San Mateo County Libraries

Agenda Item VI.

To: JPA Operations Committee
From: Anne-Marie Despain, Director of Library Services
Danae Ramirez, Financial Services Manager
Date: May 7, 2020
Meeting: May 12, 2020
Re: Introduction to the Recommended Budget FY 2020-21

Background

San Mateo County Libraries are a Joint Powers Authority governed by a Board consisting of representatives from each member entity, including the cities of Atherton, Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Millbrae, Pacifica, Portola Valley, San Carlos, Woodside, and the unincorporated areas of the County. Oversight responsibility, the ability to conduct independent financial affairs, approve budgets, sign contracts, and otherwise influence operations and account for fiscal matters are exercised by the JPA Governing Board. The budget is legally enacted through passage of a motion during a JPA Governing Board meeting, followed by approval from the San Mateo County Board of Supervisors.

Budget Process

The budget process involves the distribution of resources and services that meet performance objectives as identified by library staff, the JPA Operations Committee, the JPA Governing Board and the community. Funds are appropriated on an annual basis as adopted by the JPA Governing Board. The budget serves as the annual financial plan, an operations guide, and a communications tool which strives to provide the best and most relevant information in an easily understandable format. Information about San Mateo County Libraries accomplishments, performance and priorities is also provided.

Budget Process Key Dates	
December	Budget Development Begins
February	Mid-Year Report is Submitted to the JPA Governing Board
May	Recommended Budget is Submitted to the JPA Governing Board
June	Recommended Budget is Adopted by the JPA Governing Board
September	Final Adopted Budget is Approved by the JPA Governing Board
September	Final Adopted Budget is Approved by the County Board of Supervisors

Discussion

FY 2020-21 Budget Priorities

The Recommended Budget prioritizes and distributes resources to support Strategic Goals that are in line with the 2015-2020 Strategic Plan approved by the Governing Board in September 2015. Resource allocation in FY 2020-21 reflects the uncertainty of the economy and takes a conservative approach while focusing investment in innovative access to services, technology and new approaches to learning and fostering partnerships and collaborations. We continue to provide programs and services in various modalities tied to best practices and measurable results to ensure that the public continues to receive excellent services.

Our FY 2020-21 priorities will include reimagining our approach to patron experiences inside and outside of our libraries through our Customer Care initiative - with staff and patron safety in mind. We will enhance support for the public with access to technology and online learning. We will continue our work promoting racial and social equity and reflecting environmental sustainability in our policies and activities. Additionally, we'll continue to provide enriching summer experiences, invest in returning safely to our library spaces, and support exciting new library projects in Atherton, Brisbane, East Palo Alto and Pacifica.

FY 2020-21 Budget Highlights

The proposed FY 2020-21 Recommended Budget is balanced and demonstrates that our libraries are well positioned to operate within available resources now and into the foreseeable future.

Total Sources and Total Requirements in the FY 2020-21 Recommended Budget are $57,662,212. Total Revenue increased by $443,184 to $ 33,960,717. The total operating budget, or Net Appropriations, is $ 36,719,580. Salaries and benefits comprise our libraries' largest expense and represent $ 19,501,939 or 53% of the total operating budget. The budget sets the Libraries' Operating Reserves at $ 4,264,763 as required by the JPA Fund Balance Policy and maintains $16,677,869 in Capital Reserves.

Fiscal Impact

There is no fiscal impact associated with the Introduction of the FY 2020-21 Recommended Budget.

Recommendation

No action is required at this introductory stage of the budget process.

Attachment

FY 2020-21 Recommended Budget

San Mateo County Libraries

Fiscal Year 2020-21

Recommended Budget

Vision

San Mateo County Libraries ignite growth through transformative experiences

Mission

San Mateo County Libraries strengthen our community by creating an inclusive sense of place and environment for learning

Overview

San Mateo County Libraries are incomparable destinations for learning and growth. Each of our twelve libraries is part of a larger family offering worlds of discovery.

People – the unique diversity and complexity of those we serve – inspire and drive our services. We continually assess the needs of our users, responding with thoughtfully designed programs and services that enrich lives and uplift the community.

Our service area is comprised of the cities of Atherton, Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Millbrae, Pacifica, Portola Valley, San Carlos, Woodside, and the unincorporated areas of the County. Approximately 285,000 people live within the boundaries of our service area, which covers 351 square miles.

History and Governance

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

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

San Mateo County Libraries provide unmatched services to our community. For the 12th consecutive year, San Mateo County Libraries was named a Star Library, ranking 2nd in the state and 11th nationwide among similar peer libraries.

Strategic Plan

Our 2015-2020 Strategic Plan is not only visionary, but also flexible enough to respond to changes over time

Our Goals

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

This means we will:

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

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

This means we will:

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

We understand needs and promote meaningful library services as solutions.

This means we will:

- Understand and align with community goals
- Communicate an inspiring vision and the library's story of impact
- Cultivate library champions who reflect the dynamic environment
- Employ new ways to ensure equitable access

Accomplishments

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

Accomplishments

Community Impact

- We started 2020 celebrating the one-year mark of going fine free. This incredible accomplishment has had a significant impact on our communities. By eliminating fines, our libraries ensure that every member of our community has access to the resources they need and rely on.

"I especially like the no-fee model, as in my mind it only punishes those that need libraries the most. Thank you for this most welcome change!" - Library Patron

- Our staff continue to make our libraries more inclusive through creative community events and conversations. An art exhibit, *Changemakers* debuted in five of our libraries featuring Bay Area disability pride with the artistic contributions of those with disabilities.

- Valentine's Day is all about showing love and appreciation for those you care about — including your library! On Valentine's Day, we invited patrons to write love letters to their library and place them in a Valentine's Day mailbox. The response was exuberant at all 12 of our libraries with over 180 love letter submissions.

- Connecting our communtiies through innovative ideas led us to host our first ever Human Library event. Our human books shared their lived experience with readers during 20-minute open-ended conversations. This impactful event brought strangers together, challenged the misunderstandings that divide us, and strengthened human connections.

"Part of my healing process has been to continually share and talk with friends and family, and to be able to open that to strangers through *The Human Library* was really impactful." - Shaun Diaz

- Staying in touch with our communities has transformed the traditional ways we connect and serve people. We have launched new text, phone and email customer care contact tools, making real-time support available at the tip of your fingers.

