San Mateo County Libraries

Agenda Item III. B.

To:	JPA Governing Board
From:	Anne-Marie Despain, Director of Library Services
	Lindsey Freeland, Director of Finance and Performance
Date:	June 10, 2025
Meeting:	June 16, 2025
Re:	Proposed Uses of Restricted Library Funds

Background

Section VI. D. of the San Mateo County Library JPA (Library JPA) Agreement states the following:

1. *Notwithstanding any other provision of this Agreement, for each fiscal year the Library service revenue allocated to libraries in each member city shall not be less than the estimated library property tax revenue attributable to property located in that city. Subject to paragraph 2, below, 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 are 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.*

2. *In the fiscal year following the completion and opening of the new Atherton Library, excess funds, after deduction of any activities approved by the Governing Board for library related expenditures within a member city, shall be split 50%-50% between the Library JPA and the member city to which those excess funds are attributable.*

In accordance with this provision and as approved by the Library JPA Governing Board, at the end of each fiscal year, Library property tax funds in excess of the amount required to operate a community library, are distributed and held by the Library JPA in separate trust funds.

Discussion

At the September 2024 JPA Operations Committee and Governing Board meetings, total restricted Library property taxes held in trust accounts by the Library JPA and members as of June 2024 totaled $14,545,764 as follows: $2,408,744 for the Atherton Library;

$193,177 for the Foster City Library; $1,377,806 for the Portola Valley Library; $4,205,160 for the San Carlos Library; and $6,360,878 for the Woodside Library. Due to transfers and the accumulation of interest, these amounts have changed during the fiscal year. Trust fund balances as of June 2025 will be provided to the JPA after year-end close at the September 2025 board meetings.

At the September 2024 JPA Operations Committee and Governing Board meetings, FY 2024-25 proposed uses totaling $2,688,603 we approved as follows: $1,005,902 for the Atherton Library; $40,700 for the Foster City Library; $86,251 for the Portola Valley Library; $1,377,300 for the San Carlos Library; and $178,450 for the Woodside Library. In preparation for year-end close, the Town of Atherton, City of San Carlos, and Town of Woodside have requested approval of additional proposed uses for FY 2024-25.

The Town of Atherton is requesting additional proposed uses totaling $275,000 for the following: $100,000 for the design of pedestrian pathway; $100,000 for additional facility improvements; $15,000 to design parking stall improvements; and $60,000 for the design of adding EV charging at the library. If approved, FY 2024-25 approved uses for the Atheron Library will total $1,280,902. There are funds in the Atherton Library-held trust to cover most of this amount, and we are currently discussing with Town staff which uses will be reimbursed this fiscal year. Any variance will be paid from either Atherton-held excess funds or from excess funds identified at the end of FY 2024-25.

The City of San Carlos is requesting additional proposed uses totaling $119,380 for additional costs of an existing project to upgrade the roof at the library for solar panel installation. If approved, FY 2024-25 approved uses for the San Carlos Library will total $1,496,680. There are sufficient funds in the San Carlos Library-held trust to cover this amount.

The Town of Woodside is requesting additional proposed uses totaling $44,280 for an emergency repair to a mainline at the library that was leaking. If approved, FY 2024-25 approved uses for the Woodside Library will total $222,730. There are sufficient funds in the Woodside Library-held trust to cover this amount.

Fiscal Impact

Proposed uses of restricted Library JPA Funds in FY 2024-25 now total $3,127,263. There are sufficient restricted Library JPA funds available to cover these requests.

Recommendation

Recommend JPA Governing Board approve the additional proposed use of restricted Library Funds in FY 2024-25 for the Atherton, San Carlos and Woodside Libraries. Operations Committee members present at the June 10, 2025 meeting concurred with this recommendation.