



San Mateo
County
Libraries

Fiscal Year 2023-24 Recommended Budget

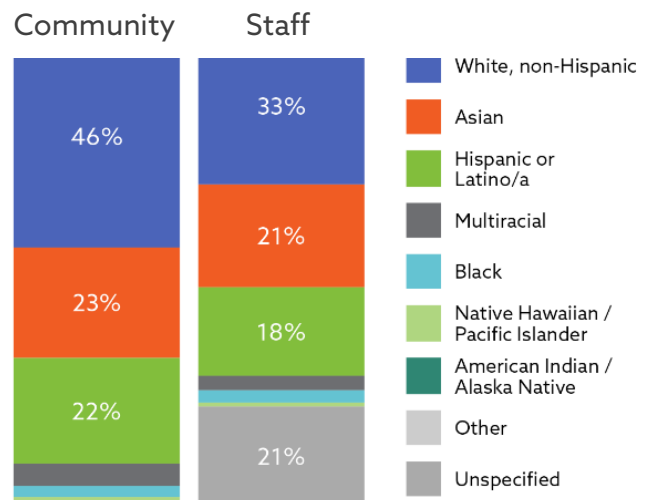
Overview

San Mateo County Libraries is proud to offer services that uplift our community. Each of our thirteen libraries is part of a larger family offering worlds of discovery. Through innovative outreach and mobile services, enriching experiences are also delivered beyond our community libraries.

We continually assess the needs of our residents, responding with thoughtfully designed programs and services that enrich lives and inspire discovery and exploration.

We host thousands of events each year, curating programming that provides high-quality learning experiences. We are readers and learners at our core, a library tradition we will always embrace as champions of early literacy and exploration at every stage of life.

Our communities comprise a rich diversity of individuals that our services and collections embrace and support. Our physical and digital collections are always growing and evolving, and we are too. Our talented staff and wonderful volunteers create a welcoming atmosphere and reflect the diversity of communities.



Photograph by Bruce Damonte

Households in our service area are **78%** suburban, **15%** urban and **7%** rural

25% are enrolled in school, **45%** of whom are in grades K-8

At home, **16%** of our community speak Spanish, **8%** speak Chinese and another **15%** speak another language other than English.

Service area demographics from U.S. Census Bureau, U.S. Department of Housing and Urban Development

History and Governance

Originally established by the County Board of Supervisors in 1912 as a County Free Public Library, the Library Joint Powers Authority was established in 1999. The JPA is a separate, independent entity with its own Governing Board, consisting of elected officials from each member. An Operations Committee composed of city and county representatives from each member also provides guidance.

Our service area is comprised of the cities of Atherton, Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Millbrae, Pacifica, Portola Valley, San Carlos, Woodside, and the unincorporated areas of the county. Approximately 283,000 people live within the boundaries of our service area, which covers 351 square miles.

We are able to deliver high-quality library services in a cost-effective manner through the careful distribution of resources. Internal economies of scale are achieved because support activities are centralized and shared. This reduces duplication and enables resources to be maximized and directed toward service to the public.

San Mateo County Libraries provide unmatched service to our community members, and we are consistently ranked as one of the best libraries in the nation.



A young child with dark hair, wearing a grey hoodie and grey pants, is sitting inside a large, circular wooden play structure. The interior of the structure has a light-colored wood panel with several orange circles of different sizes cut out. The child is looking out from the structure. The structure is surrounded by white bookshelves filled with various children's books. Some visible book titles include "SOME PLACES MORE THAN OTHERS" by Renee Watson, "The Most Perfect Thing in the Universe" by Lisa Thompson, "LOTUS BLOOM AND THE AFRICAN REVOLUTION" by Sherri Winston, "KAT WOLFE TAKES THE CASE" by Kate Messner, and "STUPID & ED FOSTER" by Jacqueline Woodson.

Strategic Plan

Our Strategic Plan is not only visionary,
but also flexible and able to respond to
environmental changes

Vision

We ignite growth through transformative experiences

Mission

We strengthen our community by creating an inclusive sense of place and environment for learning.

Strategic Goals

We are leaders in establishing a foundation for early literacy and supporting exploration and growth at every stage of life.

This means we will:

- Engage children and families in high quality, research-based learning experiences
- Bridge the digital divide by building skills and providing access to technology
- Develop creative programs and services that have measurable results
- Grow a culture of learning and participation
- Employ new ways to ensure equitable access

We understand needs and promote meaningful library services as solutions.

This means we will:

- Understand and align with community goals
- Communicate an inspiring vision and the library's story of impact
- Cultivate library champions who reflect the dynamic environment

We cultivate an active presence and create spaces that support discovery, enrich lives and uplift the community.

This means we will:

- Build and update facilities to create inviting and flexible spaces
- Spot opportunities to deliver services beyond buildings
- Deliver an easily accessible and rich online experience

A woman with dark, curly hair and a red headband is reading a children's book. She is wearing a white and purple striped sweater. The book she is holding has colorful illustrations of people and animals. In the background, there are several balloons in green, yellow, and blue. The overall scene is warm and celebratory.

Accomplishments

In alignment with our Strategic Plan, the following summary highlights this year's significant accomplishments

Accomplishments

Transformative Experiences

- Our Makerspaces are growing. Community members look forward to our regularly offered, expanded hours at our makerspaces. With the support of our staff plus 25 maker volunteers, users have had the chance to experience more weekly maker activities and one-on-one time with our technology. Equipment bookings will exceed 1,000 this year and total hours will be at least double that number. In these inviting locations, library users feel welcome to explore and inspired to create, with access to tech right at their fingertips.



- San Mateo County Libraries is taking our maker tools on the road soon! Coming this summer, our new, zero emission Makermobile will offer accessible maker experiences beyond our library buildings. Equipment like laser cutters, and 3D printers will encourage a growth mindset and teach problem solving, design thinking, creativity and curiosity.



- Time outside promotes wellness. But accessing some of our beautiful parks comes at a cost. Our new San Mateo County Parks Passes available for checkout reduce that barrier – by making the passes free. Despite months of intense storms, these County Parks Passes have been checked out over 100 times since the November launch. As our partner, San Mateo County Parks has also visited our libraries, offering programs for children and families to meet rangers and learn about what it takes to be a park ranger and preserve the outdoors.

"Books bring me so much joy, so thank you for supplying my need to read." -Library patron

- We are the first public library to offer Fable, a virtual book club app. With it, we are helping usher in excitement about books into the current social media era. The service is a modern take on reading engagement-perfect for those who want to connect socially around books, asynchronously and on their own time. We are hosting our own club called Read and Meet! to tie-in with our virtual author talk events. In the first few weeks, we had close to 150 eager book club library fans join.

- The Big Lift is a collective impact initiative that ensures all students are reading at grade level by the third grade. Inspiring Summers, a key pillar of The Big Lift, was established in 2015 as a free multi-week summer camp experience for eligible youth. During our third year of COVID, we served 954 students entering K-3rd grade and accelerated summer learning by providing a safe space for students to develop their academic and social emotional skills. Inspiring Summers' youth gained 1.5 months in reading and 0.5 months in math ability across our 8 sites, in an average of just 22 program days. While a program that stops summer learning loss is a success, we exceeded that benchmark to realize learning gains and match our most successful year in the program's history.



