Interest-Deposits			135,818.66-	135,818.66-		135,818.66-
** Investment Income			135,818.66-	135,818.66-		135,818.66-
*** Revenue From The Use of Money & P			135,818.66-	135,818.66-		135,818.66-
4980350 Trust-Direct Assess		76.00	626,965.04-	626,889.04-	76.00	626,965.04-
** Non-Budgeted Accounts		76.00	626,965.04-	626,889.04-	76.00	626,965.04-
*** Other Financing Sources - Full		76.00	626,965.04-	626,889.04-	76.00	626,965.04-
**** Total Revenues-Full		76.00	762,783.70-	762,707.70-	76.00	762,783.70-
5800010 Trust Fds-Disburseme		37,623.84		37,623.84	37,623.84	
*** Non-Budgetary Expenditures		37,623.84		37,623.84	37,623.84	
**** Total Expenditures-Full		37,623.84		37,623.84	37,623.84	
***** 8210 N Cty Library Author		858,201.86	858,201.86-		858,201.86	858,201.86-
***** FUND TOTAL		858,201.86	858,201.86-		858,201.86	858,201.86-
* Net Revenue & Expens		37,699.84	762,783.70-	725,083.86-	37,699.84	762,783.70-
Total Liabilities		37,623.84	37,623.84-		37,623.84	37,623.84-
* Total Equities	8,494,237.20-			8,494,237.20-		
* Total Assets	8,494,237.20	782,878.18	57,794.32-	9,219,321.06	782,878.18	57,794.32-

North County Library Authority  
Budget Projection and Year-To-Date Totals

Fiscal Year 2023 - 2024  
**NCLA FY 23-24 Budget v Actual**

	<b>2022/23</b>	<b>2023/24</b>	<b>2023/24</b>
	<b>Actual</b>	<b>Budget</b>	<b>YTD</b>
<b>Rate per Parcel</b>	\$76	\$76	\$76
<b>FUND BALANCE as of 7/1</b>	<b>\$7,300,159</b>	<b>\$8,430,682</b>	<b>\$8,430,682</b>

**OPERATING EXPENDITURES**

County Staffing	\$ -	\$ -	\$ -
Other Library Costs			
Administrative Costs	\$ 50,458	\$ 84,500	\$ 37,625
<b>Refundable</b>			
Tax (NBS)	\$ 7,178	\$ 10,000	\$ 10,691
Legal (BBK/MN)	\$ 15,781	\$ 18,000	\$ 7,663
Election (TBWB)			
Audit (MAZE/CHAVAN)	\$ 8,500	\$ 8,500	
<b>Non-refundable</b>			
Admin (MRG)	\$ 19,000	\$ 48,000	\$ 19,271
<b>Total Operating Expenditures</b>	<b>\$ 50,458</b>	<b>\$ 84,500</b>	<b>\$ 37,625</b>

**REVENUES**

Tax Revenue	\$ 1,051,404	\$ 1,053,059	\$ 626,889
Interest Income	\$ 129,577	\$ 149,644	\$ 199,374
Other Revenues			\$ 20,170
<b>Total Revenues</b>	<b>\$ 1,180,981</b>	<b>\$ 1,202,703</b>	<b>\$ 846,433</b>

<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>\$ 1,130,523</b>	<b>\$ 1,118,203</b>	<b>\$ 808,808</b>
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<b>FUND BALANCE as of 6/30</b>	<b>\$8,430,682</b>	<b>\$9,548,885</b>	<b>\$9,239,490</b>
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Updated figures are highlighted

