

**AGENDA**  
**Regular Meeting of the Pierce County Library System Board of Trustees**  
**December 14, 2016 | 3:30 pm**

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3:30 pm	01 min.	<b>Call to Order:</b> Rob Allen, Chair	
3:31 pm	05 min.	<b>Public Comment:</b> <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 emergent 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>	
3:36 pm	04 min.	<b>Consent Agenda</b>	<b>Action</b>
		<ol style="list-style-type: none"> <li>1. Approval of Minutes of the November 9, 2016, Regular Meeting</li> <li>2. Approval of November 2016 Payroll, Benefits and Vouchers</li> <li>3. Resolution 2016-08: To Declare Furnishings And Equipment Surplus To Public Service Needs</li> <li>4. 2016-2017 Insurance Renewal</li> </ol>	
3:40 pm	05 min.	<b>Board Member Reports</b>	
3:45 pm	10 min.	<b>Routine Reports</b>	
		<ol style="list-style-type: none"> <li>1. Dashboard, Georgia Lomax</li> <li>2. November 2016 Financial Report, Dale Hough</li> <li>3. Executive Director Report, Georgia Lomax</li> </ol>	
3:55 pm		<b>Unfinished Business</b>	
	10 min.	1. Trustee Vacancy Process Update, Georgia Lomax	
	15 min.	2. 2017 Budget: Second Reading and Discussion, Georgia Lomax, Clifford Jo, Melinda Chesbro	
		<b>Public Hearing: 2017 Final Budget of Estimated Revenue and Expenditures:</b> 2017 Revenue sources and 2016 Expense Budget: Consideration of increases in property tax revenues, regarding the 2016 property tax levies for collection in 2017 (per RCW 84.55.120)	
4:25 pm	05 min.	<b>Unfinished Business (continued)</b>	
		3. 2017 Budget, Clifford Jo	
		a. Resolution 2016-09: To Adopt The 2017 General Fund Budget	<b>Action</b>
		b. Resolution 2016-10: To Adopt The 2017 Capital Improvement Fund Budget	<b>Action</b>
		c. Resolution 2016-11: To Adopt The 2017 Special Purpose Fund Budget	<b>Action</b>
		d. Resolution 2016-12: Capital Improvement Fund Transfer	<b>Action</b>
		e. Resolution 2016-13: Special Purpose Fund Transfer	<b>Action</b>
		f. Resolution 2016-14: Special Purpose Fund Transfer (Set-Asides)	<b>Action</b>
4:30 pm	05 min.	<b>New Business</b>	
		1. 2017 Election of Officers, Georgia Lomax	<b>Action</b>
4:35 pm	30 min.	<b>Board Education and Service Reports</b>	
		1. Leadership Academy and Capstone Project, Chereé Green	
5:05 pm	10 min.	<b>Officers Reports</b>	
		1. Strategic Plan Update	
		2. Wave Update	
		3. DIYfest	
		4. Local 3787 Election Results	
5:15 pm	15 min.	<b>Executive Session:</b> <i>At this time on the agenda, the Board of Trustees will recess to Executive Session, per RCW 42.30.110, to discuss personnel issues.</i>	
5:30 pm	01 min.	<b>Announcements</b>	
5:31 pm		<b>Adjournment</b>	

# Consent Agenda

#### CALL TO ORDER

Chair Robert Allen called to order the regular meeting of the Pierce County Rural Library District Board of Trustees at 3:31 pm. Board members present were Donna Albers, Linda Ishem, J.J. McCament and Monica Butler.

#### PUBLIC COMMENT

There were no public comments.

#### CONSENT AGENDA

1. Approval of Minutes of the October 19, 2016, Regular Meeting
2. October 2016 Payroll, Benefits and Vouchers
  - Payroll Warrants 3725-3726 dated 10/1/16-10/31/16 in the amount of \$41975.76
  - Payroll Disbursement Voucher dated 10/6/16 in the amount of \$908,716.83
  - Payroll Disbursement Voucher dated 10/21/16 in the amount of \$708,719.62
  - Accounts Payable Warrants 626554-626697 dated 10/1/16-10/31/16 in the amount of \$804,278.29

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

#### BOARD REPORTS

There were no Board reports.

#### ROUTINE REPORTS

##### October 2016 Financial Report

Finance Manager Dale Hough reported County tax revenue for the Library was increased by \$528,299, for a total of \$9,415,955 received in October. Updated amounts were received after the report was published.

##### Executive Director Report

Executive Director Georgia Lomax introduced IT Applications/User Experience Manager Teresa Covington, Sr. Administrative Specialist Amanda Moore, Graphic Production Supervisor Carol Sheehan and Development Associate Johanna Chestnutt.

#### UNFINISHED BUSINESS

##### Trustee Vacancy Process

Ms. Lomax asked the Board to review the criteria and interview questions and to provide feedback.

##### 2017 Draft Work Plan and Budget

Finance and Operations Director Clifford Jo reviewed the new budget process and said the Library's intent is to be purposeful as it enters each budget year. He noted there will be more activity earlier in the fiscal season.

Ms. Lomax said the process allows for improved planning and ensures the Library has a strategy for spending. She said the annual work plan will ensure the projects funded are completed. A prioritized waiting list of unfunded projects will be used during the year if completed projects come in under budget. Ms. Lomax reminded the Board there is a contingency set aside in the capital fund for emergency purposes.

Ms. Lomax said capital cost estimates are being fine-tuned and the leadership team is reviewing and prioritizing the final projects list.

Discussion continued around future funding possibilities. Ms. Lomax said the Library will update the Facilities Master Plan in 2017, create a modernization and maintenance plan for facilities, and identify possible strategies to fund the plan and services. She said the Library will explore a variety of funding strategies. In 2017, the Library will work on research and scenario development in relation to alternate funding strategies so the Board can begin discussions.

Discussion ensued about declaring a substantial need to override the Implicit Price Deflator (IPD).

#### **PUBLIC HEARING: 2017 DRAFT BUDGET OF REVENUE AND EXPENDITURES**

Ms. Ishem moved that in accordance with RCW 84.55.120, the public hearing be opened for consideration of increases in property tax revenues, regarding 2016 property tax levies for collection in 2017. Ms. McCament seconded the motion and it passed.

Chair Allen then asked if there was anyone in the audience who wished to comment on the 2017 budget.

There being no further comments, Ms. McCament moved to close the public hearing on the 2017 budget of estimated revenue and expenditures. Ms. Ishem seconded the motion and it passed.

#### **UNFINISHED BUSINESS (CONTINUED)**

**Resolution 2016-05: To Ascertain Whether to Increase Property Tax above the Implicit Price Deflator - Ms. Butler moved to approve Resolution 2016-05. Ms. Ishem seconded the motion and it was passed.**

**Resolution 2016-06: To Request Highest Lawful Levy and Levy Certification - Ms. Albers moved to approve Resolution 2016-06. Ms. McCament seconded the motion and it was passed.**

**Resolution 2016-07: To Set Wages and Benefits for Non-Represented Employees for 2017 - Ms. McCament moved to approve Resolution 2016-07. Ms. Albers seconded the motion and it was passed.**

#### **NEW BUSINESS**

##### **Foundation FY 2016 Annual Report**

Ms. Lomax announced Dean Carrell has accepted the position of Foundation Director.

Linda Tieman, new Foundation president, provided an overview of the annual report. In addressing the Board, Ms. Tieman said her goal is to significantly increase donors and funds raised.

Development Associate Johanna Chestnutt shared highlights of the department's grant writing and fundraising efforts for 2016 and departmental priorities for 2017. She said she is encouraged by sponsorship opportunities and how sponsors can support the work of the Library.

The Board thanked the Foundation for their work.

#### **OFFICER REPORTS**

##### **Staff In-Service Day**

Ms. Lomax said the Leadership Academy cohort will present on their capstone project during the December meeting.

#### **EXECUTIVE SESSION**

At 5:27 pm, Ms. McCament moved to recess to Executive Session, per RCW 42.30.110, to discuss personnel issues for thirty minutes. Ms. Albers seconded the motion and it was passed. At 6:00 pm, the Session was extended an additional 15 minutes. At 6:15 pm the Session was extended an additional 15 minutes and ended at 6:30 pm.

**ANNOUNCEMENTS**

There were no announcements.

**ADJOURNMENT**

The meeting was adjourned at 6:35 pm on motion by Ms. McCament, seconded by Ms. Albers.

\_\_\_\_\_  
Georgia Lomax, Secretary

\_\_\_\_\_  
Rob Allen, Chair

## November 2016 Payroll, Benefits and Vouchers

	<u>Warrant Numbers</u>	<u>Date(s)</u>	<u>Amount</u>
Payroll Warrants	3727-3730	11/1/16-11/30/16	\$5,345.23
Electronic Payments - Payroll & Acct Payable		11/06/16	\$927,619.65
Electronic Payments - Payroll & Acct Payable		11/21/16	\$739,786.32
Accounts Payable Warrants	626698-626825	11/1/16-11/30/16	\$914,277.55
<b>Total:</b>			<b><u><u>\$2,587,028.75</u></u></b>

**Check History Listing**  
Pierce County Library System

Check #	Bank	Date	Paid to	Status	Can/Vd Date	Pay Period Dates	Dir Dep	Amount
3727	key	11/07/2016	KeyBank N.A. TATE, HAZEL			10/16/16 - 10/31/16	0.00	79.67
3728	key	11/07/2016	KeyBank N.A. COVINGTON, TERESA			10/16/16 - 10/31/16	0.00	3,308.49
3729	key	11/21/2016	KeyBank N.A. SCHAUDIES, GEMLENE			11/01/16 - 11/15/16	0.00	440.63
3730	key	11/21/2016	KeyBank N.A. FUENTES, GABRIELLE			11/01/16 - 11/15/16	0.00	1,516.44
<b>Total:</b>							<b>0.00</b>	<b>5,345.23</b>

Checks in report: 4

**Grand Total:** 0.00 5,345.23

# Ad-hoc bank transaction (Withdrawal)

## PCL\_Company

Wire Template Number in Cash-Pro :WAPC014

Description: Pierce County Rural Library

Contact Name: Stacy Karabotsos  
 Contact Phone: 253-548-3451  
 Contact e-mail: skarabotsos@piercecountylibrary.org  
 Comments: 11/07/16 Payroll

Withdrawal Date: 11/07/16

Company	Description	Revenue/Spend Category	Cost Center	Fund	Business Unit	Total
PCL_Company	FIT EE and EIC	237100	CC_Library_District	697-00	5100000	67,698.30
PCL_Company	FICA EE and Medicare	237100	CC_Library_District	697-00	5100000	47,359.91
PCL_Company	FICA ER and Medicare	237100	CC_Library_District	697-00	5100000	47,359.91
PCL_Company	DIR DEP	237100	CC_Library_District	697-00	5100000	441,403.08
PCL_Company	Deferred Comp. Plan	237100	CC_Library_District	697-00	5100000	10,032.00
PCL_Company	DRS (PERS) EE	237100	CC_Library_District	697-00	5100000	39,157.26
PCL_Company	DRS (PERS) ER	237100	CC_Library_District	697-00	5100000	67,571.07
PCL_Company	VOYA	237100	CC_Library_District	697-00	5100000	3,962.00
PCL_Company	H.S.A Employee Deductions	237100	CC_Library_District	697-00	5100000	1,396.73
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	-
PCL_Company	AWC (only on 6th paycheck)	237100	CC_Library_District	697-00	5100000	201,679.39
PCL_Company	Department of Revenue	237100	CC_Library_District	697-00	5100000	-
PCL_Company	Payroll Adjustment(s)	237100	CC_Library_District	697-00	5100000	-
<b>Total Deposit</b>						<b>\$ 927,619.65</b>

Certification: \_\_\_\_\_

Stacy Karabotsos  
 Signature ( Department Designee)

11/03/16  
 Date

Comments:

# Ad-hoc bank transaction (Withdrawal)

## PCL\_Company

Wire Template Number in Cash-Pro :WAPC014

Description: Pierce County Rural Library

Contact Name: Stacy Karabotsos  
 Contact Phone: 253-548-3451  
 Contact e-mail: skarabotsos@piercescountylibrary.org  
 Comments: 11/21/16 Payroll

Withdrawal Date: 11/21/16

Company	Description	Revenue/Spend Category	Cost Center	Fund	Business Unit	Total
PCL_Company	FIT EE and EIC	237100	CC_Library_District	697-00	5100000	68,108.44
PCL_Company	FICA EE and Medicare	237100	CC_Library_District	697-00	5100000	47,431.61
PCL_Company	FICA ER and Medicare	237100	CC_Library_District	697-00	5100000	47,431.61
PCL_Company	DIR DEP	237100	CC_Library_District	697-00	5100000	443,615.20
PCL_Company	Deferred Comp. Plan	237100	CC_Library_District	697-00	5100000	11,057.00
PCL_Company	DRS (PERS) EE	237100	CC_Library_District	697-00	5100000	39,523.44
PCL_Company	DRS (PERS) ER	237100	CC_Library_District	697-00	5100000	68,205.65
PCL_Company	VOYA	237100	CC_Library_District	697-00	5100000	4,067.00
PCL_Company	H.S.A Employee Deductions	237100	CC_Library_District	697-00	5100000	1,311.73
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	215.35
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	8,819.29
PCL_Company	Payroll Adjustment(s)	237100	CC_Library_District	697-00	5100000	-
<b>Total Deposit</b>						<b>\$ 739,786.32</b>

Certification: \_\_\_\_\_

Stacy Karabotsos  
 Signature ( Department Designee)

11/18/16  
 Date

Comments:

**Check History Listing**  
Pierce County Library System

Bank code: key

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Status</u>	<u>Check Total</u>
626698	11/01/2016	006638 SHANTIEL ANTHONY		27.64
626699	11/01/2016	001780 CITY OF UNIVERSITY PLACE		83.29
626700	11/01/2016	001643 IMPACT		27.68
626701	11/01/2016	001941 JUDY T NELSON		420.20
626702	11/01/2016	000362 ORTING CITY OF		1,828.73
626703	11/01/2016	000377 PUGET SOUND ENERGY		3,638.99
626704	11/01/2016	006448 TRACEY THOMPSON		276.18
626705	11/03/2016	001089 ASIA PACIFIC CULTURAL CENTER		50.00
626706	11/03/2016	006333 CERTIF A GIFT CO		73.96
626707	11/03/2016	006640 TOBY JOSEPH		225.00
626708	11/03/2016	004625 JOY KIM		52.35
626709	11/03/2016	006641 LEMON BUZZZ SOAP		75.00
626710	11/03/2016	006421 MARKHAM INVESTIGATION - (MIP)		10,530.00
626711	11/03/2016	001586 NORTHWEST DOOR INC		1,378.44
626712	11/03/2016	001258 PTM DOCUMENT SYSTEMS INC		93.79
626713	11/03/2016	000452 SIGN TECH ELECTRIC		3,528.93
626714	11/03/2016	006331 SURPRISE LAKE SQUARE UNIT 257		7,590.53
626715	11/03/2016	000541 STATE OF WASHINGTON		44.80
626716	11/03/2016	000534 WCP SOLUTIONS		248.32
626717	11/04/2016	000830 BAKER & TAYLOR		23,589.78
626718	11/04/2016	000189 BAKER & TAYLOR ENTERTAINMENT		45.95
626719	11/04/2016	005077 BOOK INDUSTRY STUDY GROUP		645.00
626720	11/04/2016	000242 BUCKLEY CITY OF		240.12
626721	11/04/2016	005652 CAVENDISH SQUARE		1,557.24
626722	11/04/2016	000161 CENGAGE LEARNING		9,266.78
626723	11/04/2016	000847 CENTER POINT PUBLISHING		722.61
626724	11/04/2016	000044 COURIER HERALD PUBLISHING CO		39.00
626725	11/04/2016	000195 FIRGROVE MUTUAL WATER CO		292.80
626726	11/04/2016	005171 INFOGROUP		400.05
626727	11/04/2016	000243 INGRAM LIBRARY SERVICES		26,313.47
626728	11/04/2016	002043 LISA LEE		120.00
626729	11/04/2016	001011 LIVE OAK MEDIA		65.60
626730	11/04/2016	000352 MIDWEST TAPE	V	0.00
626731	11/04/2016	000352 MIDWEST TAPE		37,763.42
626732	11/04/2016	005680 GRETCHEN NELSON		19.95
626733	11/04/2016	000377 PUGET SOUND ENERGY		942.08
626734	11/04/2016	000406 RECORDED BOOKS LLC		992.41
626735	11/04/2016	000837 ROSEN PUBLISHING GROUP		118.20

**Check History Listing**  
Pierce County Library System

Bank code: key

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Status</u>	<u>Check Total</u>
626736	11/04/2016	006642 SHERI STARR		17.30
626737	11/04/2016	000460 STEILACOOM TOWN OF		767.10
626738	11/04/2016	000535 WESTON WOODS STUDIOS		184.47
626739	11/07/2016	000828 AFSCME AFL-CIO		6,172.76
626740	11/07/2016	000041 EMPLOYMENT SECURITY DEPARTMENT		237.25
626741	11/07/2016	006414 GC SERVICES, LP		198.85
626742	11/07/2016	003985 PACIFICSOURCE ADMINISTRATORS		1,324.61
626743	11/07/2016	001181 PIERCE CTY LIBRARY FOUNDATION		392.08
626744	11/07/2016	006555 SOCIAL SECURITY ADMINISTRATION		132.09
626745	11/07/2016	000823 UNITED WAY		171.00
626746	11/07/2016	004782 US DEPARTMENT OF EDUCATION		198.13
626747	11/07/2016	006555 SOCIAL SECURITY ADMINISTRATION		184.78
626748	11/09/2016	000895 COLUMBIA BANK		250.60
626749	11/09/2016	006478 EVERGREEN MAINT LANDSCAPING		5,205.53
626750	11/09/2016	006639 GARTNER INC		47,099.25
626751	11/09/2016	005428 GRITTON BUILDING CO INC		3,308.26
626752	11/09/2016	006492 LOGIC INTEGRITY INC		4,893.75
626753	11/09/2016	004674 MCHUGH MANAGEMENT CONSULTING		800.00
626754	11/09/2016	006646 METCALF ELECTRIC INC		25,588.66
626755	11/09/2016	000857 PIERCE COUNTY RECYCLING		96.70
626756	11/09/2016	005498 JAIME PROTHRO		121.14
626757	11/09/2016	006507 ELI ROSENBLATT		400.00
626758	11/09/2016	004022 US BANK		76,331.06
626759	11/09/2016	000635 WAYNES ROOFING INC		588.57
626760	11/15/2016	000830 BAKER & TAYLOR		2,702.26
626761	11/15/2016	000161 CENGAGE LEARNING		193.77
626762	11/15/2016	005300 DANGER ROOM COMICS LLC		1,584.29
626763	11/15/2016	000093 EBSCO		5,066.26
626764	11/15/2016	001310 FILM IDEAS INC		187.00
626765	11/15/2016	006650 KATHRYN GRUBER		11.50
626766	11/15/2016	000243 INGRAM LIBRARY SERVICES		6,854.57
626767	11/15/2016	000352 MIDWEST TAPE	V	0.00
626768	11/15/2016	000352 MIDWEST TAPE		43,858.03
626769	11/15/2016	000377 PUGET SOUND ENERGY		797.54
626770	11/15/2016	006648 CODY TRACY		94.75
626771	11/18/2016	006660 ANTONIO BANOS		14.09
626772	11/18/2016	006661 CINDI JACKSON		32.52
626773	11/18/2016	000463 SUMMIT WATER & SUPPLY CO		321.02
626774	11/18/2016	000541 STATE OF WASHINGTON		359.76

