



**Santiago Library System
Executive Council Regular Meeting Agenda**

Tuesday, February 11, 2025
1:00 - 3:00 pm

Meeting Location:
Huntington Beach Central Library
7111 Talbert Ave., Huntington Beach, CA 92648

Join Zoom Meeting:
<https://us02web.zoom.us/j/86732762301?pwd=sGYHrxvjRd6Hbuvua2WabVwAw9RBVn.1>
Meeting ID: 867 3276 2301
Passcode: 139982

Alternate Meeting Locations:
Anaheim Public Library, 500 W. Broadway, Anaheim, CA 92805
Orange County Public Law Library, 515 N. Flower St., Santa Ana, CA 92703
Yorba Linda Public Library, 4852 Lakeview Ave., Yorba Linda, CA 92886

AGENDA

All items may be considered for action.

1. Opening Helen Medina
 - a. Chairperson's Welcome
Chairperson introduces any guests or new members.
 - b. Roll Call

2. Public Comment Helen Medina

Opportunity for any guest or member of the public to address the Council on any item of Santiago business not represented on the current agenda.

3. Consent Calendar Helen Medina

All items on the consent calendar may be approved by a single motion. Any Council member may request an item be removed from the consent calendar and placed on the agenda for discussion.

 - a. Minutes of the November 12, 2024, Regular Meeting
(ACTION)

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| 4. Adoption of the Agenda | Helen Medina |
| 5. FY 2025/26 Membership Dues
(ACTION) | Andy Beck |
| 6. Budget Status Report for FY 2024/25 & Preliminary
Budget for FY 2025/26
(DISCUSSION) | Andy Beck |
| 7. CLSA FY 2025/26 Planning
(DISCUSSION) | Christine Powers |
| 8. Audit Report FY 2023/24
(ACTION) | Andy Beck |
| 9. Committees & Committee Representatives Guide
(DISCUSSION) | Christine Powers |
| 10. Potential Revenue Sources for Libraries
(DISCUSSION) | Richard Bernard, PhD;
FM3 Research |
| 11. Committee Reports | |
| a. Technology Committee | Judy Booth |
| b. Children’s Services Committee | Jeanette Contreras |
| c. Teen Services Committee | Carrie Lixey |
| d. Circulation Committee | Helen Medina |
| e. Reference Committee | Genesis Hansen |
| 12. State Library Report | Kaela Villalobos |
| 13. Executive Council Chair Report | Helen Medina |
| 14. Other | Helen Medina |
| <i>“...that is, matters initiated in the present meeting.” Robert’s Rules of Order,
Revised, III, p.21. Limited by Brown Act to discussion only.</i> | |
| 15. What’s New at your Library | Helen Medina |
| <i>Opportunity for members to share important updates regarding their libraries that
are of interest to the public.</i> | |
| 16. Adjournment | Helen Medina |



ACTION ITEMS

Meeting: Santiago Executive Council Meeting

Date: February 11, 2025

Library: _____

Name: _____

Signature: _____

Date: _____

Agenda Item: _____

____ Aye _____ Motion

____ Nay _____ Second

____ Abstain

Agenda Item: _____

____ Aye _____ Motion

____ Nay _____ Second

____ Abstain

Agenda Item: _____

____ Aye _____ Motion

____ Nay _____ Second

____ Abstain

Agenda Item: _____

____ Aye _____ Motion

____ Nay _____ Second

____ Abstain

Agenda Item: _____

____ Aye _____ Motion

____ Nay _____ Second

____ Abstain

Agenda Item: _____

____ Aye _____ Motion

____ Nay _____ Second

____ Abstain

Email completed forms to sclcadmin@socallibraries.org



**Santiago Library System
Executive Council Regular Meeting Agenda**

Tuesday, November 12, 2024
1:00 - 3:00 pm

Meeting Location:
Fullerton Public Library, Hunt Branch,
201 S. Basque Ave., Fullerton, CA 92833

Alternate Meeting Address: Anaheim Public Library, 500 W. Broadway, Anaheim, CA 92805

Minutes - draft

Attendance

Booth, Judy - Fullerton
Contreras, Jeanette - Placentia
Framson, Jessica - Huntington Beach
Hansen, Genesis - Mission Viejo
Lixey, Carrie - Yorba Linda
Lujan, Audrey - Anaheim
Medina, Helen - Buena Park
Lopez, David - OC Public
Sternberg, Brian - Santa Ana

Other

Beck, Andy - SCLC
Powers, Christine - SCLC
Snodgrass, Nerissa - SCLC
Villalobos, Kaela - CSL
Walker, Wayne - SCLC

Absent

Harpster, Amy - Orange Public
Hartson, Melissa - Newport Beach

1. Opening Helen Medina
The meeting was called to order at 1:04 pm. Chair Medina welcomed guests that were attending the meeting, both virtually and in person, from the City of Irvine.

2. Public Comment Helen Medina
Opportunity for any guest or member of the public to address the Council on any item of Santiago business not represented on the current agenda.
None

3. Consent Calendar Helen Medina
All items on the consent calendar may be approved by a single motion. Any Council member may request an item be removed from the consent calendar and placed on the agenda for discussion.
 - a. Minutes of the August 13, 2024, Regular Meeting (ACTION)
MSP (Starky/Hansen) to pass the Consent Calendar.
7 yes, 0 no, 2 abstain

4. Adoption of the Agenda Helen Medina
The Chair adopted the agenda without objection.

5. Budget Status Report for FY 2024/25 Andy Beck
(DISCUSSION)
Controller, Andy Beck, presented the Budget Status Report for fiscal year 2024/25, reflecting reconciled bank statements through September 30, 2024.
Jeanette Contreras joined the meeting at 1:14 pm.

6. CLSA FY 2024/25 Plan of Service Update Christine Powers
(DISCUSSION)
Executive Director, Christine Powers, gave an update on the CLSA Plan of Service. Santiago's Plan of Service was approved at the CLSB meeting on October 2, 2024.

7. Consideration of Future Membership Dues Christine Powers/
Andy Beck
(ACTION)
MSP(Contreras/Lixey) to increase membership dues using Option 2B (population-based, approx. \$10,000 per year). This will include a flat dues rate of \$200 for associate members.
9 yes, 1 no, 0 abstain

8. Consideration of New System Member: Irvine Christine Powers
Library System (ACTION)
MSP (Hansen/Framson) to approve the addition of the Irvine Library System as a member of the Santiago Library System, contingent upon approval by the Irvine City Council and the California Library Services Board.
10 yes, 0 no, 0 abstain

9. Discussion of Committees and Committee Christine Powers
Representatives (ACTION)

MSP (Contreras/Stern) Committee Chairs and Vice-Chairs will serve a single two-year term. The library director who oversees that Chair will serve as the liaison for the committee. SLS will not follow a fixed rotation schedule; rotations are expected after each term.

This motion will supersede the previous motion discussed at the last meeting concerning the SLS committees.

10 yes, 0 no, 0 abstain

10. Committee Reports

- a. Technology Committee
Recently had a meeting. Judy Booth
- b. Children's Services Committee
The next meeting is scheduled for December. They are working on a form to present to the Council for the Performance showcase. Jeanette Contreras
- c. Teen Services
No report Carrie Lixey
- d. Circulation Committee
Will meet in December. They are having a hard time finding a new chair. Helen Medina
- e. Reference Committee
Meeting today. Genesis Hansen

11. State Library Report

Kaela Villalobos, a CSL staff member, presented the latest projects, grants, and initiatives ongoing at the State Library. Kaela Villalobos

12. Executive Council Chair Report

The CLA Conference was great and everyone looked great in the T-shirts that Jeanette Contreras made. Helen Medina

13. Other

"...that is, matters initiated in the present meeting." Robert's Rules of Order, Revised, III, p.21. Limited by Brown Act to discussion only.
None Helen Medina

14. What's New at your Library

Opportunity for members to share important updates regarding their libraries that are of interest to the public. Helen Medina

Buena Park

The library is heavily impacted by elections. Board member retiring after 32 years. The library launched a new website and started school tours with the Buena Park School District.

Orange County

Fall Family Literacy Day is November 16, 2024. Reopening of Los Alamitos Library on November 18, 2024.

Huntington Beach

Council Member Framson reported that this is her last meeting as a Santiago Council Member. She accepted a position at Long Beach Public Library. She is not sure who

her replacement will be. The new Senior librarian started today. She was been told that budget cuts will happen next year.

Mission Viejo

Hiring quite a few hourly staff; lots of turnover. Doing an exhibit about librarian Clara Reed in collaboration with the Japanese American National Museum.

Orange County Law

Shift in attitude about law databases being available to patrons remotely.

