

AGENDA

Regular Meeting of the Pierce County Library System Board of Trustees November 14, 2018 | 3:30 PM

3:30 pm	02 min.	Call to Order: Rob Allen, Chair	
3:32 pm	05 min.	Public Comment: <i>This is time set aside for members of the public to speak to the Board of Trustees. Unless the item you wish to discuss is of an emergency nature, the Board ordinarily takes matters under advisement before taking action. Please sign up at the time of the meeting to speak during the Public Comment period, and limit your comments to three minutes.</i>	
3:37 pm	03 min.	Consent Agenda	Action
		<ol style="list-style-type: none"> 1. Approval of Minutes of October 10, 2018, Regular Meeting 2. Approval of October 2018 Payroll, Benefits and Vouchers 3. Resolution 2018-09: 2019 Schedule of Recurring Meetings 	
3:40 pm	05 min.	Board Member Reports	
3:45 pm	10 min.	Routine Reports	
		<ol style="list-style-type: none"> 1. Dashboards, Georgia Lomax 2. September 2018 Financial Report, Cliff Jo 3. Executive Director Report, Georgia Lomax 4. Branch Services Report, Jaime Prothro 	
3:55 pm	10 min.	New Business	
		<ol style="list-style-type: none"> 1. 2019 Board Calendar of Major Work, Georgia Lomax 	
4:05 pm	05 min. 20 min.	Unfinished Business	
		<ol style="list-style-type: none"> 1. Library Restored Levy Election, Georgia Lomax 2. 2019 Budget and Work Plan: First Reading and Discussion <ol style="list-style-type: none"> a. Draft Operating Budget, Cliff Jo b. Draft Capital Projects Budget, Melinda Chesbro c. Draft Special Purpose Fund, Cliff Jo 	
4:30 pm	05 min.	Public Hearing: 2019 Draft Budget of Revenue and Expenditures: 2019 Revenue sources and 2019 Expense Budget: Consideration of increases in property tax revenues, regarding the 2018 property tax levies for collection in 2019 (per RCW 84.55.10)	
4:35 pm	05 min.	Unfinished Business (continued)	
		<ol style="list-style-type: none"> 3. 2019 Budget and Work Plan, Melinda Chesbro and Cliff Jo <ol style="list-style-type: none"> a. Resolution 2018-10: To Request Highest Lawful Levy and Levy Certification 	Action
4:40 pm	15 min.	Executive Session <i>At this time on the agenda, the Board of Trustees will recess to Executive Session per RCW 42.30.110, to discuss personnel and labor issues.</i>	
4:55 pm	05 min.	Officers Reports:	
		<ol style="list-style-type: none"> 1. 2017 Fiscal Audit 2. Community Engagement Project 3. Polaris Upgrade Project 4. Traveling Trustee Meetings 	
5:00 pm	02 min.	Announcements	
5:02 pm		Adjournment	

Consent Agenda

**BOARD OF TRUSTEES
PIERCE COUNTY LIBRARY SYSTEM
REGULAR MEETING, OCTOBER 10, 2018**

CALL TO ORDER

Vice-Chair Daren Jones called to order the regular meeting of the Pierce County Rural Library District Board of Trustees at 3:31 pm. Board members present were Pat Jenkins, Monica Butler and Donna Albers. Rob Allen was excused.

PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. Approval of Minutes of the September 12, 2018, Regular Meeting
2. September 2018 Payroll, Benefits and Vouchers
 - a. Payroll Warrants 3832 dated 9/1/18-9/30/18 in the amount of \$1,994.32
 - b. Payroll Disbursement Voucher dated 9/6/18 in the amount of \$1,048,113.62
 - c. Payroll Disbursement Voucher dated 9/21/18 in the amount of \$790,124.50
 - d. Accounts Payable Warrants 629523-629627 dated 9/1/18-9/30/18 in the amount of \$729,674.14

Ms. Albers moved for approval of the consent agenda. Mr. Jenkins seconded the motion and it was passed.

ROUTINE REPORTS

Executive Director Report – Executive Director Georgia Lomax reported she has been working with the County to make the appropriate changes to the trustee terms. Mr. Jones will be moving into a full 5 year term.

The state auditor will conduct the exit conference next week. Chair Allen will be in attendance.

UNFINISHED BUSINESS

Library Election Update – Ms. Lomax summarized the activity to date. She shared the informational flyer which will be mailed to the approximately 240,000 households in the Library's service area. The cost of printing and postage is 16¢ per item. Ms. Lomax noted that if the levy does not pass, the decision on which libraries will close would be decided following a public engagement process. Ballots go out at the end of the week.

Marketing and Communications Director Mary Getchell said that the public is asking questions about the levy and there has been strong media coverage. She noted there are a lot of measures on the November ballot, many of them with tax implications.

Estimated Budget – Ms. Lomax reported the library received the preliminary levy certification which indicates the revenue the Library will receive in 2019. The Implicit Price Deflator will not apply in 2019. New construction revenue is estimated to be \$650,000. New construction taxes will be collected only if the levy fails and the Library's levy rate remains below 50¢.

Should the levy not pass, under the 1% limit the Library would receive an additional \$300,000 in property tax revenue for 2019. If the levy passes, the Library anticipates receiving approximately \$8 million. A portion of this revenue would be saved and used to sustain operations over the 5 year period.

The draft 2019 work plan was shared with the Board to highlight services and projects planned for 2019. The Leadership Team leads this work. Five-year plans are also being developed that will provide for long-term management and coordination of projects and initiatives. Ms. Lomax noted that the work plan would not be

finalized until the outcome of the election is clear and it is determined whether the Library will implement the Sustain or Reduce budget for 2019.

NEW BUSINESS

Proposed 2019 Board Meeting Schedule – Trustees expressed interest in holding four meetings in branches in 2019.

2018 Work Plan Update – The Trustees discussed a planned 2018 project that begins in November to evaluate the multiple filters currently used on Library computers. The Board asked that a report be brought to them in 2019 following the project, to allow them to consider a study of filters and related issues regarding computer use.

OFFICERS REPORTS

National Friends of Libraries Week Proclamation – Mr. Jones proclaimed the week of October 21-27, 2018, as Friends of Libraries Week. The Board thanked the Friends for their contributions and support of the Library.

Summer Reading Report – The Trustees were pleased with the results of the program. They thanked donors and the Foundation for supporting the program's success.

ANNOUNCEMENTS

Pierce County MakerFest will be held November 3, 2018, from 10:00 AM until 3:00 PM at the Washington State Fairgrounds Agriplex.

The general election is November 6, 2018.

ADJOURNMENT

The meeting was adjourned at 4:55 pm on motion by Ms. Albers, seconded by Mr. Jenkins.

Georgia Lomax, Secretary

Daren Jones, Vice-Chair

October 2018 Payroll, Benefits and Vouchers

	<u>Warrant Numbers</u>	<u>Date(s)</u>	<u>Amount</u>
Payroll Warrants	None	10/1/18 - 10/31/18	\$ -
Electronic Payments - Payroll & Acct Payable		10/5/18	986,695.13
Electronic Payments - Payroll & Acct Payable		10/22/18	793,738.25
Accounts Payable Warrants	629628 - 629765	10/1/18 - 10/31/18	773,256.75
Total:			<u>\$ 2,553,690.13</u>

Ad-hoc bank transaction (Withdrawal)

PCL_Company

ACH Template Name in KTT : RLIBRARY
 Description: Pierce County Rural Library

Contact Name: Stacy Karabotsos
 Contact Phone: 253-548-3451
 Contact e-mail: skarabotsos@piercecountylibrary.org
 Comments: 10/05/18 Payroll

Withdrawal Date: 10/05/18

Company	Description	Revenue/Spend Category	Cost Center	Fund	Business Unit	Total
PCL_Company	FIT EE and EIC	237100	CC_Library_District	697-00	5100000	58,162.79
PCL_Company	FICA EE and Medicare	237100	CC_Library_District	697-00	5100000	49,356.76
PCL_Company	FICA ER and Medicare	237100	CC_Library_District	697-00	5100000	49,356.76
PCL_Company	DIR DEP	237100	CC_Library_District	697-00	5100000	465,631.22
PCL_Company	Deferred Comp. Plan	237100	CC_Library_District	697-00	5100000	13,677.44
PCL_Company	DRS (PERS) EE	237100	CC_Library_District	697-00	5100000	47,938.71
PCL_Company	DRS (PERS) ER	237100	CC_Library_District	697-00	5100000	81,534.91
PCL_Company	VOYA	237100	CC_Library_District	697-00	5100000	5,032.69
PCL_Company	H.S.A Employee Deductions	237100	CC_Library_District	697-00	5100000	1,838.18
PCL_Company	H.S.A Employer Contribution	237100	CC_Library_District	697-00	5100000	500.00
PCL_Company	H.S.A Employee Fee	237100	CC_Library_District	697-00	5100000	-
PCL_Company	AWC (only on 6th paycheck)	237100	CC_Library_District	697-00	5100000	213,191.82
PCL_Company	Department of Revenue	237100	CC_Library_District	697-00	5100000	473.85
PCL_Company	Payroll Adjustment(s)	237100	CC_Library_District	697-00	5100000	-
Total Deposit						\$ 986,695.13

Certification:

Stacy Karabotsos
 Signature (Department Designee)

10/03/18
 Date

Comments:

Ad-hoc bank transaction (Withdrawal)

PCL_Company

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 Description: Pierce County Rural Library

Contact Name: Stacy Karabotsos
 Contact Phone: 253-548-3451
 Contact e-mail: skarabotsos@piercecountylibrary.org
 Comments: 10/22/18 Payroll

Withdrawal Date: 10/22/18

Company	Description	Revenue/Spend Category	Cost Center	Fund	Business Unit	Total
PCL_Company	FIT EE and EIC	237100	CC_Library_District	697-00	5100000	59,566.13
PCL_Company	FICA EE and Medicare	237100	CC_Library_District	697-00	5100000	50,453.48
PCL_Company	FICA ER and Medicare	237100	CC_Library_District	697-00	5100000	50,453.48
PCL_Company	DIR DEP	237100	CC_Library_District	697-00	5100000	476,475.62
PCL_Company	Deferred Comp. Plan	237100	CC_Library_District	697-00	5100000	12,128.76
PCL_Company	DRS (PERS) EE	237100	CC_Library_District	697-00	5100000	50,196.88
PCL_Company	DRS (PERS) ER	237100	CC_Library_District	697-00	5100000	84,783.83
PCL_Company	VOYA	237100	CC_Library_District	697-00	5100000	5,057.69
PCL_Company	H.S.A Employee Deductions	237100	CC_Library_District	697-00	5100000	1,521.18
PCL_Company	H.S.A Employer Contribution	237100	CC_Library_District	697-00	5100000	-
PCL_Company	H.S.A Employee Fee	237100	CC_Library_District	697-00	5100000	210.25
PCL_Company	AWC (only on 6th paycheck)	237100	CC_Library_District	697-00	5100000	-
PCL_Company	Department of Revenue	237100	CC_Library_District	697-00	5100000	2,890.95
PCL_Company	Payroll Adjustment(s)	237100	CC_Library_District	697-00	5100000	-
Total Deposit						\$ 793,738.25

Certification:

Stacy Karabotsos
 Signature (Department Designee)

10/18/18
 Date

Comments:

Check History Listing
Pierce County Library System

Bank code: key

Check #	Date	Vendor	Status	Check Total
629628	10/05/2018	000828 AFSCME AFL-CIO	C	6,298.27
629629	10/05/2018	003311 DEPARTMENT OF LABOR & INDUSTRI		46,207.37
629630	10/05/2018	003985 PACIFCSOURCE ADMINISTRATORS	C	1,570.50
629631	10/05/2018	000821 PIERCE COUNTY SUPERIOR COURT		218.04
629632	10/05/2018	001181 PIERCE CTY LIBRARY FOUNDATION	C	651.32
629633	10/05/2018	007020 PIONEER CREDIT RECOVERY, INC.	C	229.48
629634	10/05/2018	006555 SOCIAL SECURITY ADMINISTRATION	C	128.17
629635	10/05/2018	004782 US DEPARTMENT OF EDUCATION	C	192.25
629636	10/05/2018	001355 VOLUNTARY EMPLOYEES' BENEFICIA	C	7,202.43
629637	10/05/2018	000881 WASHINGTON STATE SUPPORT REGIS	C	1,980.25
629638	10/05/2018	000363 OVERALL LAUNDRY SERV. DBA ARAMARK UNII	C	21.98
629639	10/05/2018	000153 ASSOCIATED PETROLEUM PRODUCTS	C	5,555.26
629640	10/05/2018	007118 AUTHORS UNBOUND	C	1,250.00
629641	10/05/2018	000946 BELLINGHAM PUBLIC LIBRARY	C	39.95
629642	10/05/2018	000600 CLOVER PARK TECHNICAL COLLEGE	C	4,400.00
629643	10/05/2018	005081 EHS-INTERNATIONAL INC	C	4,125.92
629644	10/05/2018	005283 E-RATE EXPERTISE INC	C	675.00
629645	10/05/2018	006478 EVERGREEN MAINT LANDSCAPING	C	6,856.88
629646	10/05/2018	006875 GRAY MEDIA PRODUCTIONS LLC	C	3,404.00
629647	10/05/2018	004625 JOY KIM	C	37.26
629648	10/05/2018	001586 NORTHWEST DOOR INC	C	247.28
629649	10/05/2018	001754 NANCY PEARL	C	2,000.00
629650	10/05/2018	007004 DEAN RATZMAN	C	500.00
629651	10/05/2018	007004 DEAN RATZMAN	C	400.00
629652	10/05/2018	002282 SEATTLE PUBLIC LIBRARY	C	5.99
629653	10/05/2018	007173 SIONE'S CONSTRUCTION GROUP	C	1,648.50
629654	10/05/2018	006331 SURPRISE LAKE SQUARE UNIT 257	C	8,618.40
629655	10/05/2018	006183 TIGARD PUBLIC LIBRARY	C	14.99
629656	10/05/2018	000497 TILLICUM COMMUNITY SERVICE CEN	C	1,643.86
629657	10/05/2018	007196 TRITON COLLEGE		162.50
629658	10/05/2018	001821 TYLER TECHNOLOGIES INC	C	560.00
629659	10/05/2018	000541 STATE OF WASHINGTON	C	1,474.05
629660	10/05/2018	006331 SURPRISE LAKE SQUARE UNIT 257	C	8,938.91
629661	10/05/2018	000830 BAKER & TAYLOR	C	56,872.16
629662	10/05/2018	000189 BAKER & TAYLOR ENTERTAINMENT	C	59.35
629663	10/05/2018	000242 BUCKLEY CITY OF	C	537.35
629664	10/05/2018	000161 CENGAGE LEARNING	C	129.48
629665	10/05/2018	001780 CITY OF UNIVERSITY PLACE	C	12.22

