Joint Powers Authority Governing Board
Rick DeGolia, Atherton               Reuben Holober, Millbrae
Charles Stone, Belmont             Mike O’Neill, Pacifica
Lori Liu, Brisbane                 Maryann Derwin, Portola Valley
Donna Rutherford, East Palo Alto   Cameron Johnson, San Carlos
Gary Pollard, Foster City          Carole Groom, San Mateo County (Chair)
Marina Fraser, Half Moon Bay        Anne Kasten, Woodside (Vice Chair)

San Mateo County Library Joint Powers Authority
Governing Board Agenda
February 8, 2016, 8:15 a.m.
Belmont Library, 1110 Alameda de las Pulgas, Belmont

I. Call To Order  Action
II. Public Comments  Information
III. Approval of the November 9, 2015 Minutes  Action
IV. Recommended Brand Vision Concept  Action
V. Financial Audit Report for FY 2014-15  Action
VI. Library JPA Fund Balance Policy  Action
VII. FY 2015-16 Mid-Year Financial Report  Action
VIII. 2015 Summer Learning Program Report  Action
IX. Director’s Report  Information
X. Board Announcements  Information
XI. Adjournment  Action

2016 Governing Board Meetings: May 23, June 13, September 19, November 7
2016 Operations Committee Meetings: May 17, June 7, September 13, November 1

If you need special assistance to participate in this meeting, please contact the Library JPA Secretary at (650) 312-8822 at least three working days in advance of the meeting. The Agenda Packet is available online at www.smcl.org.
San Mateo County Library  
JPA Governing Board Meeting  
Minutes of November 9, 2015

Board Members Present:  
Carole Groom, County (Chair)  
Rick DeGolia, Atherton  
Charles Stone, Belmont  
Lori Liu, Brisbane  
Donna Rutherford, East Palo Alto  
Gary Pollard, Foster City  
Marina Fraser, Half Moon Bay  
Reuben Holober, Millbrae  
Mike O’Neill, Pacifica  
Cameron Johnson, San Carlos

Staff Present:  
Anne-Marie Despain  
Tom Fortin  
Pam Deal  
Karina Labrenz

I. Call to Order. The meeting was called to order at 8:21 a.m.

II. Public Comments. None.

III. Approval of the September 14, 2015 Minutes. Meeting minutes approved without changes (MSP: Johnson/Stone).

IV. Brand Vision Concepts Presentation. Director Despain provided an overview of the Brand Vision Concepts Presentation report and introduced presenters Maggie Traidman and Kseniya Makarova from Pivot Design. Pivot presented the recommended brand messaging and three brand vision concept ideas for SMCL. A discussion ensued and members gave their feedback. Most members liked the dandelion concept best, as it appeared creative, fluid and all-inclusive. Next steps include getting feedback from the Friends of the Library and staff, incorporating feedback and refining one selection, and presenting the final outcome for approval in February.

V. New Atherton Library Conceptual Design Report. Deputy Director Fortin provided an overview of the New Atherton Library Conceptual Design Report. Funding for the library will come from the Library Donor Funds being held by the Library and by the Town of Atherton; funding for the rest of the Atherton Town Center will come from donations.


VI. Library JPA Fund Balance Policy. Financial Services Manager Deal provided an overview of the Library Fund Balance Policy Report. There was a discussion regarding the goals of the policy and the appropriate amount to set aside as operating reserves. Chair Groom suggested the formation of a subcommittee to further discuss; appointed Members Fraser, Holober, Stone and Johnson as subcommittee members; and asked for an update at the next meeting.
VII. **Library JPA Investment Policy.** Financial Services Manager Deal provided an overview of the Library JPA Investment Policy Report. Member Johnson brought up concerns about the low rate of return. Chair Groom suggested that the new Subcommittee could discuss and review this policy as well. It was decided that members would follow-up individually if they wanted to with the County Treasurer Sandie Arnott.

Motion: Recommend JPA Governing Board approve the Library JPA Investment Policy. Passed (MSP: Johnson/Stone).

VIII. **2016 Library JPA Governing Board Meeting Schedule.** Director Despain provided an overview of the 2016 Library JPA Governing Board Meeting Schedule.

Motion: Recommend approval of the proposed 2016 Library JPA Governing Board Meeting Schedule. Passed (MSP: O’Neill/Fraser).

IX. **Director’s Report.** Director Despain gave an overview of the Director’s Report. The Library will again launch the successful Food for Fines program; and the County Poet Laureate Caroline Goodwin will hold another “Poetry Is” contest next week. The Library is being honored with the Connect Award at the annual technology and government conference, Connect15, for our work to implement innovative technology programs to close the digital divide. The Library also received again a 4-star rating from Library Journal and is ranked 2nd in California and 18th nationwide among public libraries with similar budgets. Thirdly, the County STARS Award Review Team has selected the Library to receive the $35,000 Program Performance Award for our Summer Learning Camps Program.

X. **Governing Board Members Announcements.** Member Fraser said that the Half Moon Bay Friends of the Library hosted a fundraiser last week and raised over $200K.

XI. **Adjournment.** The meeting adjourned at 9:53 a.m.
MEMO

To: JPA Governing Board
From: Anne-Marie Despain, Director of Library Services
Date: February 2, 2016
Meeting Date: February 8, 2016
Re: Recommended Brand Vision Concept

BACKGROUND:

During the FY 2015-16 budget process, the Library JPA Governing Board approved work associated with creating a recognizable brand that aligns with the new 2015-2020 Strategic Plan. Branding serves to articulate an organization’s purpose and convey its unique personality. This can include things like a logo, a tagline, the use of color, typography, photography, illustration, and messaging. This alignment of messaging and creative approach can elevate visibility and recognition.

Establishment of a meaningful brand identity and marketing initiative will serve to promote, excite, and raise awareness of San Mateo County Library (SMCL) services.

The Library has selected Pivot Design, Inc., of San Francisco, to lead this process which includes the following five phases:

Phase 1 - Discovery: Utilize assessment tools to establish a foundation on which all creative brand development work is built.

Phase 2 - Messaging Development: Establish a focused set of strategic recommendations for how to develop the brand which articulate the brand footprint, brand story and target audiences.

Phase 3 - Concept, Design & Initial Presentation: Develop brand vision concepts to get a more accurate picture of how the brand will play out visually.

Phase 4 - Strategic Review, Revisions & Refinements: Incorporate feedback to refine the brand vision.

Phase 5 - Brand Vision Execution: Final brand vision and brand guidelines are implemented in early 2016.
DISCUSSION:

The project has progressed to Phase 4. Since November, when early brand vision concepts were presented by Pivot Design, we have worked to incorporate feedback to refine the brand vision. Governing Board members, JPA Operations Committee members, Friends of the Library representatives, and library staff have participated in a process that collected feedback on how well the concepts energized, heightened awareness, conveyed a modern, friendly, welcoming experience and matched SMCL’s vision. This feedback informed the final choice of direction that was further refined by Pivot Design based on the feedback as well as best practices.

The attached recommended San Mateo County Library Brand Vision Concept includes:

- Brand Image Messaging, which includes brand footprint, brand promise, and brand essence that articulate the purpose, vision and essence of the brand in order to establish consistency throughout the brand.
- Rationale and Brand Story Messaging which articulate attributes, benefits and core messaging.
- Core Identity Elements, which include logo, tagline, color palette and typography, presented in an environmental context that shows how the brand will be executed visually.

Once approved, the Brand Vision will be used as a generalized roadmap for the design and execution of all brand material. Phase 5, Brand Vision Execution will begin this spring and rollout of the new brand will continue through the year.

FISCAL IMPACT:

Approval of the new Brand Vision will begin the next phase of this initiative. Core brand items will be produced and rollout will begin. A total appropriation of $300,000 was approved and is included in the FY 2015-16 Recommended Budget for rebranding and public relations. Total estimated costs of strategic marketing plan and materials are $155,000.

RECOMMENDATION:

Recommend that the JPA Governing Board approve the Brand Vision Concept.

ATTACHMENT:

San Mateo County Library Brand Vision Concept
San Mateo County Library
Brand Vision

February 1, 2016
Messaging
Brand Image
Articulating the purpose, vision and essence in order to establish consistency throughout your brand.

Brand Footprint [Articulating your purpose]
Imagine a place that’s always waiting for you—a welcoming space, friendly faces, and endless opportunities for discovery, growth, and transformative experiences—we’re San Mateo County Libraries, here for you through every chapter of your life.

We’re readers at our core, and that’s a tradition we’ll always embrace. We’ll continue to champion early-childhood development and early literacy. Our extensive collections are always growing, and we’re evolving too, making the most of every opportunity for innovation and advancement in technology. We’re here to provide tools that spark awe-inspiring and educational experiences. Our libraries are equipped with hundreds of computers and laptops, and our blazing-fast Internet connection (and free WiFi) ensure that exploration is always a breeze.

We host thousands of events each year, and curate programming that’s designed to enrich and bring our communities together. Our residents comprise a diverse collection of individuals, and our goals reflect that. All of these pieces culminate in a message of sharing—whether it’s knowledge, experience, stories, or resources.

Brand Promise [Identifying customer expectations]
To provide boundless resources and access to information that inspires a passion for learning and growth. To give the community a welcoming place to connect and share, and complement experiences with a staff of approachable guides.

Brand Essence [Intangible attribute that differentiates you from competitors]
Providing fun, free opportunities to learn, grow, and feel inspired.
Messaging Rationale

**Define a strong, unified voice.** All communications should clearly convey the unique personality of the San Mateo County Libraries (SMCL) brand to help form a holistic takeaway in the community’s mind. This alignment of messaging and creative approach can elevate visibility and recognition.

**Use direct, friendly language.** This approach best captures the established reputation of the Library, while always being forward-looking. Innovation is a crucial value and the “try anything” attitude makes SMCL unique; we want to harness this energy in communications by presenting a contemporary, upbeat tone.

**Be inclusive and approachable.** Your current and potential users represent a diverse population. Different audience groups may call for varied approaches and strategy of messaging, but the voice should stay consistent.

**Keep it simple.** The days of separate messaging for internal and external audiences are over. Too often, messaging designed for internal eyes ends up being expressed externally by accident. We believe a simple, straightforward articulation of what an organization is and stands for should work for any audience—internal and external. Within that there are opportunities for tailoring messaging to key user groups.

**Inspire curiosity.** The library has changed in ways that many in the community might be unaware of. Let’s inspire current and potential users to discover what’s new.
Brand Story

San Mateo County Libraries has existed as an integral part of its diverse community for over a century. Our friendly staff provide unmatched service to 11 cities and unincorporated areas, and we're consistently ranked as one of the best libraries in the nation.

Our family of 12 libraries isn’t incredible just because of its staggering collection—which includes nearly 1 million items, and continues to grow. Thousands of events each year connect our community members, and bright, welcoming spaces make us a destination, not just a stop along the way.

Leaps in connectivity, technology, and accessibility also set San Mateo County Libraries apart. Visit us to access hundreds of computers, our incredibly fast internet connection, or free 1G WiFi. More than 150,000 digital selections are accessible through our eLibrary, ready for download 24/7.

In order to strengthen communities, we continually assess the needs of our residents, responding with thoughtfully-designed programs and initiatives that keep up with and complement your life.

We strive to inspire, ignite growth, and provide transformative experiences. Come see what’s new!
Brand Vision
Logo & Tagline

SMCL strives to fuel the expansion of knowledge, experiences, and community engagement.

The SMCL logo consists of the “Burst of Knowledge” symbol paired with a modern sans serif typeface. This simple, clean, and imaginative logo symbolizes the spread of information, the family of libraries, and the excitement that emanates from learning or experiencing something new. The circular shape radiates positivity and alludes to a central hub where shared ideas and energy converge to ignite growth and generate transformative experiences.
Color and Typography

Azo Sans

ABCDEFHGIJKLMNOPQRSTUVWXYZ
abcdefghijklmnopqrstuvwxyz
(.,;?!@$&*) 0123456789

ABCDEFGHIJKLMNOPQRSTUVWXYZ
abcdefghijklmnopqrstuvwxyz
(.,;?!@$&*) 0123456789

Primary

SMCL Blue

Secondary

SMCL Red
SMCL Green
SMCL Teal
Brand Application Examples

- Library Card
- Library Log In Screen
- Banner Signage
MEMO

To: JPA Governing Board
From: Anne-Marie Despain, Director of Library Services
       Pam Deal, Financial Services Manager
Date: February 2, 2016
Meeting Date: February 8, 2016

BACKGROUND:

As outlined in the Joint Powers Authority (JPA) Agreement, the Governing Board has the authority to obtain an independent audit of its financial statements, performed in accordance with appropriate professional auditing standards.

The San Mateo County Library (Library) contracts with a qualified independent Certified Public Accountant (CPA) firm to annually audit the financial statements from the prior year and obtain reasonable assurance that the basic financial statements prepared by Library management are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles. An audit of financial statements includes testing of internal control as well as identification of matters relevant to the Library’s responsibility in overseeing financial procedures and reporting.

