San Mateo County Libraries

Agenda Item III. D.

To: JPA Governing Board

From: Anne-Marie Despain, Director of Library Services
Lindsey Freeland, Financial Services Manager

Date: September 14, 2021

Meeting: September 20, 2021

Re: FY 2021-22 Proposed Uses of Restricted Library Funds

Background

Section VI. D. of the San Mateo County Library JPA Agreement states the following, "in the event that the allocated library service revenue for a member city exceeds the amount required to maintain the minimum library service for that member, such excess funds shall, after deduction of any activities approved by the Governing Board for library related expenditures within that city, be restricted and held by the JPA for library related activities within that member city including but not limited to, facility maintenance, facility remodeling or expansion, increased service hours, or increased material and equipment purchases, as mutually agreed by the Library JPA and the city council of that member city."

In accordance with this provision and as approved by the Library JPA Governing Board, at the end of each fiscal year, Library district property tax funds in excess of the amount required to operate a community library, after deduction of JPA approved activities, are distributed and held by San Mateo County Libraries in separate trust funds. For FY 2020-21, amounts totaling $225,592 were set aside in the Portola Valley Library Trust Fund, $752,237 in the San Carlos Trust Fund, and $968,489 in the Woodside Library Trust Fund.

Additionally, excess funds of $1,951,424 for the Town of Atherton were identified. These funds have been returned to the Library JPA to begin paying back the one-time advancement of $5,391,725 that was provided to the Town of Atherton and approved by the Governing Board on November 9, 2020, to support construction of the new library.

As of June 30, 2021, restricted Library property taxes currently held in trust accounts by the Library and members total $12,146,787.

Discussion

Member cities that qualify and are interested in using restricted County Free Library property taxes to support public library related activities in the upcoming fiscal year, must provide the proposed use of library funds to the Library JPA and obtain approval.

Proposed uses in FY 2021-22 are detailed below:

Atherton Library

Total Atherton Library Trust Funds as of June 30, 2021, total $5,972,750 ($5,962,110 held by the Town of Atherton and $10,640 held by the Library JPA).

The Town of Atherton proposes to utilize restricted Library excess funds in an amount estimated at $190,075 as detailed below:

Type/Category	Description	Proposed FY 2021-22 Appropriation
Facility Repair & Maintenance	Scheduled library maintenance and repairs, landscaping and building security	80,050
Custodial Services	Contract janitorial services	58,000
Utilities	Electricity, gas, water	32,200
Rents & Leases	Lease of library trailers	19,825
	Total Expenditures	$190,075

Portola Valley Library

Total Portola Valley Library Trust Funds as of June 30, 2021, total $1,447,932 ($274,850 held by the Town of Portola Valley and $1,173,082 held by the Library JPA).

The Town of Portola Valley proposes to utilize Library excess fund revenue in an amount estimated at $126,500 as detailed below:

Type/Category	Description	Proposed FY 2021-22 Appropriation
Facility Repair & Maintenance	Scheduled library maintenance and repairs	29,500
Custodial Services	Contract janitorial services	30,000
Utilities	Electricity, gas, water, sewer	22,000
Facility Improvements	Flooring, painting, window blinds, lighting	45,000
	Total Expenditures	$126,500

The amount of library property tax currently generated from this community also enables the Portola Valley Library to offer eight additional hours above the minimum service levels per the JPA Agreement and be currently open a total of 48 hours per week.

San Carlos Library

Total San Carlos Library Trust Funds as of June 30, 2021, total $1,114,626 (all funds held by the Library JPA).

The City of San Carlos proposes to utilize Library excess fund revenue in an amount estimated at $927,000 as detailed below:

Type/Category	Description	Proposed FY 2021-22 Appropriation
Facility Repair & Maintenance - Interior	Scheduled library maintenance and repairs, floor outlets, workroom blinds, staircase repair	127,000
Facility Repair & Maintenance - Exterior	Scheduled library maintenance and repairs, exterior building stucco and painting	400,000
Facility Improvement	Library emergency backup power generator	400,000
	Total Expenditures	$927,000

Woodside Library

Total Woodside Library Trust Funds as of June 30, 2021, total $3,611,479 ($29,365 held by the Town of Woodside and $3,582,114 held by the Library JPA).

The Town of Woodside proposes to utilize Library excess fund revenue in an amount estimated at $163,040 as detailed below:

Type/Category	Description	Proposed FY 2021-22 Appropriation
Facility Repair & Maintenance	Town services, including liability and property insurance	26,500
Contract Services	Landscaping and Janitorial	22,000
Utilities	Water, gas, sewer	19,500
Facility Improvement	Construction of two new parking spaces	50,000
Overhead Allocation	Salaries & benefits for Town staff support	45,040
	Total Expenditures	$163,040

The amount of library property tax currently generated from this community also enables the Woodside Library to offer eight additional hours above the minimum service levels per the JPA Agreement and be currently open a total of 48 hours per week. Additionally, the Town and Library are recommending when library hours are further expanded this fiscal year, the Woodside Library open for a total of 60 hours per week.

Fiscal Impact

Requests for uses of Restricted Library Funds in FY 2021-22 total $1,406,615. Funds are available to offset the requested amounts and have been allocated accordingly in the proposed FY 2021-22 Adopted Budget.

Recommendation

Recommend JPA Governing Board approval of the FY 2021-22 proposed uses of Restricted Library Funds. Operations Committee members present at the September 14, 2021 meeting concurred with this recommendation.