"During this summer program, I see the excitement in his face every morning. He's ready for class and comes back happy and excited to share what he learned at school. We loved this program, and I hope it continues so many more children can thrive in kindergarten." – BLIS parent

- Our goal of enriching K-12 students led us to create a new exciting after-school experience across all our libraries. In 2022, we launched Power Up Afternoons, a regular afternoon drop-in for students to de-stress, connect with friends and simply play through exploration. We saw elementary school students use recycled materials to solve engineering problems and make creatures with air-dry clay. 97% of youth surveyed report they enjoy their time in Power Up Afternoons, and 95% say their curiosity is encouraged. Once a week, we welcome experts to lead workshops so kids can have new experiences, such as dissecting owl pellets, learning Chinese calligraphy or crafting their own comic book heroes.

Responsive Services

- Mental Health First Aid Training is an initiative to make mental and substance use training available to the public, initially made available thanks to an effort by San Mateo County Health and San Mateo County Mayors Mental Health initiative. We have further invested by supporting three of our staff to undertake a three-day process to become certified Mental Health First Aid trainers. 57 library staff completed Mental Health First Aid training in 2022, and 91 are registered to complete their training this spring. Residents can also find year-round support at our dedicated mental health resources page on our website.

“San Mateo County Libraries is designing spaces, programs and services to fill critical resource gaps in our communities.” -Congresswoman Jackie Speier

- For people experiencing food insecurity, access to a fresh meal daily can be life changing. We provide our communities with hundreds of meals each week, serving an average of 102 meals a day, including in Colma and Pescadero each summer. Visitors at East Palo Alto, Half Moon Bay and North Fairs Oaks Libraries can receive a free, nutritious and delicious meal and connect with any of our library offerings while they're with us. Families who attended our Kids Cooking Classes also learned how to make simple recipes at home, building foundational cooking skills they can carry with them through life.



- Physical needs shouldn't keep anyone from using the library – whether it's a drink of water, bathroom access or a period product. Supplies like pads and tampons are as necessary as toilet paper and soap, yet they are not readily available, accessible or affordable. Studies show one in five teens struggles to afford period supplies. By offering free menstrual products in all our libraries, anyone in need can get these necessary resources and continue using our services.

*“No one should have to leave the library where they are studying, reading or exploring because they don't have the simple supplies they need.”
–Sara McDowell Library JPA Governing Board*

- Our free meeting and study spaces are an important and popular service we offer the community whether you're a student, book club member, teleworker or small business owner. Virtual and physical reservations will exceed 25,000 hours this fiscal year.

- Our new Art for All program provides equitable access to art for all to enjoy. All 13 community libraries now feature Art for All tables, where art supplies are always out and available for visitors to create what they want on their time. This staff-developed initiative has already been the catalyst for hundreds of creations. Art for All is another example of how our innovative projects propel us forward and make space for creation and artistic expression.



- We were pleased to offer the public a new service this year- free copying. Equity is a top priority, and we understand that not all patrons have access to printing and copying when they need it most. With the help of this free service, patrons will be able to print crucial documents like resumes, applications for jobs, and assignments without worrying about the cost. By limiting this service to 25 copies, we can maintain our focus on sustainability while providing support in situations where a paper copy is the only alternative.

"The library is a lifeline. I am so grateful. Thank you!" – Library patron



- Our community learning opportunities include adult literacy education and ESL programs, offering residents life-changing support that can improve their experience with employability, confidence and seeking higher education. By gaining literacy, adults can learn English, earn a high school diploma, help their children with homework and get hired. Our adult literacy tutors contribute an average of 30 to 60 hours per week to community members, who are grateful for our inviting approach to lifelong learning.

"I'm immensely grateful to you and all volunteers who attend ESL reading club. I learned from you all, not only English but also the spirit, value of America. You all do an excellent job for helping the person of ESL." – Library patron

Cultivating Champions



- We were honored to be named a 2022 5-Star Library again this year. The award recognizes our dedication and success to serving our county through transformative experiences. It also highlights our consistency in delivering impactful services to our residents. The scoring used looks at library visits, circulation, program attendance and public internet computer use, considering not just what we offer as a system, but what is used. We are grateful to our communities for embracing the services we provide every day of the week.
- In March, the Institute of Museum and Library Services announced 30 finalists for the 2023 National Medal. San Mateo County Libraries is honored and thrilled to be a finalist for the nation's highest honor given to museums and libraries that demonstrate excellence in service to their communities.
- We joyfully welcomed back in-person volunteers to our community libraries this year. More than 500 enthusiastic volunteers and Friends of the Library have generously given over 11,000 hours of their time. Volunteers enhance our library programs, advocate for our libraries and amplify the services we can provide.

"Library staff are a joy to work with. They are always friendly and helpful. They make volunteering (and visiting the library) fun. They are the heart of our libraries, and we are lucky to have you." – Library volunteer

- We celebrated Library Lovers Month and Valentine's Day with a campaign to promote the love of reading and demonstrate the library's value to the community. The campaign gave patrons the option to leave written and spoken love notes via valentines and voicemail. With over two dozen voicemails and tens of love notes received, we heard from community members about the programs that matter most to them. The campaign allowed community members to show their appreciation for the many programs and resources offered by the library and helped us understand how we can continue engaging our community.

"Everyone is kind and helpful and has given me 32 years of joy and comfort. It is a sanctuary for many." – Library Patron

- A new pilot program is training 15 of our leaders for tomorrow. This year, we launched LEAD, which stands for Leadership, Education and Development. To foster succession planning, dual cohorts are learning critical leadership skills needed to advance in the organization. A senior librarian cohort is preparing first level of supervisors with the tools to grow into future managers, while a second cohort is made up of front-line staff interested in professional growth. The monthly sessions explore skills including public speaking, professional writing and emotional intelligence. LEAD features guest speakers from both inside and outside our organization, providing diverse perspectives.



- In August, all staff gathered for the first time in three years for a much-anticipated staff development day that included learning, connection and fun. Shaded under the old-growth trees on the deck of the breathtaking new Atherton Library, staff heard from keynote speaker Anneliese Singh, author of *The Racial Healing Handbook*. The day fostered reconnection and energized staff to continue making our libraries more equitable for all.

Inspiring Spaces



Photograph by Cesar Rubio

- The new Brisbane Library has changed the dynamic of the City's downtown, providing a new place for residents to gather, connect, learn and explore. Thanks to the public's support, we won an American Institute of Architects People's Choice Award. We designed the new, sustainable library to be a flexible, welcoming space that provides a wonderful spot for reading, researching, storytelling and making. AIASF described the library as unique in its connection to the outdoors and San Bruno Mountain, while fitting into the landscape of Brisbane's downtown. We are honored by this recognition and even more pleased knowing the community loves it.

"...a living room for a whole town. In Brisbane, California, a new library packs myriad user experiences into a small package, while delivering on sustainability." – Metropolis Magazine



Photograph by Bruce Damonte

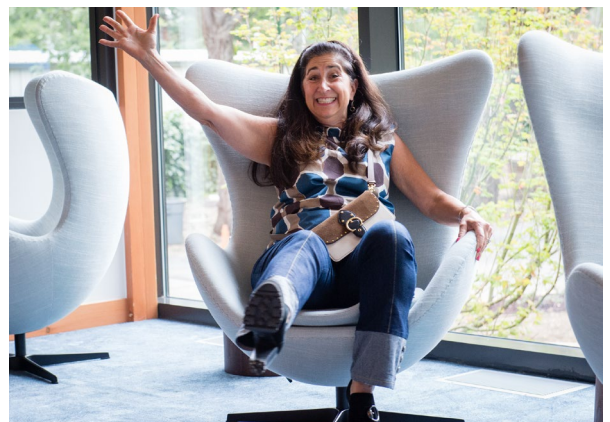
- Since its grand opening in June, the new Atherton Library has solidified its place as an award-winning destination for community members seeking information, support, tech and captivating events. The new library features large picture windows, open spaces and an eco-friendly design. Over the last year, library goers have enjoyed making the beautiful new library part of their weekly routine, looking forward to regular storytimes, demos in the makerspace and access to our first digital lab.