DISCUSSION:

Included are the following reports: 1) Communication of Internal Control Related Matters and 2) Basic Financial Statements for the Year Ended June 30, 2015.

Highlights of the Communication of Internal Control Related Matters are noted below:

- There were no matters uncovered which would require reporting under professional accounting standards 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.

- There were no identified deficiencies in internal controls considered to be material weaknesses. 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.

- As part of obtaining reasonable assurance about whether the Library’s financial statements are free from material misstatement, tests performed of its legal and regulatory compliance disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.
Highlights of the Basic Financial Statements for the Year Ended June 30, 2015 are noted below:

- The financial statements of the Library have been prepared in conformity with accounting principles generally accepted in the United States. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In accordance with GASB Statement No. 34, the Library has selected the single governmental fund (General Fund) presentation since this reflects the most concise and easily readable presentation for the Library’s operations.

- At June 30, 2015, the Library’s net position increased to $20,703,032 from $19,114,268, all shown in the Governmental Funds Balance Sheet/Statement of Net Position on Page 12 of the Basic Financial Statements report.

- Operating expenses increased by $892,280 principally from increases associated with personnel costs including negotiated COLA’s and benefits, and the purchase of library materials; offset by one-time County Measure A supported facility improvement projects.

- Program revenues increased by $559,118 principally from one-time HUD support associated with restroom renovations and the installation of an exterior ramp at the Half Moon Bay Library, revenue associated with the dissolution of Redevelopment Agencies, and grants supporting literacy services; offset by decreases in fines and the elimination of revenue from the City of Pacifica to support additional hours. General revenues decreased by $451,241 principally from one-time support from the County to offset increases in negotiated personnel costs, and one-time support from the San Carlos Friends of the Library associated with the San Carlos Library interior renovation.

- Additionally, the year was marked with a number of significant accomplishments and system improvements reflecting the Library’s values and priorities and highlighted on pages 3-5 of the report.

**FISCAL IMPACT:**

There is no fiscal impact associated with accepting this report.

**RECOMMENDATION:**


**ATTACHMENTS:**

1) Communication of Internal Control Related Matters
2) Basic Financial Statements for the Year Ended June 30, 2015
SAN MATEO COUNTY LIBRARY JPA

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE AND COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS

JUNE 30, 2015
To the Governing Board  
San Mateo County Library  
San Mateo, California  

We have audited the basic financial statements of the San Mateo County Library as of and for the year ended June 30, 2015, and have issued our report thereon dated December 21, 2015. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated April 27, 2015, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

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

**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, and our firm has complied with all relevant ethical requirements regarding independence.
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 San Mateo County Library is included in Note 1 to the financial statements. During the year the Library adopted a fund balance policy, which is described in Note 4 of the financial statements. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

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

The most sensitive accounting estimates affecting the financial statements are useful lives of capital assets (“useful lives”).

Management’s estimate of the useful lives is based on experience with and observation of capital assets, by category (e.g. infrastructure) as well as industry standards, when applicable (i.e. buildings). We evaluated the key factors and assumptions used to develop the useful lives and determined that it is reasonable in relation to the basic 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 San Mateo County Library’s financial statements relate to commitments and contingencies.

Significant Difficulties Encountered during the Audit

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

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.
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 San Mateo County Library’s financial statements or the auditor’s report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in a separate letter dated December 21, 2015.

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 Findings or Issues

In the normal course of our professional association with the San Mateo County Library, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the San Mateo County Library, 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 entity’s auditors.

Communication of Internal Control Related Matters

In planning and performing our audit of the financial statements of San Mateo County Library as of and for the year ended June 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered San Mateo County Library’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 San Mateo County Library’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, 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.
This communication is intended solely for the information and use of management, the Governing Board, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Joseph J. Arch
JOSEPH J. ARCH, CPA
President/CEO
JJACPA, INC.
SAN MATEO COUNTY LIBRARY
JOINT POWERS AUTHORITY
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2015
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INDEPENDENT AUDITOR’S REPORT

To the Governing Board of the
San Mateo County Library Joint Powers Authority
San Mateo, California

Report on the Financial Statements

We have audited the accompanying basic financial statements of the San Mateo County Library Joint Powers Authority (Library) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Library’s basic financial statements as listed in the table of contents. The prior year summarized comparative information has been derived from the Library’s June 30, 2014, financial statements in which an unqualified opinion was expressed on those financial statements.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and the budgetary comparison information of the Library, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that management’s discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 21, 2015 on our consideration of the Library’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Library’s internal control over financial reporting and compliance.

December 21, 2015

JJACPA, Inc.

JJACPA, Inc.

Dublin, CA
Management’s Discussion and Analysis

This section of the San Mateo County Library Joint Powers Authority’s (Library) basic financial statements presents management’s discussion and analysis of the Library’s financial performance during the fiscal year ended June 30, 2015. Since this management’s discussion and analysis is designed to focus on current activities, resulting change, and current known facts, please read it in conjunction with the Library’s basic financial statements (pages 12 and 13) and the footnotes (pages 14 - 23).

Financial Highlights & Accomplishments

At June 30, 2015, the Library’s net position increased to $20,703,032 from $19,114,268 in 2014, which includes capitalization of $8,988 in capital asset purchases, all shown in the Governmental Funds Balance Sheet/Statement of Net Position on Page 12. Additionally, changes to net position resulted from the following items shown in the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balances/Statement of Activities on Page 13:

- Operating expenses increased $892,280 principally from increases associated with personnel costs including negotiated COLA’s and benefits, and the purchase of library materials; offset by one-time County Measure A supported facility improvement projects.

- Program revenues increased by $559,118 principally from one-time HUD support associated with restroom renovations and the installation of an exterior ramp at the Half Moon Bay Library, revenue associated with the dissolution of Redevelopment Agencies, and grants supporting literacy services; offset by decreases in fines and the elimination of revenue from the City of Pacifica to support additional hours. General revenues decreased by $451,241 principally from one-time support from the County to offset increases in negotiated personnel costs, and one-time support from the San Carlos Friends of the Library associated with the San Carlos Library interior renovation.

The year was marked with a number of significant accomplishments and system improvements reflecting the Library’s values and priorities. Some of these include:

- Provided access to library services through participation in the San Mateo County Fair. A variety of services were offered including access to the bookmobile, the debut of the system’s new pop-up library which included modular shelving and ample bench seating, and more than a dozen hands-on activities for all ages. Staff also signed up 2,100 fairgoers to participate in the Summer Learning Program. Exposure at events such as the County Fair introduce new community members to the wealth of services the Library provides.

- Participated in the Maker Faire, a family-friendly festival of invention, creativity and resourcefulness in celebration of the Maker movement. The event provided an opportunity to publicize the many hands-on learning and Maker events regularly offered at each library.

- Hosted a celebratory volunteer event to acknowledge the over 40,000 hours of volunteer service provided at the libraries and to recognize the value volunteers bring to meeting the mission of the Library. The event provided volunteers an opportunity to network with other volunteers and staff, and to increase knowledge of the unique volunteer activities available system-wide. Through this effort, SMCL hopes to increase volunteer participation and community investment in the Library’s success.
Financial Highlights & Accomplishments – continued

- Offered a rich variety of programs that responded to the informational, educational, cultural and recreational needs of adults, teens and children. We estimate over 200,000 residents will have attended 6,500 programs in the current year.

- Supported family engagement by launching a three-year project, partially funded by Toyota Family Learning, targeting high need families in the communities of East Palo Alto and Half Moon Bay. The project includes community service events, separate adult and child learning and skill development, and parent and child together time.

- Piloted a program at area clinics to encourage and build capacity of families to incorporate “math talk” and language with very young children. Early math exposure strongly correlates with a child’s future success.

- Added interactive play installations at the Millbrae Library, Foster City Library and Belmont Library with support from the Friends of the Library groups at these locations. These freestanding, child-centered installations are designed around themes unique to each library including an airplane at the Millbrae Library, a galleon ship at the Foster City Library, and a bus at the Belmont Library. These large interactive pieces incorporate components which encourage hands-on play and learning.

- Launched the Talk Read Sing initiative to help close the “talk gap” by encouraging parents to increase the quantity and quality of language spoken with their infants and toddlers. The program focuses on parent behavior change by encouraging reading and singing with children and using talking tips to increase interactive language throughout the day. The program, with support from the LENA Research Foundation, also utilizes “talk pedometer” technology which records language throughout a child’s day, then translates the recording into data that show parents how much they’re talking and progressing.

- Launched a teen parenting series for young mothers in East Palo Alto designed to support them in the areas of budgeting, parenting, and stress management while providing child care and encouraging participants to stay enrolled in high school.

- Debuted TeleTutoring, a service which enables volunteer tutors to connect with adult learners via specialized adult literacy technology for in-depth support sessions to prepare learners to pass the GED. TeleTutoring allows community members to volunteer or receive help from the comfort and convenience of their own home.

- Led a countywide effort to expand and redesign summer reading programs in order to decrease summer learning loss among children and teens. With supplemental support from the County Board of Supervisors through an allocation of Measure A funds, libraries promoted the enjoyment and importance of learning with a focus on advancing literacy and academic performance by engaging children, teens and families in reading and enrichment activities. A total of 45,369 children participated in the Summer Learning Program.

- Developed summer learning enrichment camps targeting young children in five communities who are reading below grade level and offered over 100 hours of hands-on learning. Activities over the eight weeks included field trips, free daily lunches and snacks, home libraries for all participants, and family engagement events.
Financial Highlights & Accomplishments – continued

- Met the diverse informational needs of the system’s users by offering over 800,000 items in a variety of formats and languages.

- Supported the demand for digital collections by increasing the availability of popular eBooks, eAudiobooks, eMagazines, eMusic, and eVideos for use on personal smartphones, tablets and computers.

- Increased the number of books, magazines, newspapers, and digital materials provided in world languages including Chinese, Japanese, Russian, Korean and Spanish.

- Implemented Big Lift Little Libraries as a “take a book, return a book” way for communities to share books and encourage a culture of reading. Volunteer groups from Google, Genentech, SAP, Microsoft and others worked with HandsOn Bay Area to build the Little Libraries. To date, 56 businesses, community organizations and individuals have adopted Little Libraries.

- Completed conversion to FindIt!, the Library’s word-based classification system. The transition away from the Dewey Decimal System promotes self-sufficiency and overall patron satisfaction by increasing accessibility and encouraging browsing and discovery of library collections.

- Improved public Internet access by providing 200 free Wi-Fi hotspots and laptops for checkout. This innovative program will enable hundreds of households to continue education activities at home, gain access to important information and resources, build digital confidence, and have opportunities to participate in online civic activities.

- Expanded the eReader collection from 60 to 245 devices. Nooks and Kindle Fire devices have been preloaded with bestsellers for adults, teens and children and are available for lending at all libraries.

- Acquired 30 iPads to support family literacy programs and developed strategies and guidelines for parents and staff to use the technology in enriching, developmentally appropriate ways. This touchscreen technology offers opportunities for children and their caregivers to interact and learn in a rich, sensory-based environment.

- Participated in the County’s fourth annual survey on countywide employee engagement. Employee engagement is the degree to which employees are connected and committed to their work, their colleagues and the purpose of the organization. An effective organization relies on trained and experienced staff to innovate and deliver outstanding service. SMCL staff are dedicated, driven and actively engaged in the pursuit of high-quality library service. A survey completed by staff indicated that engagement levels are high with:
  - 85% of library employees indicating agreement or strong agreement that their work gives them a feeling of accomplishment
  - 84% indicating that they are provided with opportunities to do meaningful work
  - 89% saying they would recommend the Library as a great place to work
San Mateo County Library Joint Powers Authority  
Management’s Discussion and Analysis, Continued  
For the year ended June 30, 2015

Financial Highlights & Accomplishments – continued

Using This Report

In December 1998, the Governmental Accounting Standards Board (GASB) released statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, which revised the reporting of property tax revenue. In June 1999, GASB released Statement No. 34, *Basic Financial Statements -- and Management’s Discussion and Analysis -- for State and Local Governments*. Changes in Statement No. 34 require a comprehensive presentation for the entity as a whole and conversion of fund based information to this entity wide perspective. The major reconciling items necessary were capitalization and depreciation of capital assets and recording of long-term compensated absences. The Library has selected the single governmental fund (General Fund) presentation since this reflects the most concise and easily readable presentation for the Library’s operations.

The annual financial statements include the Independent Auditor’s Report, this management’s discussion and analysis, the basic financial statements, and notes to basic financial statements and required supplementary information.