**Check History Listing**  
Pierce County Library System

Bank code: key

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Status</u>	<u>Check Total</u>
626775	11/21/2016	003778 AFLAC		6,186.52
626776	11/21/2016	000828 AFSCME AFL-CIO		6,188.59
626777	11/21/2016	001578 COLONIAL SUPPLEMENTAL INSURANC		651.28
626778	11/21/2016	000041 EMPLOYMENT SECURITY DEPARTMENT		256.22
626779	11/21/2016	006414 GC SERVICES, LP		188.05
626780	11/21/2016	003985 PACIFICSOURCE ADMINISTRATORS		1,324.61
626781	11/21/2016	001181 PIERCE CTY LIBRARY FOUNDATION		394.58
626782	11/21/2016	006555 SOCIAL SECURITY ADMINISTRATION		121.71
626783	11/21/2016	000823 UNITED WAY		171.00
626784	11/21/2016	004782 US DEPARTMENT OF EDUCATION		182.57
626785	11/22/2016	001554 ANDREW'S FIXTURE CO INC		656.40
626786	11/22/2016	000363 OVERALL LAUNDRY SERV. DBA ARAMARI		21.88
626787	11/22/2016	000153 ASSOCIATED PETROLEUM PRODUCTS		8,592.76
626788	11/22/2016	006391 BERK CONSULTING INC		21,619.95
626789	11/22/2016	006577 CATALYST WORKPLACE ACTIVATION		9,266.36
626790	11/22/2016	001126 DELL MARKETING LP		521.80
626791	11/22/2016	005283 E-RATE EXPERTISE INC		1,475.00
626792	11/22/2016	006657 FORT WORTH LIBRARY		23.00
626793	11/22/2016	000266 KITSAP REGIONAL LIBRARY		15.99
626794	11/22/2016	006492 LOGIC INTEGRITY INC		9,060.00
626795	11/22/2016	005261 MODERN DATA PRODUCTS INC		347.97
626796	11/22/2016	006184 MONKEYHOUSE MEDIA		1,200.00
626797	11/22/2016	006602 NETWORK TECHNOLOGY SERVICES		28,271.15
626798	11/22/2016	001586 NORTHWEST DOOR INC		302.12
626799	11/22/2016	003985 PACIFICSOURCE ADMINISTRATORS		186.25
626800	11/22/2016	004759 TRI-TEC COMMUNICATIONS INC		27,354.03
626801	11/22/2016	003719 UNIQUE MANAGEMENT SERVICES		1,467.80
626802	11/22/2016	004022 US BANK		80,299.18
626803	11/22/2016	004022 US BANK		223,975.69
626804	11/22/2016	000534 WCP SOLUTIONS		580.46
626805	11/29/2016	000830 BAKER & TAYLOR		27,663.40
626806	11/29/2016	004921 BUILDER'S BOOK INC		663.68
626807	11/29/2016	000161 CENGAGE LEARNING		1,284.44
626808	11/29/2016	000093 EBSCO		209.44
626809	11/29/2016	000243 INGRAM LIBRARY SERVICES		10,348.47
626810	11/29/2016	000352 MIDWEST TAPE	V	0.00
626811	11/29/2016	000352 MIDWEST TAPE		36,351.47
626812	11/29/2016	000377 PUGET SOUND ENERGY		1,341.81
626813	11/29/2016	006667 STEPHANIE RATKO		365.07

**Check History Listing**  
Pierce County Library System

Bank code: key

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Status</u>	<u>Check Total</u>
626814	11/29/2016	000406 RECORDED BOOKS LLC		459.81
626815	11/29/2016	001234 SPOKEN ARTS		33.00
626816	11/30/2016	005862 ELITE PROPERTY INVESTMENTS LLC		10,033.65
626817	11/30/2016	005428 GRITTON BUILDING CO INC		13,784.40
626818	11/30/2016	006619 SERGIA HAY		875.00
626819	11/30/2016	006649 PENNY HOWARD		500.00
626820	11/30/2016	006291 INNOVATIVE INTERFACES INC		5,498.34
626821	11/30/2016	006310 INTRACOMMUNICATION NETWORK SYS		177.78
626822	11/30/2016	000221 JANWAY COMPANY		470.03
626823	11/30/2016	000370 PIERCE COUNTY		228.00
626824	11/30/2016	005393 SWARNER COMMUNICATIONS		663.00
626825	11/30/2016	000497 TILLICUM COMMUNITY SERVICE CEN		2,354.25
<b>key Total:</b>				<b>914,277.55</b>
<b>Total Checks:</b>				<b>914,277.55</b>

128 checks in this report

**RESOLUTION NO. 2016-08**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
PIERCE COUNTY RURAL LIBRARY DISTRICT  
TO DECLARE FURNISHINGS AND EQUIPMENT  
SURPLUS TO PUBLIC SERVICE NEEDS**

**WHEREAS**, the Pierce County Library District has identified items of furnishings and equipment surplus to public service needs of the Library District, and

**WHEREAS**, unless otherwise noted, each item has an estimated value of less than \$5,000.00, now, therefore,

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

The item(s) on the attached list be declared surplus and disposed, including but not limited to being sold at public auction and as trade-in value toward replacement.

**PASSED AND APPROVED THIS 14<sup>th</sup> DAY OF DECEMBER, 2016.**

<b>BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT</b>	
Robert Allen, Chair	_____
Donna Albers, Vice-Chair	_____
Monica Butler, Member	_____
Linda Ishem, Member	_____
J. J. McCament, Member	_____

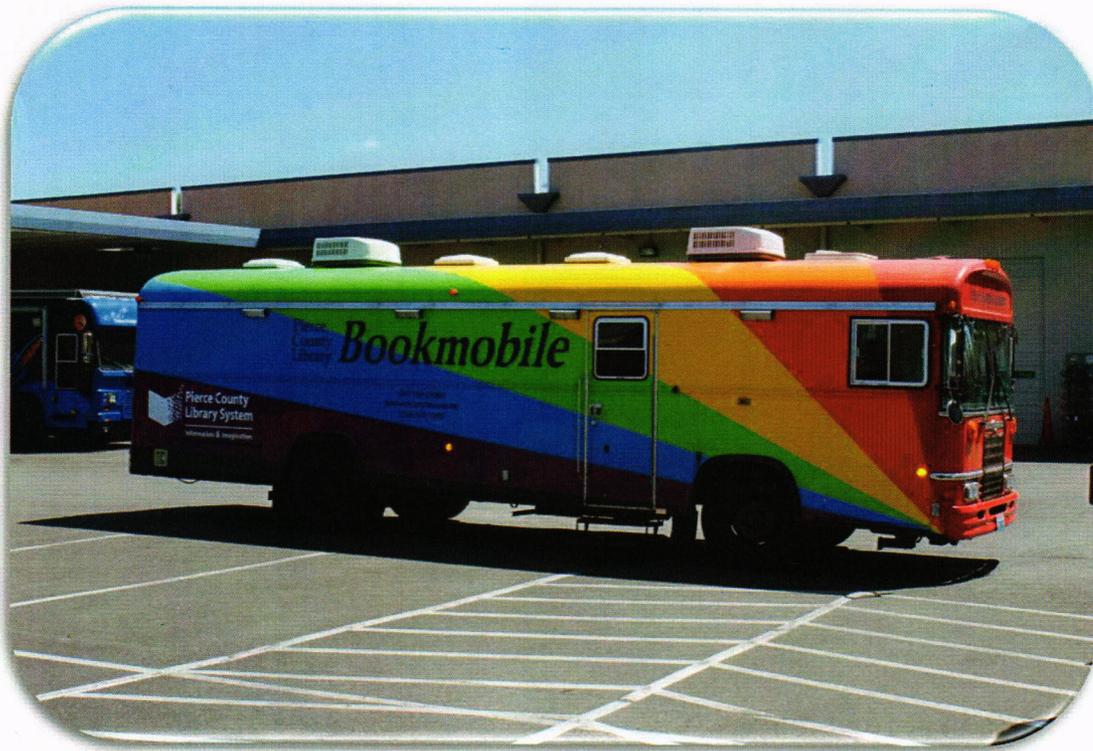
# BlueBird

## Chassis

- Bluebird TC/2000 RE
- VIN: 1BDDGC773NF051365
- Cummins 6BTA5.9/ISB diesel engine
- Allison Automatic Transmission
- Air Brakes
- GVWR: 21,980 lbs. (CDL Required)
- Mileage: 206,802 miles
- Generator: Onan – 8,029 hours & plug in capability
- Tires: G149/HR22.5 with about 70% on them
- Year of manufacture: 1992

## Features

- Back-up camera
- AM/FM/Cassette and unit wide internal speakers
- Single patron door
- Dual staff stations
- Book capacity: 2,200 volumes (approximate)
- Electric heat and air conditioning



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# MEMO



Date: November 22, 2016

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

From: Clifford Jo, Finance & Business Director

Subject: 2016-17 Insurance Renewal

For the 2016-17 insurance policy coverages, the renewal premiums remained largely flat, with an increase estimated to be \$10,000 over 2016's premium of \$223,000. Although we are finalizing renewal costs with our insurance carriers, we anticipate little change.

All terms and limits remain the same for: Property, Inland Marine, General Liability, Business Auto, Umbrellas, Difference in Conditions, Management Liability and Excess, and Cyber Liability. A three year Pollution Liability policy will renew in December separately at just under \$32,000, a savings of nearly \$1,300 from the expiring policy (no Board action is required for this policy's renewal).

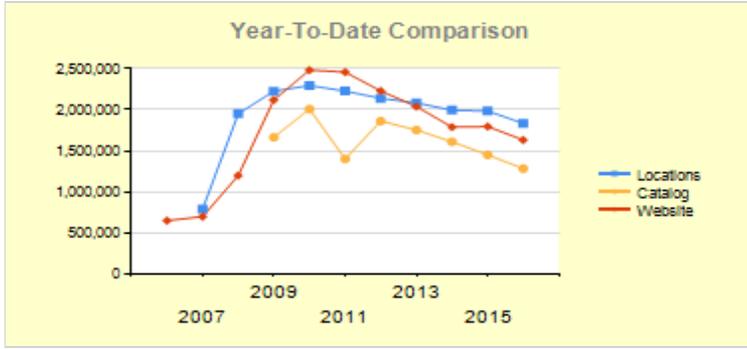
We ask the Board to pass a motion to approve payment of the Library's 2016-17 insurance policy renewals, not to exceed \$233,000. If by the Board meeting we are notified that the final renewal is more or less than \$233,000, I will inform the Board and recommend a revision to the motion for approval.

Note that the Board has consistently rejected terrorism coverage for board members, which costs over \$21,000 per year. Unless the Board directs me otherwise, I will continue to reject terrorism coverage automatically.

# Routine Reports

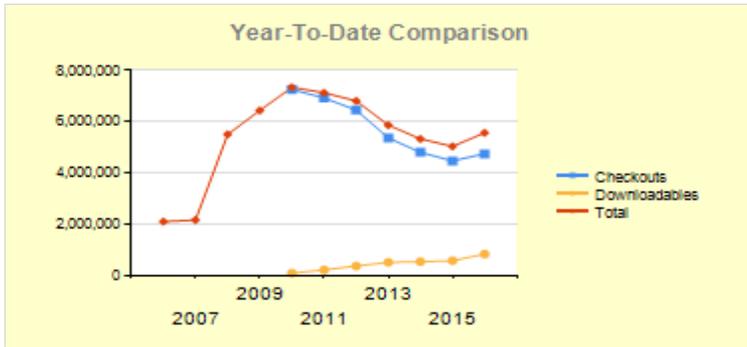
## CUSTOMER SERVICE/PHILANTHROPY DASHBOARD - OCTOBER

### VISITS



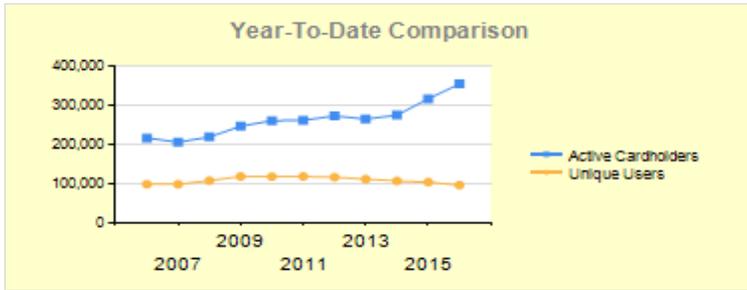
	October		
	2015	2016	% Change
Door Count	141,827	124,833	-11.98%
Catalog	141,583	133,027	-6.04%
Website	186,914	162,965	-12.81%
Job & Business Portal	2,769	3,493	26.15%
Military Portal	75	84	12.00%
<b>Total</b>	<b>473,168</b>	<b>424,402</b>	<b>-10.31%</b>

### CHECKOUTS



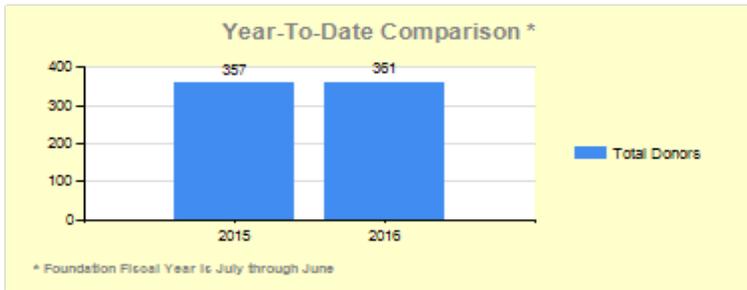
	October		
	2015	2016	% Change
Checkouts	438,808	373,479	-14.89%
Downloadables	71,200	86,929	22.09%
<b>Total</b>	<b>510,008</b>	<b>460,408</b>	<b>-9.73%</b>

### CUSTOMERS



	October		
	2015	2016	% Change
Active Cardholders	317,493	355,492	11.97%
New Cards	3,724	3,495	-6.15%
Checkout Transactions	85,744	76,956	-10.25%
Unique Users	37,680	34,151	-9.37%

### PHILANTHROPY



	October		
	2015	2016	% Change
FoundationDonors	146	160	9.59%
NewFoundationDonors	3	3	0.00%
\$ Raised by Foundation	\$162,899.00	\$29,741.00	-81.74%
\$ Provided by Friends	\$18,400.00	\$694.00	-96.23%

### BRANCH CLOSURES

2013		
Location	Dates	Duration (days)
Key Center	1/1-2/3	34
Fife	9/24-25	2

2014		
Location	Dates	Duration (days)
Gig Harbor	5/19-6/1	13
Lakewood	9/2-21	19
Pkld/Span	10/3-26	13
South Hill	11/1-30	30

2015		
Location	Dates	Duration (days)
Gig Harbor	11/9-11/22	13

## Monthly Interim Financial Reports November 30, 2016

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### Notes for November activity NOT italicized

#### General Fund – 01

- **Revenue** –County had not posted tax revenue before this report was prepared.
- 51109 – *Tuition Assistance is fully funded by the PCLF. We are in the process of setting up budget for this program.*
- 51200 - *Overtime expenditures continue as a result of vacancies.*
- 53411 Electronic Info Services and 53413 Electronic Services - *Some materials purchases are large one-time payments that occur at various times throughout the year. They impact “percent expended” of the budget significantly.*
- 53501 –*Additional furniture purchases for Lakewood branch, funded entirely by Lakewood Friends group.*
- **53502** – Purchased Virtual Load Master 200 for email upgrade
- 53505 - *Incurred additional software purchases as a result of IT stabilization.*
- **54100** – Extended Strategic Plan contract to include implementation phase. *Other expenditures include IT Modernization, Coaching Lab, Security Patrol, Recruiting Services, SPARK day, and Compensation study.*
- 54163 *Special laminating services required by specialty vendor.*
- *Many annual service agreements, leases and insurance are paid and/or encumbered in January for the entire year. These are usually one time per year events or a large encumbrance for a multi-month project. They impact “percent expended” of budget significantly. Examples include but are not limited to general fund accounts 54201 telecom services, 54501 and 54502 Leases, 54600 Insurance, 54801 Contracted Maintenance and 54903 Licenses and Fees.*
- 54702 – *Water consumption high due to underground waterline leak at Bonney Lake. Leak is fixed.*
- 59700 *Transfers out – Board-approved transfer from the General Fund to the Capital Improvements Projects fund.*