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Check #	Date	Vendor	Status	Check Total
629666	10/05/2018	007198 LINDA CLAYSON		26.24
629667	10/05/2018	000093 EBSCO	C	36.05
629668	10/05/2018	001643 IMPACT	C	155.30
629669	10/05/2018	000243 INGRAM LIBRARY SERVICES	C	1,112.52
629670	10/05/2018	007194 ELIZABETH LOBB	C	59.99
629671	10/05/2018	007110 MIDWEST LIBRARY SERVICE	C	335.75
629672	10/05/2018	000352 MIDWEST TAPE	V	0.00
629673	10/05/2018	000352 MIDWEST TAPE	V	0.00
629674	10/05/2018	000352 MIDWEST TAPE	C	27,054.27
629675	10/05/2018	000362 ORTING CITY OF	C	1,590.81
629676	10/05/2018	000370 PIERCE COUNTY	C	1,364.73
629677	10/05/2018	000377 PUGET SOUND ENERGY	C	4,458.70
629678	10/05/2018	000406 RECORDED BOOKS LLC	C	630.01
629679	10/05/2018	000460 STEILACOOM TOWN OF	C	1,675.10
629680	10/05/2018	007197 NAOMI TRUITT		8.10
629681	10/10/2018	000363 OVERALL LAUNDRY SERV. DBA ARAMARK UNII	C	21.98
629682	10/10/2018	000176 ATS AUTOMATION INC	C	5,261.46
629683	10/10/2018	007108 BARBARA B BENEPE	C	100.00
629684	10/10/2018	007204 BOB JONES UNIVERSITY LIBRARY	C	2.59
629685	10/10/2018	000182 CHUCKALS INC	C	2,106.00
629686	10/10/2018	006873 DATA QUEST LLC	C	45.00
629687	10/10/2018	006972 DOWN TO EARTH GADGETS & GIZMOS	V	50.00
629688	10/10/2018	006478 EVERGREEN MAINT LANDSCAPING	C	5,219.51
629689	10/10/2018	007203 JOHN P HOLT BRENTWOOD LIBRARY		20.00
629690	10/10/2018	006421 MARKHAM INVESTIGATION - (MIP)	C	5,161.50
629691	10/10/2018	000323 NEWS TRIBUNE	C	1,500.00
629692	10/10/2018	001005 PETTY CASH CUSTODIAN	C	102.54
629693	10/10/2018	000370 PIERCE COUNTY	C	18,554.46
629694	10/10/2018	000857 PIERCE COUNTY RECYCLING	C	159.78
629695	10/10/2018	001640 PRINT NW LLC	C	18,961.47
629696	10/10/2018	000730 SMITH FIRE SYSTEMS MGT LLC	C	472.00
629697	10/12/2018	007145 DEBRA M CARSON		50.00
629698	10/12/2018	006984 FALCONER, THE	C	400.00
629699	10/12/2018	007035 MICHELLE KUCERA-JEWELL		400.00
629700	10/12/2018	004346 CHERYL LARSON-POPEK		21.74
629701	10/12/2018	007141 MEHNDI MADNESS INC	C	250.00
629702	10/12/2018	001911 LAUREN MURPHY		17.77
629703	10/12/2018	001427 PACIFIC SCIENCE CENTER	C	500.00
629704	10/12/2018	007013 AMY R PELOFF	C	46.87

Check History Listing
Pierce County Library System

Bank code: key

Check #	Date	Vendor	Status	Check Total
629705	10/12/2018	005498 JAIME PROTHRO		74.51
629706	10/15/2018	007214 DAN BORBA	C	50.00
629707	10/22/2018	003985 PACIFICSOURCE ADMINISTRATORS	C	181.75
629708	10/22/2018	003778 AFLAC		5,643.26
629709	10/22/2018	000828 AFSCME AFL-CIO		6,497.01
629710	10/22/2018	001578 COLONIAL SUPPLEMENTAL INSURANC		624.66
629711	10/22/2018	003985 PACIFICSOURCE ADMINISTRATORS	C	1,550.50
629712	10/22/2018	001181 PIERCE CTY LIBRARY FOUNDATION	C	601.32
629713	10/22/2018	006555 SOCIAL SECURITY ADMINISTRATION		140.50
629714	10/22/2018	004782 US DEPARTMENT OF EDUCATION	C	210.75
629715	10/22/2018	000881 WASHINGTON STATE SUPPORT REGIS	C	1,977.13
629716	10/22/2018	000363 OVERALL LAUNDRY SERV. DBA ARAMARK UNII	C	21.98
629717	10/22/2018	006482 BRICKS 4 KIDZ	C	175.00
629718	10/22/2018	006333 CERTIF A GIFT CO	C	52.11
629719	10/22/2018	006999 CIS		940.00
629720	10/22/2018	000600 CLOVER PARK TECHNICAL COLLEGE	C	1,025.00
629721	10/22/2018	000895 COLUMBIA BANK	C	912.41
629722	10/22/2018	006815 IDEA HATCH STEAM FOR KIDS		300.00
629723	10/22/2018	007072 LITTLE MAPLE LEAF PRODUCTIONS		900.00
629724	10/22/2018	006646 METCALF ELECTRIC INC	C	728.58
629725	10/22/2018	001345 MICHAEL'S CUSTOM UPHOLSTERY	C	715.83
629726	10/22/2018	007193 MOCKINGBIRD SOCIETY, THE		500.00
629727	10/22/2018	004822 MUSEUM OF FLIGHT	C	260.00
629728	10/22/2018	000362 ORTING CITY OF	C	19,499.12
629729	10/22/2018	007201 PAINTING PARTIES BY TARA		280.00
629730	10/22/2018	000370 PIERCE COUNTY	C	360.00
629731	10/22/2018	006331 SURPRISE LAKE SQUARE UNIT 257	C	8,618.40
629732	10/22/2018	005603 TEGCO FENCE	C	3,489.90
629733	10/22/2018	003719 UNIQUE MANAGEMENT SERVICES	C	930.80
629734	10/22/2018	004022 US BANK	C	39,828.48
629735	10/22/2018	004022 US BANK	C	174,682.05
629736	10/22/2018	004022 US BANK	C	93,352.68
629737	10/22/2018	000541 STATE OF WASHINGTON	C	8,915.99
629738	10/15/2018	000830 BAKER & TAYLOR	V	0.00
629739	10/15/2018	000830 BAKER & TAYLOR	C	58,187.68
629740	10/15/2018	007212 MONICA BOVE		14.99
629741	10/15/2018	007215 ALEXANDREA CASAD		57.93
629742	10/15/2018	000161 CENGAGE LEARNING	C	1,194.86
629743	10/15/2018	000847 CENTER POINT PUBLISHING	C	638.73

Check History Listing
Pierce County Library System

Bank code: key

Check #	Date	Vendor	Status	Check Total
629744	10/15/2018	006681 FUTURE PUBLISHING LTD		145.00
629745	10/15/2018	005171 INFOGROUP	C	407.37
629746	10/15/2018	000243 INGRAM LIBRARY SERVICES	C	2,141.60
629747	10/15/2018	007110 MIDWEST LIBRARY SERVICE	C	187.76
629748	10/15/2018	000352 MIDWEST TAPE	V	0.00
629749	10/15/2018	000352 MIDWEST TAPE	V	0.00
629750	10/15/2018	000352 MIDWEST TAPE	C	28,936.88
629751	10/15/2018	000362 ORTING CITY OF	C	1,773.07
629752	10/15/2018	000327 PENINSULA GATEWAY INC		70.20
629753	10/15/2018	000377 PUGET SOUND ENERGY	C	2,947.66
629754	10/15/2018	000406 RECORDED BOOKS LLC		323.91
629755	10/15/2018	007213 CALEB RISER		29.99
629756	10/15/2018	007200 BARBARA SAYLOR		25.80
629757	10/15/2018	000451 SEATTLE TIMES SEATTLE PI	C	1,012.81
629758	10/15/2018	000463 SUMMIT WATER & SUPPLY CO	C	489.92
629759	10/15/2018	000541 STATE OF WASHINGTON	C	586.35
629760	10/23/2018	000239 BRODART	C	1,922.34
629761	10/23/2018	006577 CATALYST WORKPLACE ACTIVATION	C	4,943.34
629762	10/23/2018	005862 ELITE PROPERTY INVESTMENTS LLC	C	10,096.48
629763	10/23/2018	006913 CATHERINE MCHUGH		2,550.83
629764	10/23/2018	000323 NEWS TRIBUNE	C	7,229.30
629765	10/31/2018	003311 DEPARTMENT OF LABOR & INDUSTRI		500.62
key Total:				773,256.75
Total Checks:				773,256.75

138 checks in this report

RESOLUTION NO. 2018-09

**A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE PIERCE COUNTY RURAL LIBRARY DISTRICT
TO SET THE 2019 SCHEDULE OF RECURRING MEETINGS**

WHEREAS, the Board of Trustees of the Pierce County Rural Library District must adopt a schedule of recurring meetings in compliance with Chapter 42.30 of the Revised Code of Washington, and

WHEREAS, the Board of Trustees intends to hold recurring meetings in the year 2019, now, therefore,

BE IT RESOLVED that in 2019, the Board of Trustees of the Pierce County Library System will meet on the second Wednesday of each month at 3:30 PM as per the attached schedule. Unless otherwise noted, the meetings will take place in the Board Room of the Administrative Center & Library, 3005 112th Street East, Tacoma, Washington, 98446.

DATED THIS 14th DAY OF NOVEMBER, 2018

BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT	
Robert Allen, Chair	_____
Daren Jones, Vice-Chair	_____
Monica Butler, Member	_____
Pat Jenkins, Member	_____
Donna Albers, Member	_____

**PIERCE COUNTY LIBRARY SYSTEM
BOARD OF TRUSTEES**

2019 Meeting Schedule

Meetings are regularly scheduled at 3:30 pm on the second Wednesday of the month. The dates of the 2019 Board of Trustee meetings are as follows:

January 9
February 13
March 13
April 10
May 8
June 12
July 10
August 14
September 11
October 9
November 13
December 11

2019 Conferences	
January 25-29	American Library Association (ALA) Midwinter, Seattle, WA
April 17-20	OLA-WLA Conference, Vancouver, WA (Oregon Library Association & Washington Library Association)
June 20-25	American Library Association (ALA) Annual, Washington, DC

Routine Reports

Monthly Financial Reports September 30, 2018

All bold notes refer to current month activity or updates to prior months

General Fund

September

- **54912. Expenditure management initiatives have been preparing for end of October's cash low point. In September, managers added significant savings into contingency as a reserve, which increased from August's \$164,000 to \$566,000. At the end of 2018, the additional \$402,000 will automatically add to the General Fund cash, which will significantly address April 2019's low cash point.**

August

- 52020. Quarter 2 payment for Employment Security Department (\$7,509). An adjustment will be made to increase the budget; funds will come from Contingency.
- 53505. Includes Friends-committed funding for Lakewood furnishings (\$12,933).
- 54200. Postage meter was reloaded (\$15,000).
- 54502. Encumbrances for Equipment Leases are under review and adjustments will be made in September.

July

- 53501. Phase 2 of Ergonomic project—ergonomic chair purchases (\$16,151).
- 54100. Payment for Leadership Academy (\$8,000)—final payment will be after the graduation ceremony.

April – June (Quarter 2)

- 53505. Annual renewal costs for Polaris, Anti-Virus subscription, and Applicant Tracking System (approximately \$216,800).
- 54200. Postage for Spring Focus Direct Mail (approximately \$20,000).
- 31111. We have collected just over 53% of our annual current property taxes. This is almost exactly the same percentage as last year at this time. Delinquent taxes are being collected at a rate 1% higher than last year.
- 36700. Foundation donations for Pierce County Conversations and Summer Reading.
- 53501. Stacking chairs and carts @ Fife.

- 54100. PC Reads (approximately \$12,000).
- 54103. Employee survey and public opinion polls (approximately \$20,000).
- 54905. Payment from outside organizations for the Pacific Northwest Consortium event.
- 31111. We have collected just under 45% of our annual current property taxes. This is approximately 3% higher than last year at this time. This is consistent with delinquent tax collections as well which are just under 2% higher than last year.
- 36110. Investment income thus far totals \$11,127 – up from \$3,353 in April 2017. This is due primarily to a steady increase in interest rates and a change to the timing of investments related to the new accounts payable schedule.
- 53499. Reclassification of items incorrectly coded to Gifts.
- Warrants Payable (Balance Sheet Account). This account does not typically carry a negative balance which was caused by a batch of accounts payable invoices that were paid in April but posted in May. This will self-correct itself in May.

January – March (Quarter 1)

- 31111. We have collected 5.07% of our property taxes through the month of March. This is consistent with last year at this time when taxes collected represented 5.21% of the total.
- 36700. Foundation funds for print services (classified incorrectly – will appear corrected in April as Graphics Service Charges).
- 54903. Reclassification of Association of Washington Cities annual assessment from Licenses & Fees (54903) to Dues & Memberships (54901).
- 36110. Interest rates have increased to 1.428%.
- January Foundation distribution (unanticipated) – Baby Books To Go, various branches, Tuition Assistance
- 53411. Several subscription renewals (Cengage, Value Line Publishing, Proquest, Recorded Books, etc.)
- 31111 & 31112. Tax collections through March 21st (as reported by the Pierce County Treasurer) were just over \$700,000. These collections are not posted to our account until the last day of the month. We should receive approximately \$1,000,000 through the 31st.
- 36110. Interest rates have increased to 1.275%.
- 36998. We received an E-Rate payment in the amount of \$184,886.
- 52002. Medical insurance is inflated in January. This is related to the first HSA payment made to employees (\$750 benefit for 76 employees). This will occur again in April.
- 54201. Comcast refund from a closed account.