Financial Analysis of the Library as a Whole

<table>
<thead>
<tr>
<th>Net Position</th>
<th>As of June 30, 2015 and 2014</th>
<th>Increase</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
<td>(Decrease)</td>
</tr>
<tr>
<td>Assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>$28,761,361</td>
<td>$25,352,357</td>
<td>$3,409,004</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>659,295</td>
<td>790,300</td>
<td>(131,005)</td>
</tr>
<tr>
<td>Total assets</td>
<td>29,420,656</td>
<td>26,142,657</td>
<td>3,277,999</td>
</tr>
<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>8,293,167</td>
<td>6,654,215</td>
<td>1,638,952</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>424,457</td>
<td>374,174</td>
<td>50,283</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>8,717,624</td>
<td>7,028,389</td>
<td>1,689,235</td>
</tr>
<tr>
<td>Net position:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net investment in capital assets</td>
<td>659,295</td>
<td>790,300</td>
<td>(131,005)</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>20,043,737</td>
<td>18,323,968</td>
<td>1,719,769</td>
</tr>
<tr>
<td>Total net position</td>
<td>$20,703,032</td>
<td>$19,114,268</td>
<td>$1,588,764</td>
</tr>
</tbody>
</table>

This schedule is prepared from the Library’s Statement of Net Position (page 12), which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

Net position at June 30, 2015, increased to $20,703,032 from $19,114,268 in 2014 primarily due to increases in property taxes and program revenues. The Library has compensated absences of $424,457 at year-end. Current liabilities consisted of accounts payable with the accompanying sales tax payable as well as accrued payroll for contracted salaries and benefits.
San Mateo County Library Joint Powers Authority
Management’s Discussion and Analysis, Continued
For the year ended June 30, 2015

Financial Analysis of the Library as a Whole – continued

Operating Results
For the years ended June 30, 2015 and 2014

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>Increase (Decrease)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating expenses</td>
<td>$23,232,142</td>
<td>$22,339,862</td>
<td>$892,280</td>
<td>4.0%</td>
</tr>
<tr>
<td>Program revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>949,253</td>
<td>272,577</td>
<td>676,676</td>
<td>248.3%</td>
</tr>
<tr>
<td>Grants</td>
<td>405,545</td>
<td>283,608</td>
<td>121,937</td>
<td>43.0%</td>
</tr>
<tr>
<td>Charges for services</td>
<td>420,128</td>
<td>659,623</td>
<td>(239,495)</td>
<td>-36.3%</td>
</tr>
<tr>
<td>Total program revenue</td>
<td>1,774,926</td>
<td>1,215,808</td>
<td>559,118</td>
<td>46.0%</td>
</tr>
<tr>
<td>Net operating expenses</td>
<td>21,457,216</td>
<td>21,124,054</td>
<td>333,162</td>
<td>1.6%</td>
</tr>
<tr>
<td>General revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>22,649,557</td>
<td>22,837,309</td>
<td>(187,752)</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Investment earnings</td>
<td>138,679</td>
<td>85,228</td>
<td>53,451</td>
<td>62.7%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>258,412</td>
<td>575,352</td>
<td>(316,940)</td>
<td>-55.1%</td>
</tr>
<tr>
<td>Total general revenue</td>
<td>23,046,648</td>
<td>23,497,889</td>
<td>(451,241)</td>
<td>-1.9%</td>
</tr>
<tr>
<td>Increase in net position</td>
<td>1,589,432</td>
<td>2,373,835</td>
<td>(784,403)</td>
<td>-33.0%</td>
</tr>
<tr>
<td>Other financing sources (uses):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on disposal of assets</td>
<td>(668)</td>
<td></td>
<td>(668)</td>
<td></td>
</tr>
<tr>
<td>Total other financing sources (uses):</td>
<td>(668)</td>
<td></td>
<td>(668)</td>
<td></td>
</tr>
<tr>
<td>Net position:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of the year</td>
<td>19,114,268</td>
<td>16,740,433</td>
<td>2,373,835</td>
<td>14.2%</td>
</tr>
<tr>
<td>End of the year</td>
<td>$20,703,032</td>
<td>$19,114,268</td>
<td>$1,588,764</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

Program revenues increased by $559,118 principally from one-time HUD support associated with restroom renovations and the installation of an exterior ramp at the Half Moon Bay Library, revenue associated with the dissolution of Redevelopment Agencies, and grants supporting literacy services; offset by decreases in fines and the elimination of revenue from the City of Pacifica to support additional hours. General revenues decreased by $451,241 principally from one-time support from the County to offset increases in negotiated personnel costs, and one-time support from the San Carlos Friends of the Library associated with the San Carlos Library interior renovation.

The following is a graphic illustration of revenues by source for the year ended June 30, 2015:

**Revenues by Source**
Operating expenses for fiscal 2015 increased by $892,280 or 4.0% principally from increases associated with personnel costs including negotiated COLA’s and benefits, and the purchase of library materials; offset by one-time County Measure A supported facility improvement projects.

The following is a graphic illustration of operating expenses for June 30, 2015:
Financial Analysis of the Library as a Whole – continued

### Analysis of Net Position

As of June 30, 2015 and 2014

<table>
<thead>
<tr>
<th>Net Position:</th>
<th>2015</th>
<th>2014</th>
<th>Increase (Decrease)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net investment in capital assets</td>
<td>$659,295</td>
<td>$790,300</td>
<td>$(131,005)</td>
<td>(16.6)%</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>20,043,737</td>
<td>18,323,968</td>
<td>1,719,769</td>
<td>9.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$20,703,032</strong></td>
<td><strong>$19,114,268</strong></td>
<td><strong>$1,588,764</strong></td>
<td><strong>8.3%</strong></td>
</tr>
</tbody>
</table>

The $1,588,764 increase in net position is primarily due to increases in property taxes and program revenues.

The following is a graphic illustration of net position as of June 30, 2015:

### Analysis of Net Position

#### ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

In considering the Library budget for fiscal year 2015-2016, the Governing Board and management used the following criteria:

The key assumptions in the revenue forecast were:

1. Property tax revenues are expected to increase at a rate of perhaps 5.5% based on actual receipts in the current year and growth in prices and appraised property values. Library revenue from secured property taxes (taxes assessed against real property) is estimated at $17.2 million, and unsecured taxes (taxes on aircraft and commercial equipment largely generated from businesses at San Francisco International Airport) are estimated at $945,000.

2. Continued State transfer of excess Educational Revenue Augmentation Fund (ERAF) revenue is estimated at $1,800,000.
## ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES – continued

The adopted budget for the new fiscal year 2015-2016 was $31,470,357 and is summarized as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2015-16</th>
<th>FY 2014-15</th>
<th>Increase (Decrease)</th>
<th>Percentage change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted employees salaries and benefits</td>
<td>$15,027,158</td>
<td>$13,798,733</td>
<td>$1,228,425</td>
<td>8.9%</td>
</tr>
<tr>
<td>Supplies and small equipment</td>
<td>7,657,675</td>
<td>4,342,403</td>
<td>3,315,272</td>
<td>76.3%</td>
</tr>
<tr>
<td>Contracts and professional services</td>
<td>1,978,965</td>
<td>2,712,766</td>
<td>(733,801)</td>
<td>-27.0%</td>
</tr>
<tr>
<td>Library materials</td>
<td>2,200,000</td>
<td>2,195,000</td>
<td>5,000</td>
<td>0.2%</td>
</tr>
<tr>
<td>Donor fund set aside</td>
<td>2,025,000</td>
<td>1,880,000</td>
<td>145,000</td>
<td>7.7%</td>
</tr>
<tr>
<td>Other charges</td>
<td>1,421,559</td>
<td>1,288,881</td>
<td>132,678</td>
<td>10.3%</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>1,160,000</td>
<td>20,000</td>
<td>1,140,000</td>
<td>5700.0%</td>
</tr>
<tr>
<td><strong>Total budget</strong></td>
<td><strong>$31,470,357</strong></td>
<td><strong>$26,237,783</strong></td>
<td><strong>$5,232,574</strong></td>
<td><strong>19.9%</strong></td>
</tr>
</tbody>
</table>

1. **Contracted employee’s salaries and benefits** – Shows an increase of 8.9% and is primarily due to negotiated cost of living adjustments, merit increases, benefit adjustments, and additional support for the use of extra help staff.

2. **Supplies and small equipment** – Shows an increase of 76.3% and is primarily due to the purchase of information technology designed to increase public access to the web and digital materials, and one-time facility and space projects.

3. **Contracts and professional services** – Shows a decrease of 27.0% and is primarily due to the elimination of one-time costs associated with the implementation of FindIt!.

4. **Library materials** – Shows an increase of 0.2% and primarily reflects an adjustment to the allocation for digital collections and materials in order to keep pace with public demand.

5. **Donor fund set aside** – Shows an increase of 7.7% representing the set aside of anticipated SMCL property tax revenue designated as library donor funds.

6. **Other charges** – Shows an increase of 10.3% and is primarily due to adjustments to accurately capture phone and computer network costs, vehicle charges, and human resources and payroll support.

7. **Capital outlay** – Shows an increase of 5700.0% and reflects tangible assets valued at $5,000 or greater including outreach and delivery vehicles, and interactive learning exhibits.
ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES – continued

The following is a graphic illustration of appropriations for fiscal year 2015-16:

**Budgeted Expenditures**

- Contracted employees salaries and benefits, 15,027,158 (47.8%)
- Supplies and small equipment, 7,657,675 (24.3%)
- Library materials, 2,200,000 (7.0%)
- Contracts and professional services, 1,978,965 (6.3%)
- Donor fund set aside, 2,025,000 (6.4%)
- Other charges, 1,421,559 (4.5%)
- Capital outlay, 1,160,000 (3.7%)
- Other charges, 1,421,559 (4.5%)

**Contacting the Library**

This financial report is designed to provide customers and creditors with a general overview of the Library’s finances and to demonstrate the Library’s accountability for the money it receives and is allocated to it. For questions about this report, contact the San Mateo County Library Joint Powers Authority, 125 Lessingia Court, San Mateo, CA 94402, telephone number (650) 312-5236.
San Mateo County Library Joint Powers Authority  
Governmental Funds Balance Sheet/Statement of Net Position  
June 30, 2015  
(With comparative totals for June 30, 2014)  

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>General Fund</th>
<th>Adjustments (Note 5)</th>
<th>Statement of Net Position</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>$ 23,260,270</td>
<td>$ -</td>
<td>$ 23,260,270</td>
<td>$ 21,633,506</td>
</tr>
<tr>
<td>Cash and investments- restricted</td>
<td>5,463,284</td>
<td>-</td>
<td>5,463,284</td>
<td>3,509,151</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>37,807</td>
<td>-</td>
<td>37,807</td>
<td>26,536</td>
</tr>
<tr>
<td>Other receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>183,164</td>
</tr>
<tr>
<td>Capital assets, net of accumulated depreciation</td>
<td>-</td>
<td>659,295</td>
<td>659,295</td>
<td>790,300</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$ 28,761,361</td>
<td>$ 659,295</td>
<td>$ 29,420,656</td>
<td>$ 26,142,657</td>
</tr>
</tbody>
</table>

| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts and sales tax payable | $ 519,346 | $ - | $ 519,346 | $ 1,009,530 |
| Other current liabilities | 1,929,087 | - | 1,929,087 | 1,851,139 |
| Eligible donor fund set aside | 5,463,284 | - | 5,463,284 | 3,509,151 |
| Accrued payroll | 381,450 | - | 381,450 | 284,395 |
| Compensated absences | - | 424,457 | 424,457 | 374,174 |
| **Total liabilities** | 8,293,167 | 424,457 | 8,717,624 | 7,028,389 |

| Fund balances/Net position: | | | |
| Nonspendable | 2,070 | (2,070) | - | - |
| Committed | 20,466,124 | (20,466,124) | - | - |
| **Total fund balances** | 20,468,194 | (20,468,194) | - | - |

| **Total liabilities and fund balances** | $ 28,761,361 | | |

| NET POSITION | | | |
| Net investment in capital assets | 659,295 | 659,295 | 790,300 |
| Unrestricted | 20,043,737 | 20,043,737 | 18,323,968 |
| **Total net position** | $ 20,703,032 | 20,703,032 | 19,114,268 |

| **Total liabilities and net position** | | | |
| $ 29,420,656 | | | | $ 26,142,657 |

The accompanying notes are an integral part of these financial statements.
San Mateo County Library Joint Powers Authority  
Statement of Governmental Fund Revenues, Expenditures, and  
Changes in Fund Balances/Statement of Activities  
For the year ended June 30, 2015  
(With comparative totals for the year ended June 30, 2014)