#### Special Purpose Fund - 15

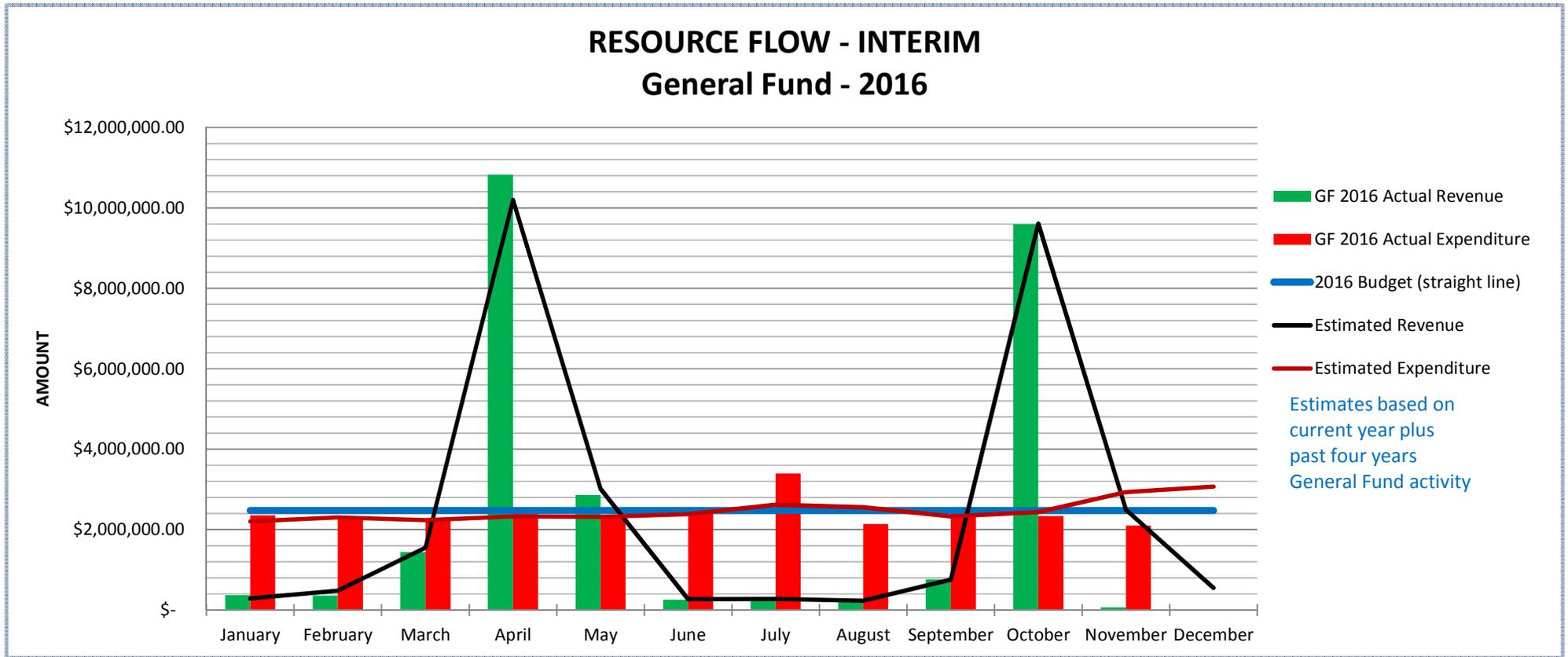
- *Foundation donation to support the Workforce project.*

#### Debt Service Fund - 20

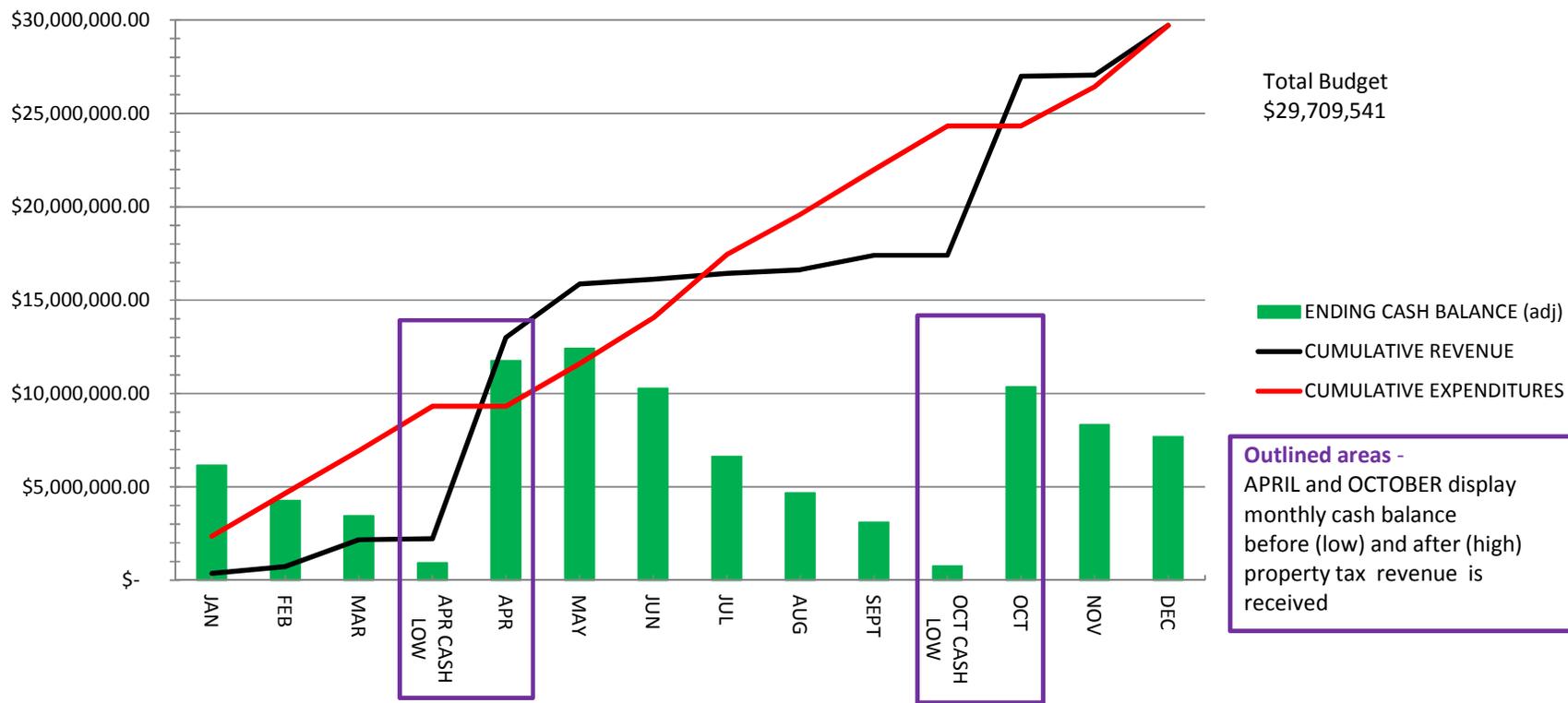
- *Minimal activity*

#### Capital Improvement Projects Fund - 30

- 53501 – *Furnishing purchases including a new Circulation desk at University Place.*
- 56200 *Building/Building Improvements reflects an annual one-time payment for our UP library expansion. Also, includes purchase of an ADA Door/Opener at Gig Harbor Branch. This is funded by the Foundation.*
- 56400 *Machinery and equipment include the purchase of our new paper cutter totaling \$25k and the replacement of our compactor \$14k, a new WatchGuard Firewall appliance \$38k and just over \$50k in the board approved purchase of a new Dell Compellent server array.*
- 56402 *HVAC repair and/replacement has been scheduled and funds encumbered for several branches.*



### CUMULATIVE GENERAL FUND REVENUE AND EXPENDITURE Including Cash Flow Projection 2016



**PIERCE COUNTY LIBRARY SYSTEM**  
Statement of Revenue and Expenditures  
Year to Date November 29, 2016  
no pre-encumbrances

**General Fund - 01**

	<u>2016 Budget</u>	<u>Year To Date</u>	<u>Encumbrances</u>	<u>Budget Balance</u>	<u>% of Budget</u>
Revenue					
Property Tax/Investment Income & Other PC Revenue	\$ 28,206,541	\$ 25,564,296	\$ -	\$ 2,642,245	91%
Other Revenue	\$ 1,503,000	\$ 1,484,399	\$ -	\$ 18,601	99%
<b>Total Revenue</b>	<b>\$ 29,709,541</b>	<b>\$ 27,048,695</b>	<b>\$ -</b>	<b>\$ 2,660,846</b>	<b>91%</b>
Expenditures					
Personnel/Taxes and Benefits	\$ 20,893,026	\$ 18,605,779	\$ -	\$ 2,287,247	89%
Materials	\$ 3,532,173	\$ 3,290,325	\$ -	\$ 241,848	93%
Maintenance and Operations	\$ 3,895,960	\$ 3,339,261	\$ 274,839	\$ 281,860	93%
Transfers Out - CIP	\$ 1,188,382	\$ 1,188,382	\$ -	\$ -	100%
Transfers Out - SPF	\$ 200,000	\$ -	\$ -	\$ 200,000	0%
<b>Total Expenditures</b>	<b>\$ 29,709,541</b>	<b>\$ 26,423,747</b>	<b>\$ 274,839</b>	<b>\$ 3,010,956</b>	<b>90%</b>
Excess/(Deficit)		\$ 624,948			
(less encumbrances)		(274,839)			
<b>Net Excess (Deficit)</b>		<b>\$ 350,109.33</b>			

**Special Purpose Fund - 15**

	<u>2016 Budget</u>	<u>Year To Date</u>	<u>Encumbrances</u>	<u>Budget Balance</u>	<u>% of Budget</u>
Revenue					
Programs - PC READS	\$ 40,000	\$ -	\$ -	\$ 40,000	0%
Projects - Workforce	\$ 227,000	\$ 6,854	\$ -	\$ 220,146	3%
<b>Total Revenue</b>	<b>\$ 267,000</b>	<b>\$ 6,854</b>	<b>\$ -</b>	<b>\$ 260,146</b>	<b>0%</b>
				\$ -	
Programs - PC READS	\$ 40,000	\$ -	\$ -	\$ 40,000	0%
Projects - Workforce	\$ 227,000	\$ -	\$ -	\$ 227,000	0%
<b>Total Expenditures</b>	<b>\$ 267,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 267,000</b>	
Excess/(Deficit)		\$ 6,854			
(less encumbrances)		-			
<b>Net Excess (Deficit)</b>		<b>\$ 6,854</b>			

**Debt Service Fund - 20**

	<u>2016 Budget</u>	<u>Year To Date</u>	<u>Encumbrances</u>	<u>Budget Balance</u>	<u>% of Budget</u>
Revenue					
Property Tax/Investment Income & Other PC Revenue	\$ -	\$ 239	\$ -	\$ (239)	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	0%
<b>Total Revenue</b>	<b>\$ -</b>	<b>\$ 239</b>	<b>\$ -</b>	<b>\$ (239)</b>	<b>0%</b>
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>
<b>Net Excess (Deficit)</b>		<b>\$ 239</b>			

**Capital Improvement Projects****Fund - 30**

	<u>2016 Budget</u>	<u>Year To Date</u>	<u>Encumbrances</u>	<u>Budget Balance</u>	<u>% of Budget</u>
Revenue					
Other Revenue	\$ 300,000	\$ 227,383	\$ -	\$ 72,617	76%
Transfers In	\$ 1,188,382	\$ 1,188,382	\$ -	\$ -	100%
<b>Total Revenue</b>	<b>\$ 1,488,382</b>	<b>\$ 1,415,765</b>	<b>\$ -</b>	<b>\$ 72,617</b>	<b>95%</b>
Expenditures					
Maintenance and Operations	\$ 1,488,382	\$ 839,725	\$ 444,550	\$ 204,107	86%
<b>Total Expenditures</b>	<b>\$ 1,488,382</b>	<b>\$ 839,725</b>	<b>\$ 444,550</b>	<b>\$ 204,107</b>	<b>86%</b>
Excess/(Deficit)		\$ 576,040			
(less encumbrances)		(444,550)			
<b>Net Excess (Deficit)</b>		<b>\$ 131,490</b>			

Pierce County Library System												
Comparative Statement of Financial Position - Interim												
General Fund - Rolling Comparison												
<i>(as of the listed date of the reported month)</i>												
	HISTORICAL	HISTORICAL	HISTORICAL	HISTORICAL	HISTORICAL	HISTORICAL	HISTORICAL	HISTORICAL	HISTORICAL	HISTORICAL	HISTORICAL	HISTORICAL
	11/30/2015	12/31/2015	1/31/2016	2/29/2016	3/31/2016	4/30/2016	5/31/2016	6/30/2016	7/31/2016	8/31/2016	9/30/2016	10/31/2016
<b>Assets</b>												
<b>Current Assets - Cash</b>												
Cash	\$ 4,365,526	\$ 8,372,619	\$ 6,152,350	\$ 4,260,027	\$ 3,439,431	\$ 11,759,390	\$ 4,586,856	\$ 1,984,811	\$ 1,935,296	\$ 2,144,084	\$ 3,099,722	\$ 2,056,093
Investments	\$ 6,700,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,823,000	\$ 8,288,382	\$ 4,685,900	\$ 2,530,000	\$ -	\$ 7,850,000
<b>Total Cash</b>	<b>\$ 11,065,526</b>	<b>\$ 8,372,619</b>	<b>\$ 6,152,350</b>	<b>\$ 4,260,027</b>	<b>\$ 3,439,431</b>	<b>\$ 11,759,390</b>	<b>\$ 12,409,856</b>	<b>\$ 10,273,193</b>	<b>\$ 6,621,196</b>	<b>\$ 4,674,084</b>	<b>\$ 3,099,722</b>	<b>\$ 9,906,093</b>
<b>Total Current Assets</b>	<b>\$ 11,065,526</b>	<b>\$ 8,372,619</b>	<b>\$ 6,152,350</b>	<b>\$ 4,260,027</b>	<b>\$ 3,439,431</b>	<b>\$ 11,759,390</b>	<b>\$ 12,409,856</b>	<b>\$ 10,273,193</b>	<b>\$ 6,621,196</b>	<b>\$ 4,674,084</b>	<b>\$ 3,099,722</b>	<b>\$ 9,906,093</b>
<b>Liabilities and Fund Balance</b>												
<b>Current Liabilities</b>												
Warrants Payable	\$ 523,012	\$ 560,730	\$ 359,697	\$ 396,377	\$ 428,198	\$ 295,440	\$ 339,657	\$ 301,394	\$ 273,130	\$ 71,187	\$ 87,553	\$ 49,440
Sales Tax Payable	\$ 4,089	\$ 2,082	\$ 3,668	\$ 4,880	\$ 4,804	\$ 3,899	\$ 4,361	\$ 4,262	\$ 3,871	\$ 5,000	\$ 6,104	\$ 3,833
Payroll Taxes and Benefits Payable	\$ 20,965	\$ 48,189	\$ 13,391	\$ 29,363	\$ 44,222	\$ 14,631	\$ 32,097	\$ 49,896	\$ 17,211	\$ 33,961	\$ 49,926	\$ 18,099
<b>Total Current Liabilities</b>	<b>\$ 548,066</b>	<b>\$ 611,001</b>	<b>\$ 376,756</b>	<b>\$ 430,620</b>	<b>\$ 477,224</b>	<b>\$ 313,970</b>	<b>\$ 376,115</b>	<b>\$ 355,552</b>	<b>\$ 294,212</b>	<b>\$ 110,147</b>	<b>\$ 143,584</b>	<b>\$ 71,373</b>
<b>Fund Balance</b>												
Reserve for Encumbrances	\$ 266,619	\$ -	\$ 966,089	\$ 835,433	\$ 786,954	\$ 735,482	\$ 718,214	\$ 687,542	\$ 534,050	\$ 542,375	\$ 447,132	\$ 411,660
Net Excess (Deficit)	\$ 2,446,324	\$ -	\$ (2,952,113)	\$ (4,767,644)	\$ (5,586,365)	\$ 2,948,320	\$ 3,553,910	\$ 1,468,482	\$ (1,527,071)	\$ (3,298,443)	\$ (4,810,999)	\$ 2,103,054
Unreserved Fund Balance	\$ 7,804,517	\$ 7,761,618	\$ 7,761,618	\$ 7,761,618	\$ 7,761,618	\$ 7,761,618	\$ 7,761,618	\$ 7,761,618	\$ 7,320,006	\$ 7,320,006	\$ 7,320,006	\$ 7,320,006
<b>Total Fund Balance</b>	<b>\$ 10,517,460</b>	<b>\$ 7,761,618</b>	<b>\$ 5,775,593</b>	<b>\$ 3,829,407</b>	<b>\$ 2,962,207</b>	<b>\$ 11,445,420</b>	<b>\$ 12,033,741</b>	<b>\$ 9,917,641</b>	<b>\$ 6,326,984</b>	<b>\$ 4,563,937</b>	<b>\$ 2,956,139</b>	<b>\$ 9,834,720</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 11,065,526</b>	<b>\$ 8,372,619</b>	<b>\$ 6,152,350</b>	<b>\$ 4,260,027</b>	<b>\$ 3,439,431</b>	<b>\$ 11,759,390</b>	<b>\$ 12,409,856</b>	<b>\$ 10,273,193</b>	<b>\$ 6,621,196</b>	<b>\$ 4,674,084</b>	<b>\$ 3,099,722</b>	<b>\$ 9,906,093</b>
<b>Anticipated Property Tax Revenue</b>	<b>\$ 943,271</b>	<b>\$ -</b>	<b>\$ 28,999,932</b>	<b>\$ 28,704,238</b>	<b>\$ 27,380,677</b>	<b>\$ 16,615,179</b>	<b>\$ 13,922,327</b>	<b>\$ 13,765,971</b>	<b>\$ 13,686,423</b>	<b>\$ 13,553,661</b>	<b>\$ 12,986,896</b>	<b>\$ 3,571,874</b>

