

**DIXON LIBRARY
GOVERNING BOARD OF LIBRARY TRUSTEES
AGENDA**

5:00 P.M., Thursday, June 10, 2021

Zoom Virtual Meeting

1. CALL TO ORDER

2. ESTABLISH QUORUM/ROLL CALL

2a. Roll Call of Trustees:

Jewel Fink, President
Melissa Maseda, Vice President
David Bowen, Clerk
Lloyd McCabe, Member
Caitlin O'Halloran, Member

Staff: Suzanne Olawski, Interim Director of Library Services, Solano County Library

3. CLOSED SESSION

A. Public Employee Discipline/Dismissal/Release/Resignation/Reassign [Govt. Code 54957]

B. Conference with legal counsel-existing litigation [Govt. Code 54956.9 ~~(b)(2)~~] [Arozena vs. Dixon Public Library District]

RECONVENE TO OPEN SESSION-Report of Action in Closed Session

4. APPROVAL OF AGENDA

4.a. Approval of June 10, 2021 Agenda

Motion made by _____
Second _____
Ayes _____ Noes _____

5. APPROVAL OF MINUTES

5a. Approval of the March 18, 2021 Meeting Minutes (attachment)

Motion made by _____
Second _____
Ayes _____ Noes _____

6. PUBLIC COMMENT

Consistent with Executive Order N-29-20 from the Executive Department of the State of California and the Shelter in Place Order, the Dixon Public Library Governing Board of Library Trustees is not physically open to the public, and the meeting is held via teleconference.

PUBLIC COMMENTS: To submit public comments, please see the option below.

Join Zoom Meeting

<https://us02web.zoom.us/j/81953995471?pwd=ZnBIWjM4djVJYSsrLzYxbU5ydDkrZz09>

Meeting ID: 819 5399 5471
Passcode: 871109

Dial by your location
+1 669 900 6833 US (San Jose)
Meeting ID: 819 5399 5471
Passcode: 871109

The moderator will recognize you for the discussion at the appropriate time. Speakers will provide their name to the Governing Board after which the speaker will have five (5) minutes to speak.

NOTICE TO PUBLIC

Any member of the public wishing to address the Governing Board on a topic within the subject matter jurisdiction of the District but not on the agenda may do so during the PUBLIC COMMENT period identified in this agenda. By law, subjects not on the agenda cannot be acted upon by the Board except to briefly respond, clarify, or refer to staff for review and presentation at a future meeting.

7. INFORMATION ITEMS

7.a. Information Report-Suzanne Olawski

8. ACTION ITEMS

8a. District Audit - The Governing Board will receive a report for the Library District for the years ending June 30, 2018 and June 30, 2019 and it is requested that the Board accept the Library District's Audit Report for Fiscal Years ending June 30, 2018 and June 30, 2019.

Motion made by _____
Second _____
Ayes _____ Noes _____

8b. Proposed Budget FY 2021-2022 – the Governing Board will discuss the proposed budget for next year and may take action.

Motion made by _____
Second _____
Ayes _____ Noes _____

8c. Grant the Director of Library Services signing authority for contracts related to the demolition of the "Perreira House" located at 235 North Second Street, Dixon, CA for a total amount not to exceed \$85,000; and authorize the Director of Library Services to approve the appropriation transfer request and any contract amendments not to exceed 10% of the contract amount.

Motion made by _____
Second _____
Ayes _____ Noes _____

8d. Appoint a member to the Solano County Library Advisory Council

Motion made by _____
Second _____
Ayes _____ Noes _____

8e. Appoint a member to the Independent Citizens Oversight Committee for Measure L

Motion made by _____
Second _____
Ayes _____ Noes _____

9. ADJOURNMENT

Motion made by _____
Second _____
Ayes _____ Noes _____
Time _____

Pursuant to Government Code Sections: 54953.2, 54954.1, 54954.2, individuals with disabilities who require alternative formats of the agenda and related meeting materials and/or auxiliary aides/services to participate in the meeting should please contact the Library at 1-866-572-7587.

DIXON PUBLIC LIBRARY

**GOVERNING BOARD OF LIBRARY TRUSTEES
MINUTES: SPECIAL MEETING**

4:00 P.M., Thursday, March 18, 2021

Zoom Virtual Meeting

1. CALL TO ORDER: The meeting was called to order by President Fink at 4:08 p.m.

2. CLOSED SESSION

- A. Public Employee Discipline/Dismissal/Release/Resignation/Reassign [Govt. Code 54957]
- B. Conference with legal counsel-pending litigation: Significant exposure to litigation [Govt. Code 54956.9 (d) (2)] [Once case]

RECONVENE TO OPEN SESSION

3. ANNOUNCEMENTS FROM CLOSED SESSION-None

4. ESTABLISH QUORUM/ROLL CALL

4.a. Roll Call of Trustees:

Jewel Fink, President	P
Melissa Maseda, Vice President	P
Lloyd McCabe, Member	P
David Bowen, Member	A
Caitlin O'Halloran, Member	P

Staff: Bonnie Katz, Director Library Services, Solano County Library P

5. APPROVAL OF AGENDA

5a. Approval of March 18, 2021 Agenda

Motion made by Member McCabe

Second Member O'Halloran

Ayes 4 Noes 0

Yes Caitlin O'Halloran

Yes Jewel Fink

Yes Melissa Maseda

Yes Lloyd McCabe

6. APPROVAL OF MINUTES

6. a. Approval of the January 14, 2021 Meeting Minutes

Motion made by Member O'Halloran

Second Member McCabe

Ayes 4 Noes 0

Yes Caitlin O'Halloran
Yes Jewel Fink
Yes Melissa Maseda
Yes Lloyd McCabe

7. PUBLIC COMMENT-None

8. INFORMATION ITEMS

8.a. Information Report-Director of Library Services

Ms. Katz reported the County is in the red tier. This allows the library to increase appointments and customers in the library with social distancing in place. In January, Dixon had 19 appointments, 417 curbside pickups and in February, 372 appointments and 330 curbside pickups.

The library continues to offer virtual programs. In February, craft kits for kids were available to make Valentine cards for seniors. One hundred twenty-five cards were distributed to seniors.

The library continues to recruit for open positions. Full-time library associate position was filled in February. Ms. Katz reported, Daniela Palma, Library Assistant, resigned.

The library secured a grant for musical instruments; 4 ukuleles will be added to the Dixon collection.

The Dixon Library passed their annual fire inspection.

Pedro from Moreno Construction, installed new lights, back up battery for exit signs (part of fire inspection), hung the appointment banner outside the library, and cleaned debris around the outside of library. The library is working on getting a quote for roof repairs.

Ms. Katz reported the library and Dixon Unified School district completed the student access card for all students. The library printed bilingual bookmarks to inform students and parents about the program. The library is working with the various school districts and will add charter and private schools within Solano County too.

Link+ has resumed.

The library is quarantining library materials for twenty-four hours instead of ninety-six hours. Research has shown the virus is not transmitted from the surfaces of library material.

Ms. Katz reported Dixon's sales tax revenue has decreased; the library is working with the City of Dixon to investigate the decrease; City of Dixon predicts sales tax revenue for FY 21-22 will be 3.1% lower from 2020 actuals. City of Dixon brings in more money in sales tax than property tax. Ms. Katz stated the library is on top of it and working with the City of Dixon.