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Adjustments (Note 6)</th>
<th>Statement of Activities</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXPENDITURES/EXPENSES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracted employees salaries and benefits</td>
<td>$ 13,465,735</td>
<td>$ 50,283</td>
<td>$ 13,516,018</td>
<td>$ 12,483,170</td>
</tr>
<tr>
<td>Supplies and small equipment</td>
<td>6,334,751</td>
<td>-</td>
<td>6,334,751</td>
<td>6,587,774</td>
</tr>
<tr>
<td>Donor fund set aside</td>
<td>1,929,087</td>
<td>-</td>
<td>1,929,087</td>
<td>1,890,903</td>
</tr>
<tr>
<td>Other charges</td>
<td>1,312,961</td>
<td>-</td>
<td>1,312,961</td>
<td>1,237,172</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>8,988</td>
<td>(8,988)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>139,325</td>
<td>139,325</td>
<td>140,843</td>
</tr>
<tr>
<td>Total expenditures/expenses</td>
<td>23,051,522</td>
<td>180,620</td>
<td>23,232,142</td>
<td>22,339,862</td>
</tr>
<tr>
<td>REVENUES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>949,253</td>
<td>-</td>
<td>949,253</td>
<td>272,577</td>
</tr>
<tr>
<td>Grants</td>
<td>405,545</td>
<td>-</td>
<td>405,545</td>
<td>283,608</td>
</tr>
<tr>
<td>Charges for services</td>
<td>420,128</td>
<td>-</td>
<td>420,128</td>
<td>659,623</td>
</tr>
<tr>
<td>Total program revenues</td>
<td>1,774,926</td>
<td>-</td>
<td>1,774,926</td>
<td>1,215,808</td>
</tr>
<tr>
<td>Net program expense</td>
<td>21,276,596</td>
<td>180,620</td>
<td>21,457,216</td>
<td>21,124,054</td>
</tr>
<tr>
<td>General revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>22,649,557</td>
<td>-</td>
<td>22,649,557</td>
<td>22,837,309</td>
</tr>
<tr>
<td>Investment earnings</td>
<td>138,679</td>
<td>-</td>
<td>138,679</td>
<td>85,228</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>258,412</td>
<td>-</td>
<td>258,412</td>
<td>575,352</td>
</tr>
<tr>
<td>Total general revenues</td>
<td>23,046,648</td>
<td>-</td>
<td>23,046,648</td>
<td>23,497,889</td>
</tr>
<tr>
<td>REVENUES OVER (UNDER) EXPENDITURES</td>
<td></td>
<td></td>
<td></td>
<td>1,770,052</td>
</tr>
<tr>
<td>OTHER FINANCING SOURCES (USES):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on disposal of assets</td>
<td>-</td>
<td>(668)</td>
<td>(668)</td>
<td>-</td>
</tr>
<tr>
<td>Total other financing sources (uses):</td>
<td>-</td>
<td>(668)</td>
<td>(668)</td>
<td>-</td>
</tr>
<tr>
<td>CHANGE IN NET POSITION</td>
<td>(181,288)</td>
<td>1,588,764</td>
<td>2,373,835</td>
<td></td>
</tr>
<tr>
<td>FUND BALANCES/NET POSITION:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of the year</td>
<td>18,698,142</td>
<td>416,126</td>
<td>19,114,268</td>
<td>16,740,433</td>
</tr>
<tr>
<td>End of the year</td>
<td>$ 20,468,194</td>
<td>$ 234,838</td>
<td>$ 20,703,032</td>
<td>$ 19,114,268</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The San Mateo County Library Joint Powers Authority (Library) is a Joint Exercise of Powers Agency, which is a library service organization comprised of the cities of Atherton, Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Millbrae, Pacifica, Portola Valley, San Carlos, and Woodside and the County of San Mateo. The Library was formed on January 11, 1999, under Government Code Section 6500 et. seq. A restated Joint Powers Agreement was approved by the Governing Board and its member agencies and took effect as of May 31, 2004, to clarify various administrative, property, and service issues, which were not included in the original agreement.

The Library is governed by a Board consisting of representatives from each member entity. Oversight responsibility, the ability to conduct independent financial affairs, issue debt instruments, approve budgets, sign contracts, and otherwise influence operations and account for fiscal matters is exercised by the Library’s governing board. The Library is a separate reporting entity for financial reporting purposes and the accompanying financial statements reflect the assets, liabilities, fund balances/net position, revenues, and expenditures/expenses of the Library only.

The financial statements of the Library have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. When applicable, certain prior year amounts have been reclassified to conform to current year presentation. The following is a summary of the more significant policies:

In accordance with GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments the Library has selected the single governmental fund (General Fund) presentation since this reflects the most concise and easily readable presentation for the Library’s operations.

A. Reporting Entity

As defined by GASB Statement No. 39, The Financial Reporting Entity, the Library is not financially accountable for any other entity other than itself, nor are there any other entities for which the nature and significance of their relationship with the Library are such that exclusion would cause the Library’s financial statements to be misleading or incomplete. In addition, based upon the above criteria, the Library is not aware of any entity which would be financially accountable for the Library which would result in the Library being considered a component of the entity.
1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Accounting

The fund-based financial statement columns (General Fund column) on Pages 12 and 13 are accounted for using the modified accrual basis of accounting. These fund revenues are recognized when they become measurable and available as net current assets. Measurable means the amount of the transaction can be determined and available means the amount is collectible within the current period or soon enough thereafter (generally sixty days) to be used to pay liabilities of the current period. Amounts, which could not be measured or were not available, were not accrued as revenue in the current fiscal year. The Statements of Net Position and Activities columns on Pages 12 and 13 have been prepared on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

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

C. Budgets

Budgets are prepared on the modified accrual basis of accounting in which capital assets acquired are recorded as expenditures and depreciation is not recorded.

The legal budget is the same as the operating budget in total. Total expenditures may not exceed the budgeted expenditures without approval of the Library’s Governing Board. The budget lapses at the end of each fiscal year.

Estimated revenues and recommended appropriations are shown and supported by detailed documentation at each administrative level within the Library. The Library follows these procedures in establishing the budgetary data reflected in the financial statements:

- By June 30, the Operations Committee reviews and recommends to the Governing Board a proposed operating budget for the year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.

- The budget is legally enacted through passage of a motion during a Governing Board meeting prior to year-end.

- The Operations Committee reviews all budget transfers and revisions, which are then approved by the Governing Board.
1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. Budgets – continued

- Formal budgeting is employed as a management control device during the year for the Library’s single fund the General Fund.

- Budgets for the General Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Budgeted amounts are as originally adopted or as amended by the Governing Board. Individual amendments were not material in relation to the original appropriations.

D. Property Taxes

The State of California (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed one percent (1%) of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100% of market value as defined by Article XIII A and may be adjusted by no more than two percent (2%) per year unless the property is sold, transferred, or improved. The State Legislature has determined the method of distribution of receipts from a one percent (1%) tax levy among the counties, cities, school districts, and other districts.

San Mateo County assesses, bills for, and collects property taxes as follows:

<table>
<thead>
<tr>
<th></th>
<th>Secured</th>
<th>Unsecured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lien dates</td>
<td>March 1</td>
<td>March 1</td>
</tr>
<tr>
<td>Levy dates</td>
<td>July 1</td>
<td>July 1</td>
</tr>
<tr>
<td>Due dates</td>
<td>50% on November 1 and</td>
<td>July 1</td>
</tr>
<tr>
<td></td>
<td>50% on March 1</td>
<td></td>
</tr>
<tr>
<td>Delinquent as of</td>
<td>December 10 (for November) and April 10 (for March)</td>
<td>August 31</td>
</tr>
</tbody>
</table>

The term “unsecured” refers to taxes on personal property other than real estate, land, and buildings. These taxes are secured by liens on the property being taxed.

Property taxes levied are recorded as revenue when received in the fiscal year of levy because of the adoption of the “alternate method of property tax distribution,” known as the Teeter Plan, by the Library and the County of San Mateo (County). The Teeter Plan authorizes the Controller of the County to allocate 100% of the secured property taxes billed, but not yet paid. The County remits tax monies to the Library in three installments, as follows:

- 55% remitted on December 15
- 40% remitted on April 15
- 5% remitted on June 15
1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

E. Cash and Investments

The Library pools cash and investments from all funds for the purpose of increasing income through investment activities. Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. Market value is used as fair value for those securities for which market quotations are readily available.

The Library participates directly in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

F. Net Investment in Capital Assets

Capital assets are carried at cost or estimated cost if actual cost was not available. Donated assets are valued at their estimated fair value on the date donated.

Depreciation is calculated on a straight line basis using the following useful life schedule:

Furniture and equipment – 5 to 10 years

2. CASH AND INVESTMENTS

The Library had the following cash and investments at June 30, 2015:

<table>
<thead>
<tr>
<th>Not rated</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Mateo County Treasury</td>
<td>$ 21,225,687</td>
</tr>
<tr>
<td>San Mateo County Treasury- restricted</td>
<td>5,463,284</td>
</tr>
<tr>
<td>California Local Agency Investment Fund (LAIF)</td>
<td>2,032,513</td>
</tr>
<tr>
<td>Petty Cash/Change funds</td>
<td>2,070</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 28,723,554</strong></td>
</tr>
</tbody>
</table>

Presentation in Statement of Net Position:

Cash and investments | $ 23,260,270 |
Cash and investments- restricted | 5,463,284 |
**Total** | **$ 28,723,554** |
2.  CASH AND INVESTMENTS - continued

A.  Cash Deposits

The Library pools cash from all sources. The Library invests excess cash in the San Mateo County Treasury and LAIF investment pools, which at June 30, 2015, approximated fair value of $28,723,554. The Library maintains a petty cash fund at the central administration offices of $500 and change funds at all of the branches for a combined total of $1,570 or a range of $10 to $150 per branch and a total of $2,070 overall. The restricted cash and investments balance represents the amount held under the donor city provision.

The California Government Code requires California banks and savings and loan associations to secure government cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral is considered to be held in the government’s name.

According to California law, the market value of pledged securities with banking institutions must equal at least 110% of the government’s cash deposits. California law also allows institutions to secure government deposits by pledging first trust deed mortgage notes having a value of 150% of the government’s total cash deposits. The government can waive collateral requirements for cash deposits, which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation. The County has waived these collateralization requirements.

The County Treasurer maintains a cash and investment pool, on behalf of the Library, as their custodian, which includes cash balances and authorized investments for all Library funds, which is invested to enhance interest earnings. The pooled interest earned is allocated quarterly to the Library based on average daily cash and investment balance.

B. Investments

The Library is authorized by State statutes and Governing Board action to invest in the following:

- United States Treasury notes, bonds, bills or certificates of indebtedness.
- Registered state warrants or treasury notes or bonds of the State of California.
- Bonds, notes, warrants or other evidences of indebtedness of any local agency within the State of California.
- Obligations issued by banks and guaranteed by federal agency or United States government-sponsored enterprise.
- Negotiable certificates of deposit or time deposits placed with commercial banks and/or savings and loan companies.
- Banker's acceptances.
- Commercial paper.
2. CASH AND INVESTMENTS - continued

B. Investments – continued

- California Local Agency Investment Fund (LAIF).
- San Mateo County Treasury

The Library’s practice has been to limit investments to LAIF and the San Mateo County Treasury, an unrated investment pool, which limits the exposure of Library funds to interest rate and credit risk by treating all balances as current.

In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments were stated at fair value using the aggregate method, which includes any adjustments recorded in interest/investment income.

C. Investments in External Investment Pools

The Library's investments with the County at June 30, 2015, included a portion of the pool funds invested in structured notes and asset backed securities and similar transactions. These investments may include the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depends on one or more indices and/or that have embedded forwards or options.

Asset-backed Securities, the bulk of which are mortgage-backed securities, entitle their purchaser to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMOs) or credit card receivables.

As of June 30, 2015, the Library had $2,032,513 invested directly in LAIF. The LAIF investment pool consisted of derivative products in the form of asset-backed securities in the amount of $88,086,152 and $700,000,000 in floating rate securities, each of these investment types representing 0.13% and 1.01% of the total LAIF investment pool, respectively. The current average life of the LAIF portfolio as of June 30, 2014 was 239 days.

As of June 30, 2015, the Library also had $26,688,971 invested directly in the County investment pool. The County investment pool currently holds derivative products in the form of asset-backed securities in the amount of $963,550,000, $313,000,000 in repurchase agreements, and $293,000,000 in floating rate securities, each of these investment types representing 22.6%, 7.3%, and 6.9%, of the total County investment pool, respectively. The current average maturity of the portfolio is 1.63 years with an average duration of 1.59 years.
3. CAPITAL ASSETS

Changes in capital assets were as follows:

<table>
<thead>
<tr>
<th>July 1, 2014</th>
<th>Additions</th>
<th>Retirements</th>
<th>June 30, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and equipment</td>
<td>$1,572,370</td>
<td>$8,988</td>
<td>$(59,651)</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(782,070)</td>
<td>(139,325)</td>
<td>58,983</td>
</tr>
<tr>
<td>Total fixed assets</td>
<td>$790,300</td>
<td>(130,337)</td>
<td>(668)</td>
</tr>
</tbody>
</table>

The Library added $8,988 of portable shelving during the fiscal year.