Exploration and Growth

- A staff idea turned into an exciting new library service pilot with the addition of Book-A-Bike, a winning Pitch-It proposal. Our community now has access to a fleet of four bicycles available for free, same day checkout at Belmont Library. Accessories include a helmet, a cargo basket, bike light, and bike lock.

"We all need to do our part to reduce our carbon footprint and level the socioeconomic playing-field, and free bike lending is one small step in that movement forward."
- Congresswoman Jackie Speier

- We continue to transform and innovate the traditional ways we connect with our communities. Final conceptual designs for our Makermobile and Playmobiles are in the works, bringing us one step closer to sharing the joys of technology, play and exploration throughout our County.

- Entrepreneurship was introduced to teens this summer, with the emphasis that these practices are attainable to anyone at any age. A cohort of 16 young minds explored the concepts and principles of business development and finished with a solid business idea and plan.

- National Library Card Sign-Up Month was celebrated through an innovative partnership and the creation of four fabulous limited-edition animal library cards. The popular cards doubled as a free ticket to CuriOdyssey, allowing patrons the ability to explore animals, science and more, free of charge. Nearly 10,000 limited-edition library cards were issued and as an extra treat, zookeepers visited libraries to showcase the animals.

- Our dedication to early literacy has reached new bounds with our new 1,000 Books Before Kindergarten program. Now parents have an additional resource that yields considerable benefits through the practice of shared reading.

- Our Summer Learning Challenge continues to flourish. This year, libraries across the County reached over 90,000 children through innovative programming and extended outreach efforts. San Mateo County Libraries is responsible for signing up just over half, reaching a total of 45,490 or 78% of children in our service area.

"We love the Summer Reading Challenge. It's a good way to help bridge the gap between school ending/beginning. I feel it encourages children to read and keep reading." - Summer Learning Challenge parent.

- We've made incredible strides with our Big Lift Inspiring Summer camps. Serving seven school districts, our camps aim to transform early learning and help reverse summer learning loss. In summer 2019, 1,193 children attended at least one day of the program with a retention rate of 91%.

Inspiring Spaces

- Anticipation continues to grow over our new Brisbane Library. The design features a forward-thinking flexible space that will inspire and support lifelong learning. Interior spaces include dedicated areas for Children and Teens, a History Room, a Quiet Room and a Makerspace. We look forward to a grand opening later this year.

- Exciting progress has been made on our beautiful new 11,000 square foot Atherton Library. The $18.4 million project is still on track for a 2021 completion.

- Conceptual design plans for a new East Palo Alto Library are complete. Through public engagement and work with stakeholders groups, the vision for the future reflects the wants, needs and desires of the community.

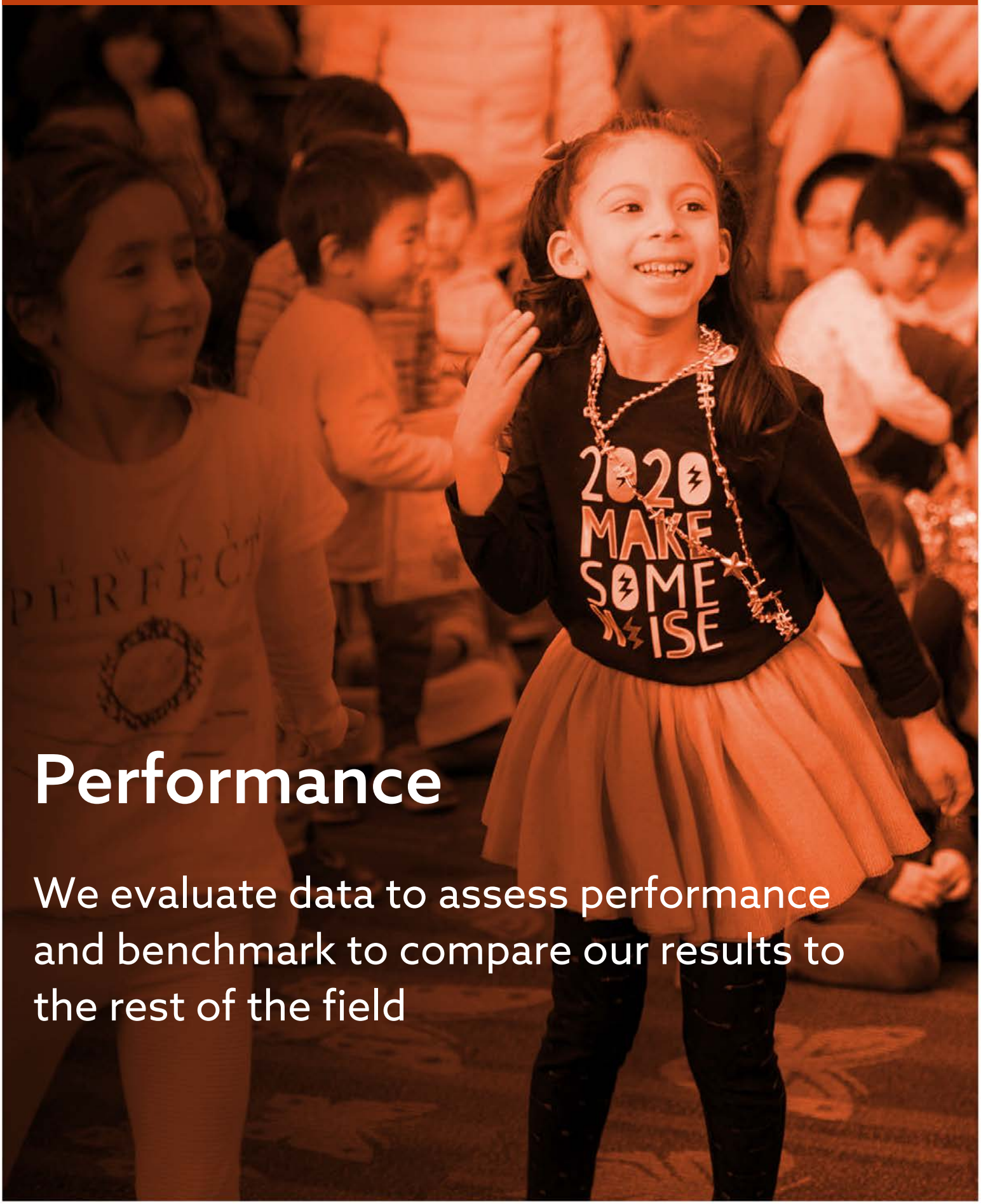
Vital Support

- "We're still here for you" has been a resounding message that we have communicated to our communities during the Covid-19 shelter in place directive. We have implemented a number of exciting changes in an effort to stay connected and assist our library patrons when they need us the most. We quickly pivoted to an online environment increasing digital collections, and redesigned our homepage to feature relevant online content.