**Pierce County Library System  
Statement of Financial Position - Interim  
November 29, 2016  
All Funds**

	General Fund	Special Purpose Fund	Debt Service Fund	Capital Improvement Projects Fund
<b>Assets</b>				
<b>Current Assets - Cash</b>				
Cash	\$ 2,115,802	\$ 6,854	\$ 1	\$ 536,041
Investments	\$ 6,000,000	\$ -	\$ 83,964	\$ 1,430,000
<b>Total Cash</b>	<b>\$ 8,115,802</b>	<b>\$ 6,854</b>	<b>\$ 83,965</b>	<b>\$ 1,966,041</b>
<b>Total Current Assets</b>	<b>\$ 8,115,802</b>	<b>\$ 6,854</b>	<b>\$ 83,965</b>	<b>\$ 1,966,041</b>
<b>Liabilities and Fund Balance</b>				
<b>Current Liabilities</b>				
Warrants Payable	\$ 128,183	\$ -	\$ -	\$ -
Sales Tax Payable	\$ 7,761	\$ -	\$ -	\$ -
Payroll Taxes and Benefits Payable	\$ 34,904	\$ -	\$ -	\$ -
<b>Total Current Liabilities</b>	<b>\$ 170,848</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund Balance</b>				
Reserve for Encumbrances	\$ 274,839	\$ -	\$ -	\$ 444,550
Net Excess (Deficit)	\$ 350,109	\$ -	\$ 240	\$ 131,490
Technology Set-aside	\$ -	\$ -	\$ -	\$ 50,000
Major Contingency Set-aside	\$ -	\$ -	\$ -	\$ 150,000
Land, Property and Facility Set-aside	\$ -	\$ -	\$ -	\$ 170,069
Unreserved Fund Balance	\$ 7,320,006	\$ 6,854	\$ 83,725	\$ 1,019,932
<b>Total Fund Balance</b>	<b>\$ 7,944,953</b>	<b>\$ 6,854</b>	<b>\$ 83,965</b>	<b>\$ 1,966,041</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 8,115,802</b>	<b>\$ 6,854</b>	<b>\$ 83,965</b>	<b>\$ 1,966,041</b>
Anticipated Property Tax Revenue	\$ 3,571,874	N/A	\$ 12	N/A

Pierce County Library System  
 Board Report - Budget to Actual by Object  
 Report as of: 11/30/2016

**FUND: GENERAL FUND (01)**

Object	2016 Budget	November Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
<b>REVENUE ACCOUNTS</b>						
31111 PROPERTY TAXES CURRENT	27,294,700.00	0.00	25,012,156.34	0.00	2,282,543.66	91.64
31112 PROPERTY TAXES DELINQUENT	818,841.00	0.00	450,542.99	0.00	368,298.01	55.02
31130 SALE OF TAX TITLE PROPERTY	3,000.00	0.00	1,233.26	0.00	1,766.74	41.11
31720 LEASEHOLD EXCISE TAX	20,000.00	0.00	15,659.01	0.00	4,340.99	78.30
31740 TIMBER EXCISE TAX	50,000.00	0.00	62,717.78	0.00	(12,717.78)	125.44
<b>TAXES:</b>	<b>28,186,541.00</b>	<b>0.00</b>	<b>25,542,309.38</b>	<b>0.00</b>	<b>2,644,231.62</b>	<b>90.62</b>
33300 INDIRECT FEDERAL GRANTS	0.00	0.00	208,233.38	0.00	(208,233.38)	0.00
33533 STATE FOREST FUNDS/DNR TIMBER TRU	0.00	0.00	149.06	0.00	(149.06)	0.00
33710 SHARED FIXED ASSETS - TIMBER	15,000.00	0.00	9,035.77	0.00	5,964.23	60.24
34160 COPIER FEES	30,000.00	2,567.09	29,769.64	0.00	230.36	99.23
34161 GRAPHICS SERVICES CHARGES	0.00	319.00	4,367.71	0.00	(4,367.71)	0.00
34162 PRINTER FEES	125,000.00	9,358.13	116,462.87	0.00	8,537.13	93.17
34163 FAX FEES	21,000.00	1,703.83	21,228.78	0.00	(228.78)	101.09
34193 ORTING - SERVICE FEES	0.00	810.00	3,240.00	0.00	(3,240.00)	0.00
34730 INTERLIBRARY LOAN FEES	0.00	0.00	33.95	0.00	(33.95)	0.00
35970 LIBRARY FINES	550,000.00	31,676.38	317,792.98	0.00	232,207.02	57.78
36110 INVESTMENT INCOME	5,000.00	0.00	12,798.98	0.00	(7,798.98)	255.98
36111 INTEREST - STATE FOREST FUND	0.00	0.00	0.08	0.00	(0.08)	0.00
36140 OTHER INTEREST EARNED - COUNTY	0.00	0.00	2.45	0.00	(2.45)	0.00
36190 OTHER INTEREST EARNINGS	0.00	0.00	62.92	0.00	(62.92)	0.00
36200 KEY PEN HLTH DEPT FACILITY REV	0.00	0.00	1,211.96	0.00	(1,211.96)	0.00
36290 BOOK SALES	20,000.00	545.60	6,845.56	0.00	13,154.44	34.23
36700 FOUNDATION DONATIONS	300,000.00	0.00	249,683.23	0.00	50,316.77	83.23
36710 FRIENDS' DONATIONS	0.00	0.00	336.21	0.00	(336.21)	0.00
36720 FRIENDS' REIMBURSEMENTS	0.00	14,625.77	30,867.70	0.00	(30,867.70)	0.00
36725 DONATIONS - OTHER	0.00	483.59	6,129.26	0.00	(6,129.26)	0.00
36910 SALE OF SCRAP AND SALVAGE	0.00	0.00	4,386.60	0.00	(4,386.60)	0.00
36920 UNCLAIMED PROPERTY/FOUND MONEY	0.00	25.82	3,255.88	0.00	(3,255.88)	0.00
36990 MISCELLANEOUS REVENUE	0.00	44.37	365.92	0.00	(365.92)	0.00
36991 PAYMENT FOR LOST MATERIALS	12,000.00	484.05	8,512.42	0.00	3,487.58	70.94
36996 JURY DUTY REIMBURSEMENT	0.00	0.00	100.00	0.00	(100.00)	0.00
36997 PRIOR YEAR'S REFUNDS	0.00	0.00	1,853.97	0.00	(1,853.97)	0.00
36998 E RATE REIMBURSEMENT	415,000.00	0.00	401,270.43	0.00	13,729.57	96.69
36999 REBATES - PROCUREMENT CARD	30,000.00	0.00	66,923.55	0.00	(36,923.55)	223.08
<b>CHARGES OTHER:</b>	<b>1,523,000.00</b>	<b>62,643.63</b>	<b>1,504,921.26</b>	<b>0.00</b>	<b>18,078.74</b>	<b>98.81</b>
39520 INSURANCE RECOVERIES - ASSETS	0.00	0.00	1,464.12	0.00	(1,464.12)	0.00
<b>TOTAL FOR REVENUE ACCOUNTS</b>	<b>29,709,541.00</b>	<b>62,643.63</b>	<b>27,048,694.76</b>	<b>0.00</b>	<b>2,660,846.24</b>	<b>91.04</b>
<b>EXPENSE ACCOUNTS</b>						
51100 SALARIES AND WAGES	14,984,682.00	1,192,431.04	12,985,432.28	0.00	1,999,249.72	86.66
51105 ADDITIONAL HOURS	273,883.00	25,252.34	281,283.54	0.00	(7,400.54)	102.70
51106 SHIFT DIFFERENTIAL	159,882.00	15,762.09	148,266.67	0.00	11,615.33	92.74
51107 SUBSTITUTE HOURS	295,500.00	23,551.88	284,839.39	0.00	10,660.61	96.39
51109 TUITION ASSISTANCE PROGRAM	300.00	0.00	7,873.34	0.00	(7,573.34)	2,624.45
51200 OVERTIME WAGES	7,400.00	3,886.11	30,521.25	0.00	(23,121.25)	412.45
51999 ADJ WAGE/SALARY TO MATCH PLAN	(396,342.00)	0.00	0.00	0.00	(396,342.00)	0.00
52001 INDUSTRIAL INSURANCE	196,629.00	11,184.09	123,218.62	0.00	73,410.38	62.67

Pierce County Library System  
 Board Report - Budget to Actual by Object  
 Report as of: 11/30/2016

**FUND: GENERAL FUND (01)**

Object	2016 Budget	November Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
<b>EXPENSE ACCOUNTS</b>						
52002 MEDICAL INSURANCE	2,289,031.00	175,456.51	1,975,088.04	0.00	313,942.96	86.28
52003 F.I.C.A.	1,202,711.00	94,791.52	1,038,153.12	0.00	164,557.88	86.32
52004 RETIREMENT	1,727,914.00	135,776.72	1,453,600.36	0.00	274,313.64	84.12
52005 DENTAL INSURANCE	219,387.00	18,154.01	192,418.94	0.00	26,968.06	87.71
52006 OTHER BENEFIT	10,540.00	920.00	9,440.00	0.00	1,100.00	89.56
52010 LIFE AND DISABILITY INSURANCE	29,086.00	5,080.43	44,518.83	0.00	(15,432.83)	153.06
52020 UNEMPLOYMENT COMPENSATION	30,500.00	0.00	29,849.44	0.00	650.56	97.87
52200 UNIFORMS	1,300.00	0.00	1,274.78	0.00	25.22	98.06
52999 ADJ BENEFITS TO MATCH PLAN	(139,377.00)	0.00	0.00	0.00	(139,377.00)	0.00
<b>PERSONNEL</b>	<b>20,893,026.00</b>	<b>1,702,246.74</b>	<b>18,605,778.60</b>	<b>0.00</b>	<b>2,287,247.40</b>	<b>89.05</b>
53100 OFFICE/OPERATING SUPPLIES	236,100.00	7,652.91	189,155.12	6,481.73	40,463.15	82.86
53101 CUSTODIAL SUPPLIES	52,500.00	4,929.65	56,886.63	0.00	(4,386.63)	108.36
53102 MAINTENANCE SUPPLIES	60,200.00	4,938.41	54,062.77	0.00	6,137.23	89.81
53103 AUDIOVISUAL PROCESSING SUP	25,000.00	6,379.30	17,145.35	822.64	7,032.01	71.87
53104 BOOK PROCESSING SUPPLIES	20,000.00	77.29	7,888.16	0.00	12,111.84	39.44
53200 FUEL	47,000.00	8,612.71	21,360.16	0.00	25,639.84	45.45
53401 ADULT MATERIALS	806,000.00	63,658.31	618,682.12	0.00	187,317.88	76.76
53403 PERIODICALS	88,135.00	8,133.75	75,097.13	0.00	13,037.87	85.21
53405 JUVENILE BOOKS	544,279.00	17,215.43	446,797.47	0.00	97,481.53	82.09
53406 PROFESSIONAL COLLECTION	4,200.00	209.44	2,462.35	0.00	1,737.65	58.63
53407 INTERNATIONAL COLLECTION	60,000.00	1,831.91	24,621.22	0.00	35,378.78	41.04
53408 AUDIOVISUAL MATERIALS - ADULT	842,000.00	41,453.28	708,679.85	0.00	133,320.15	84.17
53409 AUDIOVISUAL MATERIALS - JUV	94,000.00	1,581.55	63,590.55	0.00	30,409.45	67.65
53411 ELECTRONIC INFO SOURCES	379,068.00	0.00	321,421.42	0.00	57,646.58	84.79
53412 REFERENCE SERIALS	18,000.00	663.68	8,111.39	0.00	9,888.61	45.06
53413 ELECTRONIC SERVICES	143,391.00	17,491.10	243,311.05	0.00	(99,920.05)	169.68
53414 ELECTRONIC COLLECTION	400,100.00	0.00	639,570.25	0.00	(239,470.25)	159.85
53464 VENDOR PROCESSING SERVICES	153,000.00	8,006.36	136,859.93	0.00	16,140.07	89.45
53499 GIFTS - MATERIALS	0.00	0.00	1,120.19	0.00	(1,120.19)	0.00
53500 MINOR EQUIPMENT	3,500.00	0.00	0.00	0.00	3,500.00	0.00
53501 FURNISHINGS	35,000.00	0.00	49,856.37	547.00	(15,403.37)	144.01
53502 TECHNOLOGY HARDWARE	50,000.00	12,041.74	50,232.46	3,740.67	(3,973.13)	107.95
53505 SOFTWARE	12,100.00	919.26	31,904.84	3,634.44	(23,439.28)	293.71
54100 PROFESSIONAL SERVICES	457,750.00	107,051.39	574,065.33	67,575.89	(183,891.22)	140.17
54101 LEGAL SERVICES	30,000.00	0.00	20,909.00	0.00	9,091.00	69.70
54102 COLLECTION AGENCY	17,000.00	1,467.80	12,300.47	0.00	4,699.53	72.36
54161 RESOURCE SHARING SERVICES	19,000.00	0.00	12,889.75	0.00	6,110.25	67.84
54162 BIBLIOGRAPHICS SERVICES	33,000.00	0.00	25,524.53	0.00	7,475.47	77.35
54163 PRINTING AND BINDING	1,500.00	0.00	2,514.16	0.00	(1,014.16)	167.61
54165 ILL LOST ITEM CHARGE	2,800.00	38.99	1,279.60	0.00	1,520.40	45.70
54200 POSTAGE AND SHIPPING	36,600.00	(131.20)	29,017.50	34.43	7,548.07	79.38
54201 TELECOM SERVICES	461,300.00	4,620.04	420,921.08	40,212.22	166.70	99.96
54300 TRAVEL	47,200.00	3,941.47	28,395.03	0.00	18,804.97	60.16
54301 MILEAGE REIMBURSEMENTS	30,350.00	2,863.89	30,802.95	0.00	(452.95)	101.49
54400 ADVERTISING	69,500.00	972.20	23,724.82	14,038.00	31,737.18	54.33
54501 RENTALS/LEASES - BUILDINGS	404,000.00	838.24	348,621.18	25,857.61	29,521.21	92.69
54502 RENTALS/LEASES - EQUIPMENT	32,400.00	0.00	19,912.61	3,703.24	8,784.15	72.89

Pierce County Library System  
 Board Report - Budget to Actual by Object  
 Report as of: 11/30/2016

**FUND: GENERAL FUND (01)**

Object	2016 Budget	November Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
<b>EXPENSE ACCOUNTS</b>						
54600 INSURANCE	200,000.00	0.00	149,269.00	0.00	50,731.00	74.63
54700 ELECTRICITY	235,000.00	8,389.20	197,776.79	0.00	37,223.21	84.16
54701 NATURAL GAS	15,000.00	909.06	6,941.66	0.00	8,058.34	46.28
54702 WATER	21,000.00	2,149.77	28,114.04	0.00	(7,114.04)	133.88
54703 SEWER	25,000.00	878.88	24,680.11	0.00	319.89	98.72
54704 REFUSE	26,000.00	275.54	30,308.98	0.00	(4,308.98)	116.57
54800 GENERAL REPAIRS/MAINTENANCE	208,000.00	5,778.15	191,082.31	17,895.07	(977.38)	100.47
54801 CONTRACTED MAINTENANCE	802,900.00	46,777.58	479,114.10	85,569.54	238,216.36	70.33
54803 MAINT. TELECOM EQUIPMENT	31,000.00	0.00	25,319.72	4,726.08	954.20	96.92
54805 VEHICLE REPAIR - MAJOR	0.00	0.00	12,199.97	0.00	(12,199.97)	0.00
54900 REGISTRATIONS	41,850.00	483.00	37,386.57	0.00	4,463.43	89.33
54901 DUES AND MEMBERSHIPS	30,170.00	360.00	31,637.63	0.00	(1,467.63)	104.86
54902 TAXES AND ASSESSMENTS	29,500.00	0.00	31,956.04	0.00	(2,456.04)	108.33
54903 LICENSES AND FEES	43,950.00	3,307.78	64,068.95	0.00	(20,118.95)	145.78
54904 MISCELLANEOUS	790.00	0.00	0.00	0.00	790.00	0.00
54905 WELLNESS EVENTS/REGISTRATION	2,000.00	0.00	135.61	0.00	1,864.39	6.78
54909 TECH LIC/SUBS/HOSTING	0.00	0.00	(100.00)	0.00	100.00	0.00
59700 TRANSFERS OUT	1,188,382.00	0.00	1,188,382.00	0.00	0.00	100.00
59702 TRANSFERS OUT - SPF	200,000.00	0.00	0.00	0.00	200,000.00	0.00
<b>ALL OTHER EXPENSES</b>	<b>8,816,515.00</b>	<b>396,767.86</b>	<b>7,817,968.27</b>	<b>274,838.56</b>	<b>723,708.17</b>	<b>91.79</b>
<b>TOTAL FOR EXPENSE ACCOUNTS</b>	<b>29,709,541.00</b>	<b>2,099,014.60</b>	<b>26,423,746.87</b>	<b>274,838.56</b>	<b>3,010,955.57</b>	<b>89.87</b>
<b>NET SURPLUS / DEFICIT</b>	<b>0.00</b>	<b>(2,036,370.97)</b>	<b>624,947.89</b>	<b>(274,838.56)</b>	<b>(350,109.33)</b>	<b>0.00</b>