Yorba Linda

Working on replacing the assistant director. Working on the Wish Grant. Library served as a voting center – very crowded.

Anaheim

Congrats to Julie and Jessica.

Santa Ana

All Staff Development Day, December 4, 2024, Organization Effectiveness, all day, offsite. Three construction projects fully underway.

Fullerton

Welcome to Hunt Library. Hired a few more part-time staff and received a Building Forward grant.

Placentia

Placentia had three districts up for elections this year—two uncontested (Districts 3 & 4). District 1, southside, remains vacant. The deadline for anyone interested in serving in District 1 will close on November 15. Staff Development Day will take place on December 5. Agenda to include a discussion on the 25-27 Budget, Strategic Plan, and First Amendment Audit Training. They completed their first Customer Service Handbook for staff, using the DISC personality to reflect different responses for various scenarios. Plans for the outdoor library space and loading dock expansion have been submitted. The projects are expected to begin next month. They are still working on building their new electric bookmobile In late October, we made two privacy pods available for public use. The pods have been used every day.

15. Adjournment

MS(Hansen/Framson) to adjourn the meeting at 2:45 pm.

Helen Medina



**REPORT TO THE EXECUTIVE COUNCIL
SANTIAGO LIBRARY SYSTEM**

DATE: February 11, 2025
FROM: Andy Beck, Controller, Santiago/SCLC

SUBJECT: **FY 2025/26 Membership Dues (ACTION)**

BACKGROUND: The attached Membership Dues schedule for Fiscal Year 2025/26 includes the Califa membership fees at the discounted group rate totaling \$4,410. A membership dues rate of 0.32% of each jurisdiction's population was approved by the Executive Council on November 12, 2024. As a result, membership dues for FY 2025/26 total \$10,183.

Additionally, when approving member dues at the November 12 meeting, the Executive Council also approved an Associate Member dues flat rate of \$200. Given that there are two members whose dues are either just below or above \$200 that receive additional benefits, staff recommend that Associate Member dues be reduced to a flat rate of \$100.

FISCAL IMPACT: Membership dues increased from \$2,250 to \$10,183. Libraries will be invoiced for their membership dues in July 2025.

RECOMMENDATION: Approve updated membership dues for FY 2025/26; and provide direction on standing Associate Member dues rate.

EXHIBITS:
a. Membership Dues Schedule

SANTIAGO LIBRARY SYSTEM - MEMBERSHIP DUES FY2025/26

Library	Population CY2024	SLS Membership* FY25/26	Califa Membership FY25/26	Totals FY25/26
Anaheim Public Library APL	340,160	\$ 1,088.51	\$ 360.00	\$ 1,448.51
Buena Park Library District BPLD	82,689	\$ 264.60	\$ 360.00	\$ 624.60
Fullerton Public Library FPL	140,311	\$ 449.00	\$ 360.00	\$ 809.00
Huntington Beach Public Library HBPL	192,503	\$ 616.01	\$ 360.00	\$ 976.01
Irvine Public Library IPL**	314,550	\$ 1,006.56	\$ -	\$ 1,006.56
Mission Viejo Public Library MVPL	91,304	\$ 292.17	\$ 360.00	\$ 652.17
Newport Beach Public Library NBPL	82,419	\$ 263.74	\$ 360.00	\$ 623.74
Orange County Public Library OCPL	1,339,168	\$ 4,285.34	\$ 450.00	\$ 4,735.34
Orange County Law Library OCLL***	N/A	\$ 100.00	\$ 360.00	\$ 460.00
Orange Public Library OPL	138,621	\$ 443.59	\$ 360.00	\$ 803.59
Placentia Library District PLD	52,226	\$ 167.12	\$ 360.00	\$ 527.12
Santa Ana Public Library SAPL	310,797	\$ 994.55	\$ 360.00	\$ 1,354.55
Yorba Linda Public Library YLPL	66,087	\$ 211.48	\$ 360.00	\$ 571.48
TOTALS:	3,150,835	\$ 10,182.67	\$ 4,410.00	\$ 14,592.67

* Member dues are calculated based on a rate which is 0.32% of each jurisdiction's population (approved by the Executive Council on November 12, 2024).

** Member dues for Irvine Public Library are contingent upon the approval of their membership to the System by the CLSB.

*** Associate membership dues were approved at \$200.00 on November 12, 2024, by the Executive Council; however, associate dues at \$200.00 are greater than some membership dues. As a result, associate dues are suggested at \$100.00.



**REPORT TO THE EXECUTIVE COUNCIL
SANTIAGO LIBRARY SYSTEM**

DATE: February 11, 2025
FROM: Andy Beck, Controller, Santiago/SCLC

SUBJECT: **Budget Status Report for FY 2024/25 & Preliminary Budget for
FY 2025/26 (DISCUSSION)**

BACKGROUND: The Budget Status Report for Fiscal Year 2024/25 is attached for review and reflects reconciled bank statements through December 31, 2024.

For revenues, membership dues of \$6,660 (membership dues of \$2,250 and Califa dues of \$4,410) were recorded as financial resources available for use. Other revenues include communication and delivery of \$4,462 and system administration of \$22,077, which were recorded as respective expenses were recognized.

Expenses include communications and delivery of \$4,462, and administrative expenses of \$26,959. These expenses do not reflect what was paid but amounts that were incurred.

As of December 31, 2024, the System has a surplus of \$1,778 and cash balance of \$304,345.

A preliminary budget for FY 2025/26 is attached for review. The budget is based on the assumption that CLSA funding will remain cut. In addition, the budget has been updated for known items such as membership dues.

FISCAL IMPACT: None

RECOMMENDATION: Informational item

EXHIBITS:

- a. Budget to Actual Report for FY 2024/25
- b. Preliminary Budget for FY 2025/26
- c. Bank Statement October – December 2024

	Prior Year <u>Actuals</u>	FY24/25 <u>Budget</u>	FY24/25 <u>Actuals</u>	<u>Balance</u>	<u>% Unrealized</u>	<u>% Realized</u>	<u>Notes</u>
REVENUE							
Program and general revenues							
CLSA Communications & Delivery	\$ 176,033	\$ 92,567	\$ 4,462	\$ 88,105	95%	5%	
CLSA System Administration	44,268	22,867	22,077	790	3%	97%	
Membership Dues	6,660	6,660	6,660	-	0%	100%	
Total program and general revenues	<u>226,961</u>	<u>122,094</u>	<u>33,199</u>	<u>88,895</u>	<u>73%</u>	<u>27%</u>	
Special events							
Performers showcase revenues	5,274	5,000	-	5,000	100%	0%	
Performers showcase expenses	(2,369)	(2,500)	-	(2,500)	100%	0%	
Special events, net	<u>2,905</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>100%</u>	<u>0%</u>	
Total revenues	<u>\$ 229,866</u>	<u>\$ 124,594</u>	<u>\$ 33,199</u>	<u>\$ 91,395</u>	<u>73%</u>	<u>27%</u>	
EXPENDITURES							
Communications and delivery							
Member distribution (eResource / Tele)	\$ 165,455	\$ 81,972	\$ -	\$ 81,972	100%	0%	Member distribution
Audit Fees	6,300	6,625	2,570	4,055	61%	39%	CJ Brown
Office supplies	1,237	1,300	650	650	50%	50%	Reimburse expenses
Telecommunications	3,041	2,670	1,242	1,428	53%	47%	Reimburse expenses
Total communication and delivery	<u>176,033</u>	<u>92,567</u>	<u>4,462</u>	<u>88,105</u>	<u>95%</u>	<u>5%</u>	
Administration							
Administration expense	44,268	44,155	22,077	22,078	50%	50%	SCLC
Memberships	4,410	4,410	4,410	-	0%	100%	Califa
Meetings/conferences/travel	159	850	472	378	44%	56%	
Other	35	100	-	100	100%	0%	
Total administration	<u>48,872</u>	<u>49,515</u>	<u>26,959</u>	<u>22,556</u>	<u>46%</u>	<u>54%</u>	
Total expenditures	<u>\$ 224,905</u>	<u>\$ 142,082</u>	<u>\$ 31,421</u>	<u>\$ 110,661</u>	<u>78%</u>	<u>22%</u>	
SURPLUS (DEFICIT)	<u>\$ 4,961</u>	<u>\$ (17,488)</u>	<u>\$ 1,778</u>	<u>\$ (19,266)</u>	<u>110%</u>	<u>-10%</u>	

ACCOUNT BALANCES

Chase \$ 304,345

CLSA FUNDS

CLSA Communications & Delivery - Projected (Restricted)