Capital Improvement Projects Fund

September

- **56200. City of University Place—paid the 7th year installment cost of \$120,000.**

August

- No significant activity

July

- No significant activity

April – June (Quarter 2)

- 36700. Foundation payment for the South Hill capital project. This was a prior commitment to be paid over a three year term.
- 54103. (Encumbrance) EHS International Inc. – environmental assessment and investigation @ Buckley

January – March (Quarter 1)

- 54103. (Encumbrance) EHS International Inc. – environmental assessment @ Buckley
- 56200. (Encumbrance) City of University Place – library expansion unit
- 54100. (Encumbrance) New Ventures Group – broker services
- 54103. (Encumbrance) EHS International Inc. – environmental assessment @ Buckley
- 56200. UP Library Expansion Unit

Debt Service Fund

- No significant activity

Special Purpose Fund

September

- **54103. (Encumbrance) Contractual service fees for election**
- **54400. (Encumbrance) Advertising fees for election**

August

- No significant activity

July

- No significant activity

April – June (Quarter 2)

- Election Cost budget created and increased transfer established

Jan – March (Quarter 1)

- No significant activity

**PIERCE COUNTY LIBRARY SYSTEM
STATEMENT OF FINANCIAL POSITION
September 30, 2018**

	GENERAL FUND	SPECIAL PURPOSE FUND	DEBT SERVICE FUND	CAPITAL IMPROVEMENT PROJECTS FUND
ASSETS				
Current Assets				
Cash	\$ 728,164	\$ 50,759	\$ 728	\$ (78,245)
Investments	\$ 1,800,000	\$ 950,000	\$ 85,000	\$ 1,345,000
Total Current Assets	\$ 2,528,164	\$ 1,000,759	\$ 85,728	\$ 1,266,755
TOTAL ASSETS	\$ 2,528,164	\$ 1,000,759	\$ 85,728	\$ 1,266,755
LIABILITIES				
Current Liabilities				
Warrants Payable	\$ 114,808	\$ -	\$ -	\$ -
Sales Tax Payable	\$ 2,827	\$ -	\$ -	\$ -
Payroll Payable	\$ 144,004	\$ -	\$ -	\$ -
Total Current Liabilities	\$ 261,639	\$ -	\$ -	\$ -
TOTAL LIABILITIES	\$ 261,639	\$ -	\$ -	\$ -
FUND BALANCE				
Reserve for Encumbrances	\$ 745,765	\$ 28,502	\$ -	\$ 113,050
Election Set-Aside	\$ -	\$ 331,498	\$ -	\$ -
Land/Property/Facility Set-Aside	\$ -	\$ 630,117	\$ -	\$ -
Unreserved Fund Balance	\$ 1,520,760	\$ 10,642	\$ 85,728	\$ 1,153,705
TOTAL FUND BALANCE	\$ 2,266,525	\$ 1,000,759	\$ 85,728	\$ 1,266,755
TOTAL LIABILITIES & FUND BALANCE	\$ 2,528,164	\$ 1,000,759	\$ 85,728	\$ 1,266,755
<hr/>				
BEGINNING FUND BALANCE, 01/01/18	\$ 6,443,991	\$ 990,117	\$ 84,726	\$ 1,390,170
YTD Revenue	\$ 17,965,443	\$ 11,474	\$ 1,002	\$ 45,696
Transfers In/(Out)	\$ -	\$ -	\$ -	\$ -
YTD Expenditures	\$ (22,142,909)	\$ (832)	\$ -	\$ (169,110)
ENDING FUND BALANCE, 06/30/18	\$ 2,266,525	\$ 1,000,759	\$ 85,728	\$ 1,266,755
TAXES RECEIVABLE	\$ 14,597,041	N/A	\$ 0	N/A

**PIERCE COUNTY LIBRARY SYSTEM
COMPARATIVE STATEMENT OF FINANCIAL POSITION
General Fund as of September 30, 2018**

	<i>HISTORICAL</i> 9/30/2017	<i>HISTORICAL</i> 10/31/2017	<i>HISTORICAL</i> 11/30/2017	<i>HISTORICAL</i> 12/31/2017	<i>HISTORICAL</i> 1/31/2018	<i>HISTORICAL</i> 2/28/2018	<i>HISTORICAL</i> 3/31/2018	<i>HISTORICAL</i> 4/30/2018	<i>CURRENT</i> 5/31/2018	<i>CURRENT</i> 6/30/2018	<i>CURRENT</i> 7/31/2018	<i>CURRENT</i> 8/31/2018	<i>CURRENT</i> 9/30/2018
ASSETS													
Current Assets													
Cash	\$ 2,494,583	\$ 10,266,107	\$ 2,668,110	\$ 330,760	\$ 458,797	\$ 601,524	\$ 1,261,791	\$ 11,172,984	\$ 2,712,123	\$ 266,955	\$ 305,347	\$ 338,006	\$ 728,164
Investments	\$ 750,000	\$ 750,000	\$ 7,155,000	\$ 7,300,000	\$ 4,400,000	\$ 2,270,000	\$ 325,000	\$ -	\$ 8,750,000	\$ 8,800,000	\$ 6,630,000	\$ 4,200,000	\$ 1,800,000
Total Current Assets	\$ 3,244,583	\$ 11,016,107	\$ 9,823,110	\$ 7,630,760	\$ 4,858,797	\$ 2,871,524	\$ 1,586,791	\$ 11,172,984	\$ 11,462,123	\$ 9,066,955	\$ 6,935,347	\$ 4,538,006	\$ 2,528,164
TOTAL ASSETS	\$ 3,244,583	\$ 11,016,107	\$ 9,823,110	\$ 7,630,760	\$ 4,858,797	\$ 2,871,524	\$ 1,586,791	\$ 11,172,984	\$ 11,462,123	\$ 9,066,955	\$ 6,935,347	\$ 4,538,006	\$ 2,528,164
LIABILITIES													
Current Liabilities													
Warrants Payable	\$ (34,432)	\$ 66	\$ (144)	\$ 1,045,213	\$ 6,765	\$ 6,730	\$ 61,835	\$ (15,003)	\$ -	\$ 142	\$ 142	\$ 6,629	\$ 114,808
Sales Tax Payable	\$ 3,786	\$ 2,789	\$ 2,553	\$ 2	\$ 1,718	\$ 1,694	\$ 2,935	\$ 2,905	\$ 2,206	\$ 1,481	\$ 2,149	\$ 2,757	\$ 2,827
Payroll Payable	\$ 52,781	\$ 110,819	\$ 127,875	\$ 141,553	\$ 105,963	\$ 122,423	\$ 142,843	\$ 112,083	\$ 128,499	\$ 144,913	\$ 112,963	\$ 130,996	\$ 144,004
Total Current Liabilities	\$ 22,135	\$ 113,674	\$ 130,284	\$ 1,186,769	\$ 114,446	\$ 130,847	\$ 207,613	\$ 99,985	\$ 130,705	\$ 146,536	\$ 115,255	\$ 140,382	\$ 261,639
TOTAL LIABILITIES	\$ 22,135	\$ 113,674	\$ 130,284	\$ 1,186,769	\$ 114,446	\$ 130,847	\$ 207,613	\$ 99,985	\$ 130,705	\$ 146,536	\$ 115,255	\$ 140,382	\$ 261,639
FUND BALANCE													
Reserve for Encumbrance	\$ 653,420	\$ 620,137	\$ 615,538	\$ -	\$ 1,297,073	\$ 1,294,634	\$ 1,246,589	\$ 1,144,590	\$ 1,222,274	\$ 959,916	\$ 927,759	\$ 720,874	\$ 745,765
Net Excess (Deficit)	\$ (4,374,230)	\$ 3,339,038	\$ 2,635,030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved Fund Balance	\$ 6,943,258	\$ 6,943,258	\$ 6,442,258	\$ 6,443,991	\$ 3,447,278	\$ 1,446,043	\$ 132,590	\$ 9,928,409	\$ 10,109,145	\$ 7,960,503	\$ 5,892,334	\$ 3,676,750	\$ 1,520,760
TOTAL FUND BALANCE	\$ 3,222,448	\$ 10,902,433	\$ 9,692,826	\$ 6,443,991	\$ 4,744,351	\$ 2,740,677	\$ 1,379,178	\$ 11,072,999	\$ 11,331,419	\$ 8,920,419	\$ 6,820,093	\$ 4,397,624	\$ 2,266,525
TOTAL LIABILITIES & FUND BALANCE	\$ 3,244,583	\$ 11,016,107	\$ 9,823,110	\$ 7,630,760	\$ 4,858,797	\$ 2,871,524	\$ 1,586,791	\$ 11,172,984	\$ 11,462,123	\$ 9,066,955	\$ 6,935,347	\$ 4,538,006	\$ 2,528,164
PROPERTY TAXES RECEIVABLE	\$ 13,347,965	\$ 3,196,537	\$ 786,632	\$ 663,874	\$ 30,880,445	\$ 30,199,556	\$ 30,650,910	\$ 28,418,336	\$ 14,708,135	\$ 14,597,041	\$ 14,479,270	\$ 14,311,321	\$ 14,311,321

**PIERCE COUNTY LIBRARY SYSTEM
STATEMENT OF REVENUE & EXPENDITURES
For the Period Ending September 30, 2018**

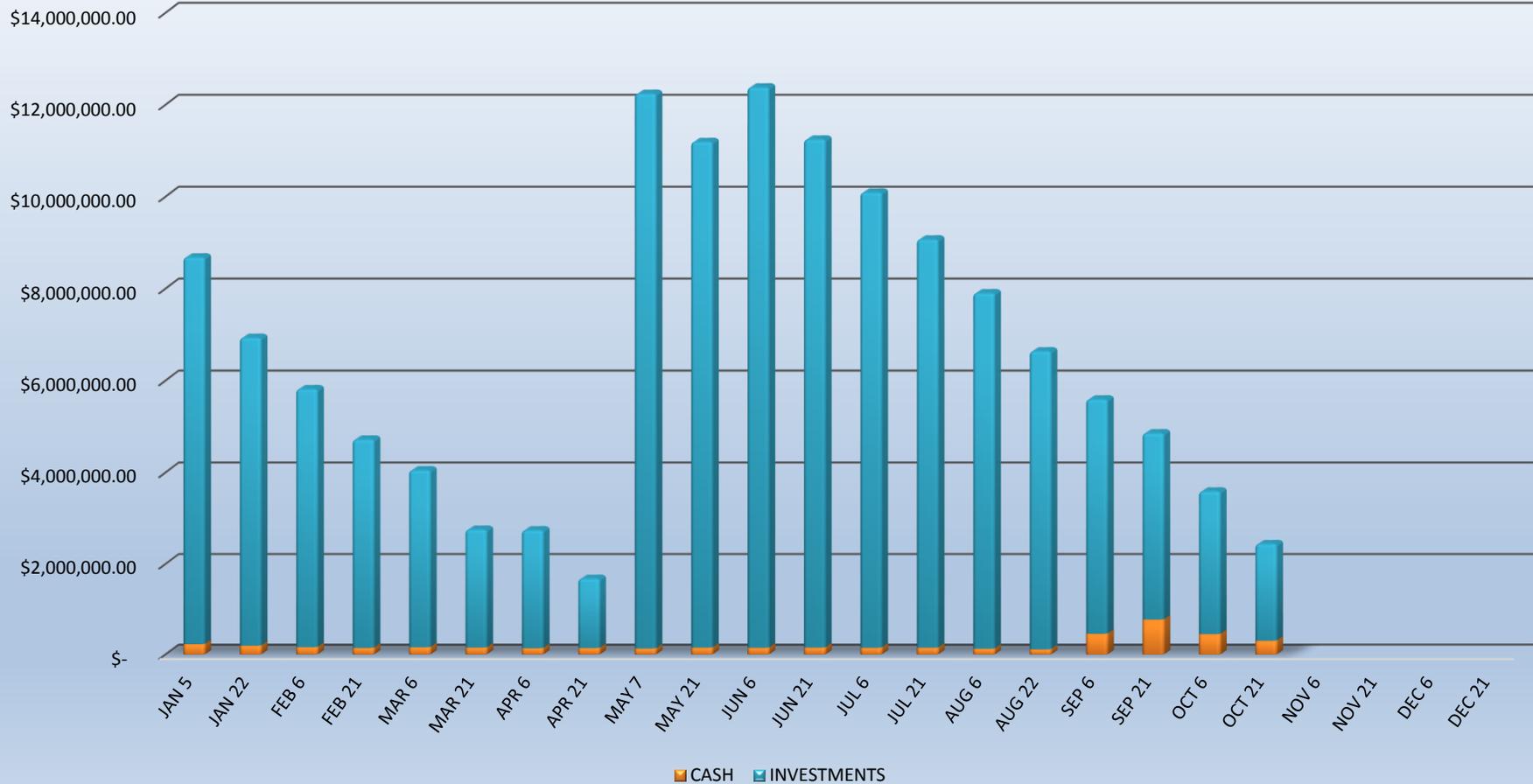
GENERAL FUND - 01	2018 BUDGET	YEAR TO DATE	ENCUMBRANCES	BUDGET BALANCE	% OF BUDGET
REVENUE					
Property Tax & Related Income	\$ 30,229,200	\$ 16,961,573	\$ -	\$ 13,267,627	56%
Other Revenue	\$ 1,744,500	\$ 1,003,870	\$ -	\$ 740,630	58%
TOTAL REVENUE	\$ 31,973,700	\$ 17,965,443	\$ -	\$ 14,008,257	56%
EXPENDITURES					
Personnel/Taxes and Benefits	\$ 22,733,883	\$ 16,894,611	\$ -	\$ 5,839,272	74%
Materials	\$ 3,367,600	\$ 2,513,347	\$ -	\$ 854,253	75%
Maintenance and Operations	\$ 5,287,217	\$ 2,734,951	\$ 745,765	\$ 1,806,501	66%
Transfers Out	\$ 585,000	\$ -	\$ -	\$ 585,000	0%
TOTAL EXPENDITURES	\$ 31,973,700	\$ 22,142,909	\$ 745,765	\$ 9,085,026	72%
Excess/(Deficit)		\$ (4,177,466)			
Additional Transfers Out		-			
NET EXCESS (DEFICIT)		\$ (4,177,466)			

SPECIAL PURPOSE FUND - 15	2018 BUDGET	YEAR TO DATE	ENCUMBRANCES	BUDGET BALANCE	% OF BUDGET
REVENUE					
Use of Fund Balance	\$ 360,000	\$ -	\$ -	\$ 360,000	0%
Transfers In	\$ 300,000	\$ -	\$ -	\$ 300,000	0%
Investment Income	\$ -	\$ 11,474	\$ -	\$ (11,474)	-
TOTAL REVENUE	\$ 660,000	\$ 11,474	\$ -	\$ 648,526	2%
EXPENDITURES					
Election Costs	\$ 660,000	\$ 832	\$ 28,502	\$ 630,666	4%
TOTAL EXPENDITURES	\$ 660,000	\$ 832	\$ 28,502	\$ 630,666	4%
Excess/(Deficit)		\$ 10,642			
Additional Transfers In		\$ -			
NET EXCESS (DEFICIT)		\$ 10,642			