Highlighting our commitment to green building standards in new construction, the library was recently recognized for its thoughtful, climate-friendly design. Designed by WRNS Studio, the library won a 2022 Climate Action Award from the American Institute of Architects California, a 2023

All-Electric Leader Outstanding Commercial Project award by Peninsula Clean Energy, and an honorable mention for the 2023 Green Building Award from Sustainable San Mateo County and the American Institute of Architects.

"This project began as an idea to address aging infrastructure but soon grew into a bigger more important goal: to honor this community and provide a lasting place where neighbors and families could come together and feel a sense of civic pride." –Rick DeGolia, Library JPA Governing Board

Most recently, the library was one of just five recognized by The American Institute of Architects and the American Library Association for excellence in architectural design. The public is also weighing in on the popularity of their new library, the daily number of visitors regularly exceeds 200, and monthly circulation has increased by 8% compared to the old library.



"You all make this a welcoming, beautiful space, that brightens my day just knowing you are here!" – Library Patron

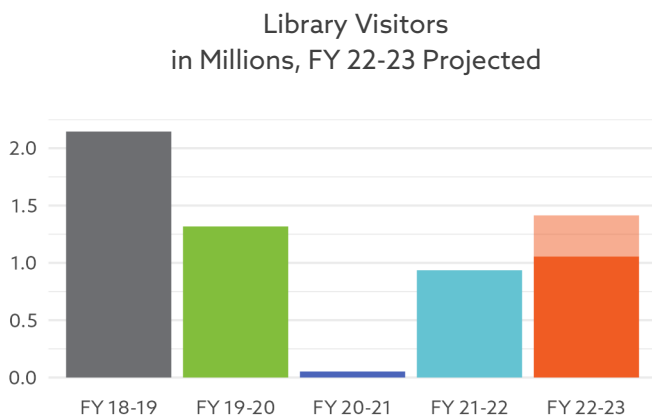
A photograph of a man in a wheelchair and a young girl working together on a craft project. The man, wearing a grey hoodie and a dark face mask, is seated in a wheelchair and holding a clear plastic container filled with markers. The girl, wearing a red sweater and a red bow in her hair, is standing and reaching into the container. They are in a room with a whiteboard and shelves in the background. The text 'Performance' is overlaid on the bottom left of the image.

Performance

We evaluate data to assess performance, see measurable outcomes and identify opportunities for growth

Performance

Library Visits



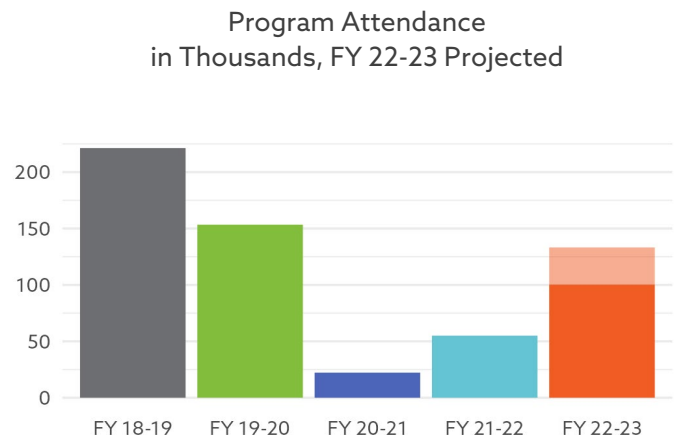
March is the first anniversary of our expanded 7-day-a-week service across the county. We've already welcomed over a million visitors to our libraries in the first three quarters of this fiscal year, which surpasses our FY 2021-22 annual total. The post-pandemic growth we've cultivated is consistent with other peer libraries, and we continue to build upon these gains.

Increasing numbers of community members are drawn to our spaces to take advantage of newly issued Empower Cards, check out WiFi hotspots, and other items from our physical collections, and engage with programs like storytimes, adult literacy events, and the dynamic experiences we are known for.

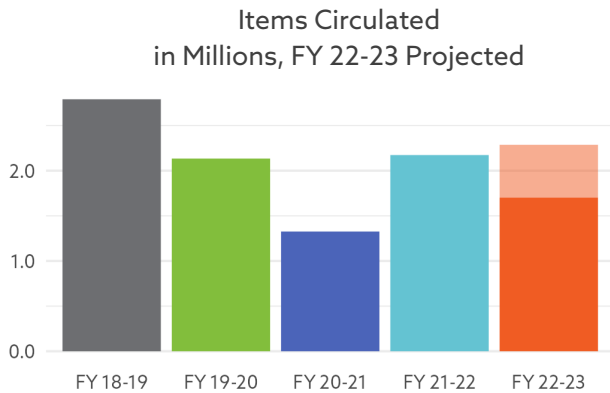
Programs and Events

Library programs have seen a dramatic increase this fiscal year as in-library events once again make up the bulk of programming. As of the end of March, staff organized over 4,000 in-library events, drawing over 95,000 attendees to programs including our after-school Power Up Afternoons, makerspace events and citizenship study groups. We have offered over five times the events and seen four times the attendance compared to in-person programming at the same point last fiscal year.

San Mateo County Libraries has also continued offering virtual events, such as virtual author school visits, which have offered opportunities for over 14,000 K-12 grade students to engage with authors. In total, over 170,000 free gift books were distributed, and staff have engaged over 42,000 community members in outreach both in-person and virtual this fiscal year, a 97% increase over FY 2021-22 totals for the same period.



Circulation



Circulation of our physical collections grew steadily in this fiscal year, with 1.7 million checkouts through the end of March representing about 5% higher usage than the same period in the prior year. March circulation is the highest on record since the pandemic first closed our library doors. Growth has been exceptional in some collections, with our children's collections seeing over 124,000 checkouts in March, surpassing every month on record since July 2018. If trends continue, we anticipate usage of our adult materials, which has also increased 11%, to continue to rise in the next year.

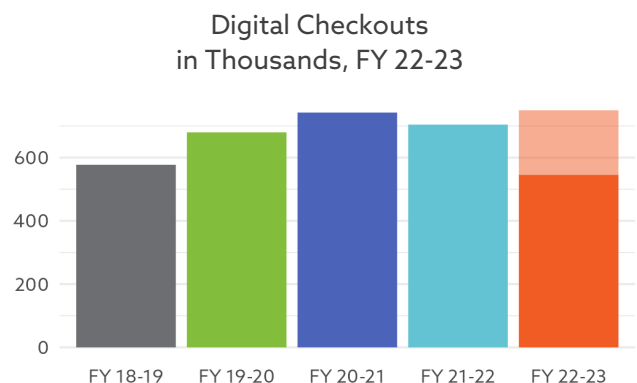
We added to our collections, giving every visitor the chance to discover something new. Additions include exciting offerings like our San Mateo County Parks Packs, which provide access to 23 county parks without charge, as well as recently published titles for a diverse range of age groups, reading tastes, and world languages.



Digital Circulation

Users have checked out digital resources like eBooks, audiobooks and movies over 545,000 times this year already, a 3% increase compared to the same period last year. This usage compares to pre-closure FY 2018-19, and along with rising physical circulation numbers, shows that community members find value in all our collections, physical and digital alike.