4. FUND BALANCES/NET POSITION

Fund Balances consist of the following: Nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance consists of investments that will not convert to cash soon enough to affect the current period. Restricted fund balance consists of resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government. Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of the Library’s highest level of decision-making authority. Assigned fund balance consists of amounts where intent is expressed by the governing body itself or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. Unassigned amounts represent deficits in fund balance as reflected by the necessity to show nonspendable and restricted balances in an amount greater than total fund balance. Currently, the Library uses only the nonspendable and committed categories.

<table>
<thead>
<tr>
<th>Nonspendable</th>
<th>$2,070</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committed for:</td>
<td></td>
</tr>
<tr>
<td>Capital Projects</td>
<td>16,136,567</td>
</tr>
<tr>
<td>Contingencies - Stabilization</td>
<td>4,329,557</td>
</tr>
<tr>
<td>Total</td>
<td>20,466,124</td>
</tr>
<tr>
<td>Nonspendable: Represents amounts set aside for petty cash and change funds.</td>
<td></td>
</tr>
<tr>
<td>Capital Projects: Represents amounts set aside for future capital purchases.</td>
<td></td>
</tr>
<tr>
<td>Contingencies – Stabilization: Represents remaining amounts set aside by the Library’s Governing Board to be used in the event of sudden, unanticipated revenue loss or expenditure requirements.</td>
<td></td>
</tr>
</tbody>
</table>

Net position consists of restricted and unrestricted amounts. Restricted amounts reflect balances which cannot be influenced by Library Governing Board action, such as the net investment in capital assets. Unrestricted amounts reflect balances available for current operations.
4. FUND BALANCES/NET POSITION - continued

<table>
<thead>
<tr>
<th></th>
<th>Net Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net investment in capital assets</td>
<td>$ 659,295</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>20,043,737</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 20,703,032</strong></td>
</tr>
</tbody>
</table>

5. EXPLANATION OF DIFFERENCES BETWEEN THE GENERAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION

“Total fund balances” of the Library’s General fund ($20,468,194) differs from “net position” of governmental activities ($20,703,032) reported in the Statement of Net Position on page 12. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the General fund balance sheet. The effect of the difference is illustrated below:

<table>
<thead>
<tr>
<th>Balance Sheet/Statement of Net Position</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Fund</strong></td>
</tr>
<tr>
<td>Reclassifications and Eliminations ¹</td>
</tr>
<tr>
<td><strong>Statement of Net Position</strong></td>
</tr>
<tr>
<td><strong>Assets:</strong></td>
</tr>
<tr>
<td>Cash and investments</td>
</tr>
<tr>
<td>Cash and investments- restricted</td>
</tr>
<tr>
<td>Interest receivable</td>
</tr>
<tr>
<td>Capital assets</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
</tr>
<tr>
<td>Accounts payable</td>
</tr>
<tr>
<td>Other current liabilities</td>
</tr>
<tr>
<td>Eligible donor fund set aside</td>
</tr>
<tr>
<td>Accrued payroll</td>
</tr>
<tr>
<td>Compensated absences</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
</tr>
<tr>
<td><strong>Fund Balances/Net Position:</strong></td>
</tr>
<tr>
<td>Total fund balances/net position</td>
</tr>
<tr>
<td><strong>Total liabilities and fund balances/net position</strong></td>
</tr>
</tbody>
</table>

¹ When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported in expenditures in governmental funds. However, the statement of net position includes these capital assets among the assets of the Library as a whole. Long-term liabilities such as compensated absences are not due and payable in the current period and therefore they are not reported in the government's fund balance sheets.
6. EXPLANATION OF DIFFERENCES BETWEEN GENERAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES

The “net change in fund balances” for the General fund $1,770,052 differs from the “change in net position” for governmental activities $1,588,764 reported in the Statement of Activities on page 13. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the General fund. The effect of the difference is illustrated below:

<table>
<thead>
<tr>
<th>Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities</th>
<th>General Fund</th>
<th>Reclassifications and Eliminations</th>
<th>Statement of Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXPENDITURES/EXPENSES:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracted employees salaries and benefits</td>
<td>$13,465,735</td>
<td>$50,283</td>
<td>$13,516,018</td>
</tr>
<tr>
<td>Supplies and small equipment</td>
<td>2,348,460</td>
<td>-</td>
<td>2,348,460</td>
</tr>
<tr>
<td>Contracts and professional services</td>
<td>1,828,267</td>
<td>-</td>
<td>1,828,267</td>
</tr>
<tr>
<td>Library materials</td>
<td>2,158,024</td>
<td>-</td>
<td>2,158,024</td>
</tr>
<tr>
<td>Donor fund set aside</td>
<td>1,929,087</td>
<td>-</td>
<td>1,929,087</td>
</tr>
<tr>
<td>Other charges</td>
<td>1,312,961</td>
<td>-</td>
<td>1,312,961</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>8,988</td>
<td>(8,988)</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>139,325</td>
<td>139,325</td>
</tr>
<tr>
<td>Total expenditures/expenses</td>
<td>23,051,522</td>
<td>180,620</td>
<td>23,232,142</td>
</tr>
<tr>
<td>REVENUES:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>949,253</td>
<td>-</td>
<td>949,253</td>
</tr>
<tr>
<td>Grants</td>
<td>405,545</td>
<td>-</td>
<td>405,545</td>
</tr>
<tr>
<td>Charges for services</td>
<td>420,128</td>
<td>-</td>
<td>420,128</td>
</tr>
<tr>
<td>Total program revenues</td>
<td>1,774,926</td>
<td>-</td>
<td>1,774,926</td>
</tr>
<tr>
<td>Net program expense</td>
<td>21,276,596</td>
<td>180,620</td>
<td>21,457,216</td>
</tr>
<tr>
<td>General revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>22,649,557</td>
<td>-</td>
<td>22,649,557</td>
</tr>
<tr>
<td>Investment earnings</td>
<td>138,679</td>
<td>-</td>
<td>138,679</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>258,412</td>
<td>-</td>
<td>258,412</td>
</tr>
<tr>
<td>Total general revenues</td>
<td>23,046,648</td>
<td>-</td>
<td>23,046,648</td>
</tr>
<tr>
<td>REVENUES OVER (UNDER) EXPENDITURES</td>
<td>1,770,052</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHER FINANCING SOURCES (USES):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on disposal of assets</td>
<td>-</td>
<td>(668)</td>
<td>(668)</td>
</tr>
<tr>
<td>Total other financing sources (uses):</td>
<td>-</td>
<td>(668)</td>
<td>(668)</td>
</tr>
<tr>
<td>CHANGE IN NET POSITION</td>
<td>(181,288)</td>
<td>1,588,764</td>
<td></td>
</tr>
<tr>
<td>FUND BALANCES/NET POSITION:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of the year</td>
<td>18,698,142</td>
<td>416,126</td>
<td>19,114,268</td>
</tr>
<tr>
<td>End of the year</td>
<td>$20,468,194</td>
<td>$234,838</td>
<td>$20,703,032</td>
</tr>
</tbody>
</table>

1 Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. The changes to capital outlay reflect the capitalization of these assets. Additionally, governmental funds report compensated absences as expenditures while governmental activities recognize the long-term nature as a liability, the change to contracted salaries and benefits reflects the change in the long-term compensated absences liability from the prior year.
7. RELATED PARTY TRANSACTIONS

The Library contracts with the County of San Mateo (County) to provide some administrative, accounting, personnel, and facilities maintenance services. Under these arrangements, the Library pays the County the cost of services performed. During the year ended June 30, 2015, the Library paid the County $557,851; ($395,018) for administrative and support services, ($121,505) for insurance and ($41,328) for facilities maintenance services.

Section VI. D. of the San Mateo County Library JPA Agreement states the following, "In the event that the allocated library service revenue exceeds the amount required to maintain the minimum library service for each city as described in this Agreement, such excess funds shall be spent on library related activities within that city (hereinafter, "Donor City") including, but not limited to, facility maintenance, facility remodeling or expansion, increased service hours, or increased book purchases, as mutually agreed by the Library JPA and the city council of the affected Donor City." In accordance with the donor city provision, and as approved by the Library JPA Governing Board, at the end of each fiscal year, funds in excess of the amount required to operate a branch are distributed and held by the Library in separate library accounts or Trust Funds. The funds are segregated from the Library's general operating budget where they accrue interest. As of June 30, 2015, these amounts are as follows: Atherton Library $1,275,786, Woodside Library $519,051, and Portola Valley Library $134,250 representing a combined total of $1,929,087 as shown as a charge to Donor Fund set aside on the statement of revenues, expenditures and changes in fund balance/statement of activities. As of June 30, 2015, the total held by the Library for FY14-15 was $5,463,284. The amounts by City were Atherton Library $3,701,918, Woodside Library $1,466,136, and Portola Valley Library $295,230.

As of June 30, 2015, excess County Free Library property taxes with a combined balance of $12,137,866 remain in accounts currently held by each donor city and depleted first before accessing any funds held in the Library's Donor City Trust Funds. These amounts are as follows: Atherton Library $9,729,578, Woodside Library $2,008,511 and Portola Valley Library $399,777.

In order to secure agreement by the Library JPA, member cities that qualify as a Donor City and are interested in utilizing excess County Free Library property taxes to support public library related activities, provide information to the JPA Governing Board in order to obtain approval for the proposed uses of this revenue for the upcoming fiscal year.
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REQUIRED SUPPLEMENTARY INFORMATION
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San Mateo County Library Joint Powers Authority
Required Supplementary Information
For the year ended June 30, 2015

Budgetary Comparison Schedule
General Fund
For the year ended June 30, 2015

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Actual Amounts</th>
<th>Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original</td>
<td>Final</td>
<td>Positive (Negative)</td>
</tr>
<tr>
<td><strong>Budgetary fund balance, July 1, 2014</strong></td>
<td>$18,698,142</td>
<td>$18,698,142</td>
<td>$18,698,142 $</td>
</tr>
<tr>
<td><strong>Resources (inflows):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>537,100</td>
<td>537,100</td>
<td>949,253 $412,153</td>
</tr>
<tr>
<td>Grants</td>
<td>382,353</td>
<td>405,545</td>
<td>23,192</td>
</tr>
<tr>
<td>Charges for services</td>
<td>476,366</td>
<td>420,128</td>
<td>(59,238)</td>
</tr>
<tr>
<td>Property taxes</td>
<td>21,327,464</td>
<td>22,649,557</td>
<td>1,322,093 $</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>79,800</td>
<td>138,679</td>
<td>58,879</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>82,000</td>
<td>258,412</td>
<td>176,412</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>22,885,083</td>
<td>24,821,574</td>
<td>1,933,491 $</td>
</tr>
<tr>
<td><strong>Amounts available for appropriation</strong></td>
<td>41,583,225</td>
<td>43,519,716</td>
<td>1,933,491 $</td>
</tr>
<tr>
<td><strong>Charges to appropriations (outflows):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracted employees salaries and benefits</td>
<td>13,774,733</td>
<td>13,465,735</td>
<td>332,998 $</td>
</tr>
<tr>
<td>Supplies and small equipment</td>
<td>4,342,403</td>
<td>2,348,460</td>
<td>1,993,943 $</td>
</tr>
<tr>
<td>Contracts and professional services</td>
<td>2,712,766</td>
<td>1,828,267</td>
<td>884,499 $</td>
</tr>
<tr>
<td>Library materials</td>
<td>2,195,000</td>
<td>2,158,024</td>
<td>36,976 $</td>
</tr>
<tr>
<td>Donor fund set aside</td>
<td>1,880,000</td>
<td>1,929,087</td>
<td>(49,087) $</td>
</tr>
<tr>
<td>Other charges</td>
<td>1,312,881</td>
<td>1,312,961</td>
<td>(8,080) $</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>20,000</td>
<td>8,988</td>
<td>11,012 $</td>
</tr>
<tr>
<td><strong>Total charges to appropriations</strong></td>
<td>26,237,783</td>
<td>23,051,522</td>
<td>3,186,261 $</td>
</tr>
<tr>
<td><strong>Budgetary fund balance, June 30, 2015</strong></td>
<td>$15,345,442</td>
<td>$20,468,194</td>
<td>$5,119,752 $</td>
</tr>
</tbody>
</table>
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Governing Board of the
San Mateo County Library Joint Powers Authority
San Mateo, California

We have audited, in accordance with the auditing standard 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 San Mateo County Library Joint Powers Authority (Library) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Library’s basic financial statements, and have issued our report thereon dated December 21, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Library’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 internal control of the Library’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Library’s internal control.

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

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

As part of obtaining reasonable assurance about whether the Library’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.

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 result 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.