	FISCAL YEAR 2024-25			
	Beginning	Addition	Deletions	Ending
Member Distribution				
eResources	\$ -	\$ 38,923	\$ -	\$ 38,923
Telecommunication	-	42,995	-	42,995
Office supplies	-	834	(184)	650
Contracted services	-	6,050	(1,995)	4,055
Telecommunications	-	2,670	(1,242)	1,428
	<u>\$ -</u>	<u>\$ 91,472</u>	<u>\$ (3,421)</u>	<u>\$ 88,051</u>

	FISCAL YEAR 2023-24			
	Beginning	Addition	Deletions	Ending
Office supplies	\$ 466	\$ -	\$ (466)	\$ -
Contracted services	575	-	(575)	-
	<u>\$ 1,041</u>	<u>\$ -</u>	<u>\$ (1,041)</u>	<u>\$ -</u>

	Preliminary Budget <u>FY25/26</u>	Approved Budget <u>FY24/25</u>	<u>Change</u>
REVENUE			
Program and general revenues			
CLSA Communications & Delivery	\$ 91,468	\$ 92,567	\$ (1,099)
CLSA System Administration	22,867	22,867	-
Membership Dues	<u>14,593</u>	<u>6,660</u>	<u>7,933</u>
Total program and general revenues	<u>128,928</u>	<u>122,094</u>	<u>6,834</u>
Special events			
Performers showcase revenues	5,000	5,000	-
Performers showcase expenses	<u>(2,500)</u>	<u>(2,500)</u>	<u>-</u>
Special events, net	<u>2,500</u>	<u>2,500</u>	<u>-</u>
Total revenues	<u>\$ 131,428</u>	<u>\$ 124,594</u>	<u>\$ 6,834</u>
EXPENDITURES			
Communications and delivery			
E-resource (member distribution)	\$ 80,748	\$ 81,972	\$ (1,224)
Audit Fees	6,750	6,625	125
Office supplies	1,300	1,300	-
Telecommunications	<u>2,670</u>	<u>2,670</u>	<u>-</u>
Total communication and delivery	<u>91,468</u>	<u>92,567</u>	<u>(1,099)</u>
Administration			
Administration expense	44,155	44,155	-
Memberships	4,410	4,410	-
Meetings/conferences/travel	850	850	-
Other	<u>100</u>	<u>100</u>	<u>-</u>
Total administration	<u>49,515</u>	<u>49,515</u>	<u>-</u>
Total expenditures	<u>\$ 140,983</u>	<u>\$ 142,082</u>	<u>\$ (1,099)</u>
SURPLUS (DEFICIT)	<u>\$ (9,555)</u>	<u>\$ (17,488)</u>	<u>\$ 7,933</u>



JPMorgan Chase Bank, N.A.
P O Box 182051
Columbus, OH 43218 - 2051

October 01, 2024 through October 31, 2024

Account Number: [REDACTED]

CUSTOMER SERVICE INFORMATION

Web site: www.Chase.com
Service Center: **1-877-425-8100**
Para Espanol: 1-888-622-4273
International Calls: 1-713-262-1679
We accept operator relay calls

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SANTIAGO LIBRARY SYSTEM
OPERATING ACCOUNT
222 E HARVARD ST
GLENDALE CA 91205-1017



00800380101000000021

CHECKING SUMMARY

Chase Platinum Business Checking

	INSTANCES	AMOUNT
Beginning Balance		\$202,565.70
Deposits and Additions	7	3,920.00
Electronic Withdrawals	1	-10,322.02
Ending Balance	8	\$196,163.68

Your Chase Platinum Business Checking account provides:

- No transaction fees for unlimited electronic deposits (including ACH, ATM, wire, Chase Quick Deposit)
- 500 debits and non-electronic deposits (those made via check or cash in branches) per statement cycle
- \$25,000 in cash deposits per statement cycle
- Unlimited return deposited items with no fee

There are additional fee waivers and benefits associated with your account – please refer to your Deposit Account Agreement for more information.

DEPOSITS AND ADDITIONS

DATE	DESCRIPTION		AMOUNT
10/15	Remote Online Deposit	2	\$560.00
10/15	Remote Online Deposit	2	560.00
10/29	Remote Online Deposit	2	560.00
10/29	Remote Online Deposit	2	560.00
10/29	Remote Online Deposit	2	560.00
10/29	Remote Online Deposit	2	560.00
10/29	Remote Online Deposit	2	560.00
Total Deposits and Additions			\$3,920.00

ELECTRONIC WITHDRAWALS

DATE	DESCRIPTION	AMOUNT
10/01	10/01 Online Payment 22236808658 To Huntington Beach Public Library	\$10,322.02
Total Electronic Withdrawals		\$10,322.02



October 01, 2024 through October 31, 2024

Account Number: [REDACTED]

DAILY ENDING BALANCE

DATE	AMOUNT
10/01	\$192,243.68
10/15	193,363.68
10/29	196,163.68

SERVICE CHARGE SUMMARY

Monthly Service Fee	\$0.00
Other Service Charges	\$0.00
Total Service Charges	\$0.00

The monthly service fee was waived on your Chase Platinum Business Checking account because you maintained the required relationship balance.

SERVICE CHARGE DETAIL

DESCRIPTION	VOLUME	ALLOWED	CHARGED	PRICE/UNIT	TOTAL
Monthly Service Fee					
Monthly Service Fee Waived	0			\$95.00	\$0.00
Other Service Charges:					
Electronic Credits					
Electronic Items Deposited	7	Unlimited	0	\$0.40	\$0.00
Cash Management Services					
Debit Block Maintenance	1	0	1	\$0.00	\$0.00
Subtotal Other Service Charges					\$0.00

ACCOUNT 000000585556213

Other Service Charges:	
Electronic Credits	
Electronic Items Deposited	7
Cash Management Services	
Debit Block Maintenance	1

Reminder: Fees associated with ACH Payments, Real Time Payments, Same Day ACH, ACH Collections and Chase QuickDepositSM are based on previous month activity.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUNDS TRANSFERS:

Call us at 1-866-564-2262 or write us at the address on the front of this statement immediately if you think your statement or receipt is incorrect or if you need more information about a transfer listed on the statement or receipt.

For personal accounts only: We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error appeared. Be prepared to give us the following information:

- Your name and account number;
- A description of the error or the transaction you are unsure about, and why you think it is an error or want more information; and
- The amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days (or 20 business days for new accounts) to do this, we will credit your account for the amount you think is in error so that you will have use of the money during the time it takes us to complete our investigation.

For business accounts, see your deposit account agreement or other applicable agreements that govern your account for details.

IN CASE OF ERRORS OR QUESTIONS ABOUT NON-ELECTRONIC FUNDS TRANSFERS: Contact us immediately if your statement is incorrect or if you need more information about any non-electronic funds transfers on this statement. For more details, see your deposit account agreement or other applicable agreements that govern your account.

JPMorgan Chase Bank, N.A. Member FDIC



JPMorgan Chase Bank, N.A.
 P O Box 182051
 Columbus, OH 43218 - 2051

November 01, 2024 through November 29, 2024

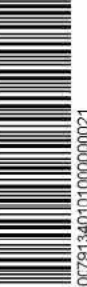
Account Number: [REDACTED]

CUSTOMER SERVICE INFORMATION

Web site: www.Chase.com
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 Para Espanol: 1-888-622-4273
 International Calls: 1-713-262-1679
 We accept operator relay calls

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SANTIAGO LIBRARY SYSTEM
 OPERATING ACCOUNT
 222 E HARVARD ST
 GLENDALE CA 91205-1017



00791340101000000021

CHECKING SUMMARY

Chase Platinum Business Checking

	INSTANCES	AMOUNT
Beginning Balance		\$196,163.68
Deposits and Additions	2	970.00
Electronic Withdrawals	2	-4,743.00
Ending Balance	4	\$192,390.68

Your Chase Platinum Business Checking account provides:

- No transaction fees for unlimited electronic deposits (including ACH, ATM, wire, Chase Quick Deposit)
- 500 debits and non-electronic deposits (those made via check or cash in branches) per statement cycle
- \$25,000 in cash deposits per statement cycle
- Unlimited return deposited items with no fee

There are additional fee waivers and benefits associated with your account – please refer to your Deposit Account Agreement for more information.

DEPOSITS AND ADDITIONS

DATE	DESCRIPTION	AMOUNT
11/05	Remote Online Deposit 2	\$410.00
11/12	Remote Online Deposit 2	560.00
Total Deposits and Additions		\$970.00

ELECTRONIC WITHDRAWALS

DATE	DESCRIPTION	AMOUNT
11/12	11/12 Online Payment 22692378233 To Califa Group	\$4,410.00
11/27	11/27 Online Payment 22842643962 To Cj Brown & Company, Cpas	333.00
Total Electronic Withdrawals		\$4,743.00

DAILY ENDING BALANCE

DATE	AMOUNT
11/05	\$196,573.68
11/12	192,723.68
11/27	192,390.68



November 01, 2024 through November 29, 2024

Account Number: [REDACTED]

SERVICE CHARGE SUMMARY

Monthly Service Fee	\$0.00
Other Service Charges	\$0.00
Total Service Charges	\$0.00

The monthly service fee was waived on your Chase Platinum Business Checking account because you maintained the required relationship balance.