After a high last year, usage of eDatabases, such as newspaper collections or learning materials, is now 68,000 uses this year. This usage is comparable to the 89,000 accesses we experienced in the same period in 2018-19, though this measure historically tends to show some variability.



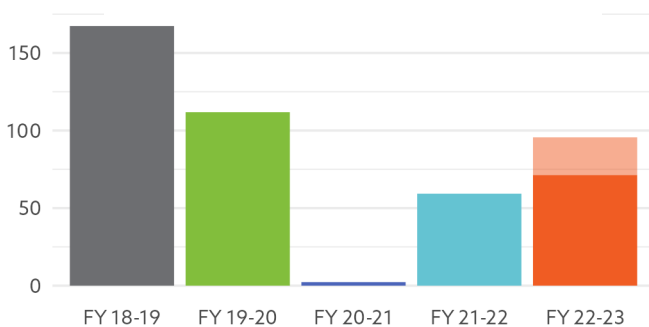
Digital Access

Internet usage, whether through in-library wireless, public computers or WiFi hotspots, has risen significantly over the last year.

Visitors have spent over 71,000 hours using library computers this fiscal year, up 86% from the same period last fiscal year and nearing two-thirds of usage in the same period in FY 2019-20. Total WiFi sessions across the system are up a modest 5% from the prior year, and unique devices connected to WiFi have nearly doubled from the prior year.

Our WiFi hotspots have circulated 6,191 times this fiscal year so far, up 22% from last fiscal year, though FY 2019-20 remains the record-setting year for hotspot circulation.

Public Computers Hours of Use
in Thousands, FY 22-23 Projected



Library Champions



This fiscal year, library staff have seen increased in-person activity: more library visitors, more than 27,300 library service hours through seven-day-a-week service at all locations, and higher levels of programming and community outreach. This dedication and commitment to community impact is reflected in our status as an IMLS National Medal finalist and a Star Library.

Job satisfaction among staff remains high, with 90% of staff agreeing that they like the work they do in a countywide survey this year. Staff also connect their day-to-day work to impact, with 97% agreeing that their work contributes to the County's ability to serve the community.

Our Libraries are an amazing family and a springboard for opportunities. This year we filled 48 permanent positions, 66% of which were staff promotions.

A group of children and adults are running through a modern library hallway. The children are wearing blue t-shirts with "LIBRARY EXPLORERS" printed on them. The adults are also wearing blue shirts and face masks. They are all smiling and clapping. The hallway has large windows and wooden walls.

Recommended Budget

Our annual budget serves as a financial plan, operations guide and communications tool

Budget Background

The annual budget details the operations, projects, and initiatives for San Mateo County Libraries and distributes resources designed to meet performance and service objectives. Input is sought from stakeholders in order to respond to community needs and optimize resources with the goal of providing meaningful services.

The budget is prepared on the modified accrual basis of accounting in which revenue is recognized when it is both measurable and available, and expenditures are recorded when they are incurred. Total expenditures may not exceed the budgeted expenditures, and the budget lapses at the end of each fiscal year. The fiscal year begins July 1 and ends June 30.

Approval of the annual budget is the responsibility of the Library JPA Governing Board. The budget is legally enacted through passage of a motion during a Board meeting, followed by approval from the San Mateo County Board of Supervisors.



FY 2023-24 Priorities

Through the budget process we establish ambitious initiatives that align with our Strategic Plan. The following priorities will be continued and implemented this year:

- Engage community members and develop a new strategic plan to guide our work and ensure we address and reflect the diversity and needs of our residents
- Reach more community members through intentional outreach strategies, including library outposts and the expansion of mobile services
- Build important connections and partnerships and provide critical social service supports to strengthen our communities
- Elevate adult and youth literacy efforts and develop responsive programs to empower and cultivate a community of learners
- Increase access to technology and hands-on learning in our innovative makerspaces and makermobile to advance digital equity
- Support the well-being and growth of our library champions and amplify their talents
- Create and update libraries to include vibrant, welcoming spaces that inspire creativity, collaboration, and exploration
- Prioritize resiliency and sustainability in our facilities and operations to bolster our ability to provide essential services during emergencies

Revenues Summary

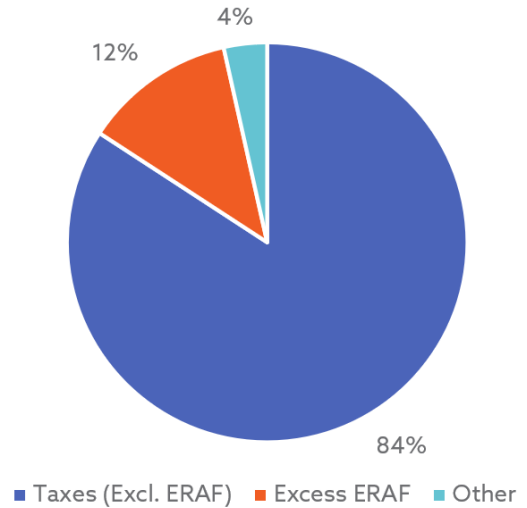
Recommended Revenues total \$40.6 million. Our main source of revenue is derived from taxes (\$39.2 million). San Mateo County Libraries is entitled to receive a small portion of property taxes collected within the boundaries of our service area.

Revenue from secured property taxes (taxes assessed against real property) is estimated to increase to \$29.7 million in FY 2023-24. Revenue from unsecured taxes (taxes on aircraft and commercial equipment largely generated from businesses at San Francisco International Airport) is estimated at \$1.2 million.

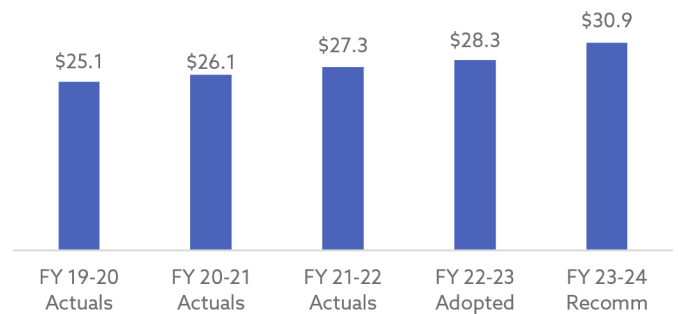
Other sources of significant ongoing revenue include a projected \$1 million from the dissolution of redevelopment agencies (RDA), \$560,000 from taxes resulting from secured and unsecured Supplemental Assessments (taxes derived from properties that have changed ownership or have been reassessed due to new construction), and \$419,600 for a service agreement with Redwood City to support services at the North Fair Oaks Library.

Significant one-time revenues include \$5 million in excess Educational Revenue Augmentation Funds. Excess ERAF is the amount of property tax generated in a year which exceeds the amount due to the State to offset support for education. The Governing Board has authorized the use of Excess ERAF for one-time projects. Measure K funds in the amount of \$1.6 million are also budgeted to support The Big Lift Summer Program, the Summer Learning Challenge, and Raising a Reader.