December 21, 2015

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA
MEMO

To: JPA Governing Board  
From: Anne-Marie Despain, Director of Library Services  
Pam Deal, Financial Services Manager  
Date: February 2, 2016  
Meeting Date: February 8, 2016  
Re: Library JPA Fund Balance Policy

BACKGROUND:

As outlined in the San Mateo County Library Joint Powers Authority Agreement, the Library JPA Governing Board is responsible for creating, adopting and maintaining by-laws and related policies to provide for the conduct of Library business. Prudent financial management suggests that all governmental entities should establish fund balance policies to provide the required resources when responding to unforeseen events and meeting operating needs.

In February 2011, the Governing Board adopted the Library JPA Fund Balance Policy. In developing this policy, the Library reviewed and considered information provided by the Government Finance Officers Association (GFOA), the Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and other jurisdictions’ practices.

At the November 9, 2015 meeting of the Governing Board, the Fund Balance Policy was agendized for review and a recommendation was made to establish a subcommittee to further examine the policy. The Financial Policies Subcommittee was formed and tasked with examining the policy in the context of industry best practices and ensuring that the policy promotes careful stewardship of community assets. Any proposed changes would then be brought back to the Governing Board for consideration.

DISCUSSION:

On January 11, 2016, the Subcommittee met and has recommended the following policy change:

Reduce the amount held in the category currently referred to as Stabilization Commitments from twenty percent (20%) to fifteen percent (15%).

This change would have the effect of decreasing the amount held in this category from $4.3 million to approximately $3.2 million. The Subcommittee felt that this reduction would not place the Library at a greater risk, given that the likely need for drawing down on these Reserves is minimal.

The Subcommittee indicated that the policy language related to amounts held in the category currently referred to as Capital Project Commitments was sufficient.
Staff is further recommending that the term “Stabilization Commitments” be referred to as “Operating Reserves”, and the term “Capital Project Commitments” be referred to as “Capital Reserves”. These changes would correspond with language used in other documents such as the budget.

Finally, Operations Committee members present at the October 27, 2015 meeting agreed that the annual budget presented and approved by the JPA Governing Board currently includes language demonstrating compliance with the provisions of the policy and, therefore, satisfies the annual review requirement. The Operations Committee has recommended that going forward, compliance with the Library JPA Fund Balance Policy be included as part of the approval of the annual budget.

**FISCAL IMPACT:**
There is no fiscal impact associated with adopting the Library JPA Fund Balance Policy.

**RECOMMENDATION:**

1. Recommend that the JPA Governing Board accept the proposed changes and adopt the revised Library JPA Fund Balance Policy.

2. Include annual compliance with the policy as part of the approval of the Library Recommended budget.

**ATTACHMENT:**
Revised Library JPA Fund Balance Policy
San Mateo County Library
Joint Powers Authority

**Revised**

**FUND BALANCE POLICY**

I. **Purpose**

Prudent financial management suggests that all governmental entities should establish fund balance policies to provide the required resources when responding to unforeseen events and meeting operating needs. The purpose of this Fund Balance Policy is to establish reasonable guidelines tailored to the needs of the San Mateo County Library Joint Powers Authority (Library) which ensure that adequate funds are available to:

- Mitigate significant economic downturns or revenue shortfalls
- Cover future innovative opportunities related to system improvements
- Provide for future projects

Fund Balance is generally defined as the difference between fund assets and fund liabilities remaining at year-end. For budgetary purposes, this represents the sum of over-realized or unanticipated revenues and unspent appropriations or reserves at the end of each fiscal year.

The Policy aligns with the reporting standards outlined in GASB 54 (the Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions). GASB Statement 54 established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

II. **Fund Balance Goals**

The following individual items shall constitute the Library Fund Balance.

**Committed Fund Balance**

Committed Fund Balance consists of amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority, in this case, the Governing Board. Commitments may be changed or lifted only by the Governing Board taking the same formal action that imposed the constraint originally. The Library has established two primary categories of Committed Fund Balance as follows:

- Stabilization Commitments, referred to in this policy as Operating Reserves, and
- Capital Project Commitments, referred to in this policy as Capital Reserves

**Stabilization Commitments** Operating Reserves

Governments often establish “rainy day funds” to provide a financial cushion against unanticipated adverse financial or economic circumstances. The Library is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted one-time expenditures.

**Stabilization Commitments** Operating Reserves may be used to address temporary cash flow shortages, emergencies, unanticipated economic downturns, and one-time opportunities to stabilize current operations.

The Library shall maintain amounts equal to no less than **fifteen percent (15%)** of adopted general fund operating appropriations in the category identified as Stabilization Commitments Operating Reserves (net appropriations exclusive of one-time activities).
There is no nationally uniform standard regarding the appropriate level of unrestricted fund balance (i.e. the amounts reported as committed) local governments should maintain. However, the Government Finance Officers Association (GFOA) recommends that…”general purpose governments maintain at a minimum an unrestricted fund balance of no less than two (2) months or 16.7% of regular general fund operating revenues or regular general fund operating expenditures. The adequacy of unreserved fund balance in the general fund should be assessed based upon a government’s own circumstances. Furthermore, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unreserved fund balance in the general fund at any one time.”

Capital Project Commitments Capital Reserves
Capital Project Commitments Capital Reserves may be used to address innovative opportunities related to operational improvements and asset replacement needs as approved by the Governing Board. Activities such as major equipment purchases, facility renovations, and system-wide projects are not specified in this policy statement, but are identified by the Library, as part of the annual budget development process.

The Library shall maintain amounts equal to no less than two million five hundred thousand ($2,500,000) in the category identified as Capital Project Commitments Capital Reserves.

III. Minimum Fund Balance Requirements

In the event funds are not available to maintain minimum required balances as detailed under Section II Fund Balance Goals; Committed Fund Balance, the Governing Board must approve and adopt a plan to restore this balance to the target level by adding an amount to the budget to cover the deficiency over a period not to exceed five (5) fiscal years. If restoration of the commitment cannot be accomplished within such period without severe hardship to the Library, then the Governing Board will establish a different time period or change the committed amount requirement.

IV. Utilization of Fund Balance

Appropriation of the Committed Fund Balance shall require the approval of the Governing Board and shall be only for one-time uses and not for ongoing expenditures unless a viable revenue plan designated to sustain the expenditures is adopted.

V. Annual Review

Compliance with the provisions of this policy shall be reviewed as part of the annual budget adoption process
MEMO

To: JPA Governing Board
From: Anne-Marie Despain, Director of Library Services
        Pam Deal, Financial Services Manager
Date: February 2, 2016
Meeting Date: February 8, 2016
Re: FY 2015-16 Mid-Year Financial Report

BACKGROUND:
The FY 2015-16 Mid-Year Financial Report provides the JPA Governing Board with information regarding the financial condition of the San Mateo County Library (Library). The report includes year-end estimates and highlights of current year activities, identification of significant issues which may impact the upcoming budget, and budget development recommendations.

DISCUSSION:
Due to the leadership provided by the JPA Governing Board and sound fiscal stewardship, the Library’s financial condition continues to be strong. The FY 2015-16 Adopted Budget, approved in September 2015, totals $46,058,780 and distributes resources designed to meet performance and service objectives. Expenditures in the budget contain all operational functions including ongoing operations and one-time projects totaling $31.5 million and Reserves of $14.6 million.

The FY 2015-16 budget captures numerous services and activities designed to meet the informational, educational and cultural needs of the community. These activities are highlighted below and aligned with the priorities identified for FY 2015-16:

- Supporting the Mobile and Digital Needs of Library Users: Significant effort has been made in this area and library users now have the opportunity to choose from an increasing number of options for gaining access to the Internet, obtaining downloadable materials, and utilizing an array of online learning and information resources including the ability to borrow Wi-Fi hotspots, laptops and eReaders.

- Promoting Partnerships and Building Awareness of the Library’s Resources: The Library continues to develop meaningful partnerships with County departments, local non-profits, school districts and the State in order to support special needs and high risk communities. Creative approaches have been developed in order to reach groups such as veterans, teen mothers, English language learners, individuals seeking their high school diploma, and incarcerated youth.

- Creating Welcoming and Well-Equipped Facilities: Spaces and facilities continue to evolve in order to increase flexibility and respond to the changing nature of library services. The fully renovated Woodside Library will re-open in April and planning efforts are underway in Atherton, Brisbane, East Palo Alto, Half Moon Bay and Pacifica to update aging facilities with libraries that meet 21st century service needs. Staff are also configuring spaces in order to increase maker programming with special emphasis on 3D printing services.
Supporting Family Literacy and Lifelong Learning: The Library has successfully implemented programs which address the early learning needs of children and families as demonstrated by the expanded Summer Learning Program, customized tutoring and homework support services, and innovative hands-on learning instruction for parents and caregivers to improve early childhood development. An increasing emphasis on culturally rich programming such as the well-attended Diwali Festival and Lunar New Year celebrations serve to further connect our communities.

Focusing on Programs with Measurable Results and Outcomes: The Library remains committed to understanding user needs by continuously seeking input from the public and all its stakeholders in order to better serve the community. One of the most significant activities completed this year was the community engagement for and development of our new Strategic Plan. An ongoing focus on information-gathering and data-driven decision-making throughout implementation of the plan will ensure that the Library is evaluating the effectiveness of our actions to ensure goals are met, moving SMCL forward.

**FY 2015-16 Financial Status**

Using historical trends, projections and actual activity recorded as of December 31, 2015, the Library will realize additional revenue estimated at $281,033 primarily due to the accumulation of excess ERAF offset by Measure A revenue associated with the East Palo Alto Library renovation project which is still in the planning phases. This revenue will be budgeted in FY 2016-17. Expenditure savings of $260,633 are estimated and due primarily to salary and benefit savings as a result of vacancies. An estimated $15,068,263 in Fund Balance will be carried over to FY 2016-17 representing revenue and expenditure saving and Reserves. The table below provides a breakdown of projected year-end revenues and expenditures.

<table>
<thead>
<tr>
<th>FY 2015-16 Mid-Year Estimate Summary</th>
<th>FY 2015-16 Adopted Budget</th>
<th>FY 2015-16 Year-End Estimate</th>
<th>FY 2015-16 Year-End Balance</th>
<th>% of Budget Realized/Spent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>24,089,164</td>
<td>24,419,000</td>
<td>329,836</td>
<td>101.4%</td>
</tr>
<tr>
<td>Use of Money and Property</td>
<td>99,800</td>
<td>110,000</td>
<td>10,200</td>
<td>110.2%</td>
</tr>
<tr>
<td>Intergovernmental Revenue</td>
<td>180,572</td>
<td>225,000</td>
<td>44,428</td>
<td>124.6%</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>333,000</td>
<td>232,000</td>
<td>(101,000)</td>
<td>70%</td>
</tr>
<tr>
<td>Interfund Revenue</td>
<td>501,396</td>
<td>501,390</td>
<td>(2,425)</td>
<td>100%</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>382,425</td>
<td>380,000</td>
<td></td>
<td>99.4%</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>25,586,357</td>
<td>25,867,390</td>
<td>281,033</td>
<td>101.1%</td>
</tr>
<tr>
<td>Fund Balance</td>
<td>20,472,423</td>
<td>20,472,423</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total Available Funds</strong></td>
<td>46,058,780</td>
<td>46,339,813</td>
<td>281,033</td>
<td>100.6%</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>15,027,158</td>
<td>14,590,000</td>
<td>437,158</td>
<td>97.1%</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>29,556,744</td>
<td>27,800,000</td>
<td>1,756,744</td>
<td>94.1%</td>
</tr>
<tr>
<td>Other Charges</td>
<td>1,409,508</td>
<td>1,409,500</td>
<td>8</td>
<td>100%</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>1,160,000</td>
<td>1,160,000</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>Other Financing Uses</td>
<td>12,051</td>
<td>12,050</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Gross Appropriations</strong></td>
<td>47,165,461</td>
<td>44,971,550</td>
<td>2,193,911</td>
<td>95.4%</td>
</tr>
<tr>
<td>Intrafund Transfers</td>
<td>(15,695,104)</td>
<td>(13,700,000)</td>
<td>(1,995,104)</td>
<td>87.3%</td>
</tr>
<tr>
<td><strong>Net Appropriations</strong></td>
<td>31,470,357</td>
<td>31,271,550</td>
<td>198,807</td>
<td>99.4%</td>
</tr>
<tr>
<td>Contingencies/Reserves</td>
<td>14,588,423</td>
<td>0</td>
<td>14,588,423</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>46,058,780</td>
<td>31,271,550</td>
<td>14,787,230</td>
<td>68%</td>
</tr>
</tbody>
</table>

**FY 2016-17 Fund Balance Estimate**

15,068,263
The following revenue and expenditure assumptions are based on current economic indicators, historical trends, negotiated agreements and potential legislative changes which may influence development of the budget. Significant sources of revenue are addressed followed by a summary of major operating costs.

County Free Library Property Taxes
Property tax revenues are the Library’s primary source of funding. Designated as a special district, the system is entitled to receive a small portion of the property tax collected within the boundaries of the Library service area. A total of 279,000 people live within the boundaries of the Library’s legal taxing district, which covers 351 square miles.