Ms. Maseda inquired if the library gets any money from new developments. Ms. Katz stated the library gets public facility fees. Public facility funds can only be used for expansion needs, not to operate the library.

Ms. Fink would like Ms. Katz to make a presentation to a group; she will contact Ms. Katz directly.

Ms. Katz reported the library's facility master plan and new branding design will go to the Board of Supervisors on March 23, 2021; the presentation can be viewed at solanocounty.com under Board of Supervisor's meetings.

Ms. Katz announced she is retiring in June.

9. ACTION ITEMS

9a. Recommend the Governing Board approve re-naming the Dixon Public Library to Dixon Library.

Motion made by Member McCabe
Second Member O'Halloran
Ayes 4 Noes 0

Yes Caitlin O'Halloran
Yes Jewel Fink
Yes Melissa Maseda
Yes Lloyd McCabe

8. ADJOURNMENT

Motion made by Member McCabe
Second Vice President Maseda
Time: 5:05 p.m.

Bonnie A. Katz

Date

SOLANO COUNTY LIBRARY

TO: Dixon Unified School Board/Library Board of Trustees
FROM: Suzanne Olawski, Director of Library Services
SUBJECT: FY 2021/22 Budget for the Dixon Library
DATE: June 10, 2021

Attached is the budget of \$3.99 million, for the Dixon Library District for FY2021/22. This amount is approximately \$410 thousand more than the FY2020/21 revised budget which your Board passed in September 2020.

The budget is balanced with the District continuing to maintain a good-sized contingency.

Some line items on the budget document are:

Line 1210 Retirement (Unfunded Liability) has increased by \$9,892.

Line 2055 Insurance shows an increase this year as the insurance agent is anticipating an increase in rates.

Line 2235 Accounting/Financial Services does not decrease this year as this is the regular audit year.

Line 2250 Charge for Service for Operating the Dixon Library shows an increase over FY 2020/21 due to the County Library charging the District, as per the contract, for overhead expenses.

Line 8101 Contingencies shows an increase of \$240,003.

Line 9001 shows a slight increase in property tax revenue of \$4,592.

Line 9015 shows a decrease in sales tax revenue of 22,520 based on projections obtained from the City of Dixon.

Line 9401 Interest earnings show an increase.

Line 9806 Fund Balance Available, shows an increase due to anticipated increases in property tax revenues and a credit on unexpended funds.

SOLANO COUNTY LIBRARY

**FY2021/22 BUDGET
DIXON PUBLIC LIBRARY DISTRICT - FUND 426**

ACCOUNT/DESCRIPTION	FY2019/20 ACTUALS	FY2020/21 REVISED	FY2021/22 PROPOSED
<u>EXPENSES</u>			
1110 Salary/Regular	\$158,561	\$0	\$0
1121 Salary/Extra Help	\$80,767	\$0	\$0
1131 Salary/OT/Call back	\$0	\$0	\$0
1210 Retirement (Unfunded Liability)	\$59,866	\$41,787	\$51,679
1220 FICA	\$18,585	\$0	\$0
1230 Health	\$34,133	\$0	\$0
1231 Vision	\$0	\$0	\$0
1240 Comp Insurance	\$2,312	\$0	\$0
1250 Unemployment	\$0	\$0	\$0
1260 Dental	\$3,143	\$0	\$0
1270 Accrued Leave CTO	\$3,014	\$0	\$0
1000 Total Salaries and Employee Benefits	\$360,381	\$41,787	\$51,679
2028 Telephone Services	\$9,010	\$0	\$0
2035 Household Expense	\$4,783	\$0	\$0
2050 Insurance-Risk Management	\$8,970	\$0	\$0
2051 Liability Insurance	\$10,151	\$0	\$0
2055 Insurance (Property & Special Liability)	\$48	\$21,395	\$27,609
2120 Maintenance Equipment	\$14,289	\$0	\$0
2140 Building Maintenance	\$113,932	\$0	\$0
2141 Materials and Supplies	\$826	\$0	\$0
2170 Memberships	\$3,998	\$0	\$0
2175 Miscellaneous Expense	\$93	\$0	\$0
2176 Fees and Permits	\$0	\$0	\$0
2178 Cash Shortage	\$7	\$0	\$0
2180 Books& Subscriptions	\$4,753	\$0	\$0
2200 Office Expense	\$3,400	\$0	\$0
2201 Equipment Under \$1,500	\$1,220	\$0	\$0
2203 Computer Components <\$1,500	\$221	\$0	\$0
2204 Computer Related Items <\$500	\$0	\$0	\$0
2205 Postage	\$175	\$0	\$0
2220 Microfilm/Fiche/Photo	\$43	\$0	\$0
2235 Accounting/Financial Services	\$14,515	\$31,000	\$30,000
2239 Legal Service	\$16,714	\$50,000	\$60,000
2245 Contracted Services	\$46,620	\$0	\$0
2250 Charge for Service (Operating Dixon Library)	\$275,553	\$968,654	\$1,113,199
2250 Property Tax Administration Fee	\$5,443	\$7,000	\$7,000
2250 Other Professional Services	\$9,720	\$10,000	\$10,000
2261 Software Maintenance & Support	\$10,550	\$0	\$0
2281 Advertising/Marketing	\$1,218	\$0	\$0
2285 Rents & Leases - Equipment	\$11,199	\$0	\$0
2310 Education & Training	\$0	\$0	\$0
2311 Tuition Reimbursement	\$73	\$0	\$0
2312 Special Departmental Expense	\$0	\$0	\$0

ACCOUNT/DESCRIPTION	FY2019/20 ACTUALS	FY2020/21 REVISED	FY2021/22 PROPOSED
<u>EXPENSES</u>			
2322 Library Adult Books	\$9,873	\$0	\$0
2323 Library Juvenile Books	\$5,255	\$0	\$0
2324 Library Periodicals/Microforms	\$1,979	\$0	\$0
2325 Library Audio-Visual	\$10,968	\$0	\$0
2326 Library Book Rental	\$7,950	\$0	\$0
2327 Library Materials Processing	\$686	\$0	\$0
2328 Library Materials	\$1,707	\$0	\$0
2335 Travel Expense	\$0	\$0	\$0
2336 Travel Out-of-State	\$0	\$0	\$0
2337 Meals/Refreshments	\$420	\$0	\$0
2355 Personal Mileage	\$729	\$0	\$0
2360 Utilities	\$25,944	\$0	\$0
2361 Water	\$3,575	\$0	\$0
3020 Refund of Prior Year Charges	\$1,077	\$3,000	\$3,000
3242 Interest Exp On County Pool	\$0		\$0
4303 Equipment	\$98,865	\$0	\$0
8101 Contingency	\$0	\$2,447,704	\$2,687,707
8301 Reserves	\$0	\$0	\$0
TOTAL EXPENSES	\$1,096,930	\$3,580,540	\$3,990,194