**FUND: SPECIAL PURPOSE FUND (15)**

Object	2016 Budget	November Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
<b>REVENUE ACCOUNTS</b>						
29150 USE OF FUND BALANCE-BUDGET	25,000.00	0.00	0.00	0.00	25,000.00	0.00
<b>TAXES:</b>	<b>25,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>25,000.00</b>	<b>0.00</b>
33300 INDIRECT FEDERAL GRANTS	227,000.00	0.00	0.00	0.00	227,000.00	0.00
36700 FOUNDATION DONATIONS	15,000.00	0.00	6,853.76	0.00	8,146.24	45.69
<b>CHARGES OTHER:</b>	<b>242,000.00</b>	<b>0.00</b>	<b>6,853.76</b>	<b>0.00</b>	<b>235,146.24</b>	<b>2.83</b>
<b>TOTAL FOR REVENUE ACCOUNTS</b>	<b>267,000.00</b>	<b>0.00</b>	<b>6,853.76</b>	<b>0.00</b>	<b>260,146.24</b>	<b>2.57</b>
<b>EXPENSE ACCOUNTS</b>						
51100 SALARIES AND WAGES	183,623.00	0.00	0.00	0.00	183,623.00	0.00
52001 INDUSTRIAL INSURANCE	795.00	0.00	0.00	0.00	795.00	0.00
52002 MEDICAL INSURANCE	11,463.00	0.00	0.00	0.00	11,463.00	0.00
52003 F.I.C.A.	6,189.00	0.00	0.00	0.00	6,189.00	0.00
52004 RETIREMENT	6,674.00	0.00	0.00	0.00	6,674.00	0.00
52005 DENTAL INSURANCE	1,220.00	0.00	0.00	0.00	1,220.00	0.00
52010 LIFE AND DISABILITY INSURANCE	36.00	0.00	0.00	0.00	36.00	0.00
<b>PERSONNEL</b>	<b>210,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>210,000.00</b>	<b>0.00</b>
53100 OFFICE/OPERATING SUPPLIES	7,000.00	0.00	0.00	0.00	7,000.00	0.00
53401 ADULT MATERIALS	1,000.00	0.00	0.00	0.00	1,000.00	0.00
54100 PROFESSIONAL SERVICES	38,550.00	0.00	0.00	0.00	38,550.00	0.00
54400 ADVERTISING	5,450.00	0.00	0.00	0.00	5,450.00	0.00
54900 REGISTRATIONS	5,000.00	0.00	0.00	0.00	5,000.00	0.00
<b>ALL OTHER EXPENSES</b>	<b>57,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>57,000.00</b>	<b>0.00</b>
<b>TOTAL FOR EXPENSE ACCOUNTS</b>	<b>267,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>267,000.00</b>	<b>0.00</b>
<b>NET SURPLUS / DEFICIT</b>	<b>0.00</b>	<b>0.00</b>	<b>6,853.76</b>	<b>0.00</b>	<b>(6,853.76)</b>	<b>0.00</b>

**FUND: DEBT SERVICE FUND (20)**

Object	2016 Budget	November Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
<b>REVENUE ACCOUNTS</b>						
31112 PROPERTY TAXES DELINQUENT	0.00	0.00	0.14	0.00	(0.14)	0.00
<b>TAXES:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.14</b>	<b>0.00</b>	<b>(0.14)</b>	<b>0.00</b>
36110 INVESTMENT INCOME	0.00	0.00	239.39	0.00	(239.39)	0.00
<b>CHARGES OTHER:</b>	<b>0.00</b>	<b>0.00</b>	<b>239.39</b>	<b>0.00</b>	<b>(239.39)</b>	<b>0.00</b>
<b>TOTAL FOR REVENUE ACCOUNTS</b>	<b>0.00</b>	<b>0.00</b>	<b>239.53</b>	<b>0.00</b>	<b>(239.53)</b>	<b>0.00</b>
<b>NET SURPLUS / DEFICIT</b>	<b>0.00</b>	<b>0.00</b>	<b>239.53</b>	<b>0.00</b>	<b>(239.53)</b>	<b>0.00</b>

**FUND: CAPITAL IMPROVEMENT PROJECTS FUND (30)**

Object	2016 Budget	November Actual	Year-To-Date Actual	Encumbrance s	Balance	Expend %
<b>REVENUE ACCOUNTS</b>						
36110 INVESTMENT INCOME	0.00	0.00	2,659.83	0.00	(2,659.83)	0.00
36200 KEY PENINSULA SHARED COSTS	0.00	0.00	8,011.79	0.00	(8,011.79)	0.00
36700 FOUNDATION DONATIONS	0.00	0.00	30,507.81	0.00	(30,507.81)	0.00
36899 ENERGY REBATES	0.00	0.00	3,274.00	0.00	(3,274.00)	0.00
36998 E-RATE REIMBURSEMENT	300,000.00	182,929.20	182,929.20	0.00	117,070.80	60.98
<b>CHARGES OTHER:</b>	<b>300,000.00</b>	<b>182,929.20</b>	<b>227,382.63</b>	<b>0.00</b>	<b>72,617.37</b>	<b>75.79</b>
39700 TRANSFERS IN	1,188,382.00	0.00	1,188,382.00	0.00	0.00	100.00
<b>TOTAL FOR REVENUE ACCOUNTS</b>	<b>1,488,382.00</b>	<b>182,929.20</b>	<b>1,415,764.63</b>	<b>0.00</b>	<b>72,617.37</b>	<b>95.12</b>
<b>EXPENSE ACCOUNTS</b>						
53501 FURNISHINGS	100,000.00	9,922.76	72,610.14	61,263.84	(33,873.98)	133.87
53502 TECHNOLOGY HARDWARE	168,000.00	28,271.15	26,003.38	0.00	141,996.62	15.48
53505 SOFTWARE	30,000.00	0.00	0.00	0.00	30,000.00	0.00
54100 PROFESSIONAL SERVICES	20,000.00	0.00	5,167.75	3,497.54	11,334.71	43.33
54400 ADVERTISING	0.00	0.00	81.40	0.00	(81.40)	0.00
54800 GENERAL REPAIRS/MAINTENANCE	146,000.00	0.00	10,969.57	0.00	135,030.43	7.51
54805 VEHICLE REPAIR - MAJOR	10,000.00	0.00	0.00	0.00	10,000.00	0.00
54912 CONTINGENCY/RESERVE	28,000.00	0.00	0.00	0.00	28,000.00	0.00
54915 PLANNED SAVINGS	83,382.00	0.00	0.00	0.00	83,382.00	0.00
56200 BUILDINGS & BLDG IMPROVEMENTS	135,000.00	5,219.16	147,726.27	115,295.53	(128,021.80)	194.83
56201 CONSTRUCTION	65,000.00	0.00	0.00	74,727.87	(9,727.87)	114.97
56202 ELECTRICAL	0.00	23,898.43	23,898.43	1,690.23	(25,588.66)	0.00
56203 FLOORING	57,000.00	0.00	1,765.45	0.00	55,234.55	3.10
56204 PAINTING AND WALL TREATMENTS	7,500.00	0.00	0.00	5,881.34	1,618.66	78.42
56300 IMPROVEMENTS OTHER THAN BLDGS	0.00	0.00	0.00	44,416.40	(44,416.40)	0.00
56301 PARKING LOT REPAIR & IMPROVEMENT	165,000.00	0.00	48,591.17	0.00	116,408.83	29.45
56400 MACHINERY & EQUIPMENT	191,000.00	0.00	348,346.15	0.00	(157,346.15)	182.38
56402 HVAC	120,500.00	0.00	14,242.80	116,527.41	(10,270.21)	108.52
56403 TECHNOLOGY EQUIPMENT	162,000.00	0.00	140,322.35	21,250.00	427.65	99.74
<b>TOTAL FOR EXPENSE ACCOUNTS</b>	<b>1,488,382.00</b>	<b>67,311.50</b>	<b>839,724.86</b>	<b>444,550.16</b>	<b>204,106.98</b>	<b>86.29</b>
<b>NET SURPLUS / DEFICIT</b>	<b>0.00</b>	<b>115,617.70</b>	<b>576,039.77</b>	<b>(444,550.16)</b>	<b>(131,489.61)</b>	<b>0.00</b>

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# MEMO



Date: December 1, 2016

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

From: Georgia Lomax, Executive Director

Subject: Executive Director Report - November

## **Operations**

Work Plan progress of note in November:

### ***People:***

- Foundation Director Dean Carrell began November 16.
- Marketing and Community Relations Director candidates were narrowed down to three finalists who will interview on December 15.
- South Hill Branch Manager Paul Stonebridge began November 16.
- Staff Engagement Survey closed November 4. 81% participation rate (up 3% from 2015). We will receive results in December.

### ***Projects:***

- Strategic Planning Process – (see memo)

### ***Facilities***

- Buckley Renovations – Entry tile replacement and restroom update completed
- Ergonomic Plan – Completed assessment of all staff equipment in the branches and departments to understand baseline of needs and developed 2017 budget and long-term approach.
- Furnishings Replacements – All items budgeted for 2016 have been delivered

### ***Technology:***

- IT Modernization – Active Directory update complete; domain controller updates complete
- Wave Broadband– Network buildout completed November 30

## **External Community Activities**

- City of Orting Facility Planning meeting
- Bill Harvey, JBLM's Director of Family & Morale, Welfare & Recreation and Natalie Boutte, Chief, Community Recreation Division – Customer Experience Managers Joy Kim and Jaime Prothro and I met to discuss our shared interests and how we could partner in serving soldiers and military families. The conversation will continue in December.
- Tacoma Art Museum Gala
- WIOA Core Leadership Meeting

## **Library Community Activities**

- Hosted two Metropolitan Library System (Oklahoma) staff members to share our Lean practices and project management approaches.

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## **Branch Snapshot**

Here's what's been happening in our branches:

### Bonney Lake

- The entire Bonney Lake staff spent most of the month working on preparations for Potter Palooza. There was crafting, counting and creating galore. Every person on staff and a couple of the Friends helped at some point. It was a lot of fun and the teamwork was great to watch.

### Buckley

- A staff member attended the Wale conference held at Lake Chelan. There were a number of very interesting sessions, and we are hoping to incorporate some of the things from a STEM workshop and one about literacy fairs and community engagement.
- The Buckley Main Street businesses have trick or treating for local kids from 4-6 on Halloween. The library's proximity to Main Street allows us to participate in that. 140 kids stopped by the library to trick or treat and a number of them were regular patrons excited to show off their costumes to library staff. The Friends of Buckley Library purchased all the candy that was handed out.

### DuPont

- Our biggest event of the month was the Downtown DuPont trick or treating where the street outside the library is blocked off from 3-5pm on Halloween and the businesses hand out treats to all the trick-or-treaters. The Friends of DuPont Library purchased Halloween bookmarks and candy to hand out and one of the friends volunteered to help hand out the treats. We had approximately 800 people come through the doors during the two hour trick or treating event (estimated by door counts). Check out some of these costumes and the lines to get in the library!
- One of our young patrons (12 years old) approached us about doing a display concerning dyslexia as part of the Disability Awareness Month. He and his mom put together a small poster, some brochures and provided a list of books that are about dyslexia or where the main character has dyslexia (e.g. Percy Jackson) that had helped him understand and cope with his dyslexia.

### Fife

- Branch Supervisor attended the Fall Friends Connection at ACL on October 29. It was nice to be reminded of all of the programs and support the friends give system wide. She helped facilitate the brain walk exercise working through issues associated with recruiting and retention of Friends members. This is actually an issue at the forefront for Fife who is down to one active Friends member.
- Urban fiction use is on the rise as several of our new cardholders are great fans of this genre. It has however proved to have one tiny downside. When the patrons call to see what holds have arrived, often the titles contain words of questionable nature that really shouldn't be said out loud in the library especially by staff. We are working through other ways of conveying the information that their hold has arrived, usually by author.

### Graham

- Book a Librarian is going well. The adult service librarian is averaging about 2 a week and it is a great way to answer specific questions that customers are stuck on. It is a very customer-focused approach to handling people's technology questions. The set-up and take down is almost non-existent so this ends up saving about 2 hours for every class we do not teach that can be put into helping patrons.
- Two patrons came in and reported that they were able to secure employment and thanked the Librarian for his assistance helping with their resumes and interview preparation.

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### Key Center

- We are participating in the Collection Refresh Pilot. The audiobooks floating collection seems to go very well. Customers are commenting on having more variety on the audiobooks shelf. Shelves are getting full. Pulling doubles to send to Gig Harbor.
- Program on Oct. 13: The Ivan I Knew with Joyce Barr, who was keeper of the gorilla that was kept for several decades in a Tacoma shopping mall. 14 attended a very interesting evening presentation despite bad weather.

### Lakewood

- We shifted fiction to create display area using the first front facing row. Additionally, we moved Urban Fiction to the front of the collection. This is one of our most popular featured collections and it deserved a more prominent spot than where it was.

### Orting

- This has been a busy month. Our furniture arrived! We now have a new table in the Children's area that has wheels, and sofa seating in the Teen area. The week after we received the furniture, they were out putting up new slat wall. The slat wall will give us more options for displays. We now have it on the end of the Teen section, end of DVDs, and the magazine/talking book section. Staff promptly worked on getting displays up on the new endcaps. We had been looking for a better way to display the museum passes. So we moved them to the magazine endcap. They are more out in the open now. Before, they were tucked around a corner and not as visible to customers. Almost everything on our wish list is done. It is great!
- We have now had time to review if changing our story times to three days a week is working. The numbers are growing on attendance. At first we thought Wednesday would be a slow day and counts would be low for this day but it looks like it is growing.

### Outreach

- Customer Experience and Outreach renewed an annual partnership with the [Aging and Disabilities Resource Council \(ADRC\)](#) and initiated planning for joint programming for Older Americans Month (May 2017), featuring a series of screenings of the film [Being Mortal](#), followed by facilitated discussion and reflection.

### Summit

- We began delivering library promo materials to a local food bank.

### Sumner

- People still love Harry Potter! We had a successful intergenerational Halloween party on the 28<sup>th</sup> with over 70 people of varying ages (including teens!). Included: Quidditch, wand decorating, trivia, book discussion, buttons, Honey Dukes snack trolley and a selfie station. The Sumner community seems to want safe and fun Halloween options.
- Selfie stations in branch (Tardis, followed by Harry Potter Platform 9 and ¾) are popular.

### Tillicum

- At the Tillicum Neighborhood Association meeting I was able to talk about the ongoing "Get Smart" and "Get Hired" classes in the system. I reminded attendees that TIL provides "Book a Librarian." Often at these meetings I will receive comments from community members about how much they appreciate what the library does for the citizens of Tillicum and Woodbrook.

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### University Place

- Indie Author Day was a rousing success! A staff member recruited 15 authors, who participated in a live-stream event on publishing, and then had a chance to talk about their writing and sell books to an audience of over 200 guests.
- 9 performers participated in the first ever UP Open Mic Night, with an audience of approximately 40 people at its peak.

# Unfinished Business

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# MEMO



Date: December 1, 2016

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

From: Georgia Lomax, Executive Director

Subject: Trustee Vacancy Process Update

Recruitment for candidates to fill the vacancy due to the expiration of J.J. McCament's term is underway and we have begun to receive applications.

The interview committee has been confirmed. The panel includes:

- Rob Allen (Library Trustee)
- Donna Albers (Library Trustee)
- Tim Rhee (Foundation Board Member)
- Polly Bridges (Sumner Friends of the Library)
- Al Rose (Executive Director Justice Services, appointed by Pierce County Executive Pat McCarthy)

Interviews will be held January 30, 2017.

In addition to applications available in branches, the vacancy has been advertised in the following publications:

- Business Examiner
- Daily Biz Briefs
- The Bonney Lake-Sumner Courier-Herald
- The Eatonville Dispatch
- Milton-Edgewood Signal/Fife Free Press
- The News Tribune
- The Puyallup Herald
- The Peninsula Gateway

News releases were issued and information shared with local chambers of commerce, community groups and organizations, in addition to personal contacts with individuals. The Library's Facebook posting has been active and we have posted notices on many community Facebook sites.

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# MEMO



Date: December 7, 2016

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

From: Georgia Lomax, Executive Director

Subject: 2017 Budget

In December the Board of Trustees reviews the final balanced budget proposal, including the General, Capital and Special Purpose Funds.

Attached are the budget and cash flow summaries. The draft budget narrative sections provide added explanation. As we have discussed over the past months, the budget is the result of input from all staff levels and strengthens our core services and business process, particularly those deferred during the recession.

Of note:

***Special Purpose Fund (SPF):***

As mentioned in the November Board meeting, during 2017, we will not make any project expenditures from the SPF as we implement a new finance/HR system. We will transfer the funds held for the election and building/lands set asides out of the general fund balance and into the special purpose fund where they will reside as we build them for future use. No expenditures will be made from the set asides in 2017.

***Cash Flow Summaries: General Fund:***

This cash flow chart demonstrates the erosion of the Library's budget under the 1% cap, and reflects the cash flow if the Library did not reduce costs to balance the budget. (The Library's fiscal management policy requires that we adopt a balanced budget each year.) A long-term cash strategy will be developed in 2017.

During the meeting we will review the final budget proposal with you prior to the public hearing.

Based on this budget, in 2017, the cost for library service to the owner of an average valued home is \$121.

# MEMO



Date: December 7, 2016

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

From: Clifford Jo, Finance & Business Director

Subject: 2017 Budget

Attached is the 2017 budget narrative which provides added detail. The changes since November include the IPD override numbers, 2016 year end initial projections, and the full capital improvement plan of costs and revenue sources. Also included in the numbers are actions proposed to the Board to take during this meeting (e.g., transfers to Capital Improvement Fund and Special Purpose Fund).

Of particular note is how 2017 capital projects are funded in a transparent manner. While the list was reduced significantly and some items split over two years, 2017's projects still exceeded the 4% transfer. To fund the \$633,000 difference, we are proposing transparency in how available funds are identified. Earlier this year we mentioned that unallocated eRate reimbursements of \$332,000 would be received. We are proposing that these funds be called out for 2017 projects. Also, in 2016, we analyzed our cash needs for the next two years and have identified enough available funds that can be used for one-time projects and purchases. The table below shows the final funding sources for 2017 projects.