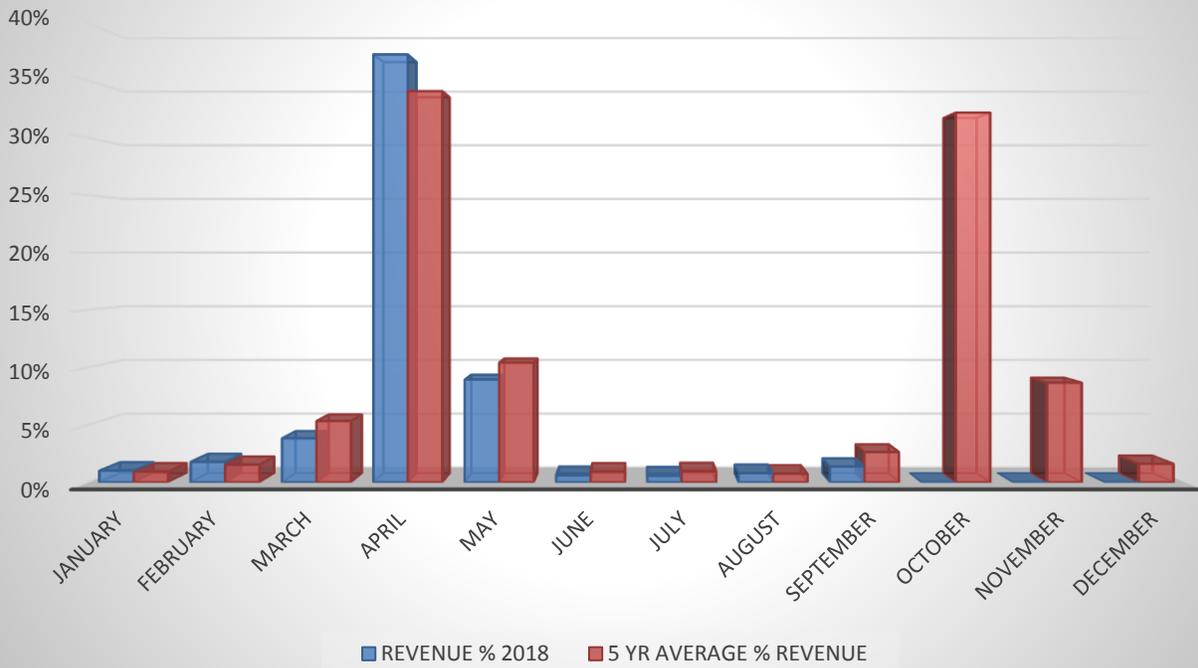
DEBT SERVICE FUND - 20	2018 BUDGET	YEAR TO DATE	ENCUMBRANCES	BUDGET BALANCE	% OF BUDGET
REVENUE					
Property Tax & Related Income	\$ -	\$ 1,002	\$ -	\$ (1,002)	-
Other Revenue	\$ -	\$ -	\$ -	\$ -	-
TOTAL REVENUE	\$ -	\$ 1,002	\$ -	\$ (1,002)	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	-
NET EXCESS (DEFICIT)		\$ 1,002			

CAPITAL IMPROVEMENT PROJECTS FUND - 30	2018 BUDGET	YEAR TO DATE	ENCUMBRANCES	BUDGET BALANCE	% OF BUDGET
REVENUE					
Use of Fund Balance	\$ 100,000	\$ -	\$ -	\$ 100,000	0%
Transfers In	\$ 285,000	\$ -	\$ -	\$ 285,000	0%
Other Revenue	\$ -	\$ 45,696	\$ -	\$ (45,696)	-
TOTAL REVENUE	\$ 385,000	\$ 45,696	\$ -	\$ 339,304	12%
EXPENDITURES					
Capital Improvement Projects	\$ 385,000	\$ 169,110	\$ 113,050	\$ 102,839	73%
TOTAL EXPENDITURES	\$ 385,000	\$ 169,110	\$ 113,050	\$ 102,839	73%
Excess/(Deficit)		\$ (123,414)			
Additional Transfers In		-			
NET EXCESS (DEFICIT)		\$ (123,414)			

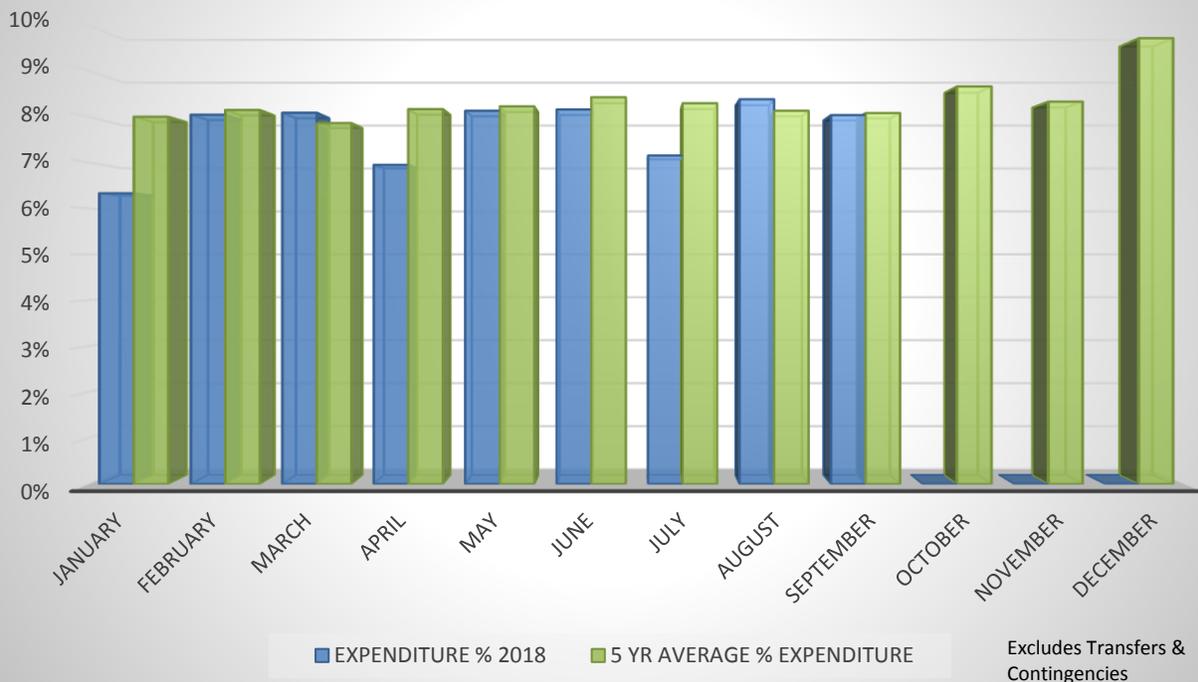
CASH & INVESTMENTS - SEMI-MONTHLY 2018 - ALL FUNDS COMBINED (EXCLUDES DEBT SERVICE FUND)



GENERAL FUND - REVENUE TREND (%) 2018



GENERAL FUND - EXPENDITURE TREND (%) 2018



Pierce County Library System
 Board Report - Budget to Actual by Object
 Report as of: 9/30/2018

FUND: GENERAL FUND (01)

Object	2018 Budget	September Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
REVENUE ACCOUNTS						
31111 PROPERTY TAXES CURRENT	29,502,700.00	365,749.70	16,438,398.97	0.00	13,064,301.03	55.72
31112 PROPERTY TAXES DELINQUENT	575,500.00	12,651.00	370,507.82	0.00	204,992.18	64.38
31130 SALE OF TAX TITLE PROPERTY	3,000.00	0.00	6,446.28	0.00	(3,446.28)	214.88
31720 LEASEHOLD EXCISE TAX	20,000.00	0.00	14,833.25	0.00	5,166.75	74.17
31740 TIMBER EXCISE TAX	63,000.00	0.00	42,930.89	0.00	20,069.11	68.14
TAXES:	30,164,200.00	378,400.70	16,873,117.21	0.00	13,291,082.79	55.94
33345 PLAY TO LEARN - FED INDIRECT	0.00	0.00	1,925.10	0.00	(1,925.10)	0.00
33533 STATE FOREST FUNDS/DNR TIMBER TRU	0.00	1,833.95	7,275.39	0.00	(7,275.39)	0.00
33710 SHARED FIXED ASSETS - TIMBER	15,000.00	0.00	0.00	0.00	15,000.00	0.00
34160 COPIER FEES	30,000.00	2,533.30	24,754.62	0.00	5,245.38	82.52
34161 GRAPHICS SERVICES CHARGES	7,500.00	69.99	7,446.49	0.00	53.51	99.29
34162 PRINTER FEES	125,000.00	9,802.91	94,854.71	0.00	30,145.29	75.88
34163 FAX FEES	21,000.00	1,969.97	18,773.28	0.00	2,226.72	89.40
34193 ORTING - SERVICE FEES	3,000.00	810.00	2,430.00	0.00	570.00	81.00
34730 INTERLIBRARY LOAN FEES	0.00	35.95	362.06	0.00	(362.06)	0.00
35970 LIBRARY FINES	400,000.00	32,642.55	331,051.39	0.00	68,948.61	82.76
36110 INVESTMENT INCOME	50,000.00	4,468.55	60,121.67	0.00	(10,121.67)	120.24
36140 OTHER INTEREST EARNED - COUNTY	0.00	2.20	19.27	0.00	(19.27)	0.00
36200 KEY PEN HLTH DEPT FACILITY REV	1,000.00	0.00	960.44	0.00	39.56	96.04
36290 BOOK SALES	7,000.00	9.10	1,909.21	0.00	5,090.79	27.27
36700 FOUNDATION DONATIONS	403,265.00	0.00	70,231.94	0.00	333,033.06	17.42
36705 AWC GRANT	0.00	0.00	500.00	0.00	(500.00)	0.00
36720 FRIENDS' REIMBURSEMENTS	0.00	0.00	1,607.86	0.00	(1,607.86)	0.00
36725 DONATIONS - OTHER	104,735.00	29.97	2,367.46	0.00	102,367.54	2.26
36910 SALE OF SURPLUS	5,000.00	0.00	1,956.31	0.00	3,043.69	39.13
36920 FOUND MONEY	3,000.00	53.22	509.27	0.00	2,490.73	16.98
36990 MISCELLANEOUS REVENUE	0.00	1,476.15	2,733.04	0.00	(2,733.04)	0.00
36991 PAYMENT FOR LOST MATERIALS	12,000.00	177.95	5,931.94	0.00	6,068.06	49.43
36996 JURY DUTY REIMBURSEMENT	0.00	70.00	260.00	0.00	(260.00)	0.00
36998 E RATE REIMBURSEMENT	552,000.00	0.00	381,875.14	0.00	170,124.86	69.18
36999 REBATES - PROCUREMENT CARD	70,000.00	0.00	46,969.18	0.00	23,030.82	67.10
CHARGES OTHER:	1,809,500.00	55,985.76	1,066,825.77	0.00	742,674.23	58.96
39510 SALE OF FIXED ASSETS (GOV)	0.00	2,884.97	21,039.15	0.00	(21,039.15)	0.00
39520 INSURANCE RECOVERIES - ASSETS	0.00	0.00	4,460.97	0.00	(4,460.97)	0.00
TOTAL FOR REVENUE ACCOUNTS	31,973,700.00	437,271.43	17,965,443.10	0.00	14,008,256.90	56.19
EXPENSE ACCOUNTS						
51100 SALARIES AND WAGES	16,387,700.00	1,328,202.02	11,746,991.19	0.00	4,640,708.81	71.68
51105 ADDITIONAL HOURS	225,400.00	22,386.74	194,491.25	0.00	30,908.75	86.29
51106 SHIFT DIFFERENTIAL	165,600.00	13,676.42	126,612.64	0.00	38,987.36	76.46
51107 SUBSTITUTE HOURS	279,000.00	16,407.06	241,871.84	0.00	37,128.16	86.69
51109 TUITION ASSISTANCE PROGRAM	17,975.00	0.00	7,941.87	0.00	10,033.13	44.18
51200 OVERTIME WAGES	12,400.00	1,123.47	17,085.09	0.00	(4,685.09)	137.78
51999 ADJ WAGE/SALARY TO MATCH PLAN	(597,110.00)	0.00	0.00	0.00	(597,110.00)	0.00
52001 INDUSTRIAL INSURANCE	178,430.00	10,740.56	96,826.97	0.00	81,603.03	54.27
52002 MEDICAL INSURANCE	2,482,604.00	183,624.32	1,758,929.46	0.00	723,674.54	70.85
52003 F.I.C.A.	1,305,772.00	103,325.68	920,250.56	0.00	385,521.44	70.48

Pierce County Library System
 Board Report - Budget to Actual by Object
 Report as of: 9/30/2018

FUND: GENERAL FUND (01)

Object	2018 Budget	September Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
EXPENSE ACCOUNTS						
52004 RETIREMENT	2,135,279.00	171,498.71	1,513,992.41	0.00	621,286.59	70.90
52005 DENTAL INSURANCE	230,396.00	17,971.83	161,880.92	0.00	68,515.08	70.26
52006 OTHER BENEFIT	10,800.00	1,480.00	12,600.00	0.00	(1,800.00)	116.67
52010 LIFE AND DISABILITY INSURANCE	74,327.00	6,259.89	56,070.39	0.00	18,256.61	75.44
52020 UNEMPLOYMENT COMPENSATION	50,500.00	0.00	39,066.29	0.00	11,433.71	77.36
52200 UNIFORMS	1,300.00	0.00	0.00	0.00	1,300.00	0.00
52999 ADJ BENEFITS TO MATCH PLAN	(226,490.00)	0.00	0.00	0.00	(226,490.00)	0.00
PERSONNEL	22,733,883.00	1,876,696.70	16,894,610.88	0.00	5,839,272.12	74.31
53100 OFFICE/OPERATING SUPPLIES	311,789.00	16,317.37	148,181.97	6,986.77	156,620.26	49.77
53101 CUSTODIAL SUPPLIES	69,000.00	9,467.29	45,500.23	11,610.08	11,889.69	82.77
53102 MAINTENANCE SUPPLIES	55,400.00	1,479.81	20,585.86	2,000.00	32,814.14	40.77
53103 AUDIOVISUAL PROCESSING SUP	10,000.00	1,191.30	3,458.52	268.51	6,272.97	37.27
53104 BOOK PROCESSING SUPPLIES	20,000.00	1,102.15	9,062.15	2,515.61	8,422.24	57.89
53200 FUEL	35,000.00	0.00	22,749.47	9,435.28	2,815.25	91.96
53401 ADULT MATERIALS	723,500.00	49,344.14	442,917.19	0.00	280,582.81	61.22
53403 PERIODICALS	90,000.00	2,132.55	78,053.20	0.00	11,946.80	86.73
53405 JUVENILE BOOKS	521,100.00	49,048.89	428,835.32	0.00	92,264.68	82.29
53406 PROFESSIONAL COLLECTION	1,500.00	48.82	1,413.11	0.00	86.89	94.21
53407 INTERNATIONAL COLLECTION	43,000.00	1,446.38	24,617.99	0.00	18,382.01	57.25
53408 AUDIOVISUAL MATERIALS - ADULT	715,000.00	58,149.53	471,558.60	0.00	243,441.40	65.95
53409 AUDIOVISUAL MATERIALS - JUV	82,000.00	10,725.43	49,037.35	0.00	32,962.65	59.80
53411 ELECTRONIC INFO SOURCES	496,600.00	60,100.00	462,612.31	0.00	33,987.69	93.16
53412 REFERENCE SERIALS	10,000.00	0.00	1,225.04	0.00	8,774.96	12.25
53414 ELECTRONIC COLLECTION	549,900.00	180,146.94	451,564.52	0.00	98,335.48	82.12
53464 VENDOR PROCESSING SERVICES	135,000.00	12,875.85	101,457.04	0.00	33,542.96	75.15
53499 GIFTS - MATERIALS	0.00	0.00	55.06	0.00	(55.06)	0.00
53500 MINOR EQUIPMENT	62,600.00	5,503.22	32,830.83	0.00	29,769.17	52.45
53501 FURNISHINGS	66,500.00	1,688.12	75,870.90	28,330.89	(37,701.79)	156.69
53502 PC HARDWARE	191,000.00	(272.59)	25,270.83	107,828.96	57,900.21	69.69
53505 SOFTWARE/LICENSES/HOSTING	500,850.00	19,529.07	298,187.78	0.00	202,662.22	59.54
54100 PERSONAL SERVICES	250,700.00	10,962.20	124,725.06	37,398.52	88,576.42	64.67
54101 LEGAL SERVICES	47,500.00	0.00	19,759.50	16,318.50	11,422.00	75.95
54103 CONTRACTUAL SERVICES	173,500.00	18,436.95	139,949.25	29,951.28	3,599.47	97.93
54162 BIBLIOGRAPHIC & RELATED SERVICES	51,900.00	8,735.77	31,860.52	0.00	20,039.48	61.39
54163 PRINTING AND BINDING	42,500.00	0.00	20,250.13	0.00	22,249.87	47.65
54165 ILL LOST ITEM CHARGE	2,500.00	0.00	1,157.65	0.00	1,342.35	46.31
54200 POSTAGE AND SHIPPING	68,000.00	211.18	57,522.18	0.00	10,477.82	84.59
54201 TELECOM SERVICES	654,800.00	33,733.02	421,163.63	183,774.23	49,862.14	92.39
54300 TRAVEL	35,400.00	456.70	21,119.94	1,357.78	12,922.28	63.50
54301 MILEAGE REIMBURSEMENTS	35,800.00	3,109.56	26,850.88	0.00	8,949.12	75.00
54400 ADVERTISING	70,500.00	203.23	36,526.68	13,964.47	20,008.85	71.62
54501 RENTALS/LEASES - BUILDINGS	427,350.00	13,551.49	296,794.48	63,002.91	67,552.61	84.19
54502 RENTALS/LEASES - EQUIPMENT	91,100.00	15,367.02	61,020.18	52,218.05	(22,138.23)	124.30
54600 INSURANCE	222,000.00	0.00	859.00	0.00	221,141.00	0.39
54700 ELECTRICITY	235,000.00	23,581.90	170,091.07	0.00	64,908.93	72.38
54701 NATURAL GAS	15,000.00	149.87	6,235.04	0.00	8,764.96	41.57
54702 WATER	29,700.00	7,776.39	26,466.61	0.00	3,233.39	89.11