SERVICE CHARGE DETAIL

DESCRIPTION	VOLUME	ALLOWED	CHARGED	PRICE/UNIT	TOTAL
Monthly Service Fee					
Monthly Service Fee Waived	0			\$95.00	\$0.00
Other Service Charges:					
Electronic Credits					
Electronic Items Deposited	2	Unlimited	0	\$0.40	\$0.00
Cash Management Services					
Debit Block Maintenance	1	0	1	\$0.00	\$0.00
Subtotal Other Service Charges					\$0.00

ACCOUNT 000000585556213

Other Service Charges:	
Electronic Credits	
Electronic Items Deposited	2
Cash Management Services	
Debit Block Maintenance	1

Reminder: Fees associated with ACH Payments, Real Time Payments, Same Day ACH, ACH Collections and Chase QuickDepositSM are based on previous month activity.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUNDS TRANSFERS:

Call us at 1-866-564-2262 or write us at the address on the front of this statement immediately if you think your statement or receipt is incorrect or if you need more information about a transfer listed on the statement or receipt.

For personal accounts only: We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error appeared. Be prepared to give us the following information:

- Your name and account number;
- A description of the error or the transaction you are unsure about, and why you think it is an error or want more information; and
- The amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days (or 20 business days for new accounts) to do this, we will credit your account for the amount you think is in error so that you will have use of the money during the time it takes us to complete our investigation.

For business accounts, see your deposit account agreement or other applicable agreements that govern your account for details.

IN CASE OF ERRORS OR QUESTIONS ABOUT NON-ELECTRONIC FUNDS TRANSFERS: Contact us immediately if your statement is incorrect or if you need more information about any non-electronic funds transfers on this statement. For more details, see your deposit account agreement or other applicable agreements that govern your account.

JPMorgan Chase Bank, N.A. Member FDIC



JPMorgan Chase Bank, N.A.
 P O Box 182051
 Columbus, OH 43218 - 2051

November 30, 2024 through December 31, 2024

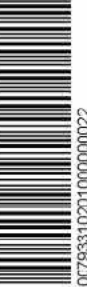
Account Number: [REDACTED]

CUSTOMER SERVICE INFORMATION

Web site: **www.Chase.com**
 Service Center: **1-877-425-8100**
 Para Espanol: **1-888-622-4273**
 International Calls: **1-713-262-1679**
 We accept operator relay calls

00079331 DRE 703 210 00425 NNNNNNNNNN 1 000000000 Z9 0000

SANTIAGO LIBRARY SYSTEM
 OPERATING ACCOUNT
 222 E HARVARD ST
 GLENDALE CA 91205-1017



00793310201000000022

A reminder about incoming wire transfer fees

Due to a systems issue, we may not have charged you for all incoming wires in the past. On or after March 23, 2025, wire transfer fees will be charged for incoming wires in accordance with your Chase Deposit Account Agreement.

Please visit chase.com/business/disclosures and review the Additional Banking Services and Fees document for more details.

Please note, we don't charge incoming wire transfer fees for Chase Performance Business Checking®, Chase Performance Business Checking with Interest®, Chase Platinum Business CheckingSM, Chase Business Complete CheckingSM accounts when transfer is originally sent with the help of a Chase banker or using chase.com or Chase Mobile, Chase Business Complete CheckingSM accounts with Military Banking Benefits, IOLTA, IOTA, IOLA, IBRETA, IOREBTA, IRETA, COLTAF, CARHOF, UARHOFSM, Client Funds CheckingSM and Client Funds SavingsSM accounts.

If you have any questions, call the number on this statement.

CHECKING SUMMARY

Chase Platinum Business Checking

	INSTANCES	AMOUNT
Beginning Balance		\$192,390.68
Deposits and Additions	1	114,339.00
Electronic Withdrawals	3	-2,384.20
Ending Balance	4	\$304,345.48

Your Chase Platinum Business Checking account provides:

- No transaction fees for unlimited electronic deposits (including ACH, ATM, wire, Chase Quick Deposit)
- 500 debits and non-electronic deposits (those made via check or cash in branches) per statement cycle
- \$25,000 in cash deposits per statement cycle
- Unlimited return deposited items with no fee

There are additional fee waivers and benefits associated with your account – please refer to your Deposit Account Agreement for more information.

DEPOSITS AND ADDITIONS

DATE	DESCRIPTION		AMOUNT
12/10	Remote Online Deposit	2	\$114,339.00
Total Deposits and Additions			\$114,339.00



November 30, 2024 through December 31, 2024

Account Number: [REDACTED]

ELECTRONIC WITHDRAWALS

DATE	DESCRIPTION	AMOUNT
12/03	12/03 Online Payment 22926936725 To Christine Powers	\$122.88
12/24	12/24 Online Payment 23160511096 To Andy Beck	24.32
12/24	12/24 Online Payment 23160494593 To Cj Brown & Company, Cpas	2,237.00
Total Electronic Withdrawals		\$2,384.20

DAILY ENDING BALANCE

DATE	AMOUNT
12/03	\$192,267.80
12/10	306,606.80
12/24	304,345.48

SERVICE CHARGE SUMMARY

Monthly Service Fee	\$0.00
Other Service Charges	\$0.00
Total Service Charges	\$0.00

The monthly service fee was waived on your Chase Platinum Business Checking account because you maintained the required relationship balance.

SERVICE CHARGE DETAIL

DESCRIPTION	VOLUME	ALLOWED	CHARGED	PRICE/UNIT	TOTAL
Monthly Service Fee					
Monthly Service Fee Waived	0			\$95.00	\$0.00
Other Service Charges:					
Electronic Credits					
Electronic Items Deposited	1	Unlimited	0	\$0.40	\$0.00
Cash Management Services					
Debit Block Maintenance	1	0	1	\$0.00	\$0.00
Subtotal Other Service Charges					\$0.00

ACCOUNT 000000585556213

Other Service Charges:	
Electronic Credits	
Electronic Items Deposited	1
Cash Management Services	
Debit Block Maintenance	1

Reminder: Fees associated with ACH Payments, Real Time Payments, Same Day ACH, ACH Collections and Chase QuickDepositSM are based on previous month activity.



November 30, 2024 through December 31, 2024

Account Number: [REDACTED]

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- Your name and account number;
- A description of the error or the transaction you are unsure about, and why you think it is an error or want more information; and
- The amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days (or 20 business days for new accounts) to do this, we will credit your account for the amount you think is in error so that you will have use of the money during the time it takes us to complete our investigation.

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JPMorgan Chase Bank, N.A. Member FDIC



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**REPORT TO THE EXECUTIVE COUNCIL
SANTIAGO LIBRARY SYSTEM**

DATE: February 11, 2025
FROM: Christine Powers, Executive Director, Santiago/SCLC
SUBJECT: CLSA FY 2025/26 Planning (DISCUSSION)

BACKGROUND: Each year, the Santiago Library System receives California Library Services Act (CLSA) funds from the state to promote resource sharing within the system. To receive these funds, Santiago must complete and submit a Plan of Service that is reviewed and subject to approval by the California Library Services Board (CLSB). The Plan outlines how the system intends to expend funds and how those expenditures will benefit the communities served by Santiago member libraries.

While the State budget will not be approved by the Governor until the end of June, his proposed budget, released in January, indicates that he plans to maintain the fifty percent cuts to CLSA funds as he did for this current fiscal year.

For the proposed CLSA system allocations for FY 2024/25, the determination will need to be made if the system wishes to proceed with the same model and process of distributing funds for e-Resources to members using a population-based formula. Should the members choose to continue this method of funding allocations, staff will distribute a survey to each member library to determine what category of funding they are utilizing so that this can be reflected in the Plan of Service.

If another model of spending the CLSA funds is desired, some discussion, coordination, and time will be required to obtain the final decision during the May meeting. This will allow for the submission of the CLSA Plan of Service for FY 2025/26. It is still unclear as to when the Plan of Service will be due to the State Library.

FISCAL IMPACT: To be determined.

RECOMMENDATION: Informational only. Should the Executive Committee wish to explore a different model of spending CLSA funds for FY 2025/26, feedback can be provided at this meeting. Action may be required if the Council wishes to allocate funds differently to members (i.e. not population-based), or if the Chair chooses to create and

appoint members to an ad hoc committee to explore ideas to present at the May meeting.