**Administrative Cost Projections  
North County Library Authority  
FY 2023-2024**

	<b>Date</b>	<b>Actual Invoice</b>	<b>Contracted Amount</b>	<b>Add'l Services</b>	<b>Budgeted</b>	<b>Actual Total YTD</b>	
<b>NBS</b>	9/1/2023	\$ 8,190.57	\$ 7,500.00	\$ 2,500.00	\$ 10,000	\$ 10,690.57	
	9/21/2023	\$ 2,500.00					
<b>MRG</b>	7/11/2023	\$ 3,704.88	\$ 62,500.00		\$ 48,000	\$ 24,048.21	
	8/16/2023	\$ 956.25					
	9/7/2023	\$ 3,929.88					
	10/10/2023	\$ 2,925.00					
	11/21/2023	\$ 3,873.63					
	12/8/2023	\$ 3,206.25					
	1/9/2024	\$ 675.00					
	2/7/2024	\$ 3,483.57					
	3/8/2024	\$ 1,068.75					
	4/16/2024	\$ 225.00					
	<b>Meyers Nave</b>	7/13/2023	\$ 3,895.50	not set		\$ 18,000	\$ 7,662.38
		9/18/2023	\$ 3,418.17				
10/10/2023		\$ 348.71					
<b>Chavan</b>	4/17/2024	\$ 8,500.00	\$ 8,500.00		\$ 8,500	\$ 8,500.00	
				<b>Total</b>	\$ 84,500	\$ 50,901	

**NCLA**  
**Proposed Operating Budget**  
**Fiscal Year 2024/25**

	<b>2022/2023</b>	<b>2023/2024</b>	<b>2024/2025</b>
	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
<b>Rate per Parcel</b>	\$76	\$76	\$76
<b>OPERATING EXPENDITURES</b>			
<b>Service Costs</b>			
County Staffing	\$ 829,383	\$ 861,942	\$ 861,942
(minus ERAF/other credits)	\$ (814,136)	\$ (861,942)	\$ (861,942)
Administrative Costs*	\$ 26,000	\$ 97,750	\$ 66,230
<b>Total Operating Expenditures</b>	<b>\$ 41,247</b>	<b>\$ 97,750</b>	<b>\$ 66,230</b>
<b>REVENUES</b>			
Tax Revenue (actual)	\$ 1,051,554	\$ 1,051,554	\$ 1,053,059
Interest Income		\$ 68,263	\$ 75,089
Interest Received-LAIF			
<b>Total Revenues</b>	<b>\$ 1,051,554</b>	<b>\$ 1,119,817</b>	<b>\$ 1,128,148</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>\$ 1,010,307</b>	<b>\$ 1,022,067</b>	<b>\$ 1,061,918</b>
<b>LIBRARY REDEVELOPMENT PROJECT</b>			
Vendors, Consultants, other	0	0	0
Election Filing Fee	0	0	0
<b>Total Library Project</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCE as of 6/30</b>	<b>\$7,817,827</b>	<b>\$8,839,894</b>	<b>\$9,901,813</b>

[4/29/2024]

Administrative Cost Projections  
 North County Library Authority  
 FY 2024-2025

	FY 2324 Actual Invoice	Contracted Amount	Add'l Services	FY 2425 Budget
NBS	\$ 10,690.57	\$ 10,000.00		\$ 11,550.00
MRG	\$ 24,048.21	\$ 28,152.36*	\$ 7,500.00	\$ 35,500.00
Meyers Nave	\$ 7,662.38	not set		\$ 10,000.00
Chavan	\$ 8,500.00	\$ 8,500.00		\$ 9,180.00
			Total	\$ 66,230.00

\*Amount remaining on original FY2324 Contract





**RESOLUTION NO. 2024-01**

**A RESOLUTION OF THE NORTH COUNTY LIBRARY AUTHORITY  
SETTING A SPECIAL TAX RATE FOR LIBRARY SERVICES**

The Board members of the North County Library Authority hereby ordain as follows:

**Section 1: Special Tax Levy**

A special tax, of exactly \$76 (Seventy Six Dollars) is hereby levied and imposed on each improved parcel situated within the North County Library Authority, for the Fiscal Year 2024/25.