<u>REVENUES</u>			
9001 Property Taxes-Secured	\$404,066	\$427,783	\$432,375
9002 Property Taxes-Unsecured	\$19,975	\$20,178	\$20,179
9003 Property Taxes-Prior	\$762	\$620	\$381
9004 Property Taxes-Supplemental	\$9,493	\$5,938	\$5,343
9005 Property Taxes-Prior Supplemental	\$223	\$111	\$31
9015 Library Sales Tax	\$1,117,064	\$1,005,357	\$982,837
9018 Unitary	\$19,867	\$19,867	\$20,437
9019 ABX1 26 Residual Taxes	\$0	\$0	\$0
9020 ABX2 26 Pass Through	\$36,527	\$37,623	\$38,656
9021 LM1HF & Other Assets	\$0	\$0	\$0
9401 Interest	\$38,897	\$5,975	\$19,190
9405 Building Rental	\$0	\$0	\$0
9504 Fish and Game	\$29	\$0	\$0
9505 State Highway Rentals	\$1	\$0	\$0
9507 Homeowner's Relief	\$3,405	\$3,307	\$3,307
9511 Other Governmental Agencies	\$40,000	\$40,000	\$40,000
9599 Fed Other	\$13	\$0	\$0
9603 Photo/Microfiche Copies	\$3,011	\$0	\$0
9605 Library Services	\$5,186	\$0	\$0
9702 Cash Overage	\$21	\$0	\$0
9703 Other Revenue	\$6	\$0	\$0
9704 Donations and Contributions	\$0	\$0	\$0
9708 Miscellaneous Sales-Other	\$825	\$0	\$0
9806 Fund Balance Available	\$2,013,781	\$2,013,781	\$2,427,458
TOTAL REVENUES	\$3,713,153	\$3,580,540	\$3,990,194

<u>CHARGE FOR SERVICE</u> <u>DIXON LIBRARY OPERATING COSTS</u>	<u>FY2019/20</u> <u>ACTUALS</u>	<u>FY2020/21</u> <u>REVISED</u>	<u>FY2021/22</u> <u>PROPOSED</u>
**EXPENSES			
Expenses in the Dixon Library		\$968,654	\$1,062,135
Overhead for Fiscal Year			
Administration		\$0	\$149,729
Technical Svs. Fees		\$0	\$20,379
Automation		\$0	\$8,319
Telephone Assistance Center		\$0	\$2,173
TOTAL EXPENSES		\$968,654	\$1,242,735
**CREDITS			
Revenue collected in the Dixon			
Library for Fiscal Year			
Library Fines/Fees		\$0	\$0
Building Use Fees		\$0	\$0
Photo/Microfiche Copies		\$0	\$0
Cash Overage		\$0	\$0
Other Revenue - Federal CARES Act revenue		\$0	\$6,012
Tax area code credit		\$0	\$0
Unexpended Direct Funds		\$0	\$123,524
TOTAL CREDITS		\$0	\$129,536
TOTAL CHARGE		\$968,654	\$1,113,199

**Per Auditor's recommendation using last full fiscal year actual costs.

SOLANO COUNTY LIBRARY

FY2021/22 BUDGET

DIXON PUBLIC LIBRARY DISTRICT-PFF - FUND 428

<u>Account/Description</u>	<u>FY2019/20</u> ACTUALS	<u>FY2020/21</u> PROPOSED	<u>FY2021/22</u> PROPOSED
<u>EXPENSES</u>			
2235 Accounting/Financial Services	0	0	0
2245 Contracted Services	0	0	0
2250 Other Professional Services	0	31,000	0
4201 Buildings & Improvements	0	0	0
4202 Construction in Progress	0	0	0
4303 Equipment	0	0	0
4304 Computer Equipment	0	0	0
8101 Contingency	0	999,246	1,182,001
8301 Reserves	0	0	0
Total - Expenses	0	1,030,246	1,182,001
<u>REVENUES</u>			
9401 Interest	18,103	3,620	9,380
9502 Federal CARES Act Revenue	0	0	0
9511 Other Governmental Agencies	0	0	0
9569 State Aide	0	0	0
9601 Capital Facilities Fees	65,310	124,760	168,980
9604 Contract Services	0	0	0
9637 Other Prof. Services	0	0	0
9663 Redevelopment	0	0	0
9703 Other Revenue	0	0	0
9803 Op. Transfers In	0	0	0
9805 Reserve Transfer	0	0	0
9806 Fund Balance Available	901,866	901,866	1,003,641
Total Revenue	985,280	1,030,246	1,182,001

**BYLAWS OF THE
SOLANO COUNTY LIBRARY ADVISORY COUNCIL**

ARTICLE I: PURPOSE

The Council shall act in an advisory capacity to the Director of Library Services and to the Board of Supervisors in all matters pertaining to library service.

ARTICLE II: MEMBERS OF ADVISORY COUNCIL

Section 1: The Council shall consist of the following members: (a) five such members representing and residing within a different county supervisorial district, to be appointed by the supervisor representing such district, plus (b) a number of members equal to the number of cities or other public agencies within Solano County operating a public library, and which are a part of the Solano County Library system, each such member representing and residing within the boundaries, and to be appointed by the governing body of each such city or public agency.

Section 2: Each Council member is appointed for a term, determined by the appointing body.

Section 3: A Council member whose term has expired may serve until a replacement has been appointed.

Section 4: Unexplained absence of members for ~~two~~ (2) consecutive meetings of the Council shall be considered as an expression of lack of interest in this program. The Chair of the Council may then request that a new appointment be made to represent this area.

Section 5: Members of the Library Advisory Council shall serve without compensation.

Section 6: Vacancies in the office of a member shall be filled for the unexpired term by the appointing body.

ARTICLE III: MEETINGS

Section 1: Regular meetings of the Library Advisory Council shall be held on the third Monday of every other month at 6:30 p.m. in a designated area of a Solano County Library branch.

Section 2: Exceptions to the regular meeting time and place may be made by appropriate motion or resolution.

Section 3: If all necessary business cannot be accommodated at a regularly scheduled meeting, an adjourned regular meeting may be scheduled. In such an instance, the regular meeting is adjourned to a time and place specified before the close of the regular meeting. Appropriate public notice shall be posted for the adjourned meeting following the provisions of the Brown Act, Government Code 354.

Section 4: Seventy-two (72) hours notice shall be given for all regular meetings.

Section 5: Special meetings may be called by the Chair or a majority of the members of the Council or the Director of Library Services, providing that notice has been given to all Council members and others as noted in Article V, Section 7 (2) and the news media at least twenty-four (24) hours in advance of the special meeting.

Section 6: A quorum shall consist of a majority of the filled seats on the Council.

Section 7: The annual meeting shall be held at the time of the first regular meeting after the first of October each year.

ARTICLE IV: CONDUCT OF BUSINESS

Section 1: No business shall be transacted at any meeting of the Library Advisory Council other than those matters named in the publicly posted agenda. (See Article IV, Section 4.

Section 2: All meetings shall be conducted under Robert's Rules of Order, unless in violation of applicable codes.

Section 3: All meetings of the Library Advisory Council shall be called to order by the Chair, or in the Chair's absence, by the Vice-Chair, or in the Vice-Chair's absence, by a Council member designated for that purpose by the Chair or Vice-Chair.