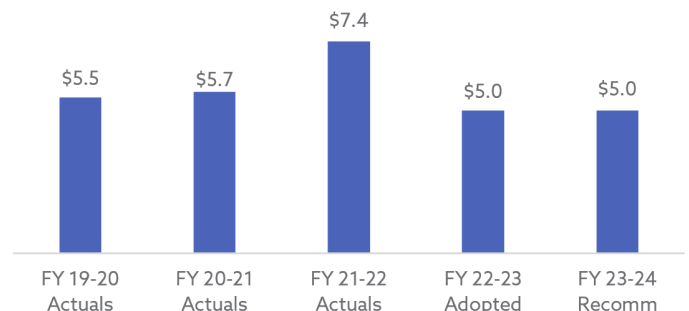
FY 2023-24 Budgeted Revenue



Property Tax Revenue in Millions



Excess ERAF in Millions



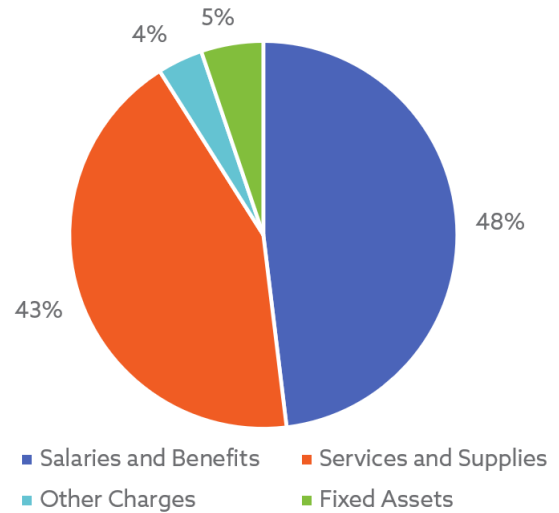
Expenditures Summary

Recommended Expenditures total \$53.1 million. Salaries and Benefits are the largest contributor to ongoing costs, representing 48% of all expenditures. All San Mateo County Libraries staff are employees of the County of San Mateo. The Recommended Budget estimates labor costs of \$25.5 million, an overall increase of 3%, mostly due to the addition of permanent positions and negotiated salary and benefit increases, which are offset by a reduction to retirement contributions due to the County's efforts to paydown the retirement liability.

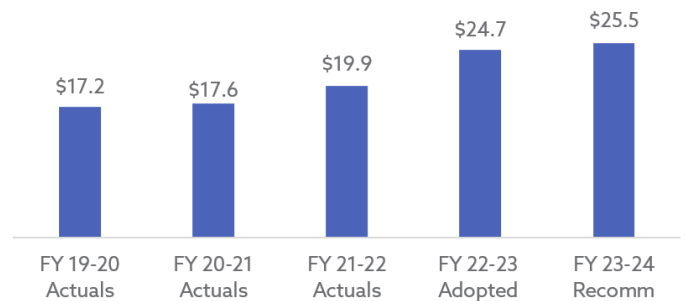
Other significant operational expenses fall under Services and Supplies at \$22.8 million and include \$2.4 million for furniture replacement and facility upgrades; \$4.1 million for library collections; \$4.3 million for computer equipment, software, and maintenance agreements; an estimated \$1.5 million in excess library property taxes; \$1.6 million for services provided by the Peninsula Library System; and \$2.1 million to support library programs, including initiatives in the summer.

Other Charges total \$2 million, including \$1.6 million for direct and indirect services provided by the County and \$380,000 for the service agreement with Daly City to provide services to Colma and Broadmoor. Fixed Assets total \$2.8 million to fund two library outposts, library shelving upgrades, and electrical charging stations. Other Financing Uses account for the remaining expenditures.

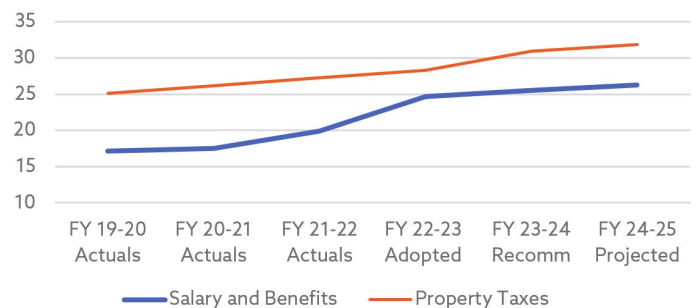
FY 2023-24 Budgeted Expenditures



Salaries and Benefits in Millions



Salaries and Benefits and Property Taxes in Millions



Reserves Summary

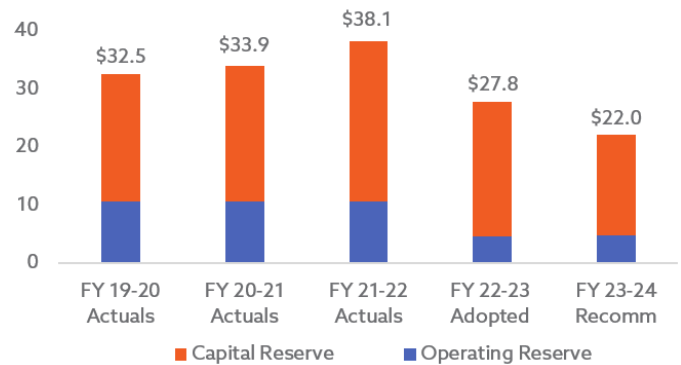
Recommended Operating and Capital Reserves total \$22 million. The Fund Balance Policy requires that Operating Reserves be maintained at 15% of adopted general operations (Net Appropriations excluding one-time activities). These funds are maintained in the event of emergencies, unanticipated funding losses, and one-time needs to stabilize current operations. The Recommended Budget meets the requirement established for Operating Reserves by setting aside \$4.7 million for ongoing expenditures of \$31.3 million.

Additionally, the Fund Balance Policy requires us to maintain Capital Reserves in an amount equal to but not less than \$2.5 million. The Recommended Budget meets this requirement, setting aside \$17.3 million in Capital Reserves. These funds may be used for innovative opportunities related to operational improvements and asset replacement needs as approved by the Governing Board.

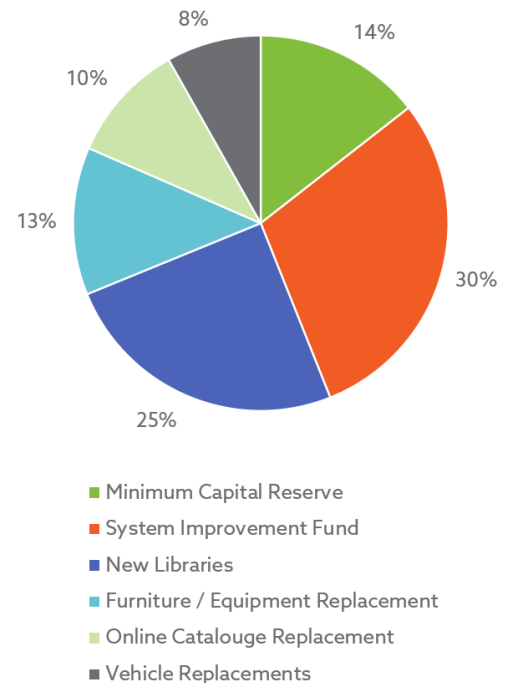
Capital Reserves not called out in the Fund Balance Policy are assigned to anticipated projects and activities that are financially significant. Refinement of these assignments may take place over time to ensure sound fiscal management, to be responsive to evolving service needs, and to recognize potential fluctuations in the availability of revenue.

Our strong reserves can be primarily attributed to the growth of Excess ERAF revenue. The Governing Board has authorized the use of Excess ERAF for significant one-time projects and services or to be set aside in reserves. Given our reliance on property taxes, the accumulation of reserves also provides a safety net in lean fiscal years.