- With a commitment to our communities and desire to help, our 3D printers churned out a vital community service during shelter in place — protective gear for healthcare workers. Library staff used our seventeen 3D printers to create more than 300 ear savers and 600 face shields to protect front line medical staff.

- To address the digital divide and the vital need to access online learning, we acted immediately to purchase hundreds of additional Wi-Fi hotspots to support our community members and partners. Currently, we have provided over 500 hotspots.

- In an effort to keep library programming running strong, our remarkable staff shifted to online experiences and events immediately. Patrons are able to still see and hear their favorite staff hosting virtual storytimes, arts and crafts, science experiments, book clubs and more.



Performance

We evaluate data to assess performance and benchmark to compare our results to the rest of the field

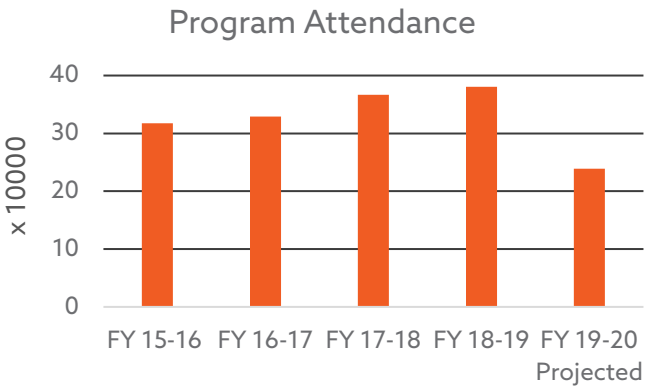
Performance

Programs and Events

San Mateo County Libraries continues to delight by offering transformative experiences through our high-quality programs. We focused on programs and events that were inclusive and reflective of our diverse communities.

"Our family appreciates our library because it provides us with different events that allow us to learn, engage, socialize and make memories with family and friends" – Library Patron

Staff offered over 1,050 sensory learning programs, over 1,300 maker activies and over 1,000 computer and technology programs. Within the first three quarters of the year, we offered over 8,000 programs and welcomed over 239,000 program attendees.



Virtual Programming

5.1k Views

686.8 Watch Time

+190 Subscribers

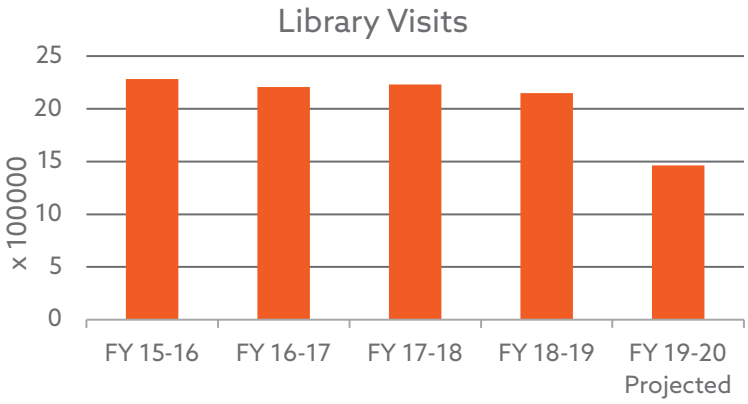
With the closure of libraries in March, we have had to modify the way we reach our patrons by transitioning to an all online programming model. Despite this change, we have seen positive growth. Our videos have received over 5,000 views and our YouTube subscriber list continues to grow. Currently we are offering 25 staff led live online programs a week, including bilingual programming. Our top performing video reached over 460 views.

Library Visits

Up until March 16, we enthusiastically welcomed over 1.4 million visitors to our libraries.

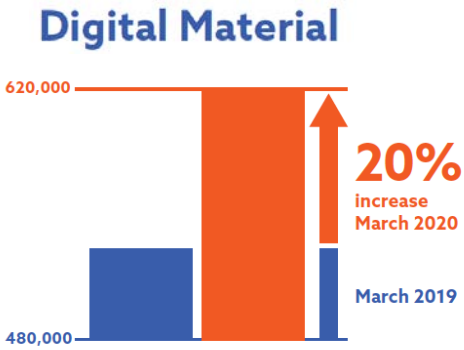
Since then, our commitment to providing free, online-resources has continued to grow. To meet the demand for library access during shelter in place, we have increased measures to get virtual library cards out into our communities. Since closing, we've seen over 18,000 new users to our website.

"Thank you so much for sending my new library barcode, it is very helpful during this time. And thank you for working throughout the shelter in place and making your services available to the community, I highly appreciate it!" – Library Patron



Circulation

A majority of residents have library cards and we circulate millions of physical and digital library material every year. Digital collections make up an increasing share of our circulation and those numbers continue to grow. During the current health crisis we have taken the necessary steps to increase and expand online resources in an effort to meet new needs. We have seen a 20% increase in digital circulation compared to the same time last year.



Technology Use

San Mateo County Libraries is bridging the digital divide, giving patrons a variety of options to connect inside and outside of our libraries. We've increased the number of laptops and Wi-Fi hotspots for checkout and so far this year we've seen over 3 million wireless Fi connections. Numbers will continue to rise—we've seen continued use of our Wi-Fi at libraries after increasing the range to extend to parking lots during shelter in place.

Wi-Fi Users

16,232
FY 2019-20

15,907
FY 2018-19

Monthly Average

Library Champions

Staff at San Mateo County Libraries participate in a work environment focused on growth and learning. 93% report feeling appreciated and valued for their work.

"It is always so meaningful to receive cheers for the work I have done. It's such a blessing to work for an organization that allows for positive feedback on a weekly basis. This keeps me fueled to want to delivery meaningful services to our wonderful community and county!"
– Library Employee

Our incredible staff and volunteers help create a welcoming atmosphere for our communities to enjoy.