Section 4: The order of business at the regular meetings shall be as follows:

- (1) Call to order
- (2) Roll call and establishment of quorum
- (3) Introductions
- (4) Approval of minutes of prior meeting
- (5) Approval of agenda
- (6) Public comment*
- (7) Correspondence
- (8) Report from Solano County Director of Library Services
- (9) Old business
- (10) New business
- (11) Announcements/Member reports
- (12) Date of next meeting
- (13) Adjournment

*Members of the public may speak for up to five (5) minutes per person, not to exceed 20 minutes.

Section 5: An affirmative vote of the majority of all members of the Council present (quorum) at the time shall be necessary to approve any action before the Council. The Chair or any member of the council may call for a roll call vote or qualified ballot vote. Unless such vote is called for, action may be taken by voice vote.

Section 6: The Chair shall vote on all matters and shall have equal privileges as a member including the right to surrender the chair for purpose of making motions, introducing resolutions or making nominations.

Section 7: Action shall be taken only by resolution or motion of the Library Advisory Council.

ARTICLE V: OFFICERS AND ELECTIONS

Section 1: The elected officers of the council are the Chair who will chair all meetings, and the Vice-Chair who will preside in the Chair's absence. The Solano County Director of Library Services will serve as Secretary.

Section 2: Election of the Chair and Vice-Chair shall be held at the annual meeting.

Section 3: The Chair and Vice-Chair of the Library Advisory Council can hold office for not more than two consecutive one-year terms.

Section 4: In the event that the office of Chair becomes vacant prior to any annual meeting, an election to fill such vacancy for the unexpired term shall be held at the next meeting at which a quorum is present.

Section 5:

(1) The Chair shall preside at all meetings, appoint all committees, authorize calls for any special meetings, and generally perform the duties of the presiding officer. The Chair may appoint committees of one or more members each or representatives, delegates or spokespersons for such specific purposes as the council may require or recommend. The committee or individuals thus appointed shall be considered to be discharged upon the completion of its purpose and after the final report is made.

(2) The Vice-Chair shall act as Chair in the latter's absence.

Section 6:

(1) The Secretary in conjunction with the Chair shall prepare an agenda for each meeting, posting it in a location freely accessible to the public at least 72 hours before each regular meeting and at least 24 hours before each special meeting. The agenda must include a brief description of each item of business to be transacted or discussed at the meeting together with the time and location of the meeting.

(2) Copies of the agenda shall be sent to each library branch to post, and the City Editor of each of the major newspapers currently publishing in Solano County. The agenda and the minutes of the previous meeting with pertinent information shall be sent to all members of the Library Advisory Council, the Director of Library Services and the Librarian's Council, the County Administrator, the California State Library Consultant, the Vacaville Library Commission, the Vallejo Library Board, and each library branch manager to be made available to all library staff.

(3) The Secretary of the Library Advisory Council shall keep a true and accurate record of all proceedings and actions of the Council including those members present and absent. These minutes shall be approved at the next following meeting. The public reading of the minutes may be dispensed with and the minutes approved as published and presented.

(4) The Secretary shall notify the appointing body of any vacancies on the Council.

ARTICLE VI: AMENDMENT TO BYLAWS

Section 1: These bylaws may be recommended for amendment by presenting the proposed amendment(s) as an agenda item for full discussion and vote at a regular meeting and including this discussion in the minutes.

Section 2: After the recommended change has been approved by the Council, such change will be presented to the Board of Supervisors at a regular meeting for their approval.

Revised: February 10, 2009

Amendment #1- November 15, 1990

Article II, Section 3, was amended to read: A council member whose term has expired *may* serve until a replacement has been appointed.

Amendment #2- July 19, 1993

Article III, Section 1, was amended to read: Regular meetings of the Library Advisory Council shall be held on the third *Monday* of every other month at 7:00 p.m. in a designated area of a Solano County Library branch.

Amendment #3- July 17, 2000

Article IV, Section 4, was amended to change the order of business to add Public comment and Announcements/Member reports.

Amendment #4 – July 17, 2006

Article III, Section 1, was amended to change the meeting time to 6:30 pm.

Amendment #5 – February 10, 2009

Article VI, Sections 1 and 2 were amended to reflect Bylaw changes must be approved by the Board of Supervisors.

Independent Citizens' Oversight Committee

The Board of Supervisors shall appoint a seven member citizen's' oversight committee with one member appointed from each of the seven cities within the county's public library systems. The committee shall review and report on the public libraries' administration of and compliance with the expenditure plan and the terms of this measure, monitor and audit the use of the funds and prepare an annual report on the expenditures for the Board of Supervisors and the community.

County of Solano
Office of the Auditor-Controller



**AN AUDIT OF THE
DIXON PUBLIC LIBRARY DISTRICT**

**Independent Auditors' Report and Financial Statements
For the fiscal years ended June 30, 2019 and 2018**

**Auditor-Controller: Phyllis S. Taynton, CPA
Audit Manager: Denny Cheuk, CPA**

Dixon Public Library District
For the fiscal years ended June 30, 2019 and 2018

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Dixon Public Library District
For the fiscal years ended June 30, 2019 and 2018

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**Dixon Public Library District
For the fiscal years ended June 30, 2019 and 2018**

(as of March 18, 2021)

**BOARD OF
TRUSTEES**

Jewel Fink, President

Melissa Meseda, Vice President

David Bowen, Clerk

Caitlin O'Halloran, Member

Lloyd McCabe, Member

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PHYLLIS S. TAYNTON, CPA
Auditor-Controller

SHEILA O. TURGO
Assistant Auditor-Controller



OFFICE OF THE AUDITOR-CONTROLLER

**SOLANO
COUNTY**

675 Texas Street, Suite 2800
Fairfield, CA 94533-6338
(707) 784-6280
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www.solanocounty.com

Independent Auditors' Report

Board of Trustees
Dixon Public Library District
Dixon, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Dixon Public Library District (District), as of and for the fiscal years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Dixon Public Library District, as of June 30, 2019 and 2018, and the respective changes in financial position thereof for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the 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 Information

In connection with the audit contained herein, there are certain independence disclosures necessary pursuant to *Generally Accepted Auditing Standards*. As required by various statutes in the California Government Code, County Auditor-Controllers are mandated to perform certain accounting, auditing and financial reporting functions. These activities may impair an auditor's independence. Although the Auditor-Controller is statutorily obligated to maintain accounts of departments, districts, or funds within the County treasury, we believe the following safeguards and divisions of responsibility exists:

- The Internal Audit Division has the responsibility to perform audits and has no other responsibility for the accounts and records being audited including the approval or posting of financial transactions that would preclude the user of this report from relying on the information contained therein.
- In addition, the Auditor-Controller is an independent elected official and does not engage in management decisions on behalf of the audited entity.