### 2017 Capital Improvement Plan Funding

2016 eRate reimbursement (already in capital fund balance):.....	\$ 332,000
2016 Available funds transferred to CIP (December 2016 transfer): .....	301,806
2017 New revenue (\$22k LWD Friends Reimb & \$30k eRate Reimb on Wi-Fi equip):.....	52,000
2017 Budgeted 4% General Fund transfer:.....	<u>1,231,194</u>
Total funds made available: .....	1,917,000
2017 Capital Improvement Plan/Budget.....	1,917,000
Net of 2017 funds available & project costs .....	\$ <u>0</u>

# BUDGET SUMMARIES

## 2017

GENERAL FUND (OPERATING BUDGET)

CAPITAL IMPROVEMENT FUND

SPECIAL PURPOSE FUND

**GENERAL FUND  
- BUDGET -**

ANNUAL BUDGET FINAL AS OF DECEMBER 1, 2016	2016 Final (12/9/15)	2017 Final (12/14/16)	\$ Change 2016 Final to 2017 Final	% Change 2016 Final to 2017 Final	Notes
<b>BUDGET SUMMARY</b>					
Use of Fund Balance/Cash Reserves	-	-	-		No cash reserves used
<b>NEW REVENUE</b>					
Taxes	\$ 28,186,541	\$ 29,322,348	\$ 1,135,807	4.03%	95.26% of revenues
Intergovernmental	15,000	15,000	-		0.05% of revenues
Charges for Services	176,000	186,500	10,500	5.97%	0.61% of revenues
Fines	550,000	500,000	(50,000)	-9.09%	1.62% of revenues
Miscellaneous	782,000	756,000	(26,000)	-3.32%	2.46% of revenues
<b>TOTAL REVENUES</b>	<b>29,709,541</b>	<b>30,779,848</b>	<b>1,070,307</b>	<b>3.60%</b>	100.00% of revenues
<b>TOTAL AVAILABLE FUNDING SOURCES</b>	<b>29,709,541</b>	<b>30,779,848</b>	<b>1,070,307</b>	<b>3.60%</b>	
<b>EXPENDITURES</b>					
Personnel	20,893,026	21,461,824	568,798	2.72%	69.73% of expenditures
Maintenance & Operations	3,895,960	4,306,030	410,070	10.53%	13.99% of expenditures
Materials	3,532,173	3,780,800	248,627	7.04%	12.28% of expenditures (12.93% of tax revenues)
Subtotal	<b>28,321,159</b>	<b>29,548,654</b>	<b>1,227,495</b>	<b>4.33%</b>	96.00% of expenditures
CONTINGENCY	-	-	-		0.00% of expenditures
TRANSFERS TO CIP	1,188,382	1,231,194	42,812	3.60%	4.00% of expenditures
TRANSFERS TO SPF	200,000	-	(200,000)	-100.00%	0.00% of expenditures
Subtotal	<b>1,388,382</b>	<b>1,231,194</b>	<b>(157,188)</b>	<b>-11.32%</b>	4.00% of expenditures
<b>TOTAL EXPENDITURES</b>	<b>29,709,541</b>	<b>30,779,848</b>	<b>1,070,307</b>	<b>3.60%</b>	100.00% of expenditures
<b>NET OF REVS &amp; EXPS</b>	<b>-</b>	<b>-</b>	<b>-</b>		0.00% of expenditures

**GENERAL FUND  
- BUDGET -**

ANNUAL BUDGET FINAL AS OF DECEMBER 1, 2016	2016 Final (12/9/15)	2017 Final (12/14/16)	\$ Change 2016 Final to 2017 Final	% Change 2016 Final to 2017 Final	Notes
<b>-----REVENUE DETAIL-----</b>					
31111 Property Taxes Current	\$ 27,294,700	\$ 28,677,357	\$ 1,382,657	5.07%	Includes IPD override
31112 Property Taxes Delinquent	818,841	558,991	(259,850)	-31.73%	Includes IPD override
31130 Sale of Tax Title Property	3,000	3,000	-		
31720 Leasehold Excise Tax	20,000	20,000	-		
31740 Timber Excise Tax	50,000	63,000	13,000	26.00%	Increased to match projected amount
33710 Shared Fixed Assets - Timber	15,000	15,000	-		
34160 Copier Fees	30,000	30,000	-		
34161 Graphics Services Charges		7,500	7,500	new	Agreement between Foundation & Communications
34162 Printer Fees	125,000	125,000	-		
34163 Fax Fees	21,000	21,000	-		
34193 Orting - Service Fees		3,000	3,000	new	Added to match anticipated actuals
35970 Library Fines	550,000	500,000	(50,000)	-9.09%	Reduced due to declining fine revenue
36110 Investment Income	5,000	15,000	10,000	200.00%	Investment rates have increased
36200 Key Pen Hlth Dept Facility Rev		1,000	1,000	new	Added to match anticipated actuals
36290 Book Sales	20,000	7,000	(13,000)	-65.00%	Book sales continue to decrease
36700 Foundation Donations	300,000	189,000	(111,000)	-37.00%	Reduced to 2017 finalized commitment
36720 Friends' Reimbursements		38,000	38,000	new	Added to match anticipated actuals
36725 Donations-Other		1,000	1,000	new	Added to match anticipated actuals
36910 Sale of Scrap and Salvage		5,000	5,000	new	Added to match anticipated actuals
36920 Unclaimed Property/Found Money		3,000	3,000	new	Added to match anticipated actuals
36991 Payment for Lost Materials	12,000	12,000	-		
36998 E Rate Reimbursement	415,000	415,000	-		Any WAVE Reimbursements will come in 2018
36999 Rebates - Procurement Card	30,000	70,000	40,000	133.33%	Increased to match projected rebates in 2017
<b>TOTAL REVENUES</b>	<b>29,709,541</b>	<b>30,779,848</b>	<b>1,070,307</b>	<b>3.60%</b>	Projected to be on track for original budgeted revenues

**GENERAL FUND  
- BUDGET -**

ANNUAL BUDGET FINAL AS OF DECEMBER 1, 2016	2016 Final (12/9/15)	2017 Final (12/14/16)	\$ Change 2016 Final to 2017 Final	% Change 2016 Final to 2017 Final	Notes
<b>----- EXPENDITURE DETAIL -----</b>					
<b>PERSONNEL</b>					
51100 Salaries & Wages	14,984,682	15,661,261	676,579	4.52%	Includes wage adjustments
51105 Additional Hours	273,883	238,300	(35,583)	-12.99%	Reduced due to hiring full time employees
51106 Shift Differential	159,882	167,525	7,643	4.78%	Follows Salaries & Wages
51107 Substitute Hours	295,500	275,400	(20,100)	-6.80%	Reduced due to adding regular employees
51109 Tuition Assistance Program	300	10,500	10,200	3400.00%	Includes Foundation & Library funding
51200 Overtime Wages	7,400	12,400	5,000	67.57%	Increased to anticipated needs
52001 Industrial Insurance	196,629	178,682	(17,947)	-9.13%	Reduced due to improved L&I rating
52002 Medical Insurance	2,289,031	2,457,067	168,036	7.34%	Includes healthcare renewal rates
52003 FICA	1,202,711	1,251,962	49,251	4.09%	Follows Salaries & Wages
52004 Retirement	1,727,914	1,800,779	72,865	4.22%	Follows Salaries & Wages
52005 Dental Insurance	219,387	231,182	11,795	5.38%	Includes healthcare renewal rates
52006 Other Benefit (Cell Phone Allowance)	10,540	10,540	-		
52010 Life and Disability Insurance	29,086	28,669	(417)	-1.43%	Includes healthcare renewal rates
52020 Unemployment Compensation	30,500	30,500	-		
52200 Uniforms	1,300	1,300	-		
<b>Total Personnel</b>	<b>21,428,745</b>	<b>22,356,067</b>	<b>927,322</b>	<b>4.33%</b>	
Reduction in salaries planning budget to match projections (4%)	(535,719)	(894,243)	(358,524)	66.92%	Increased to 4% from 2.5%
<b>Net Personnel</b>	<b>20,893,026</b>	<b>21,461,824</b>	<b>568,798</b>	<b>2.72%</b>	
<b>MAINTENANCE &amp; OPERATIONS</b>					
53100 Office/Operating Supplies	236,100	240,800	4,700	1.99%	Includes Foundation-funded programs
53101 Custodial Supplies	52,500	60,000	7,500	14.29%	
53102 Maintenance Supplies	60,200	60,200	-		
53103 A/V Processing Supplies	25,000	25,000	-		
53104 Book Processing Supplies	20,000	20,000	-		
53105 Training Supplies	-	10,700	10,700	new	Training supplies identified separately from Office Supplies
53171 Graphics Supplies Sum. Reading	-	16,500	16,500	new	Foundation/Library funded work for Summer Reading
53200 Fuel	47,000	47,500	500	1.06%	
53500 Minor Equipment	3,500	17,400	13,900	397.14%	Increased to replace misc. custodial & maintenance equipment
53501 Furnishings	35,000	127,500	92,500	264.29%	Includes routine and small furnishing projects from CIP
53502 Technology Hardware	50,000	143,300	93,300	186.60%	Includes routine and small computer projects from CIP
53505 Software Licenses/Hosting	12,100	292,500	280,400	2317.36%	Items transferred from Contracted Maintenance & Telecomm Equip
54100 Professional Services	457,750	401,840	(55,910)	-12.21%	Reduced to planned needs
54101 Legal Services	30,000	45,000	15,000	50.00%	Increased to anticipated needs

**GENERAL FUND  
- BUDGET -**

ANNUAL BUDGET FINAL AS OF DECEMBER 1, 2016	2016 Final (12/9/15)	2017 Final (12/14/16)	\$ Change 2016 Final to 2017 Final	% Change 2016 Final to 2017 Final	Notes
54102 Collection Agency	17,000	14,000	(3,000)	-17.65%	Reduced to reflect fewer being sent to collections
54161 Resource Sharing Services	19,000	15,000	(4,000)	-21.05%	
54162 Bibliographics Services	33,000	35,000	2,000	6.06%	
54163 Printing and Binding	1,500	9,000	7,500	500.00%	Includes Foundation-funded programs
54165 Inter Library Loan Lost Item Charges	2,800	2,500	(300)	-10.71%	
54200 Postage	36,600	33,800	(2,800)	-7.65%	
54201 Telephone/Data Lines	461,300	518,300	57,000	12.36%	Includes WAVE costs
54300 Travel	47,200	55,000	7,800	16.53%	Follows increases to training needs
54301 Mileage Reimbursements	30,350	35,250	4,900	16.14%	Increased to planned needs
54400 Advertising	69,500	47,400	(22,100)	-31.80%	Reduced to planned needs
54501 Rentals/Leases - Buildings	404,000	404,500	500	0.12%	
54502 Rentals/Leases - Equipment	32,400	34,600	2,200	6.79%	
54600 Insurance	200,000	233,000	33,000	16.50%	Increased to renewal premium costs
54700 Electricity	235,000	235,000	-		
54701 Natural Gas	15,000	15,000	-		
54702 Water	21,000	29,700	8,700	41.43%	Increased to projected costs
54703 Sewer	25,000	16,200	(8,800)	-35.20%	Decreased to projected costs
54704 Refuse	26,000	31,500	5,500	21.15%	Increased to projected costs
54800 General Repairs/Maintenance	231,300	236,400	5,100	2.20%	
54801 Contracted Maintenance	779,600	591,400	(188,200)	-24.14%	Some software licensing costs were moved to 53505
54803 Maint. Telecomm Equipment	31,000	10,000	(21,000)	-67.74%	Software licensing costs were moved to 53505
54900 Registrations	41,850	50,650	8,800	21.03%	Increased training opportunities
54901 Dues and Memberships	30,170	41,650	11,480	38.05%	Adjusted to reflect accurate costs
54902 Taxes and Assessments	29,500	29,500	-		
54903 Licenses and Fees	43,950	52,650	8,700	19.80%	Includes increased fees for credit card processing
54904 Miscellaneous	790	790	-		
54905 Event Registration	2,000	2,000	-		
55100 Intergovernmental	-	18,000	18,000	new	Audit scheduled for 2017
Total Maintenance & Operations	<b>3,895,960</b>	<b>4,306,030</b>	<b>410,070</b>	10.53%	Most of the increase is due to routine CIP items moved to Gen. Fund

**GENERAL FUND  
- BUDGET -**

ANNUAL BUDGET FINAL AS OF DECEMBER 1, 2016	2016 Final (12/9/15)	2017 Final (12/14/16)	\$ Change 2016 Final to 2017 Final	% Change 2016 Final to 2017 Final	Notes
<b>MATERIALS</b>					
534xx Materials	3,532,173	3,780,800	248,627	7.04%	
53401 Adult Materials	806,000	732,500	(73,500)	-9.12%	
53403 Periodicals	88,135	86,000	(2,135)	-2.42%	
53405 Juvenile Books	544,279	527,150	(17,129)	-3.15%	
53406 Professional Collection	4,200	1,500	(2,700)	-64.29%	
53407 International Collection	60,000	43,000	(17,000)	-28.33%	
53408 Audiovisual Materials - Adult	842,000	845,000	3,000	0.36%	
53409 Audiovisual Materials - Juvenile	94,000	93,500	(500)	-0.53%	
53411 Electronic Info Sources	379,068	641,700	262,632	69.28%	
53412 Reference Serials	18,000	12,000	(6,000)	-33.33%	
53413 Electronic Services	143,391	248,950	105,559	73.62%	
53414 Electronic Collection	400,100	395,000	(5,100)	-1.27%	
53464 Vendor Processing Services	153,000	154,500	1,500	0.98%	
Total Materials	<b>3,532,173</b>	<b>3,780,800</b>	<b>248,627</b>	7.04%	= 12.9% of property tax revenues
<b>TRANSFERS, SET-ASIDES, &amp; OTHER</b>					
54912 CONTINGENCY	-	-	-		
59700 TRANSFERS TO CIP	1,188,382	1,231,194	42,812	3.60%	= 4.00% of total revenue
597XX TRANSFERS TO SPF	200,000	-	(200,000)	-100.00%	Not used in 2017 until new financial system goes into production
Total Transfers	<b>1,388,382</b>	<b>1,231,194</b>	<b>(157,188)</b>	-11.32%	
<b>TOTAL EXPENDITURES</b>	<b>29,709,541</b>	<b>30,779,848</b>	<b>1,070,307</b>	<b>3.60%</b>	
<b>REVENUE LESS EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>		Balanced budget

**CAPITAL IMPROVEMENT PLAN  
- BUDGET -**

FINAL AS OF DECEMBER 1, 2016	2017 Final	2018 Est. Minimum
<b>-- FUNDING SOURCES --</b>		
<b>USE OF FUND BALANCE</b>		
Unallocated 2015 eRate reimbursements	\$ 332,000	\$ -
Available cash in General Fund transferred to CIP	301,806	-
<b>SUBTOTAL</b>	<b>633,806</b>	<b>-</b>
<b>NEW REVENUE</b>		
4% Transfer from General Fund	1,231,194	1,262,876
Lakewood Friends Reimbursement for Garden Refresh	22,000	NA
Erate Reimbursement from prior year purchases	30,000	TBD
<b>SUBTOTAL</b>	<b>1,283,194</b>	<b>1,262,876</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>1,917,000</b>	<b>1,262,876</b>
<b>-- EXPENDITURES --</b>		
<b>COMMITMENTS</b>		
UP 5,000 sq ft Expansion (10 years--2012-21)	120,000	120,000
<b>SUBTOTAL</b>	<b>120,000</b>	<b>120,000</b>
<b>SERVICE IMPROVEMENT PROJECTS</b>		
Interior Updates (\$480,000)		
Workspace updates (Summit, Admin Center/Library)	210,000	
Public Computer reconfigurations (Graham)	15,000	
Restroom and other public area remodels	180,000	
Wayfinding updates at two locations	25,000	
Front and staff doors at several locations	50,000	50,000
Carpeting (Lakewood, Parkland, Admin Center/Library)	110,000	
Exterior Updates (\$152,000)		
Roof Replacements (Bonney Lake)	100,000	
Lighting upgrades (Steilacoom)	25,000	
Garden & Frontage Improvements (Lakewood)	22,000	
Bookdrop at Gig Harbor	5,000	
<b>SUBTOTAL</b>	<b>742,000</b>	<b>50,000</b>
<b>MAJOR MAINTENANCE</b>		
Elevator Upgrades at ACL	135,000	
IBEX to BACtalk HVAC Control Replacement	85,000	
Modernize Building Alarm System Controls	30,000	30,000
<b>SUBTOTAL</b>	<b>250,000</b>	<b>30,000</b>

-- continued --

**CAPITAL IMPROVEMENT PLAN  
- BUDGET -**

**FINAL AS OF  
DECEMBER 1, 2016**

**2017  
Final**

**2018  
Est. Minimum**

-- continued --

	<u>2017 Final</u>	<u>2018 Est. Minimum</u>
<b>VEHICLES</b>		
Delivery Van	80,000	
Maintenance Van	50,000	
<b>SUBTOTAL</b>	<b>130,000</b>	-
<b>TECHNOLOGY UPDATES</b>		
PC Replacement plan	200,000	160,000
<b>SUBTOTAL</b>	<b>200,000</b>	<b>160,000</b>
<b>OTHER CAPITAL PROJECTS</b>		
Finance/HR System Replacement	150,000	350,000
Movie Tower Decommissioning	200,000	150,000
Facilities Master Plan Update	50,000	
Ground/soil study at one library	50,000	
<b>SUBTOTAL</b>	<b>450,000</b>	<b>500,000</b>
<b>TOTAL EXPENDITURES</b>	<b>1,892,000</b>	<b>860,000</b>
<b>OTHER</b>		
Contingency (Minor)	25,000	25,000
<b>GRAND TOTAL EXPENDITURES</b>	<b>1,917,000</b>	<b>885,000</b>
<b>NET OF REVENUE AND EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 377,876</b>

**SPECIAL PURPOSE FUND  
- BUDGET -**

FINAL AS OF DECEMBER 1, 2016	<u>2017 Final</u>
<b>-- FUNDING SOURCES --</b>	
<b>USE OF FUND BALANCE</b>	
None	\$ -
<b>SUBTOTAL</b>	-
<b>NEW REVENUE</b>	
None	-
<b>SUBTOTAL</b>	-
<b>TOTAL FUNDS AVAILABLE</b>	-
<b>-- EXPENDITURES --</b>	
<b>PROGRAMS</b>	
None planned for 2017	-
<b>SUBTOTAL</b>	-
<b>PROJECTS</b>	
None planned for 2017	-
<b>SUBTOTAL</b>	-
<b>TOTAL EXPENDITURES</b>	-
<b>NET OF REVENUE AND EXPENDITURES</b>	\$ -

\* Due to waiting on the implementation of a new Financial/HRIS system, projects and programs will continue in the General Fund and CIP. The Chart of Accounts needs to be implemented in the new Financial/HRIS system to provide better reporting for SPF-based items.