EXHIBITS: None



**REPORT TO THE EXECUTIVE COUNCIL
SANTIAGO LIBRARY SYSTEM**

DATE: February 11, 2025
FROM: Andy Beck, Controller, Santiago/SCLC

SUBJECT: **Audit Report FY 2023/24 (ACTION)**

BACKGROUND: The State and County requires an audit of the financial statement to be performed by an independent auditor. Accordingly, the audited financial statements of the System are submitted to the State of California and the County of Orange. For the fiscal year ended June 30, 2024, interim testing was conducted in November 2024 and final testing was completed in January 2025. The draft financial statements for Santiago have been included for review.

For the fiscal year June 30, 2024, there were no material weaknesses or significant deficiencies.

FISCAL IMPACT: None

RECOMMENDATION: Acceptance of the Financial Audit.

EXHIBITS:

- a. Draft audited financial statements
- b. Draft management report



Santiago Library System

Annual Financial Report

For the Fiscal Year Ended June 30, 2024

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Santiago Library System
Annual Financial Report
For the Fiscal Year Ended June 30, 2024

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**Santiago Library System
Annual Financial Report
For the Fiscal Year Ended June 30, 2024**

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Financial Section

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Independent Auditor's Report

Administrative Council
Santiago Library System
Glendale, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Santiago Library System (System) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of governmental activities and each major fund of the Santiago Library System as of June 30, 2024, and the respective changes in financial position for the year then ended, in conformity 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), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the System, 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report, continued

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 generally accepted auditing standards 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 generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7, and the required supplementary information on page 19, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Independent Auditor's Report, continued

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 11, 2025, on our consideration of the System's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit. That report can be found on pages 20 and 21.

C.J. Brown & Company, CPAs
Cypress, California
February 11, 2025

Santiago Library System
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024

As management of the Santiago Library System (System), we offer readers of the System's financial statements this narrative overview and analysis of the financial activities and performance of the System for the fiscal year ended June 30, 2024. Please read it in conjunction with additional information that we have furnished in the accompanying basic financial statements, which follow this section.

Financial Highlights

- The System's net position increased 38.38%, or \$4,961, from \$12,925 to \$17,886, in fiscal year 2024.
- The System's total revenues decreased 0.08%, or \$187, from \$232,422 to \$232,235, in fiscal year 2024.
- The System's total expenses decreased 0.22%, or \$510, from \$227,784 to \$227,274, in fiscal year 2024.

Using This Financial Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities and performance of the System using accounting methods similar to those used by private sector companies. The Statement of Net Position includes all of the System's investments in resources (assets), deferred outflows of resources, the obligations to creditors (liabilities), and deferred inflows of resources. They also provide the basis for computing a rate of return, evaluating the capital structure of the System, and assessing the liquidity and financial flexibility of the System. All of the current year's revenues and expenses are accounted for in the Statement of Activities. This statement measures the success of the System's operations over the past year and can be used to determine the System's profitability and credit worthiness.

Government-wide Financial Statements

Statement of Net Position and Statement of Activities

One of the most important questions asked about the System's finances is, "Is the System better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the System in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the System's net position and changes in it. Think of the System's net position – assets and deferred outflows of resources less liabilities and deferred inflows of resources – as one way to measure the System's financial health, or financial position. Over time, increases or decreases in the System's net position are one indicator of whether its financial health is improving or deteriorating.

Santiago Library System
Management's Discussion and Analysis, continued
For the Fiscal Year Ended June 30, 2024

Governmental Fund Financial Statements

Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance

Governmental fund is used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 12 through 18.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the System's budgetary information and compliance.

Government-wide Financial Analysis

Statement of Net Position

Condensed Statements of Net Position

	2024	2023	Change
Assets:			
Current assets	\$ 359,487	368,531	(9,044)
Total assets	359,487	368,531	(9,044)
Liabilities:			
Current liabilities	341,601	355,606	(14,005)
Total liabilities	341,601	355,606	(14,005)
Net position:			
Unrestricted	17,886	12,925	4,961
Total net position	\$ 17,886	12,925	4,961

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the System, assets exceeded liabilities by \$17,886 as of June 30, 2024. At the end of fiscal year 2024, the System shows a positive balance in its unrestricted net position of \$17,886, that may be utilized in future years.

Santiago Library System
Management's Discussion and Analysis, continued
For the Fiscal Year Ended June 30, 2024

Government-wide Financial Analysis, continued

Statement of Activities

Condensed Statements of Activities

<i>Governmental Activities:</i>	<u>2024</u>	<u>2023</u>	<u>Change</u>
Expenses:			
System operations	\$ <u>227,274</u>	<u>227,784</u>	<u>(510)</u>
Total expenses	<u>227,274</u>	<u>227,784</u>	<u>(510)</u>
Program revenues	<u>225,575</u>	<u>225,762</u>	<u>(187)</u>
General revenues	<u>6,660</u>	<u>6,660</u>	<u>-</u>
Total revenues	<u>232,235</u>	<u>232,422</u>	<u>(187)</u>
Changes in net position	<u>4,961</u>	<u>4,638</u>	<u>323</u>
Net position, beginning of year	<u>12,925</u>	<u>8,287</u>	<u>4,638</u>
Net position, end of year	<u>\$ <u>17,886</u></u>	<u><u>12,925</u></u>	<u><u>4,961</u></u>

The statement of activities shows how the government's net position changes during the fiscal year. In the case of the System, net position increased 38.38%, or \$4,961, from \$12,925 to \$17,886, in fiscal year 2024.

The System's total revenues decreased 0.08%, or \$187, from \$232,422 to \$232,235, in fiscal year 2024. Program revenues decreased 0.08%, or \$187 due primarily to decreases of \$2,091 in Federal Library Services and Technology Act revenues, and \$363 in California State Library Act appropriations; which were offset by an increase of \$2,267 in charges for services.

The System's total expenses decreased 0.22%, or \$510 from \$227,784 to \$227,274, in fiscal year 2024, due primarily to a decrease in services and supplies.

Governmental Fund Financial Analysis

The focus of the System's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the System's financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

As of June 30, 2024, the System's General Fund reported a fund balance of \$17,886 which constitutes the System's *unassigned fund balance*, which is available for future expenditures.

General Fund Budgetary Highlights

In fiscal year 2024, actual expenditures at year end were \$322 more than budgeted. The variance is primarily due to professional service expenditures being more than the budget. Actual revenues were \$1,733 more than budgeted. The variance is primarily due to charges for services being more than the budget.

The General Fund budget to actual comparison schedule can be found on page 19.

Santiago Library System
Management's Discussion and Analysis, continued
For the Fiscal Year Ended June 30, 2024

Conditions Affecting Current Financial Position

Management is unaware of any conditions, which could have a significant impact on the System's current financial position, net position, or operating results in terms of past, present, and future.

Requests for Information

The System's basic financial statements are designed to present users with a general overview of the System's finances and to demonstrate the System's accountability. If you have any questions about the report or need additional information, please contact the System's Controller at the Santiago Library System, 222 East Harvard Street, Glendale, California 91205.

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Basic Financial Statements

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**Santiago Library System
Statement of Net Position
June 30, 2024**

	2024
Assets:	
Cash and cash equivalents (note 2)	\$ 358,639
Accounts receivable	61
Prepaid expenses	787
Total assets	359,487
Liabilities:	
Accounts payable and accrued expenses	166,656
Unearned revenue (note 3)	174,945
Total liabilities	341,601
Net position:	
Unrestricted	17,886
Total net position	\$ 17,886

See accompanying notes to the basic financial statements

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**Santiago Library System
Statement of Activities
For the Fiscal Year Ended June 30, 2024**

<i>Governmental Activities:</i>	<u>2024</u>
Expenses:	
System operations:	
Services and supplies	\$ <u>227,274</u>
Total expenses	<u>227,274</u>
Program revenues:	
California State Library Act appropriations	220,301
Charges for services	<u>5,274</u>
Total program revenues	<u>225,575</u>
Net program expenses	<u>(1,699)</u>
General revenues:	
Member and associate dues	<u>6,660</u>
Total general revenues	<u>6,660</u>
Changes in net position	4,961
Net position – beginning of year	<u>12,925</u>
Net position – end of year	<u>\$ 17,886</u>

See accompanying notes to the basic financial statements

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Santiago Library System
Reconciliation of the Balance Sheet of Governmental Type Fund
to the Statement of Net Position
June 30, 2024