Secured property tax revenues (taxes assessed against real property) are expected to increase 5.3% or approximately $1 million in FY 2016-17. This anticipated growth is attributed to increasing property values and a robust housing market. Unsecured property taxes (taxes on aircraft and commercial equipment largely generated from businesses at San Francisco International Airport) are expected to increase by 2%. This growth is primarily attributed to business expansion and adjustments made for tangible inventory.

Based on current conditions and conservative estimates including annual increases of 5% and 2% respectively, the five-year projected growth for combined secured and unsecured property tax is $5.1 million.

<table>
<thead>
<tr>
<th>Property Tax Revenues</th>
<th>FY 16-17</th>
<th>FY 21-22</th>
<th>5-Year Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured Property Tax</td>
<td>$19 million</td>
<td>$24 million</td>
<td>$5 million</td>
</tr>
<tr>
<td>Unsecured Property Tax</td>
<td>$984,000</td>
<td>$1.1 million</td>
<td>$116,000</td>
</tr>
</tbody>
</table>

Excess Educational Revenue Augmentation Fund (ERAF)
Pursuant to Revenue and Taxation Code 97.2 and 97.3, property tax contributions made by local governments to the ERAF in excess of State-mandated school funding levels are returned to the local governmental entity that made the contribution. Due to the potential unpredictability of this funding, the JPA Governing Board has authorized the use of excess ERAF for non-recurring expenditures. Amounts not appropriated for one-time purposes are set aside in Reserves. Since FY 2003-04, the Library has received $29.9 million in excess ERAF contributions, including $3.3 million in the current year.

There is a decrease of 7% in excess ERAF in FY 2015-16. The Library will realize revenue of $3,341,941. The amount in FY 2014-15 was $3,600,428. This decrease is due to changes made by the State to school funding formulas. It is anticipated that excess ERAF amounts to local taxing jurisdictions will continue to decrease. Factors which could further influence the continuation and/or level of funding include additional State mandated changes to school funding formulas, or the State utilizing these funds for other State purposes. A preliminary estimate of anticipated excess ERAF in FY 2016-17 is $3.1 million.
Redevelopment Agency Funds
In 2011, citing a need to preserve public resources that support core government programs, the Governor’s Office proposed the dissolution of Redevelopment Agencies (RDAs). Following passage of ABX1 26, RDAs established a process for winding down redevelopment financial affairs and distributing any net RDA funds from assets or property taxes to the local taxing agencies. Designated as a special district, San Mateo County Library is entitled to receive a portion of these funds. A preliminary estimate of RDA funds in FY 2015-16 is $1 million. A similar amount is anticipated in FY 2016-17.

Library Reserves
The Library utilizes Reserves it has built up over time, primarily through the accumulation of excess ERAF, to support significant one-time projects, often in response to changes and service innovations made in the industry or to support the costs associated with interior furnishings, equipment and collections due to decisions made by member cities to build and/or remodel library facilities. One-time activities utilizing Reserves in FY 2015-16 total $5.8 million and support an array of equipment, materials and activities that improve the delivery of library service. Based on service priorities and direction from the JPA Governing Board, staff will include recommendations for use of Reserves to support one-time purchases and projects when the FY 2016-17 Recommended Budget is submitted in May.

Salaries and Benefits
Salaries and benefits represent the most significant ongoing operational cost in the Library. All staff including represented staff and unre presented management are employees of the County of San Mateo. All non-management permanent staff and non-permanent extra-help employees are represented by SEIU Local 521, the County’s second largest union. Negotiated changes approved in October 2014 include annual salary increases of 4% effective November 2014, 3% effective October 2015, 3% effective October 2016, and between 2% and 3% effective October 2017, based on the Consumer Price Index. The current MOU is set to expire in October 2018. These same salary increases also apply to management staff.

The FY 2015-16 budget includes salaries and benefits of $15,027,158 and a position count of 120. Preliminary estimates indicate that salary and benefits will increase by approximately $1.2 million in FY 2016-17. The table below summarizes historical salary and benefit costs. The count of positions includes only permanent employees and not extra-help classifications.

Other Assumptions
The Library will continue to restrict the use of County Free Library revenue due to existing Donor Fund provisions outlined in the Library JPA Agreement. Preliminary estimates for FY 2016-17 will require that amounts of approximately $2 million be set aside and withheld from general operations. In May 2014, the JPA Governing Board approved the establishment of a Donor Funds Subcommittee to examine the issues and challenges associated with Donor Fund provisions and seek solutions which focus on the Board’s values as a County Library System. The work of this subcommittee continues.
The County Measure A half-cent sales tax designed to support general County services and functions was approved by voters in November 2012. Given the County’s two-year allocation process, there are no additional County Measure A Funds earmarked to support libraries at this time.

Costs associated with support provided by the Peninsula Library System including materials distribution and delivery service, oversight of the shared online library catalog, and costs related to databases and maintenance agreements are estimated at $1.1 million.

The FY 2016-17 State Budget proposal released in January allocates no additional money to the California Library Literacy Services (CLLS) program. The Library receives less than $60,000 annually from this program. There is a proposal to add $4.8 million in new funding to enhance the California Library Services Act (CLSA) currently funded at $1.8 million. These funds are to be used to strengthen statewide and regional services for public libraries. The specific impact to the Library is unknown at this time but will likely be minimal.

Ongoing supplies and services costs are anticipated to reflect modest increases, and recommendations for use of Reserves to support one-time purchases and projects will be captured in the FY 2016-17 Recommended Budget submitted in May.

**FY 2016-17 Budget Development Recommendations**

Staff recommends moving forward with development of the FY 2016-17 Recommended Budget based on the following recommendations:

- Place an emphasis on developing and refining services that align with the goals outlined in the Strategic Plan:
  - Cultivating an active presence and creating spaces that support discovery, enrich lives and uplift the community.
  - Being a leader in establishing a foundation for early literacy and supporting exploration and growth at every stage of life.
  - Understanding community needs and promoting meaningful library services as solutions.

- Continue to operate at existing levels based on projected property tax revenue which is anticipated to roughly offset the estimated increases in ongoing personnel costs.

- Continue the use of excess ERAF and Reserves to support one-time services and activities.

The Library continues to set ambitious goals and utilize all its resources to strengthen the community. Under the leadership provided by the JPA Governing Board and Operations Committee, Library staff look forward to fulfilling the goals established for the current year and submitting a FY 2016-17 budget reflecting the exciting objectives outlined in the new Strategic Plan.

**FISCAL IMPACT:**

There is no fiscal impact associated with accepting this report.

**RECOMMENDATION:**

Recommend JPA Governing Board accept the FY 2015-16 Mid-Year Financial Report and direct staff to move forward with development of the FY 2016-17 Recommended Budget.
MEMO

To: JPA Governing Board
From: Anne-Marie Despain, Director of Library Services
Tom Fortin, Deputy Director of Library Services
Date: February 2, 2016
Meeting Date: February 8, 2016
Re: 2015 Summer Learning Program Report

BACKGROUND:

Summer is a crucial time to combat learning loss and provide literacy opportunities to the 160,000 San Mateo County children and youth under the age of 18. Extensive research shows that during the summer months, children can lose an average of two months of instruction, or roughly 22% of what they learned during the school year. Reading and literacy in this age group is a strong predictor of educational attainment, career advancement, and life success. It is commonly understood that before third grade, you are learning to read, and that after third grade, you must be able to read to learn.

To address San Mateo County summer learning loss, the County Board of Supervisors had approved continued use of Measure A funds to support the redesign and improvement of summer programs offered by the public libraries in the Peninsula Library System (PLS). We built upon last year’s ground-breaking success to facilitate another summer-long celebration of learning and literacy for children and families. Enhancements to the 2015 Summer Learning Challenge program, especially in communities with high numbers of students reading below grade level, focused on increasing high quality learning experiences, and advancing literacy and academic performance by engaging youth and families in reading and enrichment activities.

DISCUSSION:

2015 Summer Learning Challenge

San Mateo County Library oversaw the effort for all PLS libraries, including the development of new program requirements, marketing materials, a youth workforce development internship program to support outreach, and distribution of summer learning materials to 28 public libraries and our bookmobile. Accessibility was supported by ensuring materials were available in English, Spanish, and Mandarin languages. This year, we debuted a parallel online summer learning program www.summerlearners.org, allowing our communities the option of participating virtually as well. Books in the home are significantly connected with learning success. To ensure children have full support at the very start of summer, libraries distributed thousands of free English, Spanish, and Chinese language books to every child and family who signed up for summer learning. Additionally, all youth who finished the program became eligible to win one of the $1,000 educational scholarships offered in 18 cities throughout the county.

Adding a youth workforce development internship program, we hired teens and young adults passionate about closing the achievement gap and making their communities a better place. They modeled a love of reading and learning as well as effectively connected youth and their families to
Summer Learning Challenge 2015. We hired and provided professional development experiences to 42 Summer Learning Interns, many of whom were bilingual and eager to engage families of diverse linguistic backgrounds.

Weekday summer lunches and evidence based half-day camp learning experiences were provided in communities where the majority of youth read below grade level in third grade: Atherton, East Palo Alto, Half Moon Bay, North Fair Oaks, Pescadero/La Honda, Belle Haven, and South San Francisco. Each of the 2015 Summer Learning Enrichment Camps served 20-30 incoming 2nd and 3rd graders identified as struggling readers. Camp operation took place five days per week for eight weeks for 4+ hours per day, offering a minimum of 160 hours of summer programming, as indicated by research and best practices to successfully arrest the summer slide.

Outcomes

This summer, our Measure A goals were to distribute 50,000 books to build the home libraries of youth, register 48,000 participants in summer learning, show that 80% of summer learning survey respondents indicated they read more and engaged in more active learning experiences due to their participation in summer learning activities, and show that 80% of survey respondents indicated they had gained confidence as readers and learners due to their participation in the summer learning camps. We exceeded all of these goals.

Effective communication about the importance of summer learning and increased promotion and outreach resulted in a significant increase in summer learning participation. PLS-wide, 58,719 children and youth participated in the Summer Learning Challenge 2015 -- 38% of the youth population. San Mateo County Library was successful in signing up 33,472 of those children, or an astounding 57% of our youth service population.

Students need opportunities to learn and participate in enrichment activities over the summer. Growing awareness of the tremendous importance of providing an evidence based amount of programming to stave off summer learning loss and support summer learning growth fueled an exponential increase in events, classes, and enriched learning opportunities. San Mateo County Library offered 1,520 high quality learning and literacy programs to children and youth in summer 2015 (849 more programs to children and youth than in 2014), a 127% increase.

The 2015 Summer Learning Enrichment Camps are a significant accomplishment and included the development of our own original curriculum aligned to the common core in partnership with the Center for Childhood Creativity, a research institute, and Headstand.org. Library campers received 178 hours of high quality learning in two additional locations (totaling seven communities), 20 books each to build their home libraries, and two field trips. San Mateo County Library received funding to feed adults as well as children at our seven library camp sites, enabling us to serve 24,991 healthy meals to families and community members of all ages. Our pre- and post-assessments showed that 100% of youth library camp participants either increased or retained existing literacy skills over the summer, and that 43% improved their instructional reading level by at least one full grade.

FISCAL IMPACT:

There is no fiscal impact associated with accepting this report.

RECOMMENDATION:

Recommend JPA Governing Board accept the 2015 Summer Learning Program Report.

ATTACHMENT:

Summer Learning Challenge 2015 Results
Summer Learning Challenge
2015 Results

We ❤️ our library.

SAN MATEO COUNTY LIBRARY
smcl.org
# Summer Learning Challenge Results

It was a summer of success as libraries across the County engaged an unprecedented number of youth in summer learning and connected them with high quality learning and literacy experiences.

| **55,747** books distributed to youth | **1,654** youth learning programs (178% increase) were offered to **83,059** attending children and families | **Youth Work Development Pilot**

| **58,719** youth enrolled and participated in Summer Learning 2015 | **85%** of participants engaged in more learning experiences because of the program | **42** youth interns hired to close the achievement gap

| **88%** of participants are now more confident readers and learners | **93%** of participants talked about the books they read | **432** outreach events delivered to our communities

| **38%** of the total County youth population participated | **99%** of participants stated they enjoyed the summer learning program | **=** **7,614** hours of support provided

"THANK YOU FOR PROVIDING KIDS WITH FUN LEARNING CLASSES THAT ARE FREE FOR US LOW INCOME FAMILIES!"

42% of summer learners participated for the first time this year

The program achieved federal certification to become an official summer meals sponsor, allowing us to support meals service and growth throughout the County.
Free Summer Learning Camps
A program delivering high quality learning to struggling readers in the Belle Haven, East Palo Alto, Half Moon Bay, La Honda, North Fair Oaks, Pescadero, and South San Francisco communities.

ON AVERAGE, all children lose some skills over the summer break from school when they don’t have engaging educational activities, but for low-income children, the losses can average more than 2 months of loss in reading achievement.