Denny Cheuk, CPA
Deputy Auditor-Controller
Fairfield, California

_____, 20____

**Dixon Public Library District
Statement of Net Position
June 30, 2019 and 2018**

	2019	2018
ASSETS		
Current assets		
Cash & equivalents	\$ 2,558,461	\$ 2,052,869
Measure L sales taxes receivable	214,084	154,367
Library impact fees receivable	65,310	103,409
Other assets	16,159	9,552
Total current assets	2,854,014	2,320,197
Noncurrent assets		
Nondepreciable capital assets	1,619,343	1,619,343
Depreciable capital assets, net	166,583	134,622
Total noncurrent assets	1,785,926	1,753,965
Total assets	4,639,940	4,074,162
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	203,002	236,687
LIABILITIES		
Current liabilities		
Outstanding warrants	55,247	70,063
Due to other agencies	-	14,493
Compensated absences	10,639	9,552
Total current liabilities	65,886	94,108
Noncurrent liabilities		
Net pension liability	590,126	622,850
Total liabilities	656,012	716,958
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	33,585	22,434
NET POSITION		
Net investment in capital assets	1,785,926	1,753,965
Restricted for:		
Public facilities fees	883,763	802,311
Unrestricted	1,483,656	1,015,181
Total net position	\$ 4,153,345	\$ 3,571,457

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

Dixon Public Library District
Statement of Activities
For the fiscal years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Program expenses:		
Salaries and benefits	\$ 778,697	\$ 744,768
Library materials and supplies	87,723	96,549
Utilities	35,486	32,008
Insurance	16,864	14,936
Maintenance and supplies	53,013	58,673
Memberships	10,348	6,062
Office expense	22,840	40,098
Professional services	194,841	159,896
Depreciation	20,176	18,906
Rent and lease expense	25,337	7,061
Software maintenance	13,730	17,265
Miscellaneous	2,286	1,004
Total program expenses	<u>1,261,341</u>	<u>1,197,226</u>
 Program revenues:		
Charges for services	<u>41,270</u>	<u>24,178</u>
 Net program expenses	1,220,071	1,173,048
 General revenues:		
Property taxes	466,862	441,672
Sales and use tax	1,181,620	1,004,445
Library impact fees	65,310	103,409
Interest income	44,670	21,918
Intergovernmental revenues	43,497	45,501
Total general revenues	<u>1,801,959</u>	<u>1,616,945</u>
 Change in net position	581,888	443,897
 Net position:		
Beginning of the year	<u>3,571,457</u>	<u>3,127,560</u>
End of the year	<u>\$ 4,153,345</u>	<u>\$ 3,571,457</u>

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

**Dixon Public Library District
Balance Sheet
Governmental Fund
June 30, 2019**

	<u>General</u>	<u>Special Revenue</u>	<u>Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 1,740,008	\$ -	\$ 1,740,008
Restricted cash and investments	-	818,453	818,453
Measure L receivable	214,084	-	214,084
Library impact fees receivable	-	65,310	65,310
Other assets	10,638	-	10,638
Prepaid items	5,521	-	5,521
Total assets	<u>\$ 1,970,251</u>	<u>\$ 883,763</u>	<u>\$ 2,854,014</u>
Liabilities			
Payables and outstanding warrants	\$ 55,247	\$ -	\$ 55,247
Other accrued liabilities	10,639	-	10,639
Total liabilities	<u>65,886</u>	<u>-</u>	<u>65,886</u>
Fund Balance			
Nonspendable	5,521	-	5,521
Restricted	-	883,763	883,763
Assigned for:			
Imprest cash	700	-	700
Emergency operations	250,000	-	250,000
Future capital improvements	29,000	-	29,000
Unassigned	1,619,144	-	1,619,144
Total fund balance	<u>1,904,365</u>	<u>883,763</u>	<u>2,788,128</u>
Total liabilities and fund balance	<u>\$ 1,970,251</u>	<u>\$ 883,763</u>	<u>\$ 2,854,014</u>

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

**Dixon Public Library District
Balance Sheet
Governmental Fund
June 30, 2018**

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 1,353,967	\$ -	\$ 1,353,967
Restricted cash and investments	-	698,902	698,902
Measure L receivable	154,367	-	154,367
Library impact fees receivable	-	103,409	103,409
Other assets	9,552	-	9,552
Total assets	<u>\$ 1,517,886</u>	<u>\$ 802,311</u>	<u>\$ 2,320,197</u>
Liabilities			
Outstanding warrants	\$ 70,063	\$ -	\$ 70,063
Due to other agencies	14,493	-	14,493
Other accrued liabilities	9,552	-	9,552
Total liabilities	<u>94,108</u>	<u>-</u>	<u>94,108</u>
Fund Balance			
Restricted	-	802,311	802,311
Assigned for:			
Imprest cash	700	-	700
Emergency operations	250,000	-	250,000
Future capital improvements	29,000	-	29,000
Unassigned	1,144,078	-	1,144,078
Total fund balance	<u>1,423,778</u>	<u>802,311</u>	<u>2,226,089</u>
Total liabilities and fund balance	<u>\$ 1,517,886</u>	<u>\$ 802,311</u>	<u>\$ 2,320,197</u>

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

Dixon Public Library District
Reconciliation of the Balance Sheet
of the Governmental Funds to the Statement of Net Position
For the fiscal years ended June 30, 2019 & 2018

	2019	2018
Total governmental funds, fund balance	\$ 2,788,128	\$ 2,226,089
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in government activities are not financial resources and, therefore, are not reported in the funds.	1,785,926	1,753,965
Deferred outflows and inflows of resources related to pensions are not reported because they are applicable to future periods.		
Deferred outflows of resources related to pensions	203,002	236,687
Deferred inflows of resources related to pensions	(33,585)	(22,434)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability	(590,126)	(622,850)
Net position of governmental activities	\$ 4,153,345	\$ 3,571,457

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

Dixon Public Library District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the fiscal years ended June 30, 2019

	<u>General</u>	<u>Special Revenue</u>	<u>Governmental Funds</u>
Revenues:			
Property taxes	\$ 466,862	-	\$ 466,862
Sales and use tax	1,181,620	-	1,181,620
Library impact fees	-	65,310	65,310
Charges for services	41,270	-	41,270
Interest income	28,528	16,142	44,670
Other revenue	43,497	-	43,497
Total revenues	<u>1,761,777</u>	<u>81,452</u>	<u>1,843,229</u>
Expenditures:			
Salaries and benefits	766,585	-	766,585
Library materials and supplies	87,723	-	87,723
Utilities	35,486	-	35,486
Insurance	16,864	-	16,864
Maintenance and supplies	53,013	-	53,013
Memberships	10,348	-	10,348
Office expense	22,840	-	22,840
Professional services	194,841	-	194,841
Rent and lease expense	25,337	-	25,337
Software maintenance	13,730	-	13,730
Miscellaneous	2,286	-	2,286
Capital outlay	52,137	-	52,137
Total expenditures	<u>1,281,190</u>	<u>-</u>	<u>1,281,190</u>
Excess of revenues over expenditures	<u>480,587</u>	<u>81,452</u>	<u>562,039</u>
Fund balance - beginning	<u>1,423,778</u>	<u>802,311</u>	<u>2,226,089</u>
Fund balance - ending	<u>\$ 1,904,365</u>	<u>\$ 883,763</u>	<u>\$ 2,788,128</u>

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

Dixon Public Library District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the fiscal years ended June 30, 2018