Pierce County Library System
 Board Report - Budget to Actual by Object
 Report as of: 9/30/2018

FUND: GENERAL FUND (01)

Object	2018 Budget	September Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
EXPENSE ACCOUNTS						
54703 SEWER	25,500.00	4,142.27	26,298.66	0.00	(798.66)	103.13
54704 REFUSE	31,500.00	5,246.12	27,624.85	500.00	3,375.15	89.29
54800 GENERAL REPAIRS/MAINTENANCE	235,200.00	25,993.03	166,118.64	83,911.33	(14,829.97)	106.31
54801 CONTRACTED MAINTENANCE	306,700.00	26,519.34	208,990.92	83,199.94	14,509.14	95.27
54810 IT SYSTEMS MAINTENANCE	147,100.00	(7,701.38)	51,653.00	9,701.30	85,745.70	41.71
54900 INDIVIDUAL REGISTRATIONS	48,200.00	7,728.79	21,258.17	16.50	26,925.33	44.14
54901 DUES AND MEMBERSHIPS	47,700.00	10,516.46	39,133.34	0.00	8,566.66	82.04
54902 TAXES AND ASSESSMENTS	29,500.00	79.32	19,319.94	0.00	10,180.06	65.49
54903 LICENSES AND FEES	58,400.00	2,550.62	28,713.09	0.00	29,686.91	49.17
54905 ORGANIZATIONAL REGISTRATIONS	3,030.00	300.00	1,790.19	0.00	1,239.81	59.08
54912 CONTINGENCY	565,998.00	0.00	0.00	0.00	565,998.00	0.00
55100 INTERGOVERNMENTAL	13,000.00	0.00	0.00	1,474.05	11,525.95	11.34
59700 TRANSFERS OUT - CIP	285,000.00	0.00	0.00	0.00	285,000.00	0.00
59702 TRANSFERS OUT - SPF	300,000.00	0.00	0.00	0.00	300,000.00	0.00
ALL OTHER EXPENSES	9,239,817.00	691,674.12	5,248,297.87	745,764.96	3,245,754.17	64.87
NEED A CATEGORY	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FOR EXPENSE ACCOUNTS	31,973,700.00	2,568,370.82	22,142,908.75	745,764.96	9,085,026.29	71.59
NET SURPLUS / DEFICIT	0.00	(2,131,099.39)	(4,177,465.65)	(745,764.96)	4,923,230.61	0.00

Pierce County Library System
 Board Report - Budget to Actual by Object
 Report as of: 9/30/2018

FUND: SPECIAL PURPOSE FUND (15)

Object	2018 Budget	September Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
REVENUE ACCOUNTS						
29150 USE OF FUND BALANCE-BUDGET	360,000.00	0.00	0.00	0.00	360,000.00	0.00
TAXES:	360,000.00	0.00	0.00	0.00	360,000.00	0.00
36110 INVESTMENT INCOME	0.00	1,556.40	11,474.45	0.00	(11,474.45)	0.00
CHARGES OTHER:	0.00	1,556.40	11,474.45	0.00	(11,474.45)	0.00
39700 TRANSFERS IN	300,000.00	0.00	0.00	0.00	300,000.00	0.00
TOTAL FOR REVENUE ACCOUNTS	660,000.00	1,556.40	11,474.45	0.00	648,525.55	1.74
EXPENSE ACCOUNTS						
PERSONNEL	0.00	0.00	0.00	0.00	0.00	0.00
53100 OFFICE/OPERATING SUPPLIES	0.00	272.38	272.38	0.00	(272.38)	0.00
54100 PERSONAL SERVICES	15,000.00	0.00	0.00	0.00	15,000.00	0.00
54101 LEGAL SERVICES	5,000.00	560.00	560.00	0.00	4,440.00	11.20
54103 CONTRACTUAL SERVICES	25,000.00	0.00	0.00	18,491.95	6,508.05	73.97
54200 POSTAGE AND SHIPPING	19,000.00	0.00	0.00	0.00	19,000.00	0.00
54400 ADVERTISING	15,000.00	0.00	0.00	10,010.00	4,990.00	66.73
54912 CONTINGENCY	71,000.00	0.00	0.00	0.00	71,000.00	0.00
55200 ELECTION COSTS	510,000.00	0.00	0.00	0.00	510,000.00	0.00
ALL OTHER EXPENSES	660,000.00	832.38	832.38	28,501.95	630,665.67	4.44
TOTAL FOR EXPENSE ACCOUNTS	660,000.00	832.38	832.38	28,501.95	630,665.67	4.44
NET SURPLUS / DEFICIT	0.00	724.02	10,642.07	(28,501.95)	17,859.88	0.00

FUND: DEBT SERVICE FUND (20)

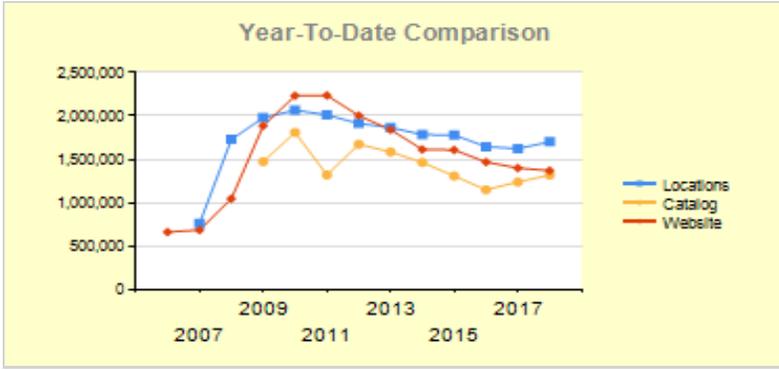
Object	2018 Budget	September Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
REVENUE ACCOUNTS						
31112 PROPERTY TAXES DELINQUENT	0.00	0.00	128.11	0.00	(128.11)	0.00
TAXES:	0.00	0.00	128.11	0.00	(128.11)	0.00
36110 INVESTMENT INCOME	0.00	133.89	874.04	0.00	(874.04)	0.00
CHARGES OTHER:	0.00	133.89	874.04	0.00	(874.04)	0.00
TOTAL FOR REVENUE ACCOUNTS	0.00	133.89	1,002.15	0.00	(1,002.15)	0.00
NET SURPLUS / DEFICIT	0.00	133.89	1,002.15	0.00	(1,002.15)	0.00

FUND: CAPITAL IMPROVEMENT PROJECTS FUND (30)

Object	2018 Budget	September Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
REVENUE ACCOUNTS						
29150 USE OF FUND BALANCE-BUDGET	100,000.00	0.00	0.00	0.00	100,000.00	0.00
36110 INVESTMENT INCOME	0.00	2,124.40	16,136.73	0.00	(16,136.73)	0.00
36200 KEY PENINSULA SHARED COSTS	0.00	0.00	9,559.37	0.00	(9,559.37)	0.00
36700 FOUNDATION DONATIONS	0.00	0.00	20,000.00	0.00	(20,000.00)	0.00
CHARGES OTHER:	100,000.00	2,124.40	45,696.10	0.00	54,303.90	45.70
39700 TRANSFERS IN	285,000.00	0.00	0.00	0.00	285,000.00	0.00
TOTAL FOR REVENUE ACCOUNTS	385,000.00	2,124.40	45,696.10	0.00	339,303.90	11.87
EXPENSE ACCOUNTS						
53501 FURNISHINGS	50,000.00	0.00	2,947.21	0.00	47,052.79	5.89
54100 PERSONAL SERVICES	150,000.00	0.00	22,171.99	41,050.71	86,777.30	42.15
54101 LEGAL SERVICES	0.00	0.00	3,225.75	0.00	(3,225.75)	0.00
54103 CONTRACTUAL SERVICES	0.00	1,195.00	23,265.30	71,998.60	(95,263.90)	0.00
54912 CONTINGENCY/RESERVE	25,000.00	0.00	0.00	0.00	25,000.00	0.00
56100 LAND	0.00	0.00	(2,500.00)	0.00	2,500.00	0.00
56200 BUILDINGS & BLDG IMPROVEMENTS	150,000.00	120,000.00	120,000.00	1.00	29,999.00	80.00
56202 ELECTRICAL	10,000.00	0.00	0.00	0.00	10,000.00	0.00
TOTAL FOR EXPENSE ACCOUNTS	385,000.00	121,195.00	169,110.25	113,050.31	102,839.44	73.29
NET SURPLUS / DEFICIT	0.00	(119,070.60)	(123,414.15)	(113,050.31)	236,464.46	0.00

CUSTOMER SERVICE/PHILANTHROPY DASHBOARD - SEPTEMBER

VISITS



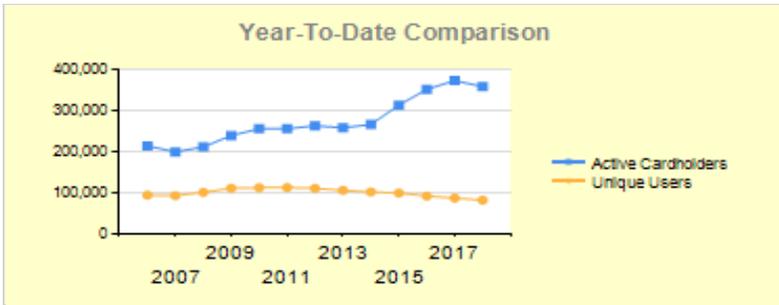
	September		% Change
	2017	2018	
Door Count	176,387	177,480	0.62%
Catalog	131,433	138,527	5.40%
Website	143,723	154,088	7.21%
Job & Business Portal	3,568	2,997	-16.00%
Military Portal	561	329	-41.35%
Total	455,672	473,421	3.90%

CHECKOUTS



	September		% Change
	2017	2018	
Checkouts	400,308	377,670	-5.66%
Downloadables	92,987	104,379	12.25%
Total	493,295	482,049	-2.28%

CUSTOMERS



	September		% Change
	2017	2018	
Active Cardholders	374,190	359,227	-4.00%
New Cards	3,358	3,190	-5.00%
Checkout Transactions	66,955	60,071	-10.28%
Unique Users	31,621	29,641	-6.26%

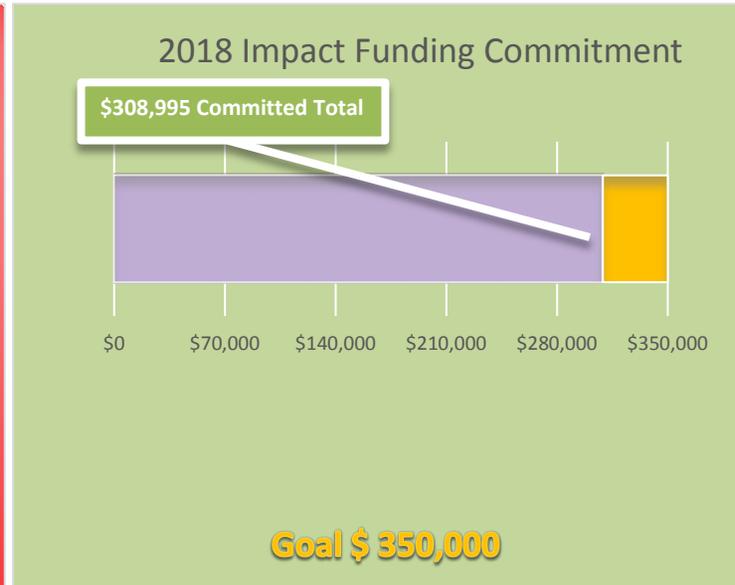
BRANCH CLOSURES

Year	Location	Dates	Duration
2015	Gig Harbor	11/9-11/22	13
2016	Buckley	11/14-12/4	20
	Tillicum	12/5-12/25	20
2017	System Snow Closure	2/6	1
	University Place	3/1-3/2	2
	Eatonville	4/10-4/30	20
	Summit	5/8 -5/31	21
	Parkland	5/31	1
2018	Graham	1/4-5	2
	DuPont	1/11	1
	Steilacoom	4/2	1
	Orting	4/23-25	3
	Orting	5/8	1
	Parkland	8/15 - 16	1

2017 - 2018 Fundraising Performance Report

Reporting Period: July 1, 2017 to Sept 30, 2018

Prepared: October 2018



Memor Society

6 Commitments

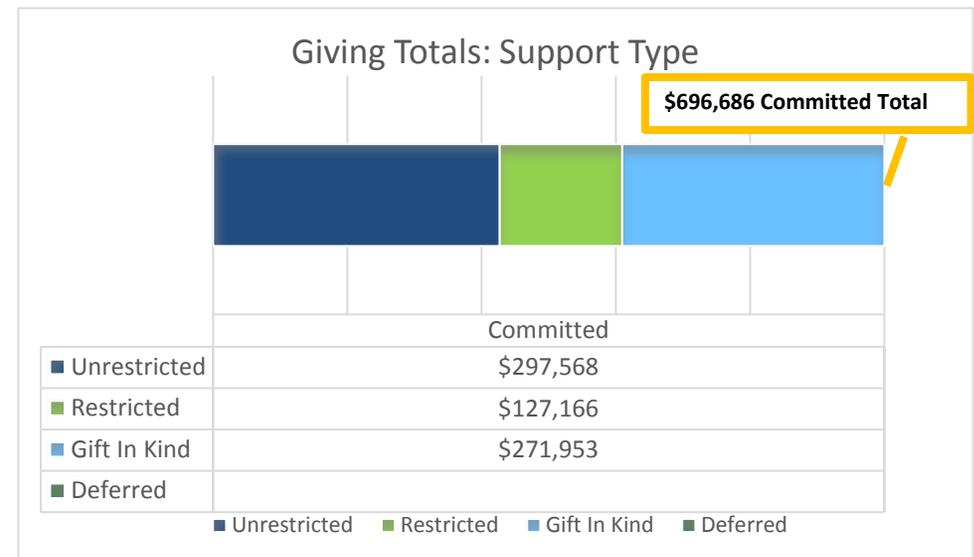
Goal 12 Members

Endowment

\$40,000

Capital

Gifts reflected when received.