To better reflect and serve our communities we are commited to providing a workforce that celebrates diversity. More than 60% of our staff identify as a race other than white. Additionally, we were able to provide close to 500 billingual programs so far this year and over 290 cultural programs that showcase the diversity of our community.

This year, an astounding 558 volunteers have provided 18,416 hours of service. Our volunteer statisfaction survey results show that 99% of our volunteers are satisfied with volunteering and would recommend San Mateo County Libraries to others.

Recommended Budget

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

Budget Background

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

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

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

2020-21 Priorities

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

- Develop a new Strategic Plan to define our vision, direction and goals for the future
- Ensure sound fiscal management and develop inspired organizational approaches to address a COVID-19 economic environment
- Continue efforts to build and update libraries that include vibrant community spaces and collections
- Forge powerful connections and combat social isolation suited to this dynamic environment
- Find new ways to bridge the digital divide and provide access to technology
- Reimagine summer learning and out of school time by increasing opportunities for hands-on learning, inspiration, and fun
- Empower our communities and increase racial and social equity through impactful services
- Harness the talents and passion of our library champions to strengthen our communities

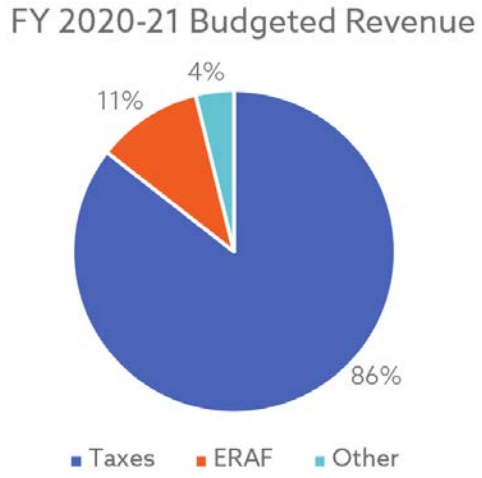
Revenues Summary

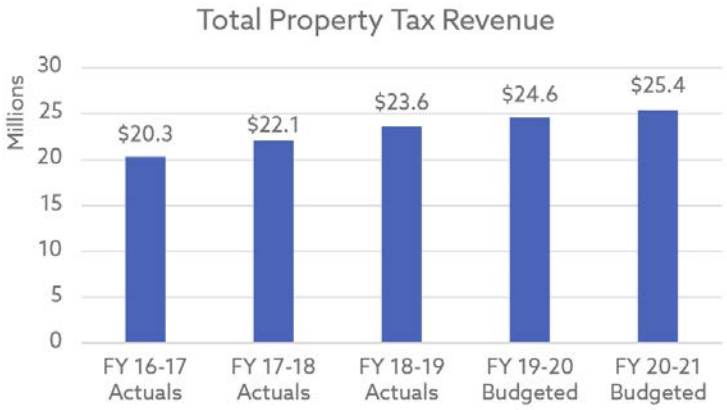
Our primary source of revenue is derived from taxes $32.7 million (86%), primarily made up of property taxes (25.4 million). Designated as a special district, San Mateo County Libraries is entitled to receive a small portion of property taxs collected within the boundaries of our service area.

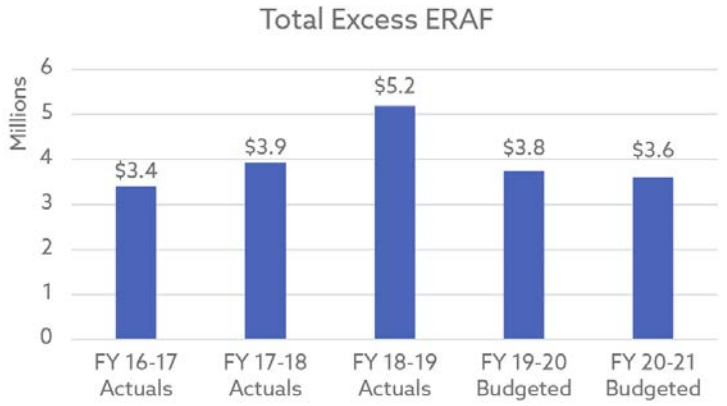
Revenue from secured property taxes (taxes assessed against real property) is estimated to increase to $23.8 million in FY 2020-21. Revenue from unsecured taxes (taxes on aircraft and commercial equipment largely generated from businesses at San Francisco International Airport) is estimated to increase to $1.6 million.

Other sources of ongoing revenue include a projected $1 million from the dissolution of redevelopment agencies (RDA) and $560,000 from taxes resulting from secured and unsecured Supplemental Assessments (taxes derived from properties that have changed ownership or have been reassessed due to new construction). Earned interest, intergovernmental revenues, grants and donations provide more modest sources of revenue.

Significant one-time revenues include $3.6 million in excess Educational Revenue Augmentation Funds (ERAF) and $1.9 million in Measure K funds to support Big Lift Inspiring Summers, the Summer Learning Challenge, and planning for a new East Palo Alto Library.