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
Revenues:			
Property taxes	\$ 441,672	\$ -	\$ 441,672
Sales and use tax	1,004,445	-	1,004,445
Library impact fees	-	103,409	103,409
Charges for services	24,178	-	24,178
Interest income	13,286	8,632	21,918
Other revenue	45,501	-	45,501
Total revenues	<u>1,529,082</u>	<u>112,041</u>	<u>1,641,123</u>
Expenditures:			
Salaries and benefits	753,525	-	753,525
Library materials and supplies	96,549	-	96,549
Utilities	32,008	-	32,008
Insurance	14,936	-	14,936
Maintenance and supplies	58,673	-	58,673
Memberships	6,062	-	6,062
Office expense	40,098	-	40,098
Professional services	154,046	5,850	159,896
Rent and lease expense	7,061	-	7,061
Software maintenance	17,265	-	17,265
Miscellaneous	1,004	-	1,004
Total expenditures	<u>1,181,227</u>	<u>5,850</u>	<u>1,187,077</u>
Excess of revenues over expenditures	<u>347,855</u>	<u>106,191</u>	<u>454,046</u>
Fund balance - beginning	<u>1,075,923</u>	<u>696,120</u>	<u>1,772,043</u>
Fund balance - ending	<u>\$ 1,423,778</u>	<u>\$ 802,311</u>	<u>\$ 2,226,089</u>

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

Dixon Public Library District
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the fiscal years ended June 30, 2019 and 2018

	6/30/2019	6/30/2018
Net change in fund balances	\$ 562,039	\$ 454,046
 Amounts reported for governmental activities in the statement of activities are different because:		
 Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	52,137	-
Depreciation expense	(20,176)	(18,906)
	31,961	(18,906)
 In governmental funds, pension costs are recognized when employer contributions are made. In the Statement of Activities, pension costs are recognized on the accrual basis. The difference between accrual-basis pension costs and actual contributions were:		
	(12,112)	8,757
 Change in net position of governmental activities	 \$ 581,888	 \$ 443,897

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

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Dixon Public Library District (the District) in Solano County was established in 1911 to serve as the community's library. The District operates under California Education Code Sections 18300 et seq., and Sections 18440 - 18452, and the general provisions of the Library Code governing the Unified School Districts and Union High School Districts Public Libraries. The District is governed by a five-member Board of Trustees who, as provided for in Section 18300 and Section 18310 of the Education Code, the Governing Board of Library Trustees consists of those individuals who have been elected or appointed as trustees of the Dixon Unified School District. The Board members generally serve a four-year term.

Although the District is a separate legal entity, the District meets the criteria set forth in accounting principles generally accepted in the United States of America as a component unit of the Dixon Unified School District because the governing body is the same or is appointed by the Dixon Unified School District.

The District is a member of the Solano Partner Libraries and St. Helena (SPLASH) Consortium which provides automated library services to patrons residing in Solano and Napa counties and promotes resource sharing. SPLASH participating members include the libraries of Benicia, Dixon, Solano County and St. Helena. SLASH is not considered a component unit of the District.

B. Government-wide and Fund Financial Statements

The District's financial accounts are maintained in accordance with generally accepted accounting principles (GAAP) and the uniform accounting system for districts prescribed by the State Controller in compliance with the Government Code of the State of California.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

The fund financial statements provide information about the District's major governmental funds, which are reported in separate columns in the fund financial statements.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government.

The *Special Revenue Fund* is used to account for the public library impact fees that are legally restricted for specified purposes.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

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. Property taxes are recognized as revenues in the year they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Secured property taxes, library sales tax, licenses, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the District receives cash.

D. Assets, Liabilities and Net Position/Fund Balance

2. Cash and Cash Equivalents

The District's cash is maintained in the Solano County Treasury and is pooled with the County and various other depositors. The District is a mandatory depositor, pursuant to the Education Code §18450. The District's ability to withdraw large sums of cash from the County Treasury may be subject to certain restrictions established by the County Treasurer.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

The County's pooled cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer and approved by the County Board of Supervisors. The objectives of the policy (in order of priority) are: legality, preservation of capital, liquidity, and yield. The policy addresses the soundness of financial institutions in which the County will deposit funds, types of investment instruments as permitted by the California Government Code, and the percentage of the portfolio which may be invested in certain instruments with longer terms of maturity. A detailed breakdown of cash and investments and a categorization of risk factors per GASB Statement No. 40, *Deposits and Investment Risk Disclosures* and GASB Statement No. 72, *Fair Value Measurement and Application*, are presented in the County of Solano Comprehensive Annual Financial Report.

3. Due from/to Other Agencies

Due from/to other agencies represents amounts owed from/to governmental entities outside the District.

4. Capital Assets

Capital assets include land, structures and improvements and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District's capitalization policy as assets with an initial cost of more than \$5,000 and a useful life of three years or longer. Such assets are recorded at historical cost if purchased or estimated historical cost if constructed. Donated capital assets are valued at their fair value on the date of donation.

Structures and improvements and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Computer equipment	3-5
Office equipment	3-5
Buildings and improvements	30

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

5. Outstanding warrants

Outstanding warrants represent the amount of warrants issued but not yet presented to the County for payment. When warrants are mailed, expenditures are recorded in the District's fund and an outstanding warrant liability is created, pending payment of the warrant.

6. Long-Term Obligations

In the government-wide financial statements, long-term debt obligations are reported as liabilities in the statement of net position. The payments due within a year are presented as current liabilities while the balance is presented as non-current liabilities.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

7. Net Position/Fund Balance

The government-wide financial statements utilize a net position presentation. Net position is categorized as net invested in capital assets, restricted and unrestricted.

- *Net investment in capital assets* – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt, if any, attributable to the acquisition, construction or improvement of these assets reduces the balance in this category.
- *Restricted* – This category represents public facilities fees restricted by externally enforceable limitations on its use.
- *Unrestricted* – This category represents net position of the District, not restricted for any project or other purpose.

The various categories of fund balance represent relative strength or hierarchy of spending constraints. These categories are established either by inherent, external or internal limitations.

As of June 30, 2019 and 2018, fund balance was categorized as follows:

- *Nonspendable Fund Balance:* This category presents the portion of funds that cannot be spent due to their form or funds that legally or contractually must be maintained intact. The District's prepaid items meet this definition of nonspendable because the asset is not in spendable form.
- *Restricted:* This classification represents amounts restricted by constraints that are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Assigned:* This classification represents amounts constrained by the District's intent to be used for a specific purpose.
- *Unassigned:* This classification represents the fund balance not assigned to other funds and not restricted, committed, or assigned to specific purposes within the general fund and is available for financing future budgets.

8. Fund Balance Policy

Assigned Fund Balance

The District, during any Board meeting, may establish or change an Assigned Fund Balance through Board approval.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

District Spending Priority Policy

The District's Spending Priority Policy applies to fund balance and revenue sources. In circumstances when expenditure is made for a purpose in which amounts are available in multiple fund balance classifications, the use of fund balance will be applied in the following order: Restricted, Committed, Assigned, and then Unassigned.

Use of Estimates

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

1. *Property Tax*

The County of Solano is responsible for assessing, collecting and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property in the county. The levy is based on the assessed values as of the preceding January 1, which is also the lien date. Property taxes on the secured roll are due on November 1 and February 1, and taxes become delinquent after December 10 and April 10, respectively. Property taxes on the unsecured roll are due on the lien date (January 1), and become delinquent if unpaid by August 31.

