San Mateo County Libraries

Agenda Item V.

To: JPA Governing Board

From: Anne-Marie Despain, Director of Library Services
Lindsey Freeland, Director of Finance and Performance

Date: June 3, 2026

Meeting: June 8, 2026

Re: Adoption of the FY 2026-27 Recommended Budget

Background

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

The San Mateo County Libraries budget process involves the distribution of resources and services that meet performance objectives as identified by library staff, the Operations Committee and the Governing Board. Funds are appropriated on an annual basis as adopted by the Library 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.

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 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 Accepted by the County Board of Supervisors

The FY 2026-27 Recommended Budget was presented to the Operations Committee and distributed to the Governing Board on May 5. The presentation provided an overview of significant current year accomplishments and performance data, and detailed proposed revenues and expenditures designed to achieve budget priorities and projects that are aligned with Strategic Plan goals. The Library JPA meetings in June seek adoption of the FY 2026-27 Recommended Budget.

Discussion

FY 2026-27 Budget Overview

The proposed FY 2026-27 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 are $99,643,822. Total Revenue is $49,950,988 and Net Appropriations, or the total operating budget, is $61,058,721. Salaries and benefits comprise our largest expense and total $32,341,782, representing 53% of the total operating budget. The budget sets Operating Reserves at $6,325,501 and Capital Reserves at $32,259,600, in compliance with the JPA Fund Balance Policy.

FY 2026-27 Recommended Budget Priorities

The FY 2026-27 Recommended Budget works to set priorities and provide allocations in alignment with our Strategic Plan 2025-2030. The Recommended Budget continues to reflect many of the investments made in recent years to enhance and increase library services and programs, including service hour expansions approved by the JPA Governing Board in 2021.

Today, all library locations are open 7 days a week for a total of 61 hours, with our two Pacifica locations offering a total of 77 hours per week. This consistent schedule across the system has improved accessibility and strengthened community access to our resources, spaces and programs.

The following priorities will be continued and implemented this year:

• Celebrate the power and diversity of human stories through vibrant library collections, connecting people through the joy of reading.

• Reach more community members through intentional outreach to broaden access to library programs and services.

• Update libraries to create flexible, welcoming spaces, that spark curiosity, inspire exploration, and support collaboration and engagement.

• Build reading, writing, digital, and information literacy for all ages, fostering the skills needed for learning, well-being, and everyday success.

• Deepen partnerships to shape and enhance services in response to community needs and aspirations.

• Connect and engage our communities through a variety of communication platforms and marketing strategies to build awareness and share our vision and impact.

• Partner with member cities to assess community needs and use resources strategically to help our communities flourish.

• Develop performance metrics that are meaningful at all levels of the organization and illustrate our full value to our communities.

• Strengthen organizational capacity by recruiting creative talent and retaining staff through robust training, growth opportunities, and a supportive environment.

Key projects for FY 2026-27 include the Library JPA's contribution to the new library in East Palo Alto for furniture, fixtures, and equipment; completing a new makerspace at the San Carlos Library; purchasing and installing our second Library Outpost in Pescadero; installing privacy pods in our libraries; exploring technology enhancements, including opportunities for our Information Technology division, an update to our website to improve the user experience and be compliant with accessibility standards, and exploring Artificial Intelligence applications; and completing library needs assessments for the Woodside and North Fair Oaks Libraries as well as a facility assessment for the Administration Building. Five new positions are also recommended. These new positions will provide flexible staffing for our new Bookmobile and growing outreach; ensure adequate support for the new San Carlos Library Makerspace; and bolster our communication efforts to amplify our voice and deepen engagement with our communities.

Fiscal Impact

The proposed budget for FY 2026-27 is $99,643,822. Net Appropriations total $61,058,721. Reserves total $38,585,101 and are in compliance with the Fund Balance Policy.

Recommendation

Recommend JPA Governing Board approve the FY 2026-27 Recommended Budget and Fund Balance Policy.

Attachment

1. Fiscal Year 2026-2027 Recommended Budget
2. Fund Balance Policy