\* \* \* \* \*

The above and foregoing resolution was duly and regularly introduced and adopted at meeting of the Board of the North County Library Authority held on the 6th day of May 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

---

**Lisa Schmidt, Authority President**

---

**Sally Meadows, Authority Vice President**



## RESOLUTION NO. 2024-02

### A RESOLUTION OF THE NORTH COUNTY LIBRARY AUTHORITY SETTING THE FY 24/25 APPROPRIATIONS LIMIT

**WHEREAS**, California Constitutional Article 13B limits the total annual appropriations of cities; and

**WHEREAS**, it is the desire of the North County Library Authority to establish its appropriations limit pursuant to Article 13B;

**NOW, THEREFORE, BE IT HEREBY RESOLVED** by the Commission of the North County Library Authority that said body hereby determines that said Authority's appropriations limit (as presented in calculation format in Exhibit A). pursuant to Article 13B of the California Constitution using the annual percent change in population for Los Altos and Los Altos Hills and the percent change in California for per capita personal income is as follows:

**FY 2024/25     \$4,205,365**

**I HEREBY CERTIFY** that the foregoing resolution was adopted by the Board of the North County Library Authority at a meeting of said body held on the 6th day of May 2024, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

---

**Lisa Schmidt, Authority President**

**Calculation Worksheet (not part of resolution document)**

<b>FY 23-24 Adopted Appropriations Limit</b>		<b>\$4,036,150</b>
<b>2023 Per Capita Income Change* (CA Department of Finance)</b>		
4.20%	x	1.0420
<b>FY 2023 Population Change** (Cities of Los Altos Hills &amp; Los Altos)</b>		
-0.72%	x	-0.999928
<b>FY 2024 Proposed Appropriations Limit</b>	=	<b>\$4,205,365</b>

**NCLA does not have any “carve outs” or appropriations that are not subject to the Gann Limit**

**\*<https://dof.ca.gov/wp-content/uploads/sites/352/2024/04/Finance-Bulletin-April-2024.pdf>**

**\*\*<https://dof.ca.gov/forecasting/demographics/estimates-e1/> and applying a weighted average based upon population**

**Chavan & Associates, LLP**  
**CPAs**  
15105 Concord Cir Ste 130  
Morgan Hill, CA 95037  
+1 4082178749  
sheldon@cnallp.com  
www.cnallp.com



**BILL TO**

Ms. Christi Mansel  
North County Library Authority  
1 North San Antonio Road  
Los Altos, CA 94022

**INVOICE C&A-18224**

**DATE** 04/17/2024

**DUE DATE** 04/27/2024

ACTIVITY	AMOUNT
<b>Nonprofit Audit Services - SDC</b> This bill is for professional services rendered during the Authority's June 30, 2023 financial statement audit.	8,500.00

Please make checks payable to:  
Chavan & Associates, LLP  
15105 Concord Circle, Suite 130  
Morgan Hill, CA 95037

Please note that there is a 3% processing fee for credit card payments.

<b>TOTAL DUE</b>	<b>\$8,500.00</b>
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# Municipal Resource Group LLC

PO Box 561  
Wilton, CA 95693  
Tel: 916-687-7601  
finance@solutions-mrg.com  
https://solutions-mrg.com

North County Library Authority  
1 North San Antonio Road  
Los Altos, CA 94022

## INVOICE

TAX ID: 26-4149793  
INVOICE DATE: 2/7/2024  
INVOICE NO: 240137  
BILLING THROUGH: 1/31/2024

### NCLA - Library Consulting Services 23108-NCL

#### PROFESSIONAL SERVICES

DATE	DESCRIPTION	HOURS	RATE	AMOUNT
1/8/2024	Prepare for audit. Email Auditor. Prepare agenda. Sr. exemption calls	0.50	\$225.000	\$112.50
1/9/2024	Review Library Commission video. Meeting with NBS. Prepare agenda	1.00	\$225.000	\$225.00
1/10/2024	Prepare Audit responses and uploads	1.00	\$225.000	\$225.00
1/11/2024	Teleconference with Controller's Office. Email President. Setup meeting	0.50	\$225.000	\$112.50
1/16/2024	Zoom with President. Prepare final agenda, email to Board	0.75	\$225.000	\$168.75
1/24/2024	Edit agenda. Prepare meeting packet. Emails with Controller's Office. Update budget documents. Email Assistant to CM & Board	3.00	\$225.000	\$675.00
1/29/2024	Onsite meeting including room preparation and travel	6.50	\$225.000	\$1,462.50
1/30/2024	Prepare minutes. Review payments for processing	1.00	\$225.000	\$225.00
1/31/2024	Email Los Altos CM. Review options	0.50	\$225.000	\$112.50
<b>TOTAL SERVICES</b>		<b>14.75</b>		<b>\$3,318.75</b>