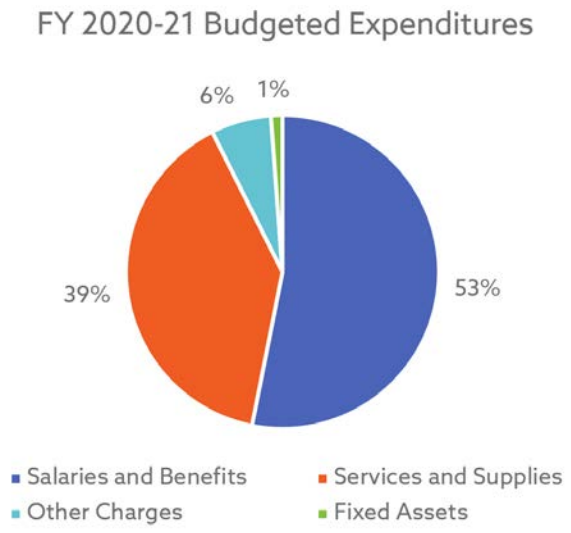


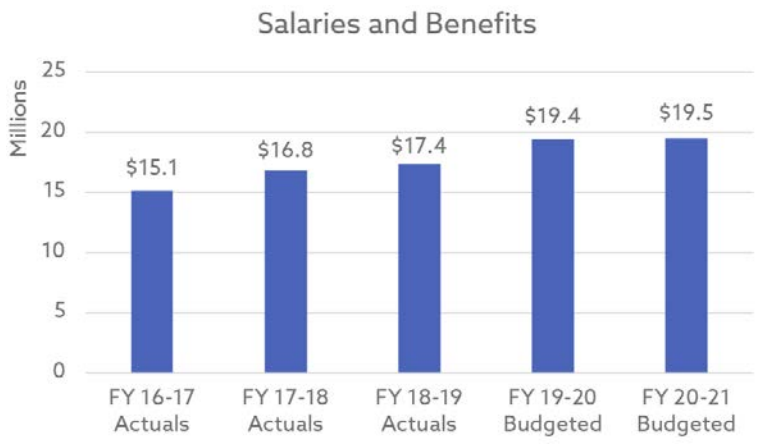
Expenditures Summary

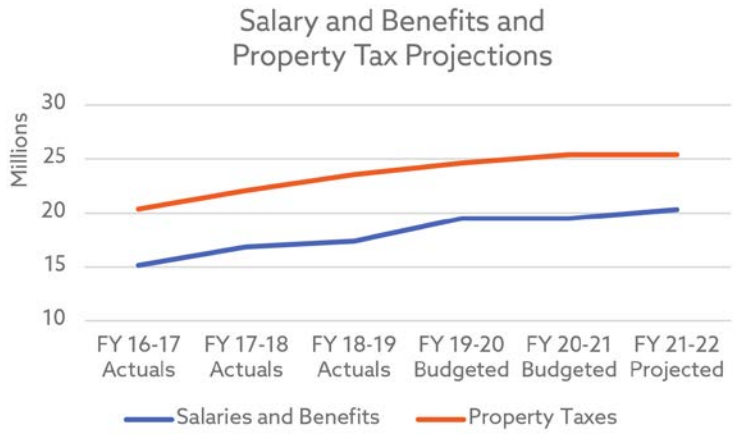
The Recommended Expenditures (Net Appropriations) total $36.7 million. Salaries and Benefits costs (53%) are the largest contributor to ongoing expenditures. All San Mateo County Libraries staff are employees of the County of San Mateo. In FY 2020-21, labor costs will be approximately $19.5 million, an overall increase of less than 1%.

Other significant operational expenses fall under Services and Supplies (39%) and include nearly $2 million for computer equipment, software, and maintenance agreements; $2.6 million for library collections; $1.1 million to support library programs, including initiatives in the summer; an estimated $1.8 million in excess library property taxes set aside for library use in Atherton, Woodside and Portola Valley; $1.8 million for furniture and equipment replacement and upgrades; and $1.3 million for services provided by the Peninsula Library System.

Other Charges (6%) include $1.3 million for direct and indirect services provided by the County and $750,000 for service agreements with the City of Redwood City (to provide services to North Fair Oaks) and Daly City (to provide services to Colma and Broadmoor). Fixed Assets and Other Financing Uses, account for the remaining (1%) expenditures.







Reserves Summary

The FY 2020-21 Recommended Budget sets aside a total of $20.9 million in Operating and Capital Reserves.

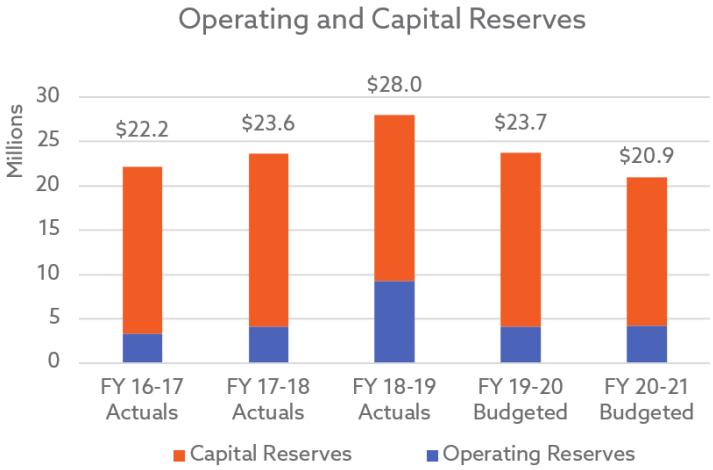
The Fund Balance Policy requires that Operating Reserves be maintained at 15% of adopted general operations (Net Appropriations excluding one-time activities). These funds are maintained in the event of emergencies, unanticipated funding losses, and one-time needs to stabilize current operations. The FY 2020-21 Recommended Budget meets the requirement established for Operating Reserves by setting aside $4.2 million.

Additionally, the Policy requires us to maintain Capital Reserves in an amount equal to but not less than $2.5 million. The FY 2020-21 Recommended Budget meets this requirement, setting aside $16.6 million in Capital Reserves. These funds may be used for innovative opportunities related to operational improvements and asset replacement needs as approved by the Governing Board.

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

The Libraries' strong reserves can be primarily attributed to the growth of excess ERAF revenue. Due to the potential unpredictability of ERAF funding, the Governing Board has authorized the use of excess ERAF for one-time purposes or set aside in reserves.

Given our reliance on property taxes, the accumulation of reserves also provides a safety net in lean fiscal years.



Budget Overview

The Budget Overview highlights significant changes from the FY 2019-20 Adopted Budget to the FY 2020-21 Recommended Budget by major classification category for both revenue (Total Sources) and expenditures (Total Requirements).

COVID-19 is likely to have impacts on both revenues and expenditures. This budget makes some adjustments in anticipation of potential changes. However, it is expected that further adjustments to the budget to account for COVID-19 impacts will be necessary during September Revisions.

Total Sources

- Taxes ($32,294,544 to $32,658,026): In light of COVID-19 and resulting uncertainty, we estimated a conservative increase of $363,482 in these funding sources. The revised number is based on FY 2019-20 property tax estimates provided by the County and a $150,000 decrease to excess ERAF estimates.

- Use of Money and Property ($155,042 to $155,042): There is no change in this funding source.

- Intergovernmental Revenue ($160,372 to $260,372): There is an increase of $100,000 in this funding source. This increase is due to a state Library Services and Technology Act grant for Big Lift Inspiring Summers.

- Interfund Revenue ($316,988 to $316,988): There is no change in this funding source.

- Miscellaneous Revenue ($566,587 to $546,289): There is a slight decrease of $20,298 in this funding category due to the removal of $192,587 in Friends Donations (account 2647). Any rollover of Friends Donation at the end of the current fiscal year will be added to the budget during September Revisions. This decrease is offset by the addition of two grants from the Foundation that total $150,000.