MEMO



Date: November 1, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Georgia Lomax, Executive Director

Subject: Executive Director Report – October

Informing the public about the Library's restored levy continued to be my top priority. This month included presentations at UP City Council, Mid-County Leadership Team and Lakewood Rotary as well as providing information during a city of Sumner Open House.

Mary Getchell and I were interviewed by the Key Peninsula News editorial board and anticipate an article in the November issue. I was interviewed by King5 News and a segment about the levy aired on October 31.

There is life beyond the levy and this month I met with County Auditor Julie Anderson to talk about civic engagement and opportunities to make voting easier for the public, including pre-registration for 16 and 17-year olds when they get their driver's license and same-day voter registration.

I also met with Anne Kennedy to learn about the National Guard Museum on Camp Murray, attended the Tacoma Community House Groundbreaking ceremony and a City of DuPont Council discussion about providing recreational, cultural and learning activities and spaces for the public.

MEMO

Date: November 6, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Jaime Prothro, Customer Experience Director

Subject: Branch Services Report

Bonney Lake: The entire Bonney Lake staff spent September working together on creating the October 6th Beatlemania program. Displays, games, crafts and prizes were created. It was a great team effort.

Buckley: Buckley hosted an event/class on Using Tinkercad to Design 3D objects in conjunction with our 3D printer – Wall-E. All of the registration slots were filled, and the class was full on the day of the event.

Eatonville: Staff connected with approximately 40 seniors at the community center and shared how to download and listen to books on their phones.

Graham: The branch reports that they continue to receive good feedback about interactive programming like the Writer’s Group, Crochet Circle, and Tia Chi.

Gig Harbor: A customer told staff how much she loved the library and wanted to thank us for the mental health matters display. She shared she has suffered from anxiety and depression for over 25 years and it made her so happy to see the subject "out in the open."

A regular member of GIG’s non-fiction book club passed away last May. Her husband, seeing she had written “book club” on a shared calendar, decided to come as a way of keeping her near. He took the next month’s book and would like to continue to attend the discussions.



Key Center: Friends with library staff assistance entered the Key Center Scarecrow contest by creating 3 minion scarecrows made out of straw bales. They tied for first place in their category.

Lakewood: Lakewood Staff participated in the 2018 Lakewood Film, Art and Book Festival (FAB)

September 28, 29 and 30, 2018 at the McGavick Center on the campus of Clover Park Technical College. This was the first year for this large-scale community event which formerly was the Asian Film

Fest and a separate the ArtFest. The event included a juried art show, showing of eight award winning films and the presence of about forty local authors, including Northwest author Tami Oldham Ashcraft. Her recently published book *Adrift : A True Story of Love, Loss, and Survival at Sea* and movie tie-in, *Adrift* was a popular draw. Staff tabled on all three days sharing information about library services and resources. Attendees were delighted to learn more about museum passes, downloadable ebooks/audio books and the upcoming MakerFest. Staff also made many new connections with local authors and folks from other community organizations.

Orting: Orting's Friends were at the final Farmer's Market with a book sale table. They noted that they didn't make a lot of sales to the Farmer's Market, but it was a good way to engage the community in conversations.

Outreach/Anderson Island: Incredible work by the Library's IT staff has provided Anderson Island's new wifi has a steady connection on one laptop, so staff can now hold items for customers on the spot, as well as shelve on the spot, rather than items needing to come back to Outreach, and get transported back to the island. This is a huge process and customer service improvement!

Erin Antes and Gabby Fuentes met with administration at the Child Study and Treatment Center to discuss the value the library brings in preventing the "Summer Slide," how Outreach benefits live-in students at the treatment center during the school year, and discussed improvements for our service model to set students up for success. They recognized us as a valuable partner in supporting student treatment goals, as well as supporting staff, by reinforcing concepts of responsibility, self-directed learning, and accountability with students.

Parkland/Spanaway: Stephanie Chou attended the "Community Health & Safety Fiesta!" at Spanaway Lutheran Church on Saturday, September 15th. At the event, Stephanie promoted library online resources and distributed the print flyers about Proposition 1 to the public.

South Hill: Our first Life After High School (LAHS) program of the season was held on Sept 24th at 4:00 pm. Six teens participated in Free Practice ACT. Half of the teens found out about the program when staff tabled at their Back to School Night.

Steilacoom: The branch Speaker Series started up for fall this month and has been moved to the High School Library, which has a great sound system and plenty of space for the growing attendance within its Library. We hope to connect with the students and school faculty on upcoming programs.

Summit: Mejin Turner led her first off-site tech help session at the Mid-County Community Center on 9/27 to an impressive audience of 8.

Branch staff, with cooperation and support from coworkers at Milton, South Hill, and Outreach covered back-to-school nights at All Saints Elementary (9/11), Collins Elementary (9/12), Franklin Pierce High School (9/19), and Endeavor Intermediate (9/4).

Sumner: The branch's Homeschool Meetups continue to attract a steady group of homeschooling families to participate in networking and educational activities.

Tillicum: The Bilingual Storytime on September 29 was well attended. We are excited that Storytimes are now becoming an important event at Tillicum for the first time in over 15 years. This has been due to staff's diligent effort to reach out to the Spanish speaking community in Tillicum and Woodbrook.

University Place: Teen Council is back in session, and UP is hosting a new Life After High School drop in session with the Tacoma Community College, giving students and adults of all ages an opportunity to discuss continuing education opportunities in the branch.

New Business

MEMO



Date: November 1, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Georgia Lomax, Executive Director

Subject: 2019 Board of Trustees Calendar of Major Work

Each year the Board develops a projected calendar of work to aid in planning for the coming year. As the governing board for the Library, Trustees assume fiscal oversight and policy direction. By State law, primary duties include fiscal responsibility, planning for the future (including setting long-term strategic direction and goals), adopting policies to govern operations and services, hiring and evaluating the Executive Director, obtaining land and buildings and accepting gifts of money or property.

During the Board meeting I'd like to hear what you'd like to accomplish in 2019 so we can create the annual Board work plan.

Unfinished Business

MEMO



Date: November 8, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Georgia Lomax, Executive Director

Subject: Library Restored Levy Election

Votes continue to be counted and we do not yet have an answer on the decision made by voters on November 6, 2018, regarding Proposition 1, the Pierce County Library System's levy lid lift to restore its levy rate to the full legal amount of 50 cents per \$1,000 of assessed property value in order to maintain services for growing and changing communities.

226,300 ballots have been received to date from voters in the Pierce County Rural Library District. As of the November 8 vote count, 136,500 ballots cast have been tallied. 40% of the ballots on hand (90,000) remain to be counted.

The current results (including King County) are:

November 6, 2018 General Election

Last updated on 11/08/2018 4:02 PM

PIERCE COUNTY RURAL LIBRARY DISTRICT Proposition No. 1 Levy Lid Lift *Multi-county race. Results include all counties involved.			
County	Measure	Vote	Vote %
King	Approved	271	57.42%
	Rejected	201	42.58%
Pierce	Approved	67,243	49.28%
	Rejected	69,205	50.72%
Combined Total			
All	Approved	67,514	49.31%
	Rejected	69,406	50.69%
Total Votes		136,920	100%

At this time, ballots have been received from 65% of the District's 345,866 voters. Ballots are still being received by mail and processed if postmarked by November 6. Military ballots will continue to be accepted and processed until November 26.

Pierce County Elections is predicting 64% turnout for this election. Turnout for the Library's District has already exceeded that mark.

The Elections Office said today that they expect to have 95% of all ballots counted by tomorrow. We will continue to keep you posted as more information is received.

When we are confident in the results, we will begin a communications cascade to share the outcome local elected officials, the Library's Funding Community Advisory Committee, Foundation Board of Directors, Friends of the Libraries, news media, and the public.

MEMO



Date: November 8, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Georgia Lomax, Executive Director
Melinda Chesbro, Deputy Director
Clifford Jo, Finance & Business Director

Subject: 2019 Draft Budget and Work Plan

At this time votes are still being counted from the November 6, 2018 general election. With 90,000 ballots still to count, we do not have clear results on Proposition 1, the Pierce County Library System's levy lid lift to restore its levy rate to the full legal amount of 50 cents per \$1,000 of assessed property value in order to maintain services for growing and changing communities.

Until the outcome is clear, we continue to prepare two draft budgets for 2019. *2019 Sustain* is the proposed budget if voters approve the restored levy and is based on collecting property tax revenue at the Library's full authorized amount of 50 cents/\$1,000 assessed value in 2019. *2019 Reduce* is the proposed budget if the restored levy fails and is based on tax revenue collections continuing under the 1% property tax increase cap.

Both budgets establish the first year of the long-term funding approach that will provide stable operations for five years. During the October Board meeting we presented the estimated budgets and have further refined the numbers. Both budgets are now balanced in draft form for your review.

We will continue to monitor voting results, and if results become clear, we will focus on the appropriate budget at the meeting.

If results are not clear by the Board meeting, a special meeting will be held Wednesday November 28, 2018, at 3 p.m. to approve the appropriate budget. Voting results will be certified November 27. The Library's levy resolution and certificate must be filed with Pierce County on or before November 30.

Attached are the draft budgets for first public hearing and are presented in two versions: Sustain and Reduce. Once we are certain on the outcome of Proposition 1, we will present one budget for December.

Melinda will provide an update on the work plan from what was presented during the October Board meeting. Cliff will discuss elements in the draft budgets for the general fund and capital improvement fund. No activities are planned for the special purpose fund; however, should there be a need to create associated budgets, we will bring proposals during the 2019 fiscal year.

The December budget packet will include updates to cash and cash projections, and the final charts for all three funds.

GENERAL FUND

DRAFT AS OF NOVEMBER 8, 2018	2018 Approved 12/2017	2019 Sustain	2019 Reduce
-- REVENUE --			
Property Taxes	\$ 30,081,200	\$ 39,229,800	\$ 31,109,000
Excise Taxes	83,000	83,000	83,000
Timber Taxes	15,000	15,000	15,000
Fees (Printer, Fax, Copier)	186,500	187,500	187,500
Fines	400,000	400,000	400,000
Investment Income	50,000	100,000	75,000
Sales of Goods/Services	8,000	5,000	5,000
Donors & Reimbursements	508,000	540,000	540,000
Other (Erate, P-card Rebates, Unclaimed Property)	642,000	618,000	618,000
TOTAL REVENUE	\$ 31,973,700	\$ 41,178,300	\$ 33,032,500
-- EXPENDITURES --			
PERSONNEL			
Salaries & Wages	\$ 16,469,590	\$ 18,032,900	\$ 16,607,900
Overtime Wages	12,400	20,800	20,800
Employee Benefits	6,225,510	6,279,000	5,986,700
TOTAL PERSONNEL	\$ 22,707,500	\$ 24,332,700	\$ 22,615,400
MAINTENANCE & OPERATIONS			
Supplies and Consumables	\$ 392,000	\$ 353,800	\$ 299,400
Fuel	35,000	35,000	30,000
Equipment (Computers, Software, Furnishings)	801,200	762,710	609,180
Professional & Legal Services	849,700	538,300	419,800
Networking, Phones, Postage	725,600	723,400	699,400
Travel & Mileage	87,200	86,700	68,300
Advertising	59,500	94,500	46,500
Rentals & Leases	543,000	426,900	385,700
Insurance	222,000	222,000	222,000
Utilities	336,700	377,000	377,000
Repairs & Maintenance, Maintenance Contracts	776,200	963,050	874,050
Registrations	73,200	64,700	46,450
Dues, Taxes, Licenses, Fees, Misc Expenses	114,700	113,420	101,920
Contingency	278,800	400,000	160,000
Intergovernmental	13,000	13,000	13,000
TOTAL MAINTENANCE & OPERATIONS	\$ 5,307,800	\$ 5,174,480	\$ 4,352,700
MATERIALS			
Books, DVDs, Music, eBooks, Databases	\$ 3,546,900	\$ 3,805,100	\$ 3,004,400
SET-ASIDES & TRANSFERS			
Capital Fund Transfer	\$ 411,500	\$ 1,460,000	\$ 1,460,000
Special Purpose Fund Transfer	-	1,100,000	1,100,000
Set Aside for Apr/Oct Cashflow	-	500,000	500,000
Set Aside for Future Sustainability	-	4,806,020	-
TOTAL SET-ASIDES AND TRANSFERS	\$ 411,500	\$ 7,866,020	\$ 3,060,000
TOTAL EXPENDITURES	\$ 31,973,700	\$ 41,178,300	\$ 33,032,500
NET OF REVENUE AND EXPENDITURES	\$ -	\$ -	\$ -

CAPITAL IMPROVEMENT FUND

DRAFT AS OF NOVEMBER 8, 2018	2018 Approved 12/18	2018 Projected 12/31	2019 Sustain	2019 Reduce
-- FUNDING SOURCES --				
USE OF FUND BALANCE				
Carryforward funds from prior fiscal year	\$ 100,000	\$ 100,000	\$ 211,700	\$ 211,700
NEW REVENUE				
Transfer from General Fund	\$ 411,500	\$ 285,000	\$ 1,460,000	\$ 1,460,000
TOTAL FUNDS AVAILABLE	\$ 511,500	\$ 385,000	\$ 1,671,700	\$ 1,671,700
-- EXPENDITURES --				
COMMITMENTS				
UP 5,000 sq ft Expansion (10 years--2012-21)	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
CURRENT BUILDING IMPROVEMENTS				
Buckley Site Evaluation	\$ 100,000	\$ 27,400	\$ 150,000	\$ 150,000
Sonitrol Upgrades	30,000	Paid out of G.Fund		
Movie Tower Decommission	76,500	Did not need funds		
ACL Space Design & Furnishings	50,000	3,000	50,000	50,000
Welcoming Spaces Project			25,000	25,000
Capital Improvements			400,000	400,000
TOTAL CURRENT BUILDING IMPROVEMENTS	\$ 256,500	\$ 30,400	\$ 625,000	\$ 625,000
FUTURE BUILDINGS				
Facility Master Plan Projects	\$ 100,000	\$ 22,900	\$ 156,500	\$ 156,500
TECHNOLOGY UPDATES				
UPS Battery Replacement	\$ 10,000	Paid out of G.Fund		
EDEN Financial/HR System Replacement			\$ 450,000	\$ 450,000
Public Website			25,000	25,000
TOTAL TECHNOLOGY PROJECTS	\$ 10,000	\$ -	\$ 475,000	\$ 475,000
Contingency	\$ 25,000	\$ -	\$ 25,000	\$ 25,000
TOTAL EXPENDITURES	\$ 511,500	\$ 173,300	\$ 1,401,500	\$ 1,401,500
NET OF REVENUE AND EXPENDITURES	\$ -	\$ 211,700	\$ 270,200	\$ 270,200