#### EXPENSES

DESCRIPTION	AMOUNT
Mileage	\$164.82
<b>TOTAL EXPENSES</b>	<b>\$164.82</b>

**SUBTOTAL** \$3,483.57

**AMOUNT DUE THIS INVOICE** \$3,483.57

This invoice is due on 3/8/2024

**Confidential Invoice** - Questions on this invoice, call 916-687-7601. MRG accepts ACH payments.



# Municipal Resource Group LLC

PO Box 561  
Wilton, CA 95693  
Tel: 916-687-7601  
finance@solutions-mrg.com  
https://solutions-mrg.com

North County Library Authority  
1 North San Antonio Road  
Los Altos, CA 94022

## INVOICE

TAX ID: 26-4149793  
INVOICE DATE: 3/8/2024  
INVOICE NO: 240300  
BILLING THROUGH: 2/29/2024

### NCLA - Library Consulting Services 23108-NCL

#### PROFESSIONAL SERVICES

DATE	DESCRIPTION	HOURS	RATE	AMOUNT
2/1/2024	Email communications with CM, controller's office, and tax consultant. Calculate return of share payments. Research	1.75	\$225.000	\$393.75
2/5/2024	Email communications with CM and President	0.25	\$225.000	\$56.25
2/8/2024	Request meeting room. Send minutes for website upload	0.25	\$225.000	\$56.25
2/26/2024	Prepare and submit annual FTR report	1.50	\$225.000	\$337.50
2/29/2024	Counsel change notification. Teleconference. Email Board	0.50	\$225.000	\$112.50
2/29/2024	Submit GCC form	0.50	\$225.000	\$112.50
<b>TOTAL SERVICES</b>		<b>4.75</b>		<b>\$1,068.75</b>

**SUBTOTAL** **\$1,068.75**

**AMOUNT DUE THIS INVOICE** **\$1,068.75**

This invoice is due on 4/7/2024

**Confidential Invoice** - Questions on this invoice, call 916-687-7601. MRG accepts ACH payments.



# Municipal Resource Group LLC

PO Box 561  
Wilton, CA 95693  
Tel: 916-687-7601  
finance@solutions-mrg.com  
https://solutions-mrg.com

North County Library Authority  
1 North San Antonio Road  
Los Altos, CA 94022

## INVOICE

TAX ID: 26-4149793  
INVOICE DATE: 4/16/2024  
INVOICE NO: 240445  
BILLING THROUGH: 3/31/2024

### NCLA - Library Consulting Services 23108-NCL

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#### PROFESSIONAL SERVICES

DATE	DESCRIPTION	HOURS	RATE	AMOUNT
3/6/2024	Complete Meyers Nave form and email	0.25	\$225.000	\$56.25
3/19/2024	Email with Assistant to CM	0.25	\$225.000	\$56.25
3/28/2024	Senior exemption form edits	0.25	\$225.000	\$56.25
3/29/2024	Senior exemption calls	0.25	\$225.000	\$56.25
<b>TOTAL SERVICES</b>		<b>1.00</b>		<b>\$225.00</b>

**SUBTOTAL**                    **\$225.00**

**AMOUNT DUE THIS INVOICE**                    **\$225.00**

This invoice is due on 5/16/2024

**Confidential Invoice** - Questions on this invoice, call 916-687-7601. MRG accepts ACH payments.

February 29, 2024

**VIA U.S. MAIL AND ELECTRONIC MAIL**

North County Library Authority  
c/o Christi Mansel  
1 N. San Antonia Road  
Los Altos, CA 94022  
E-Mail: [cmansel@solutions-mrg.com](mailto:cmansel@solutions-mrg.com)

