San Mateo County Libraries

Agenda Item V.

To:	JPA Governing Board
From:	Anne-Marie Despain, Director of Library Services
	Paniz Amirnasiri, Interim Director of Finance and Performance
Date:	September 10, 2025
Meeting:	September 15, 2025
Re:	Approval of the Final FY 2024-25 Adopted Budget

Background

The San Mateo County Library JPA Budget serves as the annual financial plan, an operations guide, and a communications tool. On June 10, 2025, the FY 2025-26 Recommended Budget was approved by the JPA Governing Board.

The table below outlines activities associated with the budget process:

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

The proposed FY 2025-26 Adopted Budget includes final adjustments to distribute resources and support our key priorities this year, which are to:

- Implement our new strategic plan and respond to the priorities identified through community and stakeholder outreach and engagement efforts.
- Reach more community members through intentional outreach and marketing efforts.
- Prioritize cultural programming in our libraries to ensure everyone feels welcome and represented in our spaces.
- Elevate adult and youth literacy efforts and develop responsive programs to empower and cultivate a community of learners.

- Establish new and deepen existing community partnerships to expand and enhance supportive services.

- Increase access to technology and hands-on learning to advance digital literacy.

- Create and update libraries to include vibrant, welcoming spaces that inspire creativity, collaboration, and exploration.

- Develop and implement performance metrics and system targets to track progress and inform ongoing improvements.

- Support the well-being and growth of our library champions and amplify their talents.

Discussion

The FY 2025-26 Recommended Budget approved by the JPA Governing Board on June 10 and implemented on July 1 totaled $92,163,562. Based on fiscal year-end closing activities and updated information, the proposed FY 2025-26 Adopted Budget now totals $99,071,733. Below are the most significant changes in FY 2025-26 Adopted Budget:

Sources:

- Fund Balance ($45,985,022 to $52,893,193): Fund Balance reflects the carry forward of reserves, unanticipated revenues, and unspent appropriations at the close of the fiscal year. After year-end close, Fund Balance is increased by $6,908,171. The increase is partly due to revenues exceeding budgeted amounts, including Excess ERAF, Interest Earned, and repayment of an advancement of funds from the Town of Atherton. Unspent appropriations attributable to project delays and staffing vacancies also contributed to additional Fund Balance.

Requirements

- Salaries and Benefits ($29,500,704 to $29,620,070): There is an increase of $119,366 due to health benefits cost increases and the reclassification of two vacant positions to better support operational needs.

- Services and Supplies ($19,414,090 to $19,626,317): There is an increase of $212,227 primarily due to budgeting rollover of unspent Friends and other donation funds from prior years.

- Other Charges ($4,007,356 to $5,358,335): There is an increase of $1,350,979 due to added funds for the Foster City Makerspace and the Atherton Children's Garden as well as minimal increases to County service charges.

- Fixed Assets ($1,306,205 to $1,666,205): There is an increase of $360,000 due to added funds for the purchase of nine outreach vehicles to expand services to our communities.

- Reserves ($37,893,143 to $42,758,763): There is an increase of $4,865,620 which represents the additional rollover from FY 2024-25 Fund Balance that is not allocated to one-time expenditures. Operating Reserves total $5,874,774 and meet the JPA Fund Balance policy of setting aside 15% of Net Appropriations, net one-time expenditures. Capital Reserves total $36,883,989. Capital Reserves are assigned to anticipated projects that are financially significant. Currently, $16.2 million are assigned, including $7 million for furniture, fixtures, and equipment (FF&E) for future new libraries in East Palo Alto ($2.5 million), North Fair Oaks ($1.5 million), and Pacifica ($3 million). Future refinement of these assignments may occur to ensure sound fiscal management and responsiveness to evolving service needs.

Key projects for FY 2025-26 include procuring a new bookmobile, adding a children's garden at Atherton, creating new makerspaces at the Foster City and San Carlos Libraries; purchasing assets to enhance outreach efforts; installing privacy pods in our libraries; exploring artificial intelligence service applications; establishing digital literacy hubs; and providing reading tutoring and homework help.

Staff appreciate the leadership and guidance provided by both the JPA Operations Committee and Governing Board in pursuing high quality, innovative library services and look forward to implementing the activities funded in the FY 2025-26 Adopted Budget.

Fiscal Impact

The proposed Adopted Budget for FY 2025-26 is balanced and totals $99,071,733. Changes from the Recommended Budget approved in June to the proposed Adopted Budget are described above and in the attached FY 2025-26 Adopted Budget Summary.

Recommendation

Recommend JPA Governing Board approve the Final FY 2025-26 Adopted Budget. Operations Committee members present at the September 9, 2025 meeting concurred with this recommendation.

Attachment

FY 2025-26 Adopted Budget Summary

San Mateo County Libraries

FY 2025-26 Adopted Budget Summary

		FY 2024-25 Actuals	FY 2025-26 Recommended	FY 2025-26 Adjustments	FY 2025-26 Adopted
Sources					
1000	Taxes	46,569,018	44,707,104	-	44,707,104
1500	Use of Money and Property	1,980,400	371,216	-	371,216
1600	Intergovernmental Revenues	1,999,121	778,842	-	778,842
2000	Charges for Services	10,498	-	-	-
2500	Interfund Revenue	573,996	316,378	-	316,378
2600	Miscellaneous Revenue	184,430	5,000	-	5,000
	Total Revenue	**51,317,463**	**46,178,540**	**-**	**46,178,540**
3333	Fund Balance	47,309,462	45,985,022	6,908,171	52,893,193
	TOTAL SOURCES	**98,626,925**	**92,163,562**	**6,908,171**	**99,071,733**
Requirements					
4000	Salaries and Benefits	25,516,733	29,500,704	119,366	29,620,070
5000	Services and Supplies	16,886,876	19,414,090	212,227	19,626,317
6000	Other Charges	2,737,148	4,007,356	1,350,979	5,358,335
7000	Fixed Assets	592,975	1,306,205	360,000	1,666,205
7500	Other Financing Uses	0	42,064	(21)	42,043
	Gross Appropriations	**45,733,732**	**54,270,419**	**2,042,551**	**56,312,970**
8000	Intrafund Transfers	-	-	-	-
	Net Appropriations	**45,733,732**	**54,270,419**	**2,042,551**	**56,312,970**
8500	Operating Reserves	5,100,464	5,863,392	11,382	5,874,774
8700	Capital Reserves	47,792,729	32,029,751	4,854,238	36,883,989
	Total Reserves	**52,893,193**	**37,893,143**	**4,865,620**	**42,758,763**
	TOTAL REQUIREMENTS	**98,626,925**	**92,163,562**	**6,908,171**	**99,071,733**