	General Fund	Reclassifications & Eliminations	Statement of Net Position
Assets:			
Cash and cash equivalents (note 2)	\$ 358,639	-	358,639
Accounts receivable	61	-	61
Grant receivable	787	-	787
Total assets	359,487	-	359,487
Liabilities:			
Accounts payable and accrued expenses	166,656	-	166,656
Unearned revenue (note 3)	174,945	-	174,945
Total liabilities	341,601	-	341,601
Fund balance: (note 4)			
Unassigned	17,886	(17,886)	-
Total fund balance	17,886	(17,886)	-
Total liabilities and fund balance	\$ 359,487		
Net position:			
Unrestricted		\$ 17,886	17,886
Total net position		\$ 17,886	17,886
Reconciliation:			
Fund balance of governmental fund			\$ 17,886
Net position of governmental activities			\$ 17,886

See accompanying notes to the basic financial statements

Santiago Library System
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Type Fund to the Statement of Activities
For the Fiscal Year Ended June 30, 2024

	<u>General Fund</u>	<u>Reclassifications & Eliminations</u>	<u>Statement of Activities</u>
Expenditures/Expenses:			
System operations:			
Services and supplies	\$ 227,274	-	227,274
Total expenditures/expenses	<u>227,274</u>	<u>-</u>	<u>227,274</u>
Program revenues:			
California State Library Act apportionment	220,301	-	220,301
Charges for services	<u>5,274</u>	<u>-</u>	<u>5,274</u>
Total program revenues	<u>225,575</u>	<u>-</u>	<u>225,575</u>
Net program expenses			<u>(1,699)</u>
General revenues:			
Member and associate dues	<u>6,660</u>	<u>-</u>	<u>6,660</u>
Total general revenues	<u>6,660</u>	<u>-</u>	<u>6,660</u>
Total revenues	<u>232,235</u>	<u>-</u>	
Excess of revenues over expenditures	4,961	(4,961)	-
Changes in net position	<u>-</u>	<u>4,961</u>	<u>4,961</u>
Fund balance/Net position – beginning of year	<u>12,925</u>	<u>-</u>	<u>12,925</u>
Fund balance/Net position – end of year	<u>\$ 17,886</u>	<u>-</u>	<u>17,886</u>
Reconciliation:			
Net change in fund balance of governmental fund			\$ <u>4,961</u>
Changes in net position of governmental activities			\$ <u>4,961</u>

See accompanying notes to the basic financial statements

Santiago Library System
Notes to the Basic Financial Statements
June 30, 2024

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The Santiago Library System (System) was originally organized in 1967 as a cooperative arrangement designed to maximize resources by providing programs and services jointly where it is mutually beneficial to the local population. An important role of the System is to facilitate the sharing of local collections, by providing delivery of materials among the member libraries. The System enhances the reference capabilities of these libraries by furnishing additional resources and expertise when needed to meet patrons' requests. The System presents workshops, arranged staff training programs, and aids in the development of additional reference tools and services. Today, the purpose of the System continues to enrich the member libraries and communities with new resources and program that benefit communities served by the member libraries.

B. Basis of Accounting and Measurement Focus

The *basic financial statements* of the System are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-wide Financial Statements

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all of the System's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the System are to be reported in three categories, if applicable: 1) charge for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charge for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental Fund Financial Statements

These statements include the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance for all major governmental funds. Incorporated into these statements is a schedule to reconcile and explain the differences in fund balance as presented in these statements to the net position presented in the Government-wide Financial Statements. The System has presented its General Fund as its major fund in these statements to meet the qualifications of GASB Statement No. 34.

Santiago Library System
Notes to the Basic Financial Statements, continued
June 30, 2024

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

B. Basis of Accounting and Measurement Focus, continued

Governmental Fund Financial Statements, continued

Governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. The primary source susceptible to accrual for the System is interest earnings. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, exceptions to this rule include principal and interest on debt, which are recognized when due. The System reports the following major governmental fund:

General Fund – a government’s primary operating fund. It accounts for all financial resources of the System, except those required to be accounted for in another fund when necessary.

C. Financial Reporting

The System’s basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The System has adopted the following GASB pronouncements for the year ended June 30, 2024:

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes.

Santiago Library System
Notes to the Basic Financial Statements, continued
June 30, 2024

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

D. Assets, Liabilities, and Net Position/Fund Balance

1. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements; and the reported changes in System net position during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

The System maintains its cash in a non-interest bearing checking account with a financial institution.

3. Grants Receivable

The System applies for grants for which it is awarded. Grants awarded but not received are recorded as grants receivable. Management deems all grants receivable as collectible at year-end. Accordingly, an allowance for doubtful accounts has not been recorded.

4. Investments and Investment Policy

The System has adopted an investment policy to deposit funds in financial institutions. Investments are to be made in a checking account at financial institutions.

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income is comprised of interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

5. Unearned Revenue

Unearned revenue consists of grants awarded, pending its use.

6. Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net investment in capital assets** – consists of capital assets, net of accumulated depreciation, and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets.

Santiago Library System
Notes to the Basic Financial Statements, continued
June 30, 2024

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Liabilities, and Net Position/Fund Balance, continued

6. Net Position, continued

- **Restricted** – consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – consists of the net amount of assets that are not included in the determination of *net investment in capital assets* or *restricted* components of net position.

7. Fund balance

The governmental fund financial statements report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the System is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted** – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed** – amounts that can only be used for specific purposes determined by formal action of the System’s highest level of decision-making authority (the Administrative Council) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** – amounts that are constrained by the System’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the System’s special revenue funds.
- **Unassigned** – the residual classification for the System’s general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

Fund Balance Policy

The purpose of the System’s fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising fees because of temporary revenue shortfalls or unpredicted one-time expenditures. The System believes that sound financial management principles require that sufficient funds be retained to provide a stable financial base at all times. To retain this stable financial base, the System needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the System and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned, and unassigned fund balances are considered unrestricted.

The Administrative Council establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year. When both restricted and unrestricted resources are available for use, it is the System’s policy to use restricted resources first, followed by the unrestricted, committed, assigned, and unassigned resources as they are needed.

Santiago Library System
Notes to the Basic Financial Statements, continued
June 30, 2024

(2) Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2024, are classified as follows:

	2024
Deposits held in financial institutions	\$ 358,639
Total cash and cash equivalent	\$ 358,639

Authorized Deposits

The System has adopted an investment policy to deposit funds in financial institutions.

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government’s indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The California Government Code and the System’s investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. Of the bank balance, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the System’s name.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. The longer the maturity an investment has, the greater its fair value has sensitivity to changes in market interest rate. The System’s investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

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.

(3) Unearned Revenues

Unearned revenues as of June 30, consisted of the following:

	2024
California State Library Act appropriation	\$ 174,945
Total unearned revenues	\$ 174,945

Santiago Library System
Notes to the Basic Financial Statements, continued
June 30, 2024

(4) Fund Balance

Fund balance is presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (See Note 1.D.7 for a description of these categories). A detailed schedule of fund balance and their funding composition at June 30, is as follows:

Description	2024
Unassigned:	
Operations	\$ <u>17,886</u>
Total fund balance	\$ <u><u>17,886</u></u>

(5) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to the report date, that have effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 101

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 102

In December 2023, the GASB issued Statement No. 102 – *Certain Risk Disclosures*. The primary objective of this Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

Santiago Library System
Notes to the Basic Financial Statements, continued
June 30, 2024

(5) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 103

In April 2024, the GASB issued Statement No. 103 – *Financial Reporting Model Improvements*. The primary objective of this Statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government’s accountability. Also, this Statement: (1) continues the requirement that the basic financial statements be preceded by management’s discussion and analysis (MD&A), which is presented as required supplementary information (RSI); (2) describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence; (3) requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses; (4) requires governments to present each major component unit separately in the reporting entity’s statement of net position and statement of activities if it does not reduce the readability of the statements; and (5) requires governments to present budgetary comparison information using a single method of communication—RSI.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 104

In September 2024, the GASB issued Statement No. 104 – *Disclosure of Certain Capital Assets*. The primary objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments. Also, this Statement establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement apply to the financial statements of all state and local governments.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

(6) Commitments and Contingencies

Grants

Grant funds received by the System are subject to audit by grantor agencies. Such audit could lead to requests for reimbursements to grantor agencies for expenditures disallowed under terms of the grant. Management of the System believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the System is subject to claims and litigation from outside parties. After consultation with legal counsel, the System believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

(7) Subsequent Events

Events occurring after June 30, 2024, have been evaluated for possible adjustment to the financial statements or disclosure as of February 11, 2025, which is the date the financial statements were available to be issued. The System is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

Required Supplementary Information

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Santiago Library System
Budgetary Comparison Schedule – General Fund
For the Fiscal Year Ended June 30, 2024