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The county apportions secured property tax revenue in accordance with the alternative method of distribution prescribed by Section 4705 of the California *Revenue and Taxation Code*. The District receives 100% of leveraged property taxes in period payments with the County assuming responsibility for delinquencies.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

II. DETAILED NOTES

A. Cash and Investments

Cash and investments as of June 30, consist of the following:

	2019	2018
Cash in revolving fund	\$ 700	\$ 700
County pool investments	2,557,761	2,052,169
Total cash and investments	\$ 2,558,461	\$ 2,052,869

Cash in Revolving Fund

Cash in revolving fund consists of all cash maintained on hand and in commercial bank accounts that are used as revolving funds.

County Pool Investments

County pool investments consist of District cash held by the Solano County Treasury that is invested in the county investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio).

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

General Authorization

Statutes authorize the Solano County Treasury to invest in the following type of investments, subject to limitations as they relate to interest rate risk, credit risk, and concentration of credit risk as indicated in the following schedule.

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	<i>N/A</i>	20%	10%
Money Market Mutual Funds	<i>N/A</i>	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	<i>N/A</i>	None	None
Local Agency Investment Fund (LAIF)	<i>N/A</i>	None	None
Joint Powers Authority Pools	<i>N/A</i>	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, as the length of the maturity of an investment increases, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2019 and 2018, the weighted average maturity of the Treasurer's Pool was 302 days.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County Treasury investment pool does not have a rating provided by a nationally recognized statistical rating organization.

Derivative Investments

The District does not directly invest in any derivative investments.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

Restricted Cash and Investments

The District's restricted cash and investments are \$818,453 and \$698,902 for the library impact fees at June 30, 2019 and 2018, respectively.

B. Capital Assets

Capital assets activity for the fiscal year ended June 30, 2019 was as follows:

<u>Governmental activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 1,602,064	\$ -	-	\$ 1,602,064
Construction in progress	17,279	-	-	17,279
Total capital assets not being depreciated	<u>1,619,343</u>	<u>-</u>	<u>-</u>	<u>1,619,343</u>
Capital assets being depreciated:				
Structures and improvements	741,028	-	-	741,028
Equipment	69,777	52,137	-	121,914
Total capital assets being depreciated	<u>810,805</u>	<u>52,137</u>	<u>-</u>	<u>862,942</u>
Less accumulated depreciation:	<u>(676,183)</u>	<u>(20,176)</u>		<u>(696,359)</u>
Total capital assets being depreciated, net	<u>134,622</u>	<u>31,961</u>	<u>-</u>	<u>166,583</u>
Governmental activities capital assets, net	<u>\$ 1,753,965</u>	<u>\$ 31,961</u>	<u>\$ -</u>	<u>\$ 1,785,926</u>

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

Capital assets activity for the fiscal year ended June 30, 2018 was as follows:

Governmental activities	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,602,064	\$ -	\$ -	\$ 1,602,064
Intangibles	15,670	1,609	-	17,279
Total capital assets not being depreciated	<u>1,617,734</u>	<u>1,609</u>	<u>-</u>	<u>1,619,343</u>
Capital assets being depreciated:				
Structures and improvements	747,261	-	(6,233)	741,028
Equipment	221,485	-	(151,708)	69,777
Total capital assets being depreciated	<u>968,746</u>	<u>-</u>	<u>(157,941)</u>	<u>810,805</u>
Less accumulated depreciation:	<u>(815,722)</u>	<u>(17,297)</u>	<u>156,836</u>	<u>(676,183)</u>
Total capital assets being depreciated, net	<u>153,024</u>	<u>(17,297)</u>	<u>(1,105)</u>	<u>134,622</u>
Governmental activities capital assets, net	<u>\$ 1,770,758</u>	<u>\$ (15,688)</u>	<u>(1,105)</u>	<u>\$ 1,753,965</u>

C. Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan), administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB State No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools.

The District sponsors two rate plans within the miscellaneous risk pool. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

Benefits Provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. The rate plan provisions and benefits in effect at June 30, 2019 and 2018, are summarized as follows:

Employer rate plan	Classic Tier I	PEPRA
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefits formula	2.0% @ 55	2.0% @ 62
Benefits vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as of % of eligible compensation	2.0% - 2.7%	1.0% - 2.5%
Required employee contribution rates	7.00%	6.50%
Required employer contribution rates	9.887%	7.045%

Contributions

Section 20814(c) of the California Public Employee' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Contribution rates for the employer rate plans are determined through the CalPERS' annual actuarial valuation process. Each employer rate plan's actuarially determined rate is based on the estimated amount necessary to pay the employer rate plan's allocated share of the cost of benefits earned by employees during the year, and any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District's contributions to the Plan for the year ended June 30, 2019 and 2018 was \$87,414 and \$82,957, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2019 and 2018, the District reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$590,126 and \$622,850, respectively.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

The net pension liability was measured as of June 30, 2019 and 2018, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of June 30, 2018 and 2017, respectively, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. The District's proportionate share of the net pension liability as of June 30, 2018 (measurement date) was 0.01566%, which was a decrease of 0.00014% from its proportion measured as of June 30, 2017 (measurement date) for the CalPERS Plan. The District's proportionate share of the net pension liability as of June 30, 2017 (measurement date) was 0.01580%, which was a decrease of 0.00008% from its proportion measured as of June 30, 2016 (measurement date) for the CalPERS Plan.

For the year ended June 30, 2019 and 2018, the District recognized pension expense of \$99,526 and \$115,884, respectively.

At June 30, 2019, the reported deferred outflows of resources and deferred inflows of resources related to pensions resulted from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 67,276	\$ 16,488
Differences between Expected and Actual Experience	22,642	7,705
Differences between Projected and Actual Investment Earnings	2,917	-
Differences between Employer's Contributions and Proportionate Share of Contributions	10,862	-
Change in Employer's Proportion	11,890	9,392
Pension Contributions Made Subsequent to Measurement Date	87,414	-
	<u>\$ 203,002</u>	<u>\$ 33,585</u>

Pension contributions made subsequent to measurement date totaling \$87,414, reported as deferred outflows of resources related pensions, will be recognized as a reduction of the pension liability in the year ended June 30, 2020.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

At June 30, 2018, the reported deferred outflows of resources and deferred inflows of resources related to pensions resulted from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 99,048	\$ 7,552
Differences between Expected and Actual Experience	798	11,437
Differences between Projected and Actual Investment Earnings	22,400	-
Differences between Employer's Contributions and Proportionate Share of Contributions	10,698	3,445
Change in Employer's Proportion	20,786	-
Pension Contributions Made Subsequent to Measurement Date	82,957	-
	\$ 236,687	\$ 22,434

Pension contributions made subsequent to measurement date totaling \$82,957, reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the pension liability in the year ended June 30, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, as of June 30, 2019, will be recognized as pension expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/(Inflows) of Resources
2020	\$ 67,913
2021	38,319
2022	(18,921)
2023	(5,308)
2024	-
Thereafter	-
	\$ 82,003

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, as of June 30, 2018, will be recognized as pension expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/(Inflows) of Resources
2019	\$ 34,082
2020	69,400
2021	41,113
2022	(13,300)
2023	-
Thereafter	-
	\$ 131,296

Actuarial Assumptions

The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation Rate	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.15%
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchase Power Protection Allowance Floor on Purchasing Power applies