- Fund Balance ($28,029,165 to $23,701,495): There is a decrease of $4,327,670 in this funding source. Fund Balance reflects the carry forward of Reserves, unanticipated revenues and unspent appropriations projected at the close of the current fiscal year. The decrease reflects a conservative approach to FY 2019-20 unanticipated revenue and rollover. However, after June 30, 2020, a final reconciliation is completed to account for actual revenue and expenditures, and Fund Balance will be adjusted at that time.

Total Requirements

- Salaries and Benefits ($19,448,488 to $19,501,939): There is a slight increase of $53,451 in this expenditure category primarily due to negotiated increases in the SEIU agreement offset by a reduction to Extra Help hours. Extra Help allocations are decreased due to COVID-19, which will likely reduce in-library time for staff.

  All non-management permanent staff, Extra Help, and limited term employees are represented by the Service Employees International Union (SEIU). In 2018, the County negotiated a three-year agreement with SEIU, which will remain in place until October 2, 2021. The agreement provided a 4% pay increase that went into effect on October 6, 2019. An additional increase of 3-4% (depending on CPI) will become effective on October 4, 2020. This budget assumes a 3.5% increase beginning on that date.

  The County also negotiated an agreement for SEIU Extra Help and limited term employees, which will remain in effect until January 22, 2022. That agreement provides the same salary increases and effective dates as those provided to permanent employees.

  Additional staff benefits went into effect as part of the Families First Coronavirus Response Act and a new County Emergency Staffing Policy approved by the Board of Supervisors in March.

  Finally, due to the unknown impacts of COVID-19 the County has recently implemented an Emergency hiring freeze. Library vacancies will be closely monitored and managed to maximize staff resources.

  The total number of library positions remains at 123 and the total full-time equivalent (FTE) is 109.8. Extra Help and limited term staff are not reflected in total FTE or position count.

- Services and Supplies ($35,908,878 to $14,478,815): There is a decrease of $21,430,063 in this expenditure category, due primarily to a change in how administrative costs are reflected in the budget, which accounts for $20,296,966 of this variance. Previously, administrative costs transferred to each of the branch libraries were budgeted in account 5872, with a corresponding transfer of these costs reflected in Intrafund Transfers (account 8142). However, this led to an inflation of the number presented in Gross Appropriations since Intrafund Transfers are only accounted for in Net Appropriations. This change will help present appropriations more clearly.

Other significant changes in Services and Supplies include:

- Collections costs total $2,652,800 (accounts 5931-5939) for print, audio, video, and digital materials (e.g. ebooks, eAudiobooks, eMagazines, eMusic, and eVideos).

- Computer equipment and software costs (accounts 5212 and 5215) total $1,998,358. These accounts include funding for staff and public computers, printing, wireless services, and includes costs for software licenses. The allocation for these accounts is reduced by $1,421,243 primarily due to the completion of purchases for Brisbane Library ($170,000) and the replacement of Automatic Material Handling machines at several library branches ($1,000,000).

- Furniture and Equipment is increased by $201,000 to $1,808,500 (account 5234). These funds will be used to purchase furniture for the forthcoming Brisbane and Atherton libraries, as well as for shelving and furniture enhancements at other library branches.

- The estimated excess library property taxes set aside in Library Trust accounts totals $1,850,000 (account 5184) and includes: $1,400,000 for Atherton Library, $50,000 for Portola Valley Library, and $400,000 for Woodside Library.

- Professional Contracts is increased by $240,057 to $1,508,605 (account 5858). The increase will cover architect services for the Atherton and Half Moon Bay branches, moving services for the Brisbane Library, and an allocation to support strategic planning work.

- Peninsula Library System costs total $1,351,613 (account 5875) and support services such as delivery, the shared online library catalog, and network management services.

- Emergency Assistance Expense is utilized for the first time for unanticipated expenses related to COVID-19 or other emergencies. The initial allocation totals $350,000 (account 5925).

- To correspond with the removal of Friends Donation revenue, $192,587 is removed from Friends Funded Services (account 5911). Any rollover of Friends Donation at the end of the current fiscal year will be added to the budget during September Revisions.

- Other Library Expenses decreased by $326,000. This reduction reflects the transfer of the administration of the Summer Learning program from the Library to Peninsula Library Systems, for a new total of $485,623 (account 5942).

- Other Charges ($2,270,733 to $2,290,064): There is a slight increase of $19,331 in this expenditure category. This expenditure category represents costs associated with services provided by the County including human resources, financial systems, building and vehicle maintenance, and liability insurance (accounts 6712-6821). This category also captures $920,000 for payments to other agencies (account 6263) which includes $400,000 to Redwood City for services provided to unincorporated residents at the Fair Oaks Library, $350,000 to Daly City for services provided on behalf of residents of unincorporated Broadmoor and Colma, and $170,000 to the Town of Woodside for support of maintenance costs at the Woodside Library (see Interfund Revenue account 2538).

- Fixed Assets ($500,000 to $434,000): There is a decrease of $66,000 in this account. This reflects new costs related to kiosk services and self-check replacements, offset by the delay of maker and play mobiles (account 7331). Fixed assets are tangible assets valued at $5,000 or greater.

- Intrafund Transfers ($20,296,965 to $0): There is a decrease of $20,296,965 in this account. This change is due to an alteration in how administrative costs are reflected in the budget. Previously, administrative costs transferred to each of the branch libraries were budgeted in Services and Supplies, account 5872, with the corresponding transfer reflected in Intrafund Transfers (account 8142). However, this led to an inflation of the number presented in Gross Appropriations since Intrafund Transfers are only accounted for in Net Appropriations. This change will help present appropriations more clearly.

- Operating Reserves ($4,091,198 to $4,264,763): There is an increase of $173,565 in Operating Reserves (account 8611) to meet the Library JPA Fund Balance Policy. As detailed in the policy, the balance of Operating Reserves represents 15% of Net Appropriations (less one-time items). This contingency is maintained in the event of economic uncertainties, emergencies, and unanticipated funding losses.

- Capital Reserves ($19,610,297 to $16,677,869): There is a decrease of $2,932,428 in Capital Reserves (account 8811) for FY 2020-21 to support one-time projects. The current amount exceeds the policy requirement to maintain a minimum of $2,500,000 in Capital Reserves.