Operating and Capital Reserves
in Millions



Assigned Capital Reserves



Budget Highlights

Budget Highlights provide a summary of allocations for recommended major initiatives.

Access to Technology: \$4,599,900

This allocation will support construction of four new makerspaces at Belmont Library, Foster City Library, Millbrae Library, and San Carlos Library, which includes funds for the planning and construction of the new spaces in partnership with each member city (\$3.1 million). In addition, funds are allocated to upgrade meeting rooms at all of our libraries to be hybrid-meeting friendly in response to higher demand for flexible meeting spaces since the pandemic (\$1.5 million). We are also excited to launch our new makermobile in the current year, and we will continue to roll out mobile services to our communities next year to promote digital equity.

Facility Updates and Resiliency: \$4,062,100

Significant funding is included to update our current library facilities, including furniture and shelving upgrades (\$2.3 million). In addition, significant one-time funds are included to support building facility resiliency. Plans for these funds will be further developed in collaboration with member cities, the County Department of Emergency Management, and other key stakeholders (\$1 million). Funds are also included to plan and deploy electric vehicle charging stations at our libraries and administration building.

Expanded Literacy Efforts: \$1,694,953

To expand our impact in advancing adult and youth literacy, this allocation will support a new position in programming and outreach to increase adult literacy services and funds to pilot providing after school tutoring services at our libraries.

San Mateo County Libraries will continue to take on a leadership role for the Inspiring Summers Program, a pillar of the County's Big Lift initiative, with an estimated total budget of \$1,376,180. This allocation is largely supported by County Measure K dollars, but does include an additional enhancement of \$288,168 to bring back enriching field trip opportunities and to support higher wages for interns and facilitators.

Outreach Initiatives: \$1,561,309

To expand access, funds are allocated to purchase and develop two more library outpost locations, which will provide 24-hour access to library materials in some of our hardest to reach communities (\$1.1 million). In addition, funds are allocated to support strategic planning, including community engagement and surveying, a new position to oversee and implement outreach, and an allocation to purchase a new bookmobile to expand our mobile services, which is rolled over from the current year.

Collections Enhancement: \$300,500

The collections budget is increased by \$300,500, resulting in an overall collections budget of \$4.1 million. This enhancement builds on other increases to our collections in recent years, including a large investment in world languages and equitable representation of materials by diverse authors. Overall, the proposed collections budget reflects a 45% increase over the FY 2021-22 Adopted Budget.

Social Service Supports: \$221,000

Funding is included to continue Mental Health First Aid training and piloting providing access to social workers in our libraries in collaboration with established community-based organizations. In addition, funding is increased to support our meals programs in the Half Moon Bay, North Fair Oaks, and East Palo Alto communities.

Budget Overview

The Budget Overview highlights significant changes from the FY 2022-23 Adopted Budget to the FY 2023-24 Recommended Budget by major classification category for both revenue (Total Sources) and expenditures (Total Requirements).

Total Sources

- Taxes (\$37,752,120 to \$39,222,039): There is an increase of \$1,469,919 in this funding source primarily due to an increase to secured property taxes to reflect recent actuals and estimates from the County Controller and Assessor, offset by the removal of one-time County Measure K funds.
- Intergovernmental Revenue (\$184,500 to \$587,600): There is an increase of \$403,100 due to moving the allocation for Redwood City's contribution to the North Fair Oaks Library from Interfund Revenue (\$419,600), offset by the removal of one-time State grants.
- Interfund Revenue (\$656,293 to \$251,549): There is a decrease of \$401,744 primarily due to moving the allocation for Redwood City's contribution to the North Fair Oaks library to Intergovernmental Revenues.
- Miscellaneous Revenue (\$732,985 to \$209,979): There is a decrease of \$523,006 due to removing one-time grants and current year estimates for Friends contributions. Estimates for FY 2023-24 Friends revenue will be updated during September Revisions.
- Fund Balance (\$38,124,065 to \$34,428,848): There is a decrease of \$3,695,217 in this funding source to align with FY 2022-23 mid-year estimates of year-end fund balance. Fund balance reflects the carry forward of reserves, unanticipated revenues, and unspent appropriations projected at the close of the current fiscal year. After June 30, 2023, a final reconciliation will be completed to account for actual revenue and expenditures, and final fund balance for FY 2023-24 will be adjusted during September Revisions.

Total Requirements

- Salaries and Benefits (\$24,656,168 to \$25,508,040): There is an increase of \$851,872 primarily due the addition of 7 positions (\$1,172,294) and negotiated salary and benefit increases, offset by reductions to our retirement contribution due to the County's efforts to paydown the retirement liability. There is sufficient ongoing revenue to support these positions due to the steady growth in property tax revenue over the past decade, which has consistently resulted in budget surpluses.

Our library champions are our most important organizational asset. Increasing our permanent staff will allow us to engage in more strategic outreach efforts, expand adult literacy services, support the expansion of technical services, and better respond to community needs.

The seven positions are distributed as follows: Two positions are added to Programming and Outreach to expand adult literacy services and oversee and implement strategic outreach efforts; two positions to Information

Technology to support technology and maker services, which have expanded significantly since the pandemic; one position to Youth and Family Services to reinstate a division manager; one position to Administration to support data and performance systems; and one position to Human Resources to support payroll and recruitment activities.

All non-management permanent staff, Extra Help, and limited term employees are represented by the Service Employees International Union (SEIU). The FY 2023-24 Recommended Budget includes the final negotiated salary and benefit increase included in the current SEIU agreement of 4%, which is effective as of October 1, 2023. The current SEIU agreement with the County expires in October 2024.

The County also negotiates an agreement for SEIU Extra Help and limited term employees. The current agreement expired in January 2022 and a new agreement is currently being negotiated. Extra help allocations will be updated, if necessary, in September Revisions.

The total number of library positions is 153 and the total full-time equivalent (FTE) is 139.10. Extra Help and limited term staff are not reflected in total FTE or position count. Library staffing levels continue to support a consistent 61 open hours, 7-days per-week at all community libraries (and an additional 16 hours at Pacifica Sanchez), which was first approved by the Governing Board in November 2021.

- Services and Supplies (\$19,707,268 to \$22,782,540): There is an increase of \$3,075,272 in this expenditure category. Significant changes and allocations include:

Collection allocations increased by \$300,500 to a total of \$4,082,300 (accounts 5931-5939) for print, language, audio, video, and digital library materials (e.g., eBooks, eAudiobooks, eMagazines, eMusic, and eVideos). This is an additional enhancement after the collections budget was significantly increased last fiscal year.

Computer equipment and software costs (accounts 5212 and 5215) total \$4,147,299. This amount includes \$1,500,000 to upgrade meeting rooms at all of our libraries to be hybrid meeting compatible and \$904,000 to provide service to our Wifi hotspots and laptop combos. These accounts also include funding for public computers and software.

Furniture and Equipment costs total \$2,444,718 (account 5234). These funds will be used to furnish our new makerspaces and library outpost gathering spaces as well as to update our library facilities.

The estimated excess library property taxes to be set aside in Library Trust accounts totals \$1,500,000 (account 5184). These estimates assume the budget will be fully expended. The 50:50 split provision in the Library JPA Agreement became effective in FY 2022-23. Fifty percent of any excess funds not set aside for approved uses by the JPA Governing Board will be returned to the Library JPA.