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation Rate	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.15%
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchase Power Protection Allowance Floor on Purchasing Power applies

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested employer rate plans within the Plan that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested employer rate plans run out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The stress test results are presented in a detailed report, GASE Crossover Testing Report that can be obtained from the CalPERS website.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the Plan's asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for the Plan. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

The table below reflects long-term expected real rate of return by asset class as of June 30, 2019. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

2019			
Asset class	Assumed Asset Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11 + (2)
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00	1.00	2.62
Inflation assets	0.00	0.77	1.81
Private equity	8.00	6.30	7.23
Real assets	13.00	3.75	4.93
Liquidity	1.00	0.00	-0.92

(1) An expected inflation of 2.00% used for this period

(2) An expected inflation of 2.92% used for this period

The table below reflects long-term expected real rate of return by asset class as of June 30, 2018. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

2018			
Asset class	Assumed Asset Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11 + (2)
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00	1.00	2.62
Inflation assets	0.00	0.77	1.81
Private equity	8.00	6.30	7.23
Real assets	13.00	3.75	4.93
Liquidity	1.00	0.00	-0.92

(1) An expected inflation of 2.00% used for this period

(2) An expected inflation of 2.92% used for this period

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate.

The following represents the proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is I-percentage point lower or I-percentage-point higher than the current rate:

	June 30, 2019		
	Discount	Current	Discount
	Rate -1%	Rate	Rate +1%
	6.15%	7.15%	8.15%
Net Pension Liability	\$ 941,542	\$ 590,126	\$ 300,038

	June 30, 2018		
	Discount	Current	Discount
	Rate -1%	Rate	Rate +1%
	6.15%	7.15%	8.15%
Net Pension Liability	\$ 949,338	\$ 622,850	\$ 352,446

III. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District continues to carry commercial insurance for all risks of loss, including general liability, business automobile liability, property, errors and omissions, and fraud insurance.

B. Contingencies

The District is exposed to various types of claims and litigation arising from its normal operations. The ultimate outcome of these matters is not presently determinable. However, in District management's opinion, these matters should not have a significant adverse effect on the District's financial position.

Dixon Public Library District
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

C. Subsequent Event

The District entered into an agreement for library administrator, managerial, and related library services with the County of Solano, effective January 1, 2020.

All District employees hired by the Dixon Library prior to commencement of the Agreement were given the opportunity to accept employment with the County for assignment at the Dixon Library. Employees accepting employment with the County and any new employee hired by the County to serve at the Dixon Library is referred to as "County Employees." Accordingly, County Employees are entitled to all benefits provided to all County employees and within the County's existing employee classifications.

The District will remain solely liable for its unfunded accrued actuarial liability with CalPERS for Dixon Library Employees, calculated as of the date of commencement of the Agreement.

REQUIRED SUPPLEMENTARY INFORMATION

Dixon Public Library District
Schedule of District's Proportionate Share of the Net Pension Liability and Related Ratios
Last 10 Years

Measurement Date	2019	2018	2017	2016	2015
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's Proportion of Net Pension Liability	0.01566%	0.01580%	0.01588%	0.01631%	0.01802%
Plan's Proportionate Share of the Net Pension Liability	\$ 590,126	\$ 622,820	\$ 551,671	\$ 447,440	\$ 445,333
Plan's Covered-Employee Payroll	\$ 443,992	\$ 418,985	\$ 309,933	\$ 296,128	\$ 207,452
Plan's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	132.91%	148.65%	178.00%	151.10%	214.67%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	75.67%	76.54%	75.87%	78.40%	79.82%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 80,725	\$ 74,011	\$ 65,614	\$ 61,413	\$ 44,632

* Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

**Dixon Public Library District
Schedule of Plan Contributions
Miscellaneous Plan
Last 10 Years ***

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 61,342	\$ 68,584	\$ 76,119	\$ 66,146	\$ 39,355
Contributions in Relation to the Actuarially Determined Contribution	<u>(61,342)</u>	<u>(68,584)</u>	<u>(76,119)</u>	<u>(66,146)</u>	<u>(39,355)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$374,460	\$443,992	\$418,985	\$309,933	\$296,128
Contributions as a Percentage of Covered Payroll	16.38%	15.45%	18.17%	21.34%	13.29%

* Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

**Dixon Public Library District
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Special Revenue Fund
 For the fiscal year ended June 30, 2019**

Revenues:	Budgeted Amounts			Actual Amounts	Variance with Final Budget Positive (Negative)
	Adopted	Final	Final		
Library impact fees	\$ 82,000	\$ 82,000	\$ 65,310	\$ 16,142	\$ (16,690)
Interest income	6,000	6,000	16,142	81,452	(6,548)
Total revenues	88,000	88,000	81,452	-	49,950
Expenditures:					
Professional services	49,950	49,950	-	-	49,950
Excess of revenues over expenditures	38,050	38,050	81,452	43,402	43,402
Fund balance - beginning	802,311	802,311	802,311	883,763	-
Fund balance - ending	\$ 840,361	\$ 840,361	\$ 883,763	\$ 43,402	\$ 43,402

The notes to the required supplementary information are an integral part of this statement.

**Dixon Public Library District
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Special Revenue Fund
 For the fiscal year ended June 30, 2018**

Variance with Final Budget	Positive (Negative)	Budgeted Amounts			Actual Amounts	Final Amounts
		Adopted	Final	Final		
		\$ 53,800	\$ 53,800	\$ 103,409	\$ 49,609	
		2,000	2,000	8,632	6,632	
		55,800	55,800	112,041	56,241	
		55,800	55,800	5,850	49,950	
		55,800	55,800	5,850	49,950	
		-	-	106,191	106,191	
		696,120	696,120	696,120	-	
		\$ 696,120	\$ 696,120	\$ 802,311	\$ 106,191	
		Fund balance - beginning	Fund balance - ending			
		Excess of revenues over expenditures				
		Total revenues				
		Library impact fees				
		Interest income				
		Total revenues				
		Expenditures:				
		Professional services				
		Total expenditures				
		Excess of revenues over expenditures				
		Fund balance - beginning				
		Fund balance - ending				

The notes to the required supplementary information are an integral part of this statement.

**Dixon Public Library District
Notes to Required Supplementary Information
For the fiscal years ended June 30, 2019 and 2018**

Budgetary Information

Pursuant to Education Code §18451, annually, and on or before the first day of June of each year, the Library Commission shall submit or cause to be submitted to the Governing Board of Library Trustees its proposed budget for the operating and maintaining of the library or libraries of the District for the ensuing fiscal year.

Pursuant to Education Code §18480, on or before the first day of September of each year, the Governing Board of Library Trustees shall furnish to the County Board of Supervisors an estimate of costs involved in conducting and maintaining the library for the ensuing fiscal year, procuring plans and specifications for erecting a building, and furnishing and equipping the building.

Although the District is not required to utilize formal budgetary procedures, the District follows the County budget requirements and calendar. The final budget shall conform to the accounting and budgeting procedures for Special Districts contained in the California Code of Regulations. The final budget shall establish its appropriations limit pursuant to Division 9 (commencing with Section 7900) of Title 1 of the Government Code. All annual appropriations lapse at fiscal year-end.