SPECIAL PURPOSE FUND

DRAFT AS OF NOVEMBER 8, 2018	2018 Approved 6/2018	2018 Projected 12/31	2019 Sustain	2019 Reduce
-- FUNDING SOURCES --				
USE OF FUND BALANCE				
Use of Special Purpose Election Set Aside	\$ 360,000	\$ 360,000		
NEW REVENUE				
Transfer from General Fund	\$ 300,000	\$ 300,000	\$ 1,100,000	\$ 1,100,000
TOTAL FUNDS AVAILABLE	\$ 660,000	\$ 660,000	\$ 1,100,000	\$ 1,100,000
-- EXPENDITURES --				
PROGRAMS				
None planned for 2019	\$ -	\$ -	\$ -	\$ -
TOTAL PROGRAMS	-	-	-	-
PROJECTS				
Election costs	\$ 660,000	\$ 660,000		
None planned for 2019			\$ -	\$ -
TOTAL PROJECTS	\$ 660,000	\$ 660,000	\$ -	\$ -
TOTAL EXPENDITURES	\$ 660,000	\$ 660,000	\$ -	\$ -
NET OF FUNDING SOURCES AND EXPENDITURES	\$ -	\$ -	\$ 1,100,000	\$ 1,100,000
-- COMMITTED SET-ASIDES IN FUND BALANCE --				
Future Election Costs	\$ 660,000	\$ -	\$ 600,000	\$ 600,000
Future Land, Property & Facilities	624,263	624,263	1,124,263	1,124,263
TOTAL COMMITTED SET-ASIDES	\$ 1,284,263	\$ 624,263	\$ 1,724,263	\$ 1,724,263

2019
BUDGET
PUBLIC
HEARING

MEMO



Date: November 07, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Clifford Jo, Finance & Business Director

Subject: 2019 Levy Resolution and Levy Certificate—**IF RESTORED LEVY PASSES**

Attached are the standard two documents that the Board must pass in November, to set the property tax levy for the following fiscal year's property tax revenues.

1. Resolution Requesting Highest Lawful Levy: This sets the tax base to 50 cents per \$1,000 of assessed value, which voters approved Proposition 1 on November 6, 2018.
2. Levy Certification: This sets total property tax revenues, and is limited to 50 cents per \$1,000 district assessed property values (see line K on the levy calculation page, very bottom number at right).

They need to be passed in this order. These documents must be filed with Pierce County by November 30.

Should there be any change between now and the certification of Proposition 1 on November 27, 2018, we will provide an updated resolution and certification for the Board to approve during a Special Board Meeting scheduled for November 28, 2018.

ACTION: Move to approve Resolution 2018-10 as presented: That an increase in the regular property tax levy be the amount of \$9,176,103.46, which is a percentage increase of 30.532 percent from the previous year of 2018.

ACTION: Move to approve the Levy Certification as presented: That the Regular Levy amount of \$39,107,821.95 be collected.



Pierce County

Mike Lonergan, Assessor-Treasurer

2401 South 35th Street
Tacoma, WA 98409-7498
(253) 798-6111 FAX (253) 798-3142
ATLAS (253) 798-3333
www.piercecountywa.org/atr

TAX LEVY LIMIT 2018 FOR 2019

RURAL LIBRARY

> 10,000

REGULAR TAX LEVY LIMIT:

2017

A. <u>Highest regular tax which could have been lawfully levied beginning with the 1985 levy</u> [refund levy not included] times limit factor (as defined in RCW 84.55.005).	30,053,910.48
	1.01
	30,354,449.58
B. Current year's assessed value of new construction, improvements and wind turbines in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).	1,385,026,983
	0.429450000000
	594,799.84
C. Current year's state assessed property value in original district if annexed less last year's state assessed property value. The remainder to be multiplied by last year's regular levy rate (or the rate that should have been levied).	896,621,509
	821,851,464
	74,770,045.00
	0.429450000000
	32,110.00
D. REGULAR PROPERTY TAX LIMIT (A + B + C)	30,981,359.42

ADDITIONAL LEVY LIMIT DUE TO ANNEXATIONS:

E. To find rate to be used in F, take the levy limit as shown in Line D above and divide it by the current assessed value of the district, excluding the annexed area.	30,981,359.42
	78,460,027,883
	0.394868065363
F. Annexed area's current assessed value including new construction and improvements times rate found in E above.	0.00
	0.394868065363
	0.00
G. NEW LEVY LIMIT FOR ANNEXATION (D + F)	30,981,359.42

LEVY FOR REFUNDS:

H. RCW 84.55.070 provides that the levy limit will not apply to the levy for taxes refunded or to be refunded pursuant to Chapters 84.68 or 84.69 RCW. (D or G + refund if any)	30,981,359.42
	126,462.53
	31,107,821.95
I. TOTAL ALLOWABLE LEVY AS CONTROLLED BY THE LEVY LIMIT (D,G,or H)	31,107,821.95
J. Amount of levy under statutory rate limitation.	78,460,027,883
	0.500000000000
	39,230,013.94

K. LESSER OF I OR J

31,107,821.95

0.396479873737

RESOLUTION NO. 2018-10

**A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE PIERCE COUNTY RURAL LIBRARY DISTRICT
REQUESTING HIGHEST LAWFUL LEVY**

WHEREAS, the **Board of Trustees** of **PIERCE COUNTY RURAL LIBRARY DISTRICT (Library)** has met and considered its budget for the calendar year **2019**; and,

WHEREAS, the district's actual levy amount from previous year (**2018**) was **\$30,053,910.48**; and,

WHEREAS, the population of the Library District is **MORE THAN 10,000**; and,

WHEREAS, on November 6, 2018, voters approved Proposition No. 1, to authorize the Library District to restore its regular property tax levy rate to its fully-authorized level of \$0.50 per \$1,000 of assessed valuation for collection in 2019 to provide stable funding to maintain library services; and now, therefore,

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE PIERCE COUNTY RURAL LIBRARY DISTRICT THAT:

An **increase** in the regular property tax levy be the amount of **\$9,176,103.46**, which is a percentage increase of **30.532** percent from the previous year of **2018**.

PASSED AND APPROVED THIS 14TH DAY OF NOVEMBER, 2018.

BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT

Robert Allen, Chair _____

Daren Jones, Vice-chair _____

Donna Albers, Member _____

Monica Butler, Member _____

Pat Jenkins, Member _____



Levy Certification

Submit this document to the county legislative authority on or before November 30 of the year preceding the year in which the levy amounts are to be collected and forward a copy to the assessor.

In accordance with RCW 84.52.020, I, Robert Allen,
(Name)

Chair, Board of Trustees, for Pierce County Rural Library, do hereby certify to
(Title) (District Name)

the Pierce County legislative authority that the Board of Trustees
(Name of County) (Commissioners, Council, Board, etc.)

of said district requests that the following levy amounts be collected in 2018 as provided in the district's
(Year of Collection)

budget, which was adopted following a public hearing held on Nov 14, 2018:
(Date of Public Hearing)

Regular Levy: 39,107,821.95
(State the total dollar amount to be levied)

Excess Levy: _____
(State the total dollar amount to be levied)

Refund Levy: _____
(State the total dollar amount to be levied)

Signature: _____

Date: _____

For tax assistance or to request this document in an alternate format, visit <http://dor.wa.gov/content/taxes/property/default.aspx> or call (360) 534-1400. Teletype (TTY) users may call (360) 705-6718.

REV 64 0100e (w) (10/12/10)

MEMO



Date: November 07, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Clifford Jo, Finance & Business Director

Subject: 2019 Levy Resolution and Levy Certificate—**IF RESTORED LEVY FAILS**

Attached are the standard two documents that the Board must pass in November, to set the property tax levy for the following fiscal year's property tax revenues.

1. Resolution Requesting Highest Lawful Levy: This sets the "101" calculation, and the tax base from which current and future lawful levies are established. It is inclusive of new construction, state assessed property, annexations, and refunds. It's an increase to the base tax that we are allowed.
2. Levy Certification: This sets total property tax revenues, and is limited to 50 cents per \$1,000 district assessed property values (see line K on the levy calculation page, very bottom number at right).

They need to be passed in this order. These documents must be filed with Pierce County by November 30.

Should there be any change between now and the certification of Proposition 1 on November 27, 2018, we will provide an updated resolution and certification for the Board to approve during a Special Board Meeting scheduled for November 28, 2018.

ACTION: Move to approve Resolution 2018-10 as presented: That an increase in the regular property tax levy be the amount of \$1,053,911.47, which is a percentage increase of 3.507 percent from the previous year of 2018.

ACTION: Move to approve the Levy Certification as presented: That the Regular Levy amount of \$31,107,821.95 be collected.



Pierce County

Mike Lonergan, Assessor-Treasurer

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TAX LEVY LIMIT 2018 FOR 2019

RURAL LIBRARY

> 10,000

REGULAR TAX LEVY LIMIT:

2017

A. <u>Highest regular tax which could have been lawfully levied beginning with the 1985 levy</u> [refund levy not included] times limit factor (as defined in RCW 84.55.005).	30,053,910.48
	1.01
	30,354,449.58
B. Current year's assessed value of new construction, improvements and wind turbines in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).	1,385,026,983
	0.429450000000
	594,799.84
C. Current year's state assessed property value in original district if annexed less last year's state assessed property value. The remainder to be multiplied by last year's regular levy rate (or the rate that should have been levied).	896,621,509
	821,851,464
	74,770,045.00
	0.429450000000
	32,110.00
D. REGULAR PROPERTY TAX LIMIT (A + B + C)	30,981,359.42

ADDITIONAL LEVY LIMIT DUE TO ANNEXATIONS:

E. To find rate to be used in F, take the levy limit as shown in Line D above and divide it by the current assessed value of the district, excluding the annexed area.	30,981,359.42
	78,460,027,883
	0.394868065363
F. Annexed area's current assessed value including new construction and improvements times rate found in E above.	0.00
	0.394868065363
	0.00
G. NEW LEVY LIMIT FOR ANNEXATION (D + F)	30,981,359.42

LEVY FOR REFUNDS:

H. RCW 84.55.070 provides that the levy limit will not apply to the levy for taxes refunded or to be refunded pursuant to Chapters 84.68 or 84.69 RCW. (D or G + refund if any)	30,981,359.42
	126,462.53
	31,107,821.95
I. TOTAL ALLOWABLE LEVY AS CONTROLLED BY THE LEVY LIMIT (D,G,or H)	31,107,821.95
J. Amount of levy under statutory rate limitation.	78,460,027,883
	0.500000000000
	39,230,013.94

K. LESSER OF I OR J

31,107,821.95

0.396479873737

RESOLUTION NO. 2018-10

**A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE PIERCE COUNTY RURAL LIBRARY DISTRICT
REQUESTING HIGHEST LAWFUL LEVY**

WHEREAS, the **Board of Trustees** of **PIERCE COUNTY RURAL LIBRARY DISTRICT (Library)** has met and considered its budget for the calendar year **2019**; and,

WHEREAS, the district's actual levy amount from previous year (**2018**) was **\$30,053,910.48**; and,

WHEREAS, the population of the Library District is **MORE THAN 10,000**; and,

WHEREAS, Washington State law limits property tax collection to the lesser of either (1) the sum of regular property tax limit increases, additions due to new construction and improvements, the value of state assessed property, annexations, and refunds, or (2) 50 cents per \$1,000 of the Library district's assessed property value; and,

WHEREAS, Washington State law limits the percent increase to the highest regular tax which could be levied lawfully to be the lesser of 1% or the Implicit Price Deflator (IPD), which was recorded at **2.169%**; and,

WHEREAS, the Board of Trustees, after duly considering all relevant evidence and testimony presented, determined that the Library requires an increase in property tax revenue from the previous year, in addition to that resulting from the addition of new construction and improvements to property, any increase in the value of state-assessed property, any annexations that have occurred, and refunds made; and now, therefore,

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE PIERCE COUNTY RURAL LIBRARY DISTRICT THAT:

An **increase** in the regular property tax levy be the amount of **\$1,053,911.47**, which is a percentage increase of **3.507** percent from the previous year of **2018**.

PASSED AND APPROVED THIS 14TH DAY OF NOVEMBER, 2018.

BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT

Robert Allen, Chair _____

Daren Jones, Vice-chair _____

Donna Albers, Member _____

Monica Butler, Member _____

Pat Jenkins, Member _____



Levy Certification

Submit this document to the county legislative authority on or before November 30 of the year preceding the year in which the levy amounts are to be collected and forward a copy to the assessor.

In accordance with RCW 84.52.020, I, Robert Allen,
(Name)

Chair, Board of Trustees, for Pierce County Rural Library, do hereby certify to
(Title) (District Name)

the Pierce County legislative authority that the Board of Trustees
(Name of County) (Commissioners, Council, Board, etc.)

of said district requests that the following levy amounts be collected in 2018 as provided in the district's
(Year of Collection)

budget, which was adopted following a public hearing held on Nov 14, 2018:
(Date of Public Hearing)

Regular Levy: 31,107,821,95
(State the total dollar amount to be levied)

Excess Levy: _____
(State the total dollar amount to be levied)

Refund Levy: _____
(State the total dollar amount to be levied)

Signature: _____

Date: _____

For tax assistance or to request this document in an alternate format, visit <http://dor.wa.gov/content/taxes/property/default.aspx> or call (360) 534-1400. Teletype (TTY) users may call (360) 705-6718.

REV 64 0100e (w) (10/12/10)

Executive Session

*Motion to recess to Executive Session per RCW 42.30.110,
for 15 minutes to discuss labor and personnel issues.*

Officers Reports

MEMO



Date: November 2, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Clifford Jo, Finance & Business Director

Subject: 2017 Fiscal Audit

We conducted our audit exit interview on October 18. Present were Thuy Huynh, our assigned auditor and Leah Hafterson, our assigned audit manager, Rob Allen, Georgia Lomax, and me. There were no findings and no management letters. We invited recommendations for improvements:

1. Continue working on guidelines and policies for waiving fines, fees, and collection agency handling.
2. Improve our procedures regarding small and attractive assets.
3. Conduct physical inventory checks every one to two years.