**Re: Representation of North County Library Authority for Legal Services as General Counsel**

Dear Christi:

We are writing to inform you that, effective as of the close of business on March 14, 2024, Steve Mattas and Claire Lai will be leaving Meyers Nave, a Professional Corporation ("Meyers Nave") to join Redwood Public Law. In the interim, Steve and Claire will remain at Meyers Nave and continue to be available to you at their existing Meyers Nave email addresses ([smattas@meyersnave.com](mailto:smattas@meyersnave.com) and [clai@meyersnave.com](mailto:clai@meyersnave.com)) and cell phone numbers (510.282.7033 and 510.407.507, respectively).

As a client, North County Library Authority has several options for the general counsel matters including matters 1579.002 and 1579.003 presently handled for you by Steve Mattas and Claire Lai. North County Library Authority can either: (i) keep the general matters at Meyers Nave; (ii) direct that the matters be transferred to Mr. Mattas and Ms. Lai at Redwood Public Law; or (iii) retain new counsel to assist you in these matters. You may choose any of these options.

Whatever your decision, we want to assure you that North County Library Authority's interests will at all times be protected fully during the transition process. Should the matters be transferred from Meyers Nave, we will see that all necessary steps in the process are completed promptly and professionally to facilitate a smooth transition. If the matters are to be transferred, we will need written confirmation from you of that fact, along with express authorization for Meyers Nave to release files to the firm you have selected.



**As soon as possible, please return the enclosed form to advise us of your decision regarding the general and special counsel matters presently being handled by Meyers Nave.** Please send the completed form by pdf copy to both David Skinner, Chief Executive Officer at [dskinner@meyersnave.com](mailto:dskinner@meyersnave.com) and to Steve Mattas at [steve.mattas@redwoodpubliclaw.com](mailto:steve.mattas@redwoodpubliclaw.com)

We will do our best to minimize any inconvenience these changes may cause and urge you to contact either of the undersigned with any questions or concerns you might have. For your reference, beginning on March 15, 2024, Steve Mattas' contact information will be as follows:

Redwood Public Law  
66 Franklin Street, Suite 300  
Oakland, CA 94607  
(510) 282-7033 (Mobile)  
E-mail: [steve.mattas@redwoodpubliclaw.com](mailto:steve.mattas@redwoodpubliclaw.com)

Thank you very much for your prompt attention to this matter.

Very truly yours,



David W. Skinner  
Chief Executive Officer/Managing Principal



Steve Mattas

**Disposition of Matters**

**Please respond via email to David Skinner, Chief Executive Officer/Managing Principal at [dskinner@meyersnave.com](mailto:dskinner@meyersnave.com) and Steve Mattas at [steve.mattas@redwoodpubliclaw.com](mailto:steve.mattas@redwoodpubliclaw.com).**

Steve Mattas and Claire Lai at Meyers Nave are presently representing North County Library Authority in the following matters:

MN Client/ Matter No.	Matter Name
1579.002	Separation of Los Altos/Los Altos Library from JPA
1579.003	General Counsel Services

In light of Steve Mattas and Claire Lai’s departure from Meyers Nave, North County Library Authority directs as follows:

- Keep the matters of Separation of Los Altos/Los Altos Library from JPA [File No. 1579.002]; and General Counsel Services [File No. 1579.003] at Meyers Nave.
- Direct that the matters of Separation of Los Altos /Los Altos Library from JPA [File No. 1579.002]; and General Counsel Services [File No. 1579.003] to be transferred to Steve Mattas and Claire Lai at Redwood Public Law.
- The physical and electronic files for the matters identified above are to be returned to North County Library Authority **or** transferred to another attorney, as indicated below. Please return any retainer that Meyers Nave is holding to me.

New Attorney Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Dated: \_\_\_\_\_

**North County Library Authority**

By: \_\_\_\_\_

Title: \_\_\_\_\_