# CASHFLOW SUMMARIES

2017

GENERAL FUND (OPERATING BUDGET)

CAPITAL IMPROVEMENT FUND

SPECIAL PURPOSE FUND

**GENERAL FUND  
- CASH FLOW -**

FINAL AS OF DECEMBER 1, 2016	2017 Final	2018 Projected	2019 Projected	2020 Projected	2021 Projected
<b>BEGINNING FUND BALANCE (1/1 EST)</b>	\$ 7,600,000	\$ 7,600,000	\$ 7,448,336	\$ 6,613,128	\$ 5,474,302
<b>-- FUNDING SOURCES --</b>					
Use of Fund Balance (Cash Reserves)	-	-	-	-	-
Tax Revenue (Property, Harvest, Leasehold)	29,322,348	30,114,405	30,957,960	31,858,994	32,785,020
Intergovernmental (Grants, City)	15,000	15,000	15,000	15,000	15,000
Charges for Services (Graphics, Photocopy)	186,500	186,500	186,500	186,500	186,500
Fines	500,000	500,000	500,000	500,000	500,000
Miscellaneous (Interest, Donations, Salvage)	756,000	756,000	756,000	756,000	756,000
<b>TOTAL FUNDS AVAILABLE</b>	<b>30,779,848</b>	<b>31,571,905</b>	<b>32,415,460</b>	<b>33,316,494</b>	<b>34,242,520</b>
		792,057	843,555	901,034	926,026
		2.57%	2.67%	2.78%	2.78%
<b>-- EXPENDITURES --</b>					
Personnel	21,461,824	22,190,309	23,472,923	24,454,538	25,398,394
Materials (~13% of tax revenues)	3,780,800	3,903,693	4,013,355	4,130,489	4,250,873
Maintenance and Operations	4,306,030	4,366,691	4,467,772	4,537,633	4,648,665
Total Transfers (4% CIP)	1,231,194	1,262,876	1,296,618	1,332,660	1,369,701
Contingency to build cash reserves (not spent)	-	-	-	-	-
<b>TOTAL OPERATING BUDGET EXPENDITURES</b>	<b>30,779,848</b>	<b>31,723,569</b>	<b>33,250,668</b>	<b>34,455,320</b>	<b>35,667,633</b>
<b>NET OF FUNDING SOURCES LESS EXPENDITURES</b>	-	<b>(151,664)</b>	<b>(835,208)</b>	<b>(1,138,826)</b>	<b>(1,425,113)</b>
<b>-- RESTRICTED USES IN FUND BALANCE --</b>					
Operational needs to pay bills January - April (Replenished)	<b>6,648,447</b>	<b>6,819,532</b>	<b>7,001,739</b>	<b>7,196,363</b>	<b>7,396,384</b>
<b>-- UNRESTRICTED FUND BALANCE --</b>					
	<b>951,553</b>	<b>780,468</b>	<b>446,597</b>	<b>(583,235)</b>	<b>(1,922,082)</b>
Goal per Fiscal Management Policy: 2% of next year's revenues	631,438	648,309	666,330	684,850	703,956
Difference	320,115	132,159	<b>(219,733)</b>	<b>(1,268,085)</b>	<b>(2,626,038)</b>
% of next year's revenues	3.01%	2.41%	1.34%	-1.70%	-5.46%
<b>ENDING FUND BALANCE (12/31 EST)</b>	<b>\$ 7,600,000</b>	<b>\$ 7,448,336</b>	<b>\$ 6,613,128</b>	<b>\$ 5,474,302</b>	<b>\$ 4,049,189</b>
% of next year's revenues	24.07%	22.98%	19.85%	15.99%	11.50%

**CAPITAL IMPROVEMENT FUND  
- CASHFLOW -**

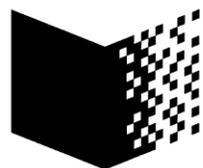
FINAL AS OF DECEMBER 1, 2016	2017 Final	2018 Est. Minimum	2019 Projected
<b>BEGINNING FUND BALANCE (1/1 EST)</b>	\$ 1,650,000	\$ 1,016,194	\$ 1,394,070
<b>-- FUNDING SOURCES --</b>			
Use of Identified Sources in Fund Balance	633,806	-	-
Transfers	1,231,194	1,262,876	1,296,618
Other new revenue	52,000	TBD	TBD
<b>TOTAL FUNDS AVAILABLE</b>	<b>1,917,000</b>	<b>1,262,876</b>	<b>1,296,618</b>
<b>-- EXPENDITURES --</b>			
Capital Improvement Plan/Projects	1,892,000	860,000	1,271,618
Contingency (Minor)	25,000	25,000	25,000
<b>TOTAL CAPITAL PROJECT EXPENDITURES</b>	<b>1,917,000</b>	<b>885,000</b>	<b>1,296,618</b>
<b>NET OF FUNDING SOURCES LESS EXPENDITURES</b>	<b>-</b>	<b>377,876</b>	<b>-</b>
<b>-- SETASIDES IN FUND BALANCE --</b>			
Contingency (Major)--replenished annually if needed	150,000	150,000	150,000
<b>ENDING FUND BALANCE (12/31 EST) excluding Major Contingency</b>	<b>\$ 1,016,194</b>	<b>\$ 1,394,070</b>	<b>\$ 1,394,070</b>
Goal per Fiscal Management Policy: 4% of gen. fund revenue	1,231,100	1,263,751	1,263,751
Difference	(214,906)	130,319	130,319
% of General Fund Revenues	3.30%	4.42%	4.30%

**SPECIAL PURPOSE FUND  
- CASHFLOW -**

FINAL AS OF DECEMBER 1, 2016	2017 Final	2018 Projected
<b>BEGINNING FUND BALANCE (1/1 EST)</b>	\$ 728,173	\$ 728,173
<b>-- RESERVED SETASIDES IN FUND BALANCE --</b>		
Future Election Cost	360,000	360,000
Future land, property, and facility needs	368,173	368,173
<b>TOTAL RESERVED SETASIDES</b>	<b>728,173</b>	<b>728,173</b>
<b>-- FUNDING SOURCES --</b>		
Use of fund balance less reserved setasides	-	-
Other revenue	-	TBD in 2017
<b>TOTAL FUNDS AVAILABLE</b>	<b>-</b>	<b>-</b>
<b>-- EXPENDITURES --</b>		
Programs	-	TBD in 2017
Projects	-	TBD in 2017
<b>TOTAL SPECIAL PURPOSE EXPENDITURES</b>	<b>-</b>	<b>-</b>
<b>NET OF FUNDING SOURCES LESS EXPENDITURES</b>	<b>-</b>	<b>-</b>
<b>ENDING FUND BALANCE (12/31 EST)</b>	<b>\$ 728,173</b>	<b>\$ 728,173</b>

Annual  
2017 Budget

Final  
December 14, 2016



Pierce County  
Library System

INFORMATION ■ IMAGINATION

Figure 0-1: GFOA Distinguished Budget Presentation Award



# PIERCE COUNTY LIBRARY SYSTEM

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## BOARD OF TRUSTEES

Rob Allen, Chair  
Donna Albers, Vice Chair  
Monica Butler  
Linda Ishem  
J.J. McCament

## BUDGET PREPARED BY DIRECTOR'S TEAM

Georgia Lomax  
Executive Director

Melinda Chesbro  
Deputy Director

Clifford Jo  
Finance & Business Director

## WITH ASSISTANCE FROM

Teresa Covington  
Applications & UX Manager

Dean Carrell  
Development Director

Kayce Austin  
Customer Experience Manager

Lorie Erickson  
Facilities Director

Chereé Green  
Staff Experience Director

Joy Kim  
Customer Experience Manager

Dale Hough  
Finance Manager

Tracey Thompson  
Collection Management Manager

Judy Nelson  
Customer Experience Manager

Stephanie Ratko  
IT Manager

(Vacant)  
Marketing &  
Community Relations Director

Jaime Prothro  
Customer Experience Manager

Meghan Sullivan  
Customer Experience Manager

## AND

Petra McBride  
Executive Assistant to the Director

## Library Locations/Hours of Operations/Phone

Library/Facility	Address	Hours of Operation				Phone
Administrative Center and Library	3005 112th Street East Tacoma, WA 98446-2215	Mon - Fri	7:30 a.m. - 5 p.m.	Sat Sun	Closed Closed	253-548-3300
Anderson Island	11319 Yoman Road Anderson Island, WA 98303	Wed only	11 a.m. - 3 p.m.			253-548-3536
Bonney Lake	18501 90th St E Bonney Lake, WA 98391	Mon - Wed Thu - Fri	10 a.m. - 9 p.m. 10 a.m. - 6 p.m.	Sat Sun	10 a.m. - 5 p.m. 1 - 5 p.m.	253-548-3308
Buckley	123 S River Ave Buckley, WA 98321	Mon - Wed Thu - Fri	11 a.m. - 8 p.m. 11 a.m. - 6 p.m.	Sat Sun	11 a.m. - 5 p.m. Closed	253-548-3310 or 360-829-0300
DuPont	1540 Wilmington Dr Dupont, WA 98327	Mon - Wed Thu - Fri	11 a.m. - 8 p.m. 11 a.m. - 6 p.m.	Sat Sun	11 a.m. - 5 p.m. Closed	253-548-3326
Eatonville	205 Center St W Eatonville, WA 98328	Mon - Wed Thu - Fri	11 a.m. - 8 p.m. 11 a.m. - 6 p.m.	Sat Sun	11 a.m. - 5 p.m. Closed	In town: 253-548-3311 Out of town: 360-832-6011
Fife	6622 20th St. E. Fife, WA 98424	Mon - Wed Thu - Fri	11 a.m. - 8 p.m. 11 a.m. - 6 p.m.	Sat Sun	11 a.m. - 5 p.m. Closed	253-548-3323
Gig Harbor	4424 Point Fosdick Dr NW Gig Harbor, WA 98335	Mon - Thu Fri	10 a.m. - 9 p.m. 10 a.m. - 6 p.m.	Sat Sun	10 a.m. - 5 p.m. 1 - 5 p.m.	253-548-3305
Graham	9202 224th St E Graham, WA 98338	Mon - Wed Thu - Fri	10 a.m. - 9 p.m. 10 a.m. - 6 p.m.	Sat Sun	10 a.m. - 5 p.m. 1 - 5 p.m.	253-548-3322
Key Center	8905 Key Peninsula Hwy N Lakebay, WA 98349	Mon - Wed Thu - Fri	11 a.m. - 8 p.m. 11 a.m. - 6 p.m.	Sat Sun	11 a.m. - 5 p.m. Closed	253-548-3309
Lakewood	6300 Wildaire Rd SW Lakewood, WA 98499	Mon - Thu Fri	10 a.m. - 9 p.m. 10 a.m. - 6 p.m.	Sat Sun	10 a.m. - 5 p.m. 1 - 5 p.m.	253-548-3302
Milton/Edgewood	900 Meridian E., Suite 29 Milton, WA 98354	Mon - Wed Thu - Fri	11 a.m. - 8 p.m. 11 a.m. - 6 p.m.	Sat Sun	11 a.m. - 5 p.m. Closed	253-548-3325
Orting	202 Washington Ave S Orting, WA 98360	Mon - Wed Thu - Fri	11 a.m. - 8 p.m. 11 a.m. - 6 p.m.	Sat Sun	11 a.m. - 5 p.m. Closed	253-548-3312
Parkland/Spanaway	13718 Pacific Ave S Tacoma, WA 98444	Mon - Thu Fri	10 a.m. - 9 p.m. 10 a.m. - 6 p.m.	Sat Sun	10 a.m. - 5 p.m. 1 - 5 p.m.	253-548-3304
South Hill	15420 Meridian E South Hill, WA 98375	Mon - Thu Fri	10 a.m. - 9 p.m. 10 a.m. - 6 p.m.	Sat Sun	10 a.m. - 5 p.m. 1 - 5 p.m.	253-548-3303
Steilacoom	2950 Steilacoom Blvd Steilacoom, WA 98388	Mon - Wed Thu - Fri	11 a.m. - 8 p.m. 11 a.m. - 6 p.m.	Sat Sun	11 a.m. - 5 p.m. Closed	253-548-3313
Summit	5107 112th St E Tacoma, WA 98446	Mon - Wed Thu - Fri	10 a.m. - 9 p.m. 10 a.m. - 6 p.m.	Sat Sun	10 a.m. - 5 p.m. 1 - 5 p.m.	253-548-3321
Sumner	1116 Fryar Ave Sumner, WA 98390	Mon - Thu Fri	10 a.m. - 9 p.m. 10 a.m. - 6 p.m.	Sat Sun	10 a.m. - 5 p.m. 1 - 5 p.m.	253-548-3306
Tillicum	14916 Washington Ave SW Lakewood, WA 98498	Mon - Wed Thu - Sat	1 p.m. - 8 p.m. 11 a.m. - 5 p.m.	Sat Sun	11 a.m. - 5 p.m. Closed	253-548-3313
University Place	3609 Market Place W., Suite 100 University Place, WA 98466	Mon - Thu Fri	10 a.m. - 9 p.m. 10 a.m. - 6 p.m.	Sat Sun	10 a.m. - 5 p.m. 1 - 5 p.m.	253-548-3307

To obtain copies of this document, please contact:

The document is available online at the Library's website:  
<http://www.piercecountylibrary.org>

Petra McBride  
 Pierce County Library System  
 3005 112th Street East  
 Tacoma, WA. 98446-2215  
 (253) 548 - 3420  
 (253) 537 - 4600 (fax)  
 pmcbride@piercecountylibrary.org

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We hope you enjoy the poetry, art, and photography from our community; they reflect creativity, tenderness, smarts, family... the thoughts and dreams of children.

# Part 1 Overview of the Budget

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**Bubbles** by Erin Williams

3rd Place 11th/12th Grade Winner of the 2016 Our Own Expressions Photography Contest

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## Budget Messages

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REPLACED IN DECEMBER

### Board of Trustees Message

---

**D**ear Pierce County Residents:

Sincerely,

Rob Allen  
Chair, Pierce County Library System Board of Trustees

REPLACED IN DECEMBER

---

## Executive Director's Message

---

Respectfully submitted,

A handwritten signature in black ink that reads "Georgia Lomax". The signature is written in a cursive, flowing style.

Georgia Lomax  
Executive Director

### Budget in a Page

The 2017 budget is hereby submitted. It is the Library's story of ongoing commitment to the community to provide services.

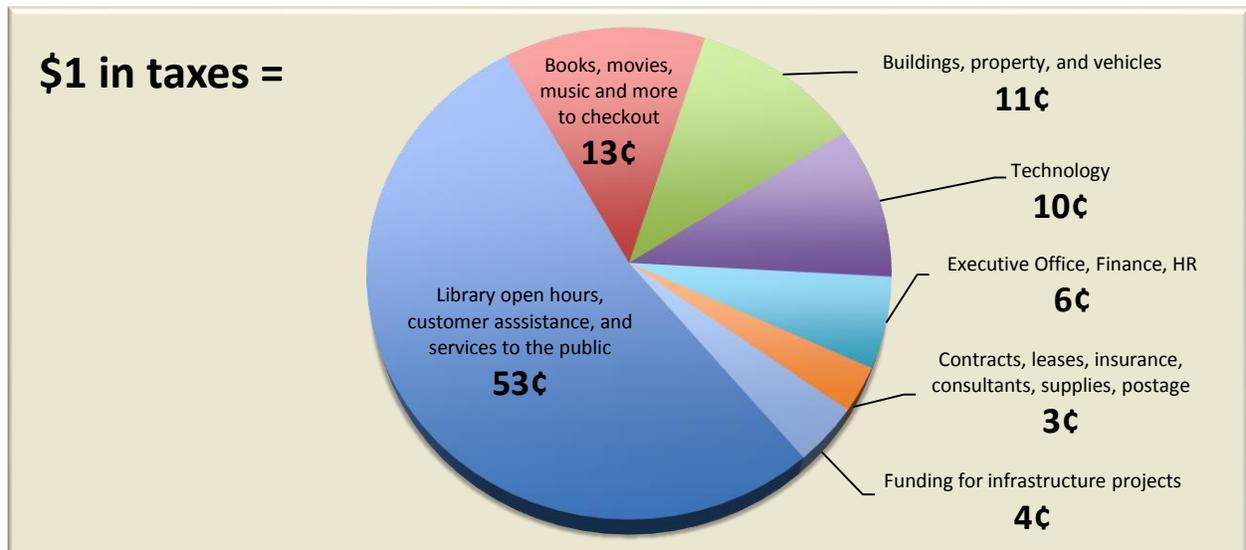
In 2016, property values of the Library's district increased by 10.33% with a corresponding year-to-year budgeted revenue increase of 3.60%. The Library's mill rate, the rate used to levy taxes on properties, dropped under its statutory limit of 50 cents per \$1,000 assessed property value and is 46.68 cents per \$1,000 assessed property value. For 2017, the Library will continue not to use cash reserves. The budget is presented as balanced by fiscal policy: source of all revenues and use of fund balances equals expenditures.

The Library's financial recovery concluded in 2016 when it reached the statutory maximum received in 2010. Beginning in 2017, property tax revenue will increase by 1% plus new construction.

In 2016, the Library conducted a Strategic Planning process that determined service priorities and outcomes for the next five years. For 2017, Library finances were positioned to support implementation of the strategic plan.