WE WERE AT THE PARK + GOT A FREE BOOK. HOW EXCITING!

FREE LUNCH PROGRAM IS A GREAT PROGRAM THAT A LOT OF PEOPLE IN THE COMMUNITY CAN BENEFIT FROM.

100% of library campers either increased or retained existing literacy skills over the summer

43% of library campers improved their instructional reading level by at least 1 full grade

178 hours of camp
(39% increase)

24,991 healthy meals served to children and their families
(141% increase)

185 children served

7 camp locations

178 hours of camp
(39% increase)
We love our library! A place that serves our community better.

Thank you! You guys are very good. Thanks for providing this amazing service for us on the peninsula.
MEMO

To: JPA Governing Board
From: Anne-Marie Despain, Director of Library Services
Date: February 3, 2016
Meeting Date: February 8, 2016
Re: Director’s Report

BACKGROUND:

This report summarizes significant library operations and program activities that have occurred since the last meeting of the Governing Board.

PROGRAMS AND SERVICES:

Flu Crew
San Mateo County Library continued our successful partnership with Stanford University and the Human Services Agency to offer Flu Clinics to our communities in the locations of East Palo Alto, Belmont, and Half Moon Bay. Nearly 400 youth and adults were vaccinated, with demand exceeding supply. The popularity of this program continues to grow as we work to meet the health needs of our community while offering the opportunity to receive vaccinations in our dynamic community libraries.

Holiday Meals
Food insecurity can be at its highest rates during the holiday season, when youth are on school break and do not have access to regular meals. This is a time when families may be experiencing increased financial pressures due to factors such as higher heating bills, holiday expenses, and additional paid childcare needs. The Library, in partnership with the Food Insecurity Collaborative, offered our Winter Meals program for the second year. In Half Moon Bay and East Palo Alto, 812 meals were served to both children and adults to make the holiday time less of a hardship and to ensure that regular access to nutritious food is available to everyone.

Read for the Record
San Mateo County Library received a $20,000 grant to build library partnerships with a total of ten Bay Area Library jurisdictions to join together for a Read for the Record celebration and raise the visibility of libraries, early learning, and the importance of reading together. Our efforts resulted in 11,837 children participating in the Greater Bay Area Library Read for the Record events. To ensure broad access and exposure to literacy, 185 Read for the Record events were held outside of the library in lesser served communities, 13 local officials or celebrities participated in reading to youth at outreach events, and 1,986 copies of the official Read for the Record book Not Norman were distributed to youth and library partners working with higher need youth and family populations, including Title 1 schools and Headstart locations. In addition, to encourage youth access to materials, the initiative included a young child library card drive, which resulted in the distribution of 3,640 free books to youth under eight who received library cards.
**Department of Housing Pilot**
This month, the Library will begin an exciting grant funded pilot, From Housing to Homes: A Partnership to Establish and Enrich Positive Family Learning Environments, in collaboration with the San Mateo County Department of Housing. Families most at risk, facing the most significant socio economic barriers, and receiving case management to support their success will all learn how to apply for library cards and receive public library materials access free of fines for a one year period to build a strong relationship with their local library. In addition, children in those families will receive a minimum of five books to keep and to help build home libraries. This $15,000 Pacific Library Partnership grant will also support the creation of small hands-on learning and play kits for each Housing Authority public office to cultivate engaging, literacy-rich spaces for children while their parents or caregivers are receiving services.

**Veterans Connect**
San Mateo County Library is excited to announce Veterans Connect at the East Palo Alto Library, a partnership between public libraries and the California Department of Veterans Affairs to offer services, increase connections to benefits, and positively impact the quality of life for veterans and their families. To build sustainability and enhance capacity of Veterans Connect, we are building formal partnerships with additional established organizations serving veterans and their families, including the Peninsula Veterans Center. A grand opening celebration bringing together partners, veterans, and the larger community will be held February 19th, 2016. The celebration will take place in the late afternoon and include tables with resources and workshops throughout the library, staffed by a variety of organizations serving veterans and their families. Upcoming projects for Veterans Connect include receiving veterans going to local colleges to do volunteer work through work-study and working with veterans in diversion programs to complete part of their alternative sentences doing volunteer work.

**Talk Read Sing**
I am pleased to announce that the second cohort of families enrolled in SMCL Talk Read Sing, with the LENA Research Foundation, have graduated. Talk Read Sing (which uses a community building model to develop adult skills in interacting with babies and focuses on talking in the home, increasing conversational turn taking, and increasing book reading), uses LENA mobile technology in the manner of an early literacy fitbit to measure talking, conversational turn taking, and electronic noise exposure. New graduates are now eligible to continue supporting preschool readiness and literacy-rich home environments in our graduate program. Our third series launches in March and expands beyond the current library locations of East Palo Alto and Half Moon Bay to include the off-site partner locations of the Department of Housing and Institute for Human and Social Development Early Start. Over the course of the program, we’ve enrolled 48 families -- 23 English-speaking and 25 Spanish-speaking -- who have collectively completed 462 recordings.

**Toyota Family Learning**
Toyota Family Learning participants in both Half Moon Bay and East Palo Alto have completed their first service learning volunteer project. Enrolled families in this school-year-long family engagement model chose to focus on healthy living with tips on healthy home routines, eating, the importance of reading in the home, and exercising. 23 families participated in the projects, including 52 children. 100 people attended the Half Moon Bay event and 200 attended the East Palo Alto event where parents provided information stations at the library about drinking more water, being more active (dance and yoga stations), and developing healthy routines. In reflecting about what they learned in planning and delivering these programs, the families reported increased abilities and experience in planning projects, communications skills, online research skills, technologies, and collaborating with others. The program was recently positively evaluated by our technical assistance staff who noted program strengths include technology as a tool for family learning and age-appropriate intergenerational learning activities, which focus on digital literacy, family bonds, family goals, and academic achievement.
LIBRARY PROJECTS:

Atherton Library Project
In November 2015, the Atherton City Council authorized moving into the schematic design phase of the Civic Center project, which includes fine-tuning of room sizes and relationships, systems, interior spaces, and preparation of preliminary elevation studies of the buildings’ exteriors. WRNS architects began working with the Civic Center Advisory Committee on the details for the schematic design, and are currently refining the site plan and building designs in response to input from the community. Following approval of schematic design by the City Council in January, WRNS will begin design development to draw definitive plans and elevations, propose colors, patterns, fixtures, materials, etc. There will continue to be public input and engagement throughout the planning.

Half Moon Bay Library Project
At a community workshop held in November, Noll and Tam Architects presented three alternative designs for the new library building and lead discussions on the topics of building "massing," character, and landscaping. This conversation built upon topics raised during previous community meetings and in a community-wide survey. On December 1st, the Half Moon Bay City Council unanimously authorized the design team to proceed with the new Library project based on a revised program area of 22,000 square feet, and approved the conceptual design presented by Noll and Tam at the meeting. SMCL staff are currently working closely with the design team on planning the schematic design.

Pacifica Library Project
On November 23rd, the Pacifica City Council unanimously voted to continue progress toward building a new library. Approved next steps include hiring an architect to prepare a schematic design, appropriating sufficient funding to match funds available from County Measure A funds for library planning and design activities, and initiating the process for a planned bond measure to pay for the new library, with the intention of placing the measure on the November 2016 ballot. Additionally, at its January 11th meeting, the City Council adopted a resolution creating the Library Advisory Committee, a citizens’ task force to lead communication for the project as it moves forward.

Woodside Library Improvement Project
The Woodside Library rough-in construction activities, insulation, and drywall installation are completed. Next steps include the remainder of the major construction work and interior. Library staff anticipate coordinating the furniture and equipment installation and library collection move in March. The Project Team has included Town staff, Library staff and members of the Friends of the Library who are all working hard to make the project a success. A grand reopening celebration is planned to take place sometime in April. Weekly project photos at: http://www.smcl.org/wds/.

ORGANIZATION:

Library Recognition
I am proud to announce that San Mateo County Library has been awarded a San Mateo County STARS Award. The County STARS Award Review Team, comprised of departmental representatives, selected the Library’s Summer Learning Camps Program to receive the Program Performance Award. This award comes with a $35,000 award and recognition by the Board of Supervisors. The STARS Program recognizes exceptional County programs that demonstrate innovation, collaboration and improved program outcomes. Congratulations to the entire Summer Learning Team, and all staff on their hard work and commitment on delivering an amazing program this past summer!
The Big Lift Inspiring Summers Program

I am pleased to announce that San Mateo County Library was selected through a request for proposals process to partner with BELL (Building Educated Leaders for Life) to create enriching, evidence-based summer learning opportunities for San Mateo County children.

SMCL and BELL are coming together at the invitation of The Big Lift's leaders - the Silicon Valley Community Foundation (SVCF), the San Mateo County Office of Education, and the County of San Mateo – to provide enriching experiences and prevent learning loss, so that underserved kids have the support they need to read and succeed. Creative, hands-on projects will engage kids between preschool and 3rd grade with science, art, technology, and math in the summers. This program will reach up to 1,000 students in 2016 and grow to reach 2,000 students annually by 2018.

Funding is made available through San Mateo County Measure A tax dollars and a Social Innovation Fund grant from the Corporation for National and Community Service.

Pitch It

In an effort to encourage staff innovation and risk taking, and to increase employee engagement, the Library established the Pitch It Program in 2013. In July, staff “pitched” their ideas for the first FY 2015-16 Pitch It cycle, and all staff had an opportunity to participate by voting online and in person for their favorite ideas. Several Pitch It projects hit milestones recently:

Close to 400 community members attended East Palo Alto’s annual Winter Wonderland program! In addition to food, music, crafts, and book and toy giveaways supported by local businesses, the event included the opportunity to take photos with Santa Claus. The Pitch It Winner, “Creative Photography System”, debuted at the event, and staff sent families home with a keepsake photo.

"More Where I Came From" is a Pitch It initiative to hand out free books at large events with accompanying information about the numerous services and materials available at the San Mateo County Library. During the opening weekend of Star Wars: The Force Awakens, Library staff gave out 500 Star Wars-themed books to patrons who had their library cards on them at the Tanforan Movie Theater, signed 60 people up for new library cards, demonstrated the 3D printing, and promoted the wide variety of library services available through SMCL to more than 650 people.

Staff Development Day

On Friday, May 6, 2016, San Mateo County Libraries will close so that all staff may participate in the annual Staff Development Day. This full-day training event will offer opportunities for education and inspiration. As has been past practice, the public will be provided early notification of this closure.
Personnel News

Service Awards
Recently, Linda Napioir, Library Assistant at Foster City Library, was honored by the County for 20 years of service. Congratulations to Linda for her many years of service and numerous contributions to the County and the Library!

Staff Retirement
Patricia Sankolewicz, Library Assistant at the San Carlos Library, retired from the Library in December. Patricia had been a Library Assistant at the San Carlos Library for more than 15 years, starting in San Carlos when the “new” San Carlos library opened. Patricia also worked for a number of years in the Library’s Technical Processing department. We wish her all the best!

New Staff Appointments
Scott Lee has been appointed Community Technology Specialist at the Millbrae Library. After earning his degree from San Francisco State University in Liberal Arts/Asian American Studies, Scott has spent the past few years teaching Computer Science to 1st through 5th graders at a private school in San Jose. He is fluent in Korean and brings a highly-developed technical skillset and extensive teaching experience to the Millbrae community.

David Vargas has been appointed Community Technology Specialist at the Belmont Library. David has a Bachelor’s Degree in Sociology from San Diego State University and has worked for the past few years at the Fremont School District and the Boys and Girls Club of Menlo Park. His experience includes creating and implementing a music production curriculum for high school and middle school students, teaching intermediate recording and mixing skills in DAW Pro Tools, and coordinating and troubleshooting computer and AV equipment for the Fremont School District.

Bitian Zhang recently joined the staff at the San Carlos Library as a Community Program Specialist. Bitian has a psychology degree from Amherst College, worked at Holyoke College as a tutor and Upward Bound mentor, and served with Greenpeace in Beijing as a media intern. Bitian speaks Chinese and Japanese.

Nicole Pasini has been appointed Deputy Director of Library Services. Nicole began her career at San Mateo County Library in 2009 as a Librarian at the San Carlos Library. Since that time she has held numerous assignments including Management Analyst for Library Training and Staff Development, Acting Manager of the Millbrae Library, and Manager of the Portola Valley and Woodside Libraries. In 2014, she was promoted to Library Services Manager, assuming system-wide responsibility for Community Library Service, Customer Service and Training, and major library initiatives. Nicole received her undergraduate degree in Creative Writing from Colorado College and her Master’s in Library Science from the University of Arizona. Her prior library experience includes working at the Phoenix Public Library as a Library Assistant. Previous to her library career, Nicole was director of a literacy tutoring nonprofit.

Please join me in congratulating Scott, David, Bitian and Nicole!