We have been gathering data on fine waiving, as well as studying the patterns. Once we have a new Finance Manager aboard, we will finish the work. We will improve our tracking of small and attractive assets and will also establish a process for inventory checks.

Due to being a single year audit, the process from start to finish was significantly quicker and remained on budget. The 2018 audit will begin in September next year and will take approximately 3 weeks to conduct.

Attached are the fiscal and accountability audit reports.



Office of the Washington State Auditor

Pat McCarthy

Exit Conference: Pierce County Rural Library

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independence and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

Audit Reports

We will publish the following reports:

- Accountability audit for January 1, 2017 through December 31, 2017 - see draft report.
- Financial statement for January 1, 2017 through December 31, 2017 - see draft report.

Audit Highlights

- We appreciate the Library's commitment to safeguarding public funds and developing control systems that ensure compliance with laws and regulations.
- We acknowledge the Library's effort in correcting any misstatements in timely manner and taking SAO's recommendations into consideration.
- We would like to thank Library staff for their cooperation and timely response to our requests during the audit.

Recommendations not included in the Audit Reports

Exit Items

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or non-compliance with laws or regulation that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

Communications required by audit standards

In relation to our financial statement audit report, we would like to bring to your attention:

- There were no uncorrected misstatements in the audited financial statements.
- There were no material misstatements in the financial statements corrected by management during the audit.

Finalizing Your Audit

Report Publication

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: <https://portal.sao.wa.gov/saoportal/Login.aspx>

Management Representation Letter

We have included a copy of representations received from management.

Audit Cost

At the entrance conference, we estimated the cost of the audit to be \$11,400 and actual audit costs will approximate that amount.

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in September 2019 and will cover the following general areas:

- Accountability for Public Resources
- Financial Statement

The estimated cost for the next audit based on current rates is \$12,000 plus travel expenses. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost.

If expenditures of federal awards are \$750,000 or more in any fiscal year, notify our Office so we can schedule your audit to meet federal single audit requirements. Federal awards can include grants, loans, and non-cash assistance such as equipment and supplies.

Working Together to Improve Government

Audit Survey

When your report is released you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

Local Government Support Team

This team provides support services to local governments through technical assistance, comparative statistics, training, and tools to help prevent and detect a loss of public funds. Our website and client portal offers many resources, including a client Help Desk that answers auditing and accounting questions. Additionally this team assists with the online filing of your financial statements.

Performance Center

The Performance Center is a resource for local governments that need to solve problems, reduce costs, and improve the value of their services to citizens. The Center offers training and tools to help local governments improve performance and effectiveness.

Questions?

Please contact us with any questions about information in this document or related audit reports.

Kelly Collins, CPA, Director of Local Audit, (360) 902-0091, Kelly.Collins@sao.wa.gov

Mark Rapozo, CPA, Assistant Director of Local Audit, (253) 593-2047 Ext. 111 Mark.Rapozo@sao.wa.gov

Joanne Klein, Audit Manager, (253) 593-2047 ext. 128, Joanne.Klein@sao.wa.gov

Leah Hafterson, CFE, Assistant Audit Manager, (253) 593-2047 ext. 105, Leah.Hafterson@sao.wa.gov

Thuy Huynh, Audit Lead, (253) 593-2047 ext. 126, Thuy.Huynh@sao.wa.gov



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report
Pierce County Rural Library District
(Pierce County Library System)

For the period January 1, 2017 through December 31, 2017

Published (Inserted by OS)

Report No. (Inserted by OS)





Office of the Washington State Auditor

Pat McCarthy

Issue Date – (Issued by OS)

Board of Directors
Pierce County Library System
Tacoma, Washington

Report on Financial Statements

Please find attached our report on the Pierce County Library System's financial statements.

We are issuing this report in order to provide information on the District's financial condition.

Sincerely,

Signature Here (Please do not remove this line)

Pat McCarthy

State Auditor

Olympia, WA

TABLE OF CONTENTS

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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

I-1

**Pierce County Library System
January 1, 2017 through December 31, 2017**

Board of Directors
Pierce County Library System
Tacoma, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Pierce County Library System, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District’s financial statements, and have issued our report thereon dated October 18, 2018.

We issued an unmodified opinion on the fair presentation of the District’s financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the District using accounting practices prescribed by Washington State statutes and the State Auditor’s *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

Signature Here (Please do not remove this line)

Pat McCarthy
State Auditor
Olympia, WA

October 18, 2018

**INDEPENDENT AUDITOR'S REPORT ON
FINANCIAL STATEMENTS**

F-2

**Pierce County Library System
January 1, 2017 through December 31, 2017**

Board of Directors
Pierce County Library System
Tacoma, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Pierce County Library System, for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's financial statements, as listed on page { }.

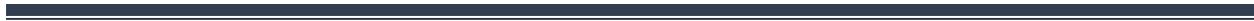
Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control



relevant to the District’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the Pierce County Library System has prepared these financial statements to meet the financial reporting requirements of Washington State statutes using accounting practices prescribed by the State Auditor’s *Budgeting, Accounting and Reporting System* (BARS) manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Pierce County Library System, for the year ended December 31, 2017, on the basis of accounting described in Note 1.

Basis for Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. The effects on the financial statements of the variances between GAAP and the accounting practices the District used, as described in Note 1, although not reasonably determinable, are presumed to be material. As a result, we are required to issue an adverse opinion on whether the financial statements are presented fairly, in all material respects, in accordance with GAAP.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Pierce County Library System, as of December 31, 2017, or the changes in financial position or cash flows for the year then ended, due to the significance of the matter discussed in the above “Basis for Adverse Opinion on U.S. GAAP” paragraph.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Liabilities is presented for purposes of additional analysis, as required by the prescribed BARS manual. This schedule is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Signature Here (Please do not remove this line)

Pat McCarthy

State Auditor

Olympia, WA

October 18, 2018

FINANCIAL SECTION

**Pierce County Library System
January 1, 2017 through December 31, 2017**

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2017
Notes to Financial Statements – 2017

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2017

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report
Pierce County Rural Library District
(Pierce County Library System)

For the period January 1, 2017 through December 31, 2017

Published (Inserted by OS)

Report No. (Inserted by OS)





**Office of the Washington State Auditor
Pat McCarthy**

Issue Date – (Inserted by OS)

Board of Directors
Pierce County Library System
Tacoma, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor’s Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for District operations. This information is valuable to management, the governing body and public stakeholders when assessing the government’s stewardship of public resources.

The attached comprises our independent audit report on the District’s compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Signature Here (Please do not remove this line)

Pat McCarthy
State Auditor
Olympia, WA

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AUDIT RESULTS

This report describes the overall results and conclusions for the areas we examined. In those selected areas, District operations complied with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

About the audit

This report contains the results of our independent accountability audit of the Pierce County Library System from January 1, 2017 through December 31, 2017.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the State Auditor to examine the financial affairs of all local governments. Our audit involved performing procedures to obtain evidence about the District's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, based on our risk assessment for the year ended December 31, 2017, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Small & Attractive Assets - Asset tracking of department and branch technologies and inventory
- Petty Cash- policies and procedures at branch locations
- Cash Receipting and policies at the Administration building and branch locations.
- Financial Condition

RELATED REPORTS

Financial

Our opinion on the District's financial statements is provided in a separate report, which includes the District's financial statements. That report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE DISTRICT

The Pierce County Rural Library District was established in 1946 and serves more than 600,000 citizens throughout unincorporated Pierce County and 15 annexed cities and towns. It has an annual circulation of more than 7.4 million books, DVDs and downloadable materials through 20 library branches and online services.

The District is administered by a five-member Board of Trustees appointed by the Pierce County Council. For the years under audit, the District operated on annual budgets of \$28 million and had approximately 400 full- and part-time employees.

Contact information related to this report	
Address:	Pierce County Library System 3005 112th St E Tacoma, WA 98446-2215
Contact:	Clifford Jo, Finance and Business Director
Telephone:	(253) 536-6500
Website:	www.piercecountylibrary.org

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Pierce County Library System at <http://portal.sao.wa.gov/ReportSearch>.

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MEMO



Date: November 6, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Jaime Prothro, Customer Experience Director

Subject: Community Engagement Project

Pierce County Library is training its staff to be able to lead the community in discussions and engage around topics and issues that are of interest to the community. These skills will also be put into practice through the Library's Welcoming Spaces project in 2019.

The goal of the Community Engagement Project is to offer system training where staff will gain a shared understanding and definitions of community engagement and become familiar with community engagement models and strategies and begin using them individually and within branch teams in a variety of forums like public programming, partnership development, and community-building.

The following highlights four distinct development opportunities that have been made available:

- Customer Experience Supervisors, Adult Services and Youth Services staff were oriented to Appreciative Inquiry principles as a way to ask powerful questions in conversations or when working on challenging topics where change is sought. The model categorizes questions into four distinct purposes (design-thinking, aspirational or destiny thinking, discovery, and dreaming) that build upon assets and strengths.
- PCLS hosted a state-wide training offered by Susan Hildreth, the University of Washington iSchool Professor of Practice and Aspen Institute Fellow. The [Aspen Institute](#) guides libraries in action areas to guide transformation with services that meet community goals, ensure the long-term sustainability, and cultivating leadership skills. The outcomes of this training ensured that staff:
 - Better understand how the library may function as a community, as a place and as a platform
 - Confidently assess community needs using the SOAR model (Strengths, Opportunities, Aspirations, Results)
 - Use community-based decision-making to inform and align library priorities
 - Utilize the free resources available through Aspen Institute (and others)
- PCLS hosted a state-wide training facilitated by Amber Williams, from the Spokane County Library District, and Erica Freudenberger, from the Southern Adirondack Library System, *Community Engagement Training: Turning Outward to Lead Change* helped participants learn

how to create community-based libraries by identifying local resources, improving communication with stakeholders and “turning outward,” using tools developed by the [Harwood Institute for Public Innovation](#). By the end of the workshop, participants were able to confidently:

- Use free tools, such as the Ask, Aspirations and Community Conversation, to gather public knowledge;
 - Assess public needs;
 - Use community-based decision-making to inform library services;
 - Utilize the free resources available through ALA.org/LTC.
- As part of the Pierce County Conversations programming, an additional facilitation training was offered to library staff by Rebecca Chrichton, Executive Director of the Northwest Center for Aging. The training focused on developing strong facilitation skills for conversations that invite honesty, discovery and community.

MEMO



Date: November 6, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Melinda Chesbro, Deputy Director

Subject: Polaris Upgrade Project

The upgrade of the Polaris integrated library automation system (the Library's online catalog) was successfully completed on October 17. We had not upgraded Polaris since January 2016 and were six versions behind on functionality and bug fixes as other technology priorities were addressed.

The Polaris Upgrade Team was led by the Leadership Academy cohort and constituted their capstone project. They broke into smaller teams in order to focus on specific areas of functionality. In this review they considered impacts to customers and staff workflows and made recommendations. Two of the teams looked at customer impacts with the public catalog and customer account features of Polaris. Two other teams reviewed the impacts to Collection Management and to Polaris administration and reporting.

Much of the functionality introduced by the upgrade was not optional, including significant changes to the public catalog which introduced responsive design (making the catalog work better on mobile devices) but also changed the familiar look and feel. The upgrade also included features customers have requested such as one-click holds to streamline the process, as well as the ability to place multiple holds at once on a list of titles.

The upgrade team made customer and staff communication a priority. They posted messages on the website and catalog for customers, visited staff meetings at every location and created a staff training checklist. After the upgrade some customer concerns about the new catalog were received and responded to.

The upgrade team is concluding the project with documentation for ongoing operational support of Polaris. They are also documenting the upgrade process as a template for future upgrades. This project has been an excellent example of system-wide collaboration to identify impacts of an upgrade and create solutions that mitigate these impacts to the extent possible.

MEMO



Date: October 25, 2018

To: Chair Rob Allen and Members of the Board of Trustees

From: Georgia Lomax, Executive Director

Subject: 2019 Traveling Board Meeting Schedule

At the October Board meeting, you decided to hold four traveling meetings in 2019, in addition to meetings at our regular location at the Administrative Center and Library.

We have tentatively scheduled them as follows:

April – Fife Pierce County Library

June – Graham Pierce County Library

August – Key Center Pierce County Library

October – Lakewood Pierce County Library

Previous traveling meetings have been held in Buckley, South and Gig Harbor (2018); Sumner and University Place (2017); and Milton/Edgewood (2016).

Pierce County Library FYI Packet
Link List
November 14, 2018

Pierce County Library in the News

- [Workshops to provide support for family caregivers](#) – Tacoma Weekly, UP Patch, Fife Free Press
- [Celebrating caregivers through candid conversations](#) – Fife Free Press
- [Fiber Arts Show Featured Artist: Carolyn Wiley](#) – Key Peninsula News
- [Twelve Books All In A Row](#) – Key Peninsula News
- [Community quilt to be displayed across Sumner](#) – Puyallup Herald
- [Fall, Halloween Events At Pierce County Libraries](#) – UP Patch
- [MakerFest shows off DIY projects, robot battles and STEAM activities](#) – Courier Herald
- Medicare session coming to Sumner – Courier Herald (see attached PDF)
- [Pierce County Libraries invite community to talk funding at ‘Coffee with your Librarian’](#) – Dispatch
- [It’s legal to watch porn at public libraries, but should it be?](#) – Courier Herald
- [How can someone watch porn in sight of kids at the library? Because it’s legal](#) – Courier Herald
- [Pierce County looks at most popular library, Gig Harbor, for support on levy](#) – News Tribune
- [We must support the Pierce County Library System](#) – Courier Herald
- [Library levy: Question it, then vote for it](#) – News Tribune
- [The News Tribune’s 2018 general election endorsements](#) – News Tribune
- [Mid-term election ballots full to burst](#) – Courier Herald
- [Libraries could close if Pierce County levy fails](#) – KING 5
- [Pierce library system seeking levy lift to keep facilities, programs operating](#) – Courier Herald
- [Vital services provided by the Pierce County Library System](#) – News Tribune
- Pierce County Library System Restored Levy – KNKX NPR Radio, Interview with Will James and Mary Getchell on restored levy. Aired morning and afternoon news, Oct. 15, 2018

Medicare session coming to Sumner

Dealing with the intricacies of Medicare can be overwhelming and confusing. So, to help local residents learn how to maneuver and get the most out of the program, an information session is planned for the Sumner library.

The "All Things Medicare" program is being offered by Sound Outreach and the

Statewide Health Insurance Benefits Advisors, in cooperation with the Pierce County Library System.

In this area, a Medicare session will take place from 1:30 to 4 p.m. Saturday, Sept. 29, at the Sumner branch of the Pierce County Library System, 1116 Fryar Ave.

This is an ideal time for those turning 65 or making

changes to their plan to learn about the service before Medicare's open enrollment period (Oct. 15 through Dec. 7).

Call Sound Outreach at 253-596-0918 to register; walk-ins also are welcome.

For more information about events at Pierce County libraries, visit www.piercecountylibrary.org.