	<u>Adopted Original Budget</u>	<u>Board Approved Changes</u>	<u>Revised Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
Expenditures:					
System operations:					
Services and supplies	\$ 226,952	-	226,952	227,274	(322)
Total expenditures	<u>226,952</u>	<u>-</u>	<u>226,952</u>	<u>227,274</u>	<u>(322)</u>
Program revenues:					
California State Library Act appropriation	221,342	-	221,342	220,301	(1,041)
Charges for services	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>5,274</u>	<u>2,774</u>
Total program revenues	<u>223,842</u>	<u>-</u>	<u>223,842</u>	<u>225,575</u>	<u>1,733</u>
General revenues:					
Member and associate dues	<u>6,660</u>	<u>-</u>	<u>6,660</u>	<u>6,660</u>	<u>-</u>
Total general revenues	<u>6,660</u>	<u>-</u>	<u>6,660</u>	<u>6,660</u>	<u>-</u>
Total revenues	<u>230,502</u>	<u>-</u>	<u>230,502</u>	<u>232,235</u>	<u>1,733</u>
Excess of revenues over expenditures	3,550	<u>-</u>	3,550	4,961	<u>1,411</u>
Fund balance, beginning of year	<u>12,925</u>		<u>12,925</u>	<u>12,925</u>	
Fund balance, end of year	\$ <u>16,475</u>		<u>16,475</u>	<u>17,886</u>	

Notes to Required Supplementary Information

(1) Budgets and Budgetary Data

The System follows specific procedures in establishing the budgetary data reflected in the financial statements. Each year the System prepares and submits an operating budget to the Administrative Council for the General Fund no later than June of each year. The basis used to prepare the budget does not differ substantially from the modified accrual basis of accounting. The adopted budget becomes operative on July 1. The Administrative Council must approve all supplemental appropriations to the budget and transfers between major accounts.

The System presents a comparison of the annual budget to actual results for the General Fund at the functional expenditure-type major object level for financial reporting purposes.

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Report on Internal Controls and Compliance

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**Independent Auditor’s Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on the Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Administrative Council
Santiago Library System
Glendale, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Santiago Library System (System) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprises the System’s basic financial statements, and have issued our report thereon dated February 11, 2025.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

**Independent Auditor’s Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on the Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*, continued**

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.J. Brown & Company, CPAs
Cypress, California
February 11, 2025

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Santiago Library System

Management Report

June 30, 2024

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Santiago Library System

Management Report

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Administrative Council
Santiago Library System
Glendale, California

Dear Members of the Administrative Council:

In planning and performing our audit of the financial statements of the governmental activities and each major fund of the Santiago Library System (System) as of and for the year ended June 30, 2024, 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, we considered the System's internal control over financial reporting (internal control) as a basis for designing 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 the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the System's internal control over financial reporting.

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 over financial reporting, 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 reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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 may exist that have not been identified.

This communication is intended solely for the information and use of management, the Administrative Council, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

C.J. Brown & Company, CPAs
Cypress, California
February 11, 2025

APPENDIX

Santiago Library System

Audit/Finance Committee Letter

June 30, 2024

DRAFT

Administrative Council
Santiago Library System
Glendale, California

We have audited the financial statements of the governmental activities and each major fund of the Santiago Library System (System) for the year ended June 30, 2024, and have issued our report thereon dated February 11, 2025.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated September 3, 2024, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance 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 entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the System 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.

If any, we have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated February 11, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

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

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

Significant Risks Identified

We have identified the following significant risks:

- Management override of controls
- Revenue recognition

Qualitative Aspects of the Entity'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 System is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no other changes in significant accounting policies or their application during 2024. No other 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 are as follows:

Management's estimate of the fair value of cash and investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that it is reasonable in relation to the financial statements taken as a whole.

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 the System's financial statements relate to:

The disclosure of fair value of cash and cash equivalents in Note 2 to the basic financial statements represents amounts susceptible to market fluctuations.

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 were brought to the attention of management.

Identified or Suspected Fraud

We have not identified or have not obtained 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 also 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 misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

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 System'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 the auditor's report.

Representations Requested from Management

We have requested certain written representations from management, which are included in the letter dated February 11, 2025.

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 System, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, 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 System's auditors.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis, and Budgetary Comparison Schedules - General Fund, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Conclusion

We appreciate the cooperation extended to us by the System's staff members in the performance of our audit testwork. We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the System.

This information is intended solely for the information and use of the System's Administrative Council and management and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

C.J. Brown & Company, CPAs
Cypress, California
February 11, 2025

DRAFT

California State Library, Library Development Services
 Cooperative Library System Liaison Report
Updated February 3, 2025

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State Library News

LDS Newsletter

Sign up today for our [newsletter!](#) Please share this with your teams.

California Public Libraries Survey

California's 2023-2024 Public Libraries Survey opened for data input on September 3, 2024 and closed October 31, 2024. The data will be submitted to IMLS in January-February 2025 and libraries may be contacted to correct entry errors. Vetted data will be available for use by the public and all libraries in the spring. For questions, contact LibraryStatistics@library.ca.gov

While you wait for the full dataset, you can access [2024 California Public Library Staff Survey](#). The snapshot survey, conducted every three years, enables you to view salary ranges for ten positions commonly included in California public libraries' staff. The table includes library type (county, city, etc.), population served, size of service area, number of outlets (branches and bookmobiles), and county. You can sort the table in LibPAS by clicking on those headings. You can also download the whole dataset by clicking on the little excel icon.

Marketing Toolkits

The [California State Library's marketing toolkits](#) are designed to help California libraries deliver consistent messaging about the services and resources you provide to your communities. This is part of an effort to help coordinate statewide messaging about the many great things libraries do every day. We encourage you to use the messages, graphics, and other resources to raise awareness and reinforce the value and impact libraries provide to their communities.

The California State Library has expanded its [Library Marketing Toolkits](#) for local libraries to include a [Holiday and New Year's toolkit](#), including videos from California State Librarian Greg Lucas. The toolkit encourages Californians to reach for their library card instead of a credit card to save money during the holidays. The marketing web page includes press release templates, social media messaging suggestions, graphics, videos, and pictures.

California Freedom To Read Act

The California Freedom to Read Act requires every public library jurisdiction that directly receives any state funding to establish, adopt, and maintain a written and publicly accessible collection development policy for its libraries by January 1, 2026. The State Library has set up [this webpage](#) to help libraries in complying with the law.

At the State Library, we would like to see the language in the bill in your collection development policies as is. We cannot provide any legal interpretation or advice on the language submitted.

We understand that some libraries might experience a challenge with this request, so we urge you reach out very soon if this is the case to collectiondevelopmentpolicy@library.ca.gov. We will offer libraries the opportunity to demonstrate how their policy complies with the language in the new law. This information would come in the form of an attachment to your policy, from the library director, that clearly explains how your policy's language maps to the language in the law. As a reminder, we at the State Library are consultants and administrators and we cannot provide a legal interpretation of your policy.

State Library staff are available to provide technical assistance to libraries who need help with their policies. If you would like to speak with a State Library staff member about your policy or the bill, please email collectiondevelopmentpolicy@library.ca.gov with your request.

Open Opportunities

[LSTA 2025-2025 Grant Opportunities Open – Apply by 3/12/2025 at Noon](#)

The application period for five [2025-26 LSTA grant opportunities](#) is now open! The application period will close on **Wednesday, March 12 at 12:00 noon**.

Funding for these opportunities is contingent upon federal funding confirmation, the passage of the 2025-26 state budget, and authorization in the state budget to expend these funds.

The State Library team is here to help! [Request a meeting](#) to discuss your proposal with members of our team. For those with questions about designing equitable grant programs, we may ask a trained [Equity Advisor](#) to join the meeting.

Please see a description of each of the five LSTA grant opportunities below and follow the links for more information about each opportunity, including instructions about how to apply. Also see the [LSTA Application Guide](#) for complete guidelines and instructions.

[Community Impact Grants](#)
[Teens Succeed](#)
[Play for All](#)
[Sustainable California Libraries](#)
[eBooks for All California](#)

Please email ltagrants@library.ca.gov with any questions.

Public Library Staff Education Program (PLSEP) Mentorship Program Applications Due 2/17/2025

Get involved in the [Public Library Staff Education Program \(PLSEP\) Mentorship program for 2025!](#)

Learn more about:

- The benefits of participating in mentorship
- Why you should become a mentee (open to current PLSEP participants only)
- Why you should become a mentor and what makes an ideal mentor

Timeline:

- **February 17, 2025 at 11:59 PM – Mentor and mentee applications are due**
- March 1 – June 30, 2025 – PLSEP mentorship program period

Questions? Email: sclcadmin@socalibraries.org

LSTA funded

Career Online High School

The [Career Online High School](#) (COHS) program is open to all public libraries in the state and **there is no required local match to participate**. Libraries may opt into the COHS program at any time using the [COHS Interest Form](#), and will receive training and implementation support, have access to the California State Library's universal scholarship supply, and complete a short mid-year and end-of-year report. COHS questions can be sent to cohs@library.ca.gov

Current Projects and Services

California Library Literacy Services – Ongoing

The combined **CLLS 2024-2025 midyear report/2025-2026 preapplication for current CLLS programs is now open** in Counting Opinions closed Monday, February 3. The CLLS team will be providing comments to individual libraries.