Professional Contracts costs total \$4,070,900 (account 5858), which includes significant allocations for the planning and construction of new makerspaces in Belmont, San Carlos, Foster City, and Millbrae, in collaboration with each member city, as well as our library outposts. In addition, funding for services to support developing our new strategic plan,

including funds for surveying and engaging our community, is allocated. This funding category also includes allocations for attorney and auditor services and continuing a pilot to provide social service supports in our libraries. Peninsula Library System costs total \$1,607,128 (account 5875) and support services such as materials delivery, the shared online library catalog, and network management.

Current year allocations of \$429,542 for expending realized or anticipated revenue for Donations and Friends Funded Services are removed (accounts 5198 & 5199). Any rollover of Friends or Donations Funded Services realized at the end of the current fiscal year will be added to the budget during September Revisions.

- Other Charges (\$3,640,358 to \$2,007,480): There is a decrease of \$1,632,878 in Other Charges. This expenditure category reflects costs associated with services provided by the County, including human resources, financial systems, building and vehicle maintenance, and liability insurance (accounts 6712-6821). This category also captures payments to other agencies (account 6263), including \$380,000 to Daly City for services provided to residents of unincorporated Broadmoor and Colma. The decrease is largely attributable to the removal of one-time Measure K and Library JPA contributions to the City of East Palo Alto to support construction of a new library.
- Fixed Assets (\$1,991,000 to \$2,753,362): Fixed assets are tangible assets valued at \$5,000 or greater. There is an increase of \$762,362 in this category (account 7311) to fund significant one-time projects, including rolling over funds from the current year to purchase

two library outposts and a new bookmobile. In addition, funds are allocated to upgrade shelving in our libraries, purchase electrical vehicle charging stations, and upgrade equipment.

- Operating Reserves (\$4,524,868 to \$4,696,559): There is an increase of \$171,691 in Operating Reserves (account 8611) to meet the Library JPA Fund Balance Policy. As detailed in the policy, the balance of Operating Reserves represents 15% of Net Appropriations (less one-time items). Ongoing expenditures in the FY 2023-24 Recommended Budget total \$31,310,393. This contingency is maintained in the event of economic uncertainties, emergencies, and unanticipated funding losses.

Capital Reserves (\$23,270,380 to \$17,290,550): There is a decrease of \$5,979,830 in Capital Reserves (account 8811) due to updating fund balance to reflect FY 2022-23 mid-year, year-end estimates and allocating fund balance to one-time activities. After FY 2022-23 year-end close, a final reconciliation will be completed to account for actual revenue and expenditures, which may result in adjustments to both fund balance and reserves during September Revisions. The current amount exceeds the Library JPA Fund Balance Policy requirement of maintaining a minimum of \$2,500,000 in Capital Reserves.

Budget Summary

		FY 2021-22 Actuals	FY 2022-23 Adopted	Change	FY 2023-24 Recommended
Sources					
1000	Taxes	39,023,469	37,752,120	1,469,919	39,222,039
1500	Use of Money and Property	360,554	371,216	-	371,216
1600	Intergovernmental Revenues	287,260	184,500	403,100	587,600
2000	Charges for Services	22,381	-	-	-
2500	Interfund Revenue	296,853	653,293	(401,744)	251,549
2600	Miscellaneous Revenue	548,342	732,985	(523,006)	209,979
	Total Revenue	40,538,859	39,694,114	948,269	40,642,383
333	Fund Balance	33,876,245	38,124,065	(3,695,217)	34,428,848
	TOTAL SOURCES	74,415,104	77,818,179	(2,746,948)	75,071,231
Requirements					
4000	Salaries and Benefits	19,886,549	24,656,168	851,872	25,508,040
5000	Services and Supplies	14,020,185	19,707,268	3,075,272	22,782,540
6000	Other Charges	1,552,950	3,640,358	(1,632,878)	2,007,480
7000	Fixed Assets	801,205	1,991,000	762,362	2,753,362
7500	Other Financing Uses	30,149	28,137	4,563	32,700
	Gross Appropriations	36,291,039	50,022,931	3,061,191	53,084,122
8000	Intrafund Transfers	-	-	-	-
	Net Appropriations	36,291,039	50,022,931	3,061,191	53,084,122
8500	Operating Reserves	10,569,050	4,524,868	171,691	4,696,559
8700	Capital Reserves	27,555,015	23,270,380	(5,979,830)	17,290,550
	Total Reserves	38,124,065	27,795,248	(5,808,139)	21,987,109
	TOTAL REQUIREMENTS	74,415,104	77,818,179	(2,746,948)	75,071,231

Personnel Summary

	FY 2022-23 Current Position Count	Change to Position Count	FY 2023-24 Recommended Position Count	FY 2023-24 Recommended FTE*
Administration	8	1	9	9.00
Access Services	8	-	8	8.50
Communications	4	-	4	4.00
Finance and Human Resources	5	1	6	6.00
Information Technology	5	2	7	7.00
Programming and Outreach	4	2	6	6.00
Youth and Families	3	1	4	4.00
Community Libraries:				
Atherton Library	9	-	9	8.00
Belmont Library	11	-	11	9.50
Brisbane Library	7	-	7	6.00
East Palo Alto Library	9	-	9	8.50
Foster City Library	11	-	11	9.60
Half Moon Bay Library	11	-	11	9.50
Millbrae Library	11	-	11	9.50
North Fair Oaks Library	7	-	7	6.50
Pacifica Library	10	-	10	8.50
Portola Valley Library	6	-	6	4.50
San Carlos Library	11	-	11	9.50
Woodside Library	6	-	6	5.00
Total	146	7	153	139.10

*FTE: A full-time equivalent position is equal to 2,080 hours a year (40 hours/week x 52 weeks). Extra Help and limited term staff are not reflected in the FTE nor Position Count (approximately 150 staff). While individual positions are counted in one unit, there may be instances where a position's FTE is split between two units, resulting in the FTE exceeding position count.

Budget Detail

		FY 2021-22 Actuals	FY 2022-23 Adopted	Change	FY 2023-24 Recommended
<u>Sources</u>					
1021	Current Yr Secured	26,255,878	27,095,525	2,600,049	29,695,574
1024	PY Secured Redemption	6,455	7,000	-	7,000
1031	Current Yr Unsecured	1,000,712	1,200,000	-	1,200,000
1033	Prior Yr Unsecured	(9,134)	-	-	-
1041	CY SB 813 Sec Supplemental	874,838	550,000	-	550,000
1042	CY SB 813 Unsec Supplemental	3,337	5,000	-	5,000
1043	PY SB 813 Redemption	25,052	5,000	-	5,000
1045	PY SB 813 Unsec Supplemental	4,414	-	-	-
1046	ERAF Rebate	7,413,737	5,000,000	-	5,000,000
1047	Former RDA -Residuals	789,006	600,000	-	600,000
1058	Former RDA Passthrough	1,067,110	400,000	-	400,000
1129	Property Tax In-Lieu of VLF	183,164	183,164	-	183,164
1135	Sales & Use Tax -Measure K	1,408,898	2,706,431	(1,130,130)	1,576,301
1000	Taxes	39,023,469	37,752,120	1,469,919	39,222,039
1521	County Pool Interest Earned	340,889	350,000	-	350,000
1525	LAIF Interest Earned	8,449	10,000	-	10,000
1556	PLS Rent	11,216	11,216	-	11,216
1500	Use of Money and Property	360,554	371,216	-	371,216
1661	Highway Property Tax Rental	1,270	600	-	600
1831	Homeowner Tax Relief	92,515	105,000	-	105,000
1868	Timber Tax Yield	3,037	2,000	-	2,000
1871	State Aid/Grants	182,936	76,500	(16,500)	60,000
1971	Other In-Lieu Taxes	443	400	-	400
1977	Former RDA Other Revenues	7,057	-	-	-
1986	Redwood City Contribution			419,600	419,600
1600	Intergovernmental Revenues	287,260	184,500	403,100	587,600