Budget Summary

		FY 2018-19 Actuals	FY 2019-20 Adopted	Change	FY 2020-21 Recommended
Sources					
1000	Taxes	32,399,484	32,294,544	363,482	32,658,026
1500	Use of Money and Property	542,914	155,042	0	155,042
1600	Intergovernmental Revenues	471,481	160,372	100,000	260,372
2000	Charges for Services	147,903	24,000	0	24,000
2500	Interfund Revenue	1,276,333	316,988	0	316,988
2600	Miscellaneous Revenue	763,196	566,587	(20,298)	546,289
	Total Revenue	**35,601,311**	**33,517,533**	**443,184**	**33,960,717**
333	Fund Balance	23,619,388	28,029,165	(4,327,670)	23,701,495
	TOTAL SOURCES	**59,220,699**	**61,546,698**	**(3,884,486)**	**57,662,212**
Requirements					
4000	Salaries and Benefits	17,376,673	19,448,488	53,451	19,501,939
5000	Services and Supplies	26,155,687	35,908,878	(21,430,063)	14,478,815
6000	Other Charges	1,948,436	2,270,733	19,331	2,290,064
7000	Fixed Assets	0	500,000	(66,000)	434,000
7500	Other Financing Uses	10,815	14,069	693	14,762
	Gross Appropriations	**45,491,612**	**58,142,168**	**(21,422,588)**	**36,719,580**
8000	Intrafund Transfers	(14,300,077)	(20,296,965)	20,296,965	0
	Net Appropriations	**31,191,535**	**37,845,203**	**(1,125,623)**	**36,719,580**
8500	Operating Reserves	9,233,424	4,091,198	173,565	4,264,763
8700	Capital Reserves	18,795,740	19,610,297	(2,932,428)	16,677,869
	TOTAL REQUIREMENTS	**59,220,699**	**61,546,698**	**(3,884,486)**	**57,662,212**

Personnel Summary

	FY 2019-20 Adopted	Change	FY 2019-20 Recommended
Administration	6	0	6
Access Services	8	0	8
Communications	2	0	2
Finance and Human Resources	5	0	5
Information Technology	4	0	4
Programming and Outreach	5	0	5
Youth and Families	3	0	3
Community Libraries:			
Atherton Library	7	0	7
Belmont Library	10	0	10
Brisbane Library	5	0	5
East Palo Alto Library	9	0	9
Foster City Library	10	0	10
Half Moon Bay Library	10	0	10
Millbrae Library	10	0	10
Pacifica Library	9	0	9
Portola Valley Library	5	0	5
San Carlos Library	10	0	10
Woodside Library	5	0	5
Total Employee Count	**123**	**0**	**123**
Total FTE*			**109.8**

*FTE: A full-time equivalent position is equal to 2,080 hours a year (40 hours/week x 52 weeks). Extra Help and limited term staff are not reflected in the Total FTE nor Position Count (approximately 150 staff).

Budget Detail

		FY 2018-19 Actuals	FY 2019-20 Adopted	Change	FY 2020-21 Recommended
Sources					
1021	Current Yr Secured	22,399,472	23,449,645	365,585	23,815,230
1024	PY Secured Redemption	13,531	7,000	0	7,000
1031	Current Yr Unsecured	1,160,287	1,135,495	421,531	1,557,026
1033	Prior Yr Unsecured	(39,347)	0	0	0
1041	CY SB 813 Sec Supplemental	826,909	550,000	0	550,000
1042	CY SB 813 Unsec Supplemental	15,496	5,000	0	5,000
1043	PY SB 813 Redemption	10,329	5,000	0	5,000
1045	PY SB 813 Unsec Supplemental	2,120	0	0	0
1046	ERAF Rebate	5,187,257	3,750,000	(150,000)	3,600,000
1047	Former RDA -Residuals	958,315	600,000	0	600,000
1058	Former RDA Passthrough	712,086	400,000	0	400,000
1129	Property Tax In-Lieu of VLF	183,164	183,164	0	183,164
1135	Sales & Use Tax -Measure K	969,865	2,209,240	(273,634)	1,935,606
1000	**Taxes**	**32,399,484**	**32,294,544**	**363,482**	**32,658,026**
1521	County Pool Interest Earned	492,073	110,000	0	110,000
1525	LAIF Interest Earned	50,841	10,000	0	10,000
1556	PLS Building/Rent	0	35,042	0	35,042
1500	**Use of Money and Property**	**542,914**	**155,042**	**0**	**155,042**
1661	Highway Property Tax Rental	1,161	600	0	600
1831	Homeowner Tax Relief	97,234	105,000	0	105,000
1868	Timber Tax Yield	3,605	2,000	0	2,000
1871	State Aid/Grants	369,072	52,372	100,000	152,372
1971	Other In-Lieu Taxes	408	400	0	400
1600	**Intergovernmental Revenues**	**471,481**	**160,372**	**100,000**	**260,372**

		FY 2018-19 Actuals	FY 2019-20 Adopted	Change	FY 2020-21 Recommended
2291	Library Fees & Fines	102,122	0	0	0
2451	Misc Services to Cities	45,781	24,000	0	24,000
2000	**Charges for Services**	**147,903**	**24,000**	**0**	**24,000**
2521	IFR - General Fund	1,077,498	146,988	0	146,988
2538	IFR - Library Donor Fund	170,000	170,000	0	170,000
2545	SBOE Reconciliation	28,835	0	0	0
2500	**Interfund Revenue**	**1,276,333**	**316,988**	**0**	**316,988**
2631	Sale of Literature	3,012	3,000	0	3,000
2644	Insurance Refunds	10,937	0	0	0
2645	SDI Payments	24,462	5,000	0	5,000
2646	Gifts & Donations	7,300	0	0	0
2647	Friends Donations	255,211	192,587	(192,587)	0
2655	Foundation Grants	4,525	0	150,000	150,000
2658	All Other Misc. Revenue	457,749	366,000	22,289	388,289
2600	**Miscellaneous Revenue**	**763,196**	**566,587**	**(20,298)**	**546,289**
	Total Revenue	**35,601,311**	**33,517,533**	**443,184**	**33,960,717**
333	Fund Balance	23,619,388	28,029,165	(4,327,670)	23,701,495
	TOTAL SOURCES	**59,220,699**	**61,546,698**	**(3,884,486)**	**57,662,212**
Requirements					
4111	Permanent Salaries	10,205,907	11,045,336	370,626	11,415,962
4160	Extra Help Salaries and Benefits	2,662,596	3,527,397	(823,934)	2,703,463
4321	Retirement Contribution	2,696,380	2,886,150	480,417	3,366,567
4400	Benefits	1,669,090	1,835,441	21,972	1,857,413
4450	Wkr Comp/Unemployment	142,700	154,164	4,370	158,534
4000	**Salaries and Benefits**	**17,376,673**	**19,448,488**	**53,451**	**19,501,939**