For information on ongoing training, visit the CLLS training and meeting [calendar](#). Monthly networking/community of practice calls for general CLLS topics, family literacy, and ESL are also scheduled for each month. The Adult Learner Leadership Institute project has announced four cohort dates for 2025. The CLLS website has migrated to the California State Library: <https://www.library.ca.gov/services/to-libraries/clls/> For more information on any of these programs, or to subscribe to the CLLS staff or CLLS directors' listserv, contact clls@library.ca.gov. CLLS is State funded, and Literacy Initiatives projects are LSTA funded.

California Libraries Learn (CALL) – professional development for all levels of library staff

- Access live and recorded professional development for *all* members of your staff at www.callacademy.org.
- [Subscribe to the CALL Letters newsletter](#) for weekly updates.
- Have a good training idea? Anyone can complete the [CALL for Presentations](#).
- Encourage all levels of your staff to get started with [CALL Academy](#).

LSTA funded.

California Revealed

California Revealed is a statewide initiative that helps public libraries, archives, museums, historical societies, and other heritage groups digitize, preserve, and provide online access to archival materials documenting the state's histories, arts, and cultures. The kaleidoscopic view of California cultures and histories represented by California Revealed collections offers countless opportunities for individuals and communities looking to integrate sources into their course of study as well as into their daily lives.

The accomplishments of this program dramatically increased access to, and use, of primary source materials related to California histories, arts, and cultures. The greatest impact is the ever-expansive reference resource available at [California Revealed](#). If you visit or have recently visited the CA Revealed website, please take a moment to fill out the [website user survey](#). User feedback is critical in helping the project improve website experience and better understand its benefits to the community. For any comments or questions, please contact team@californiarevealed.org. LSTA-funded.

Community-Centered Libraries

The second year of [Community-Centered Libraries](#), a training initiative presented by the State Library and Pacific Library Partnership, focuses on building the skills of public library workers in two areas:

- Creating data visualizations (such as infographics report materials) using an equity lens
- Conducting culturally relevant needs assessments

Upcoming webinars and recordings of previous sessions are available on the [Community-Centered Libraries webpage](#) and in [CALL Academy](#).

COMPASS Project: Alexander Street Now available for Public Libraries

Last year [COMPASS from the State Library](#) (formerly known as the K-12 Online Resources program) made a suite of performing-arts video and audio perpetual-licensed content available for all public schools and local libraries, no cost to any local entity. The audio and video collections include library performing rights too (with the exception of the National Theatre collection) – a great addition for local programming for all ages.

Now there's more! COMPASS has now added to the Alexander Street perpetual-licensed content starting in August 2024. The State Library plans to announce the additions formally in mid-August, but local libraries can [add these items to their collections through MARC records](#) and include links on their websites immediately.

The additions include **over 10,000 drama scripts** from 10 different Alexander Street/ProQuest collections, as well as new video collections – **American History in Video**, and the **CNN video documentary collection**. There are also expansions to current collections like the video collection of Black music from **Qwest TV** and the **Dance In Video** collection, which now includes hundreds of instructional videos.

COMPASS and ProQuest have provided a recording of a [previous training for set up in July](#) that can be reviewed ([slide deck](#) available too), and will be announcing additional content-based overviews in the press announcement. You can learn more through [a recent COMPASS newsletter](#), and can [sign up for new announcements](#) too. Questions? Contact compass@library.ca.gov.

eBooks for all - Ongoing

The eBooks for All project is going strong in California. Checkouts continue to grow at about 10 percent per month!

Califa recently announced that California now has access to an 'always available' collection of approximately 3000 eAudiobooks from Blackstone Audio. If you are on Palace, those titles are automatically available to your users.

If you are interested in joining the project, you can email ebooksforall@library.ca.gov for onboarding steps. Presently, there are grant funds available to cover any onboarding costs.

Parks Pass Program – Ongoing

As a result of budget legislation signed by the Governor in late June, Parks Passes will be accepted by State Parks until December 31, 2025.

A [toolkit](#) is available to support marketing, circulation, programming, and more. It has been updated to make the information cleaner and more accessible. The public can access information on the State Parks Pass at checkoutcastateparks.com

If you need more parks passes, bookmarks, or survey flyers, [please fill out the new order form from State Parks](#). For any questions, email parkspass@library.ca.gov. State of CA funded.

PolicyMap Statewide Subscription for all public library workers

The [Community-Centered Libraries initiative](#) includes [free PolicyMap accounts](#) for all California public library staff. The online mapping tool, which includes library jurisdiction boundaries, enables users to view rich data about the communities in your service areas. [View a recording of the initial training session](#) and [request an account today!](#) LSTA funded.

Public Library Staff Education Program (PLSEP) 2024-2025

In December 2024, all applicants were notified about the status of their requests, whether funded, not funded, or placed on a waiting list. View the [PLSEP timeline](#). PLSEP is a partnership of the California State Library and the Southern California Library Cooperative. Contact the PLSEP team at wwalker@socalibraries.org with any questions.

Ready – Or Not: Cultural Heritage Disaster Preparedness Project

The [Cultural Heritage Disaster Preparedness Project](#) is a California State Library initiative, in partnership with the Northeast Document Conservation Center and Myriad Consulting & Training, to support local assistance grants and support the creation of disaster preparedness plans to protect at-risk art, historically and culturally significant collections that are publicly and privately held among California’s underserved and underrepresented communities. To see some of the diverse places the Ready — Or Not team has assessed for disaster preparedness, browse the [Ready — Or Not Participant Showcase](#). State of CA funded.

California organizations that care for cultural and historic resources (e.g., archives, libraries, museums, and tribal nations) can schedule a free emergency preparedness assessment at ["Ready — Or Not": Cultural Heritage Disaster Preparedness Project — NEDCC](#). The webpage also provides information sessions tailored to organizations just getting started on their disaster plan, community archives, organizations with limited resources, remote and c museums, tribal cultural heritage organizations, and public libraries. These half-hour online information sessions summarize the state-funded project and explore ways to engage in emergency preparedness consultations. California heritage institutions can request a free emergency preparedness assessment by filling out an [online form](#), emailing CAready@nedcc.org, or calling 855-501-3020.

Student Success Card Survey for Directors

New California legislation signed by the Governor in October 2023 — SB 321 (Ashby) — makes it easier for libraries to put Student Success cards into the hands of every California child who wants one. Student Success cards give students access to books and online resources from their public library, free of charge, through partnerships with local school districts. The Student Success Cards for All initiative works to ensure that all California students are provided the opportunity to obtain a Student Success card by the third grade.

The legislation asks the State Library to:

- Offer resources to assist public libraries and schools in finding strategies that work best for their communities.

- Coordinate with public libraries to determine the most effective means to ensure each student is provided the opportunity to obtain a Student Success card by third grade.
- Ensure that partnerships between public libraries and schools have been established to issue Student Success cards.

To begin this work, we ask that each library complete a survey to help us determine what partnerships are already in place and where libraries may need support. This survey has been sent to the Director's Listserv and need to be completed either by the director, or someone that they designate. We ask that this survey be completed no later than the end of the day **Wednesday February 12th**.

Survey Link: [Student Success Cards for All Survey](#)

Networking and Training

Next Directors Networking Call

The February directors networking call will be on Wednesday, February 19, 2025, at 3:30 p.m.

Projects marked "LSTA funded" are supported in whole or in part by the U.S. Institute of Museum and Library Services under the provisions of the Library Services and Technology Act, administered in California by the State Librarian.

Projects marked "State of CA funded" are supported in whole or in part by funding provided by the State of California, administered by the California State Library.

Rural Libraries Community of Practice

The State Library hosts a monthly Community of Practice for Rural Libraries, occurring on the 4th Wednesday at 3:00 PM. Staff at all levels are welcome to attend. The session dates can be viewed on Zoom's [registration page](#).



**Santiago Meeting Dates
FY 2024/25**

Tuesday, August 13, 2024

1:00 pm

Buena Park Library District

Tuesday, November 12, 2024

1:00 pm

Fullerton Public Library

Tuesday, February 11, 2025

1:00 pm

Huntington Beach Public Library

Tuesday, May 13, 2025

1:00 pm

Mission Viejo Library