		FY 2021-22 Actuals	FY 2022-23 Adopted	Change	FY 2023-24 Recommended
2291	Library Fees & Fines	22,150	-	-	-
2293	Lost/Damaged Book Charges	232	-	-	-
2000	Charges for Services	22,381	-	-	-
2521	IFR - General Fund	296,853	253,293	(1,744)	251,549
2538	Redwood City Orig Contribution	-	400,000	(400,000)	-
2500	Interfund Revenue	296,853	653,293	(401,744)	251,549
2631	Sale of Literature	-	3,000	-	3,000
2644	Comp Insurance Refunds	293	-	-	-
2645	SDI Payments	55,887	5,000	-	5,000
2646	Gifts & Donations	710	-	-	-
2647	Friends Donations	163,702	519,594	(519,594)	-
2655	Foundation Grants	135,000	40,000	(40,000)	-
2658	All Other Misc. Revenue	192,750	165,391	36,588	201,979
2600	Miscellaneous Revenue	548,342	732,985	(523,006)	209,979
	Total Revenue	40,538,859	39,694,114	948,269	40,642,383
333	Fund Balance	33,876,245	38,124,065	(3,695,217)	34,428,848
	TOTAL SOURCES	74,415,104	77,818,179	(2,746,948)	75,071,231
<u>Requirements</u>					
4111	Permanent Salaries	12,198,157	14,143,540	1,407,852	15,551,392
4160	Extra Help Salaries and Benefits	2,094,880	3,599,641	493,386	4,093,027
4321	Retirement Contribution	3,473,986	4,143,459	(1,002,220)	3,141,239
4400	Benefits	1,878,324	2,450,004	(78,617)	2,371,387
4450	Wkr Comp/Unemployment	241,203	319,524	31,471	350,995
4000	Salaries and Benefits	19,886,549	24,656,168	851,872	25,508,040

		FY 2021-22 Actuals	FY 2022-23 Adopted	Change	FY 2023-24 Recommended
5132	ISD Phones	19,861	73,432	19,944	93,376
5184	Revenue Set Aside -Excess Funds	4,433,398	2,040,000	(540,000)	1,500,000
5192	Paper Products			35,000	35,000
5193	Office Expenses	100,101	272,000	(70,000)	202,000
5196	Photocopy Lease/Usage	45,323	199,788	(69,788)	130,000
5197	Mail	15,941	39,000	(10,000)	29,000
5198	Donations Funded Services	5,334	120,151	(120,151)	-
5199	Friends Funded Services	59,264	309,391	(309,391)	-
5212	Computer Equipment	1,717,728	1,554,000	1,730,000	3,284,000
5215	Software and Maintenance	581,139	1,068,450	(205,151)	863,299
5234	Furniture and Equipment	742,740	4,049,000	(1,604,282)	2,444,718
5331	Memberships	45,468	51,000	-	51,000
5343	Advertising and Publicity	7,735	10,000	-	10,000
5459	Misc. Other Maintenance	54,702	130,000	(42,000)	88,000
5631	Utilities	28,526	35,000	-	35,000
5634	Recycling	8,554	10,000	-	10,000
5712	Mileage Allowance	12,058	12,100	-	12,100
5721	Meetings and Conferences	79,516	250,000	14,240	264,240
5722	Employee Reimbursement	10,207	25,000	-	25,000
5731	Employee Training	1,133	2,000	-	2,000
5833	Contract Security Services	49,311	100,800	-	100,800
5854	Contract Library Services	117,370	100,000	5,000	105,000
5856	Promotional Materials	103,198	227,500	(35,000)	192,500
5858	Professional Contracts	261,230	972,900	3,098,000	4,070,900
5866	Fingerprinting	30,536	64,872	(3,432)	61,440
5875	Interagency Agreements-PLS	1,241,580	1,779,304	(172,176)	1,607,128
5876	Programming Services	9,087	10,000	-	10,000
5925	Emergency Assistance Expense	28,384	350,000	650,000	1,000,000
5926	Alcohol/Drug Testing	39	500	-	500
5927	Program Activities Expense	344,317	891,000	30,000	921,000

		FY 2021-22 Actuals	FY 2022-23 Adopted	Change	FY 2023-24 Recommended
5931	Books -Adult	562,964	500,000	25,000	525,000
5932	Books -Children	425,167	650,000	33,000	683,000
5933	Videos -Children	27,059	59,000	3,000	62,000
5934	Books -Serials	127,015	100,000	5,000	105,000
5936	Audio Materials	59,666	95,800	-	95,800
5937	Videos -Adult	125,995	169,000	8,500	177,500
5938	Digital Materials	1,200,294	1,550,000	160,000	1,710,000
5939	World Language Materials	302,988	658,000	66,000	724,000
5942	Other Library Expense	644,830	723,324	440,626	1,163,950
5969	Summer Learning -Measure K	390,429	454,956	(66,667)	388,289
5000	Services and Supplies	14,020,185	19,707,268	3,075,272	22,782,540
6263	Agreements - Daly City/Other	345,746	2,163,463	(1,783,463)	380,000
6712	Telephone Service Charges	61,541	13,951	(13,951)	-
6713	County IT Charges	50,052	82,339	29,513	111,852
6714	County Facility Rental Charges	313,593	296,309	47,465	343,774
6717	Motor Vehicle Mileage Charges	30,422	57,852	(5,533)	52,319
6724	Auto Liability Insurance	5,275	3,311	4,812	8,123
6725	General Liability Insurance	140,876	390,404	80,217	470,621
6727	Official Bond Insurance	4,009	9,110	568	9,678
6728	County Property Insurance	81,343	97,612	16,594	114,206
6732	County Counsel Services	-	25,000	(25,000)	-
6733	Human Resources Services	4,240	4,677	4,764	9,441
6734	Motor Vehicle Replace Charge	-	-	6,317	6,317
6738	Countywide Security Services	18,183	9,608	1,241	10,849
6739	All Other Service Charges	9,747	10,158	(6,633)	3,525
6751	Card Key Public Works	-	-	10,211	10,211
6821	County Allocation Plan	487,923	476,564	-	476,564
6000	Other Charges	1,552,950	3,640,358	(1,632,878)	2,007,480

		FY 2021-22 Actuals	FY 2022-23 Adopted	Change	FY 2023-24 Recommended
7331	Fixed Assets -Equipment	801,205	1,991,000	762,362	2,753,362
7000	Fixed Assets	801,205	1,991,000	762,362	2,753,362
7548	Facility Maintenance Charge	30,149	28,137	4,563	32,700
7500	Other Financing Uses	30,149	28,137	4,563	32,700
	Gross Appropriations	36,291,039	50,022,931	3,061,191	53,084,122
8142	Intrafund Transfers	-	-	-	-
8000	Intrafund Transfers	-	-	-	-
	Net Appropriations	36,291,039	50,022,931	3,061,191	53,084,122
8611	Operating Reserves	10,569,050	4,524,868	171,691	4,696,559
8811	Capital Reserves	27,555,015	23,270,380	(5,979,830)	17,290,550
	Total Reserves	38,124,065	27,795,248	(5,808,139)	21,987,109
	TOTAL REQUIREMENTS	74,415,104	77,818,179	(2,746,948)	75,071,231