		FY 2018-19 Actuals	FY 2019-20 Adopted	Change	FY 2020-21 Recommended
5132	ISD Phones	18,396	0	0	0
5184	Revenue Set Aside -Donor	2,415,142	1,850,000	0	1,850,000
5188	SBOE Payments	30,569	0	0	0
5193	Office Expenses	175,276	244,000	0	244,000
5196	Photocopy Lease/Usage	21,350	144,062	6,340	150,402
5197	Mail	3,969	10,000	0	10,000
5198	Donations Funded Services	21,383	149,000	0	149,000
5199	Friends Funded Services	180,004	192,587	(192,587)	0
5212	Computer Equipment	1,699,124	2,862,000	(1,437,000)	1,425,000
5215	Software and Maintenance	360,705	557,601	15,757	573,358
5234	Furniture and Equipment	991,775	1,607,500	201,000	1,808,500
5331	Memberships	38,555	40,000	0	40,000
5343	Advertising and Publicity	3,675	4,000	6,000	10,000
5426	Equipment Maintenance	0	5,000	0	5,000
5455	Facilities Maintenance	33,470	25,000	0	25,000
5459	Misc. Other Maintenance	2,390	34,000	30,000	64,000
5483	Custodial	32,766	35,000	0	35,000
5631	Utilities	31,308	35,000	0	35,000
5634	Recycling	7,560	10,000	0	10,000
5635	Water Service	8,423	15,000	0	15,000
5712	Mileage Allowance	12,012	12,100	0	12,100
5721	Meetings and Conferences	172,119	250,000	(50,000)	200,000
5722	Employee Reimbursement	32,167	25,000	0	25,000
5731	Employee Training	485	2,000	0	2,000
5854	Contract Library Services	91,452	100,000	(50,000)	50,000
5856	Promotional Materials	117,630	227,500	0	227,500
5858	Professional Contracts	253,132	1,268,548	240,057	1,508,605

		FY 2018-19 Actuals	FY 2019-20 Adopted	Change	FY 2020-21 Recommended
5866	Fingerprinting	50,213	61,025	0	61,025
5872	Cost Applied Support Charges	14,300,077	20,296,966	(20,296,966)	0
5875	Interagency Agreements-PLS	716,870	1,342,566	9,047	1,351,613
5876	Programming Services	6,726	10,000	0	10,000
5925	Emergency Assistance Expense	0	0	350,000	350,000
5926	Alcohol/Drug Testing	215	500	0	500
5927	Program Activities Expense	693,446	784,500	(80,000)	704,500
5931	Books -Adult	570,089	352,000	0	352,000
5932	Books -Children	687,251	472,000	0	472,000
5933	Videos –Children	37,551	59,000	0	59,000
5934	Books -Serials	156,224	149,000	0	149,000
5936	Audio Materials	154,887	95,800	0	95,800
5937	Videos -Adult	250,312	169,000	0	169,000
5938	Digital Materials	576,378	1,006,000	92,000	1,098,000
5939	World Language Materials	206,158	228,000	30,000	258,000
5942	Other Library Expense	993,859	811,623	(326,000)	485,623
5969	Summer Learning –Measure K	595	366,000	22,289	388,289
5000	**Services and Supplies**	**26,155,687**	**35,908,878**	**(21,430,063)**	**14,478,815**
6263	Agreements -RWC/DC/WDS	879,169	920,000	0	920,000
6712	Telephone Service Charges	42,863	150,622	2,198	152,820
6713	Automation Services -ISD	122,222	73,528	5,729	79,257
6714	County Facility Rental Charges	112,361	158,788	(5,481)	153,307
6717	Motor Vehicle Mileage Charges	44,827	84,425	0	84,425
6724	Auto Liability Insurance	721	3,001	120	3,121
6725	General Liability Insurance	99,023	123,738	12,373	136,111
6727	Official Bond Insurance	3,456	3,743	149	3,892

		FY 2018-19 Actuals	FY 2019-20 Adopted	Change	FY 2020-21 Recommended
6728	County Property Insurance	39,626	42,432	4,243	46,675
6732	County Counsel Services	5,667	0	0	0
6733	Human Resources Services	4,072	4,240	0	4,240
6734	Motor Vehicle Replace Charge	3,862	3,862	0	3,862
6738	Countywide Security Services	46,187	39,799	0	39,799
6739	Card Key Public Works	5,272	14,445	0	14,445
6821	A-87 Expense	539,108	648,110	0	648,110
6000	**Other Charges**	**1,948,436**	**2,270,733**	**19,331**	**2,290,064**
7331	Fixed Assets -Equipment	0	500,000	(66,000)	434,000
7000	**Fixed Assets**	**0**	**500,000**	**(66,000)**	**434,000**
7548	Facility Maintenance Charge	10,815	14,069	693	14,762
7500	**Other Financing Uses**	**10,815**	**14,069**	**693**	**14,762**
	Gross Appropriations	**45,491,612**	**58,142,168**	**(21,422,588)**	**36,719,580**
8142	Intrafund Transfers	(14,300,077)	(20,296,965)	20,296,965	0
8000	**Intrafund Transfers**	**(14,300,077)**	**(20,296,965)**	**20,296,965**	**0**
	Net Appropriations	**31,191,535**	**37,845,203**	**(1,125,623)**	**36,719,580**
8611	Operating Reserves	9,233,424	4,091,198	173,565	4,264,763
8811	Capital Reserves	18,795,740	19,610,297	(2,932,428)	16,677,869
	Total Reserves	**28,029,164**	**23,701,495**	**(2,758,863)**	**20,942,632**
	TOTAL REQUIREMENTS	**59,220,699**	**61,546,698**	**(3,884,486)**	**57,662,212**