	2015 ACTUALS	2016 FINAL	2017 BUDGET
<b>OPERATING BUDGET</b>			
New Revenues .....	\$ 28,414,914.16	\$ 29,709,541	\$ 30,779,848
Use of Fund Balance .....	0.00	0	0
Total Available Funds .....	28,414,914.16	29,709,541	30,779,848
Less:			
Operating costs .....	26,836,084.12	28,321,159	29,548,654
Set-asides & Transfers .....	1,137,218.00	1,388,382	1,231,194
Total Expenditures .....	27,973,302.12	29,709,541	30,779,848
<b>Net of Revs &amp; Exps .....</b>	<b>\$ 441,612.04</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>CAPITAL IMPROVEMENT BUDGET</b>			
New Revenues .....	\$ 211,375.84	\$ 300,000	\$ 52,000
Transfers from General Fund budget ..	1,637,218.00	1,188,382	1,231,194
Use of Fund Balance .....	1,086,225.51	0	633,806
Total Available Funds .....	2,934,819.35	1,488,382	1,917,000
Less: Capital project costs .....	2,934,819.35	1,405,000	1,917,000
<b>Net of Revs &amp; Exps .....</b>	<b>\$ 0.00</b>	<b>\$ 83,382</b>	<b>\$ 0</b>
<b>SPECIAL PURPOSE BUDGET (Beginning 2016 but not used in 2017)</b>			
New Revenues .....		\$ 227,000	\$ 0
Transfers from General Fund .....		560,000	0
Use of Fund Balance .....		0	0
Total Available Funds .....		787,000	0
Less: Total Expenditures .....		267,000	0
<b>Net of Revs &amp; Exps .....</b>	<b>\$ 520,000</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>DEBT SERVICE FUND</b>			
Revenues .....	\$ 76.76	\$ 0	\$ 0
Expenditures .....	0	0	0
<b>Net of Revs &amp; Exps .....</b>	<b>\$ 76.76</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Combined Fund Balances (Cash Reserves)</b>			
<b>General, Capital Improvement, Special Purpose, and Debt Service Funds</b>			
Begin Balances, Jan 1 .....	\$ 10,661,226.84	\$ 9,863,889	\$ 10,062,143
Net of all revs, exps, transfers .....	(797,337.71)	(2,263,889)	(633,806)
End Balances, Dec 31 .....	\$ 9,863,889.13	\$ 10,062,143	\$ 9,428,337

Figure 1-1: Pierce County Library Value of \$1 in Taxes



## 2017 Combined Funds Budget

**Table 1-1: Combined Funds Budget (Expenditures)**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
General Fund (Operating) .....	\$ 27,973,302.12	\$ 29,709,541	\$ 30,779,848	3.60%
Capital Improvement Fund .....	2,934,819.35	1,405,000	1,917,000	36.44%
Special Purpose Fund (Began 2016).....	0.00	267,000	0	-100.00%
Debt Service (minor fund—unbudgeted) .....	0.00	0	0	0.00%
<b>TOTAL FUNDS BUDGET</b>	<b><u>\$ 30,908,121.47</u></b>	<b><u>\$ 31,381,541</u></b>	<b><u>\$ 32,696,848</u></b>	<b><u>4.19%</u></b>

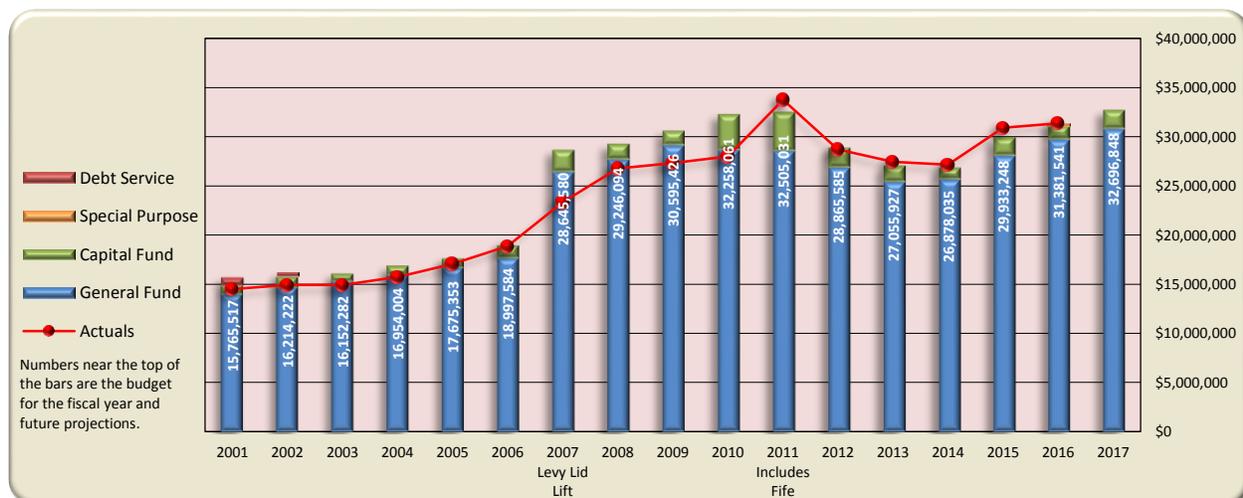
Each year, the Library plans the operating, capital, and special purpose budgets with an eye towards its mission, priorities, and fiscal responsibility. 2017 continues that excellence by creating a budget that promotes service priorities while staying within fiscal realities. For 2017, the combined funds budget is nearly \$32,700,000. The Debt Service Fund remains unused because the Library carries no debt. The capital

budget continues to vary considerably from year to year, depending on Board-approved projects. In 2016 the Library created a fund to manage expenditures for grants and donations, multi-departmental programs, set-asides, and other needs. However, its use was postponed due to replacing the electronic financial/HRIS system (EDEN) in 2017. See table and chart below for the historical combined budget.

**Table 1-2: Combined Funds Budget (2013 - 2017 Expenditures)**

	2013 <u>FINAL</u>	2014 <u>FINAL</u>	2015 <u>FINAL</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>
General Fund (Operating) .....	\$ 25,423,927	\$ 25,654,035	\$ 28,063,748	\$ 29,709,541	\$ 30,779,848
Capital Improvement Fund .....	1,632,000	1,224,000	1,869,500	1,405,000	1,917,000
Special Purpose Fund .....	0	0	0	267,000	0
Debt Service Fund .....	0	0	0	0	0
<b>TOTAL</b>	<b><u>\$ 27,055,927</u></b>	<b><u>\$ 26,878,035</u></b>	<b><u>\$ 29,933,248</u></b>	<b><u>\$ 31,381,541</u></b>	<b><u>\$ 32,696,848</u></b>

**Figure 1-2: Combined Funds Budget & Actuals**



# Part 2 General Fund

---



**Rippled Surface** by Cameron LaBorn  
2nd Place 11th/12th Grade Winner of the 2016 Our Own Expressions Photography Contest

## 2017 Operating Budget Summary

**Table 2-1: 2017 Operating Budget Summary**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>FUND BALANCE</b>				
Use of Fund Balance (cash reserves).....	\$ 0.00	\$ 0	\$ 0	0.00%
<b>TOTAL USE OF FUND BALANCE</b>		0	0	0.00%
<b>REVENUES</b>				
Taxes .....	26,852,835.10	28,186,541	29,322,348	4.03%
Intergovernmental.....	218,614.00	15,000	15,000	0.00%
Charges for Services.....	192,685.63	176,000	186,500	5.97%
Fines .....	505,401.53	550,000	500,000	-9.09%
Other <sup>1</sup> .....	645,377.90	797,000	756,000	-3.32%
<b>TOTAL NEW REVENUES</b>	28,414,914.16	29,709,541	30,779,848	3.60%
<b>TOTAL AVAILABLE FUNDS</b>	28,414,914.16	29,709,541	30,779,848	3.60%
<b>EXPENDITURES</b>				
Personnel .....	19,202,557.70	20,893,026	21,461,824	2.72%
Maintenance & Operations .....	3,763,521.91	3,895,960	4,306,030	10.53%
Materials .....	3,870,004.51	3,532,173	3,780,800	7.04%
<b>SUBTOTAL</b>	26,836,084.12	28,321,159	29,548,654	4.33%
<b>SET-ASIDES &amp; TRANSFERS</b>				
CONTINGENCY <sup>1</sup> .....	0.00	0	0	0.00%
TRANSFERS TO CAPITAL IMPROVEMENT FUND.....	1,137,218.00	1,188,382	1,231,194	3.60%
TRANSFERS TO SPECIAL PURPOSE FUND <sup>2</sup> .....	-	200,000	0	-100.00%
<b>SUBTOTAL</b>	1,137,218.00	1,388,382	1,231,194	-11.32%
<b>TOTAL EXPENDITURES</b>	27,973,302.12	29,709,541	30,779,848	3.60%
<b>NET OF REVENUES &amp; EXPENDITURES</b>	<b><u>\$ 441,612.04</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>0.00%</u></b>

## Notes:

1. The Contingency budget item is by design budgeted but not spent; the unused funds flow into the General Fund. Since 2011, the Library identifies these items explicitly in the General Fund. The Election Set-Aside was moved to the Special Purpose Fund in 2016.
2. Beginning in 2016, a Special Purpose Fund is used to manage expenditures for restricted or committed revenues for programs, projects, and set-asides. However, its use was postponed until after the new Financial/HRIS system is installed in 2017.

The summarized version of the 2017 operating budget is presented in the above table as a balanced budget where expenditures match new revenues and use of fund balance.

A detailed discussion of revenues and expenditures follows in the next two chapters.

# Revenues

## Summary of Revenues and Revenue Assumptions

**Table 2-2: Summary of all Revenues**

	2015 ACTUALS	2016 FINAL	2017 BUDGET	% CHANGE 2016 FINAL TO 2017
Taxes .....	\$ 26,852,835.10	\$ 28,186,541	\$ 29,322,348	4.03%
Intergovernmental.....	218,614.00	15,000	15,000	0.00%
Charges for Services.....	192,685.63	176,000	186,500	5.97%
Fines .....	505,401.53	550,000	500,000	-9.09%
Other <sup>1</sup> .....	645,377.90	797,000	756,000	-3.32%
<b>TOTAL NEW REVENUES</b>	<b>\$ 28,414,914.16</b>	<b>\$ 29,709,541</b>	<b>\$ 30,779,848</b>	<b>3.60%</b>

Notes:

1. Includes Foundation donations.

### Revenue Projections

The 2017 budget was developed based on returning to the 1% increase plus new construction restrictions on property tax revenue. Because 95% of the Library’s budget is derived from property tax and state law strictly regulates property tax collections, it is essential for the Library to project revenues in advance to plan spending for the current budget in light of budgets expected in future years.

By law, the Library may collect up to 50¢ for every \$1,000 of assessed property value. The Library district’s property tax rate is based on property values. The 2016 property values increased by 10.33% for 2017 tax collection. When developing future year projections, the Library projected that property values would continue to increase between 2017 and 2021.

The 10.33% increase for tax collections in 2017 exceeded projections. The Library continues to refine revenue projections for 2018–2021. A 10% annual increase is not sustainable, so the Library projects property values to increase for 2018 by around 6%. It remains unclear whether property value increases will remain stable for the next five years.

The mill rate (also known as millage) is calculated after a district’s property taxes have been assessed according

to state laws. The mill rate works in inverse: it is driven up when property values decrease, or down when property values increase. However, at no time may the district collect more than 50¢ for every \$1,000 of assessed property value. The 8.52% decline in property values for 2011 collection drove the mill rate up from 46.95¢ to 50¢. The increase in values by 10.33% in 2016 reduced the Library’s mill rate for the first time in six years, from 50¢ per \$1,000 of assessed value down to 46.62¢ per \$1,000 assessed value. Being under 50¢ means that increases to this revenue will continue to remain between 2.8% and 3.0% per year henceforth.

These projections are updated several times a year after the preliminary assessed values by the County are made available (using the Case-Shiller data). Because the Library relies on property taxes to fund most of its operations, changes in the non-property tax revenues, while important, don’t make significant impact to the bottom line. For example, should investment income decrease by \$10,000, its impact is overshadowed when property taxes increase or decrease by \$1 million. The Library takes all of these into consideration.

### 2017 Revenue Assumptions

With exception to the Foundation, budgets for some revenue line items can vary greatly from year to year and cannot be predicted with precision. These are reflected in year-end actuals and in any adjusting

budgets during the fiscal year. However, beginning in 2017, the Library will begin budgeting for some line items, such as revenue from small contractual relationships with other entities, Friends donations, and miscellaneous line items.

The Government Finance Officers Association (GFOA) Best Practices recommends analyzing revenue trends and forecasts. Although it doesn't specify how many prior years to report, for discussing 2017 revenues the starting point is set generally at or after 2002 (some begin 2001), when state law was changed to provide only 1% increase in property taxes over the previous year.

On the next page is a table showing budgeted revenues from 2012 through 2017. It provides a six-year listing of revenues (going beyond exceeding the promise to maintain the Levy Lid-Lift goals for six years). The plan was that after seven years, the Library would have strived to maintain the Levy Lid-Lift promises/goals, while taking into consideration fiscal realities. A chart on the next page is also provided to show the comparison of budget, actuals, and projections of revenues (2001 – 2022).

For 2017, total new revenues are budgeted to increase by net \$1,070,307 from 2016, a 3.60% increase, of which \$1,136,000 comes from increased property taxes offset by a decrease of 66,000 in other revenue.

Revenues other than taxes changed based on experience and trends. The Library budgets revenues from the Pierce County Library Foundation, for Fines, Interest, and other reasonably predictable revenues.

Due to the cyclical nature of revenue receipts versus the regularity of expenditures, there will be temporary shortfalls in the available operating budget (generally in April and October). To fund these shortfalls, the General Fund Balance and if necessary, an inter-fund loan from the Capital Improvement Fund will be used to finance these shortfalls. More information on this is discussed in the Cash Flow Analysis chapter (page 61).

The pie chart below shows the breakdown of revenues by category. The Library's majority of revenues from property taxes stay steady between 94% and 97%. For 2017 the proportion is 95%.

Figure 2-1: Source of Revenues

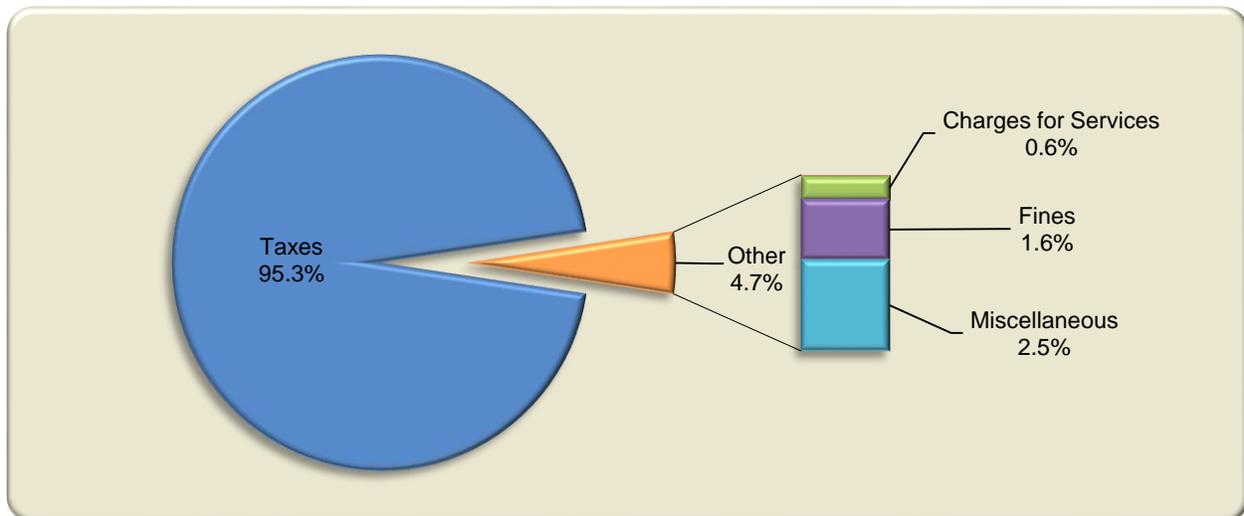


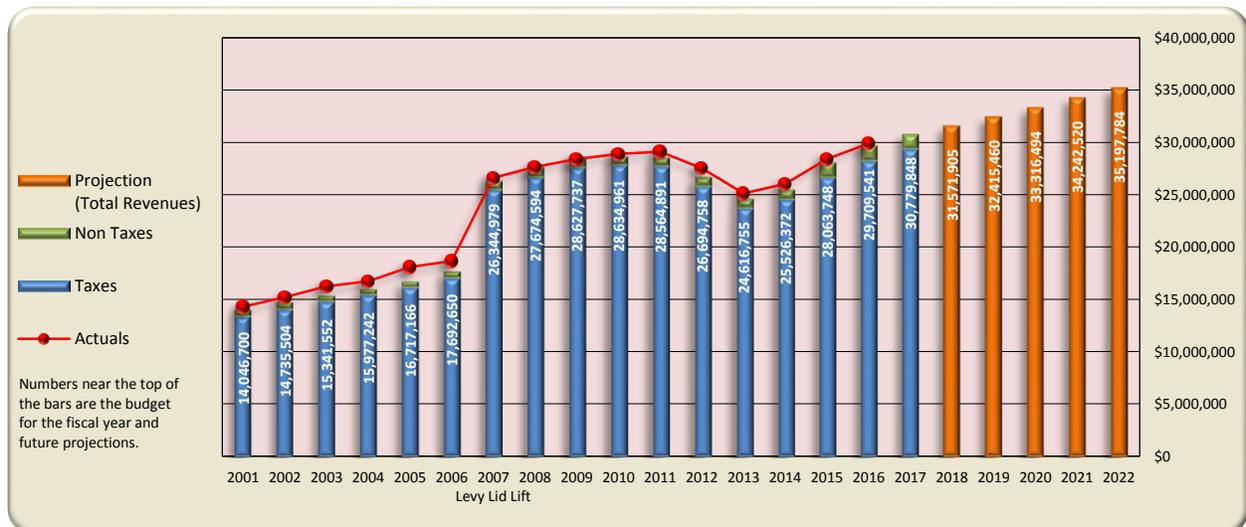
Table 2-3: 2012-17 General Fund Revenue (Final Budgets—Board Approved in December)

	2012	2013	2014	2015	2016	2017	% CHANGE
	FINAL	FINAL	FINAL	FINAL	FINAL	BUDGET	2016 TO 2017
<b>TAX REVENUES</b>							
31111 Property Taxes Current	\$ 24,708,421	\$ 22,724,764	\$ 23,502,762	\$ 25,674,805	\$ 27,294,700	\$ 28,677,357	5.07%
31112 Property Taxes Delinquent	988,337	908,991	940,110	872,943	818,841	558,991	-31.73%
31130 Sale of Tax Title Property	3,000	3,000	3,000	3,000	3,000	3,000	0.00%
31210 Private Harvest Tax	50,000	50,000	50,000	50,000	0	0	0.00%
31720 Leasehold Excise Tax	10,000	15,000	20,000	20,000	20,000	20,000	0.00%
32740 Timber Excise Tax <sup>1</sup>					50,000	63,000	26.00%
SUBTOTAL	25,759,758	23,701,755	24,515,872	26,620,748	28,186,541	29,322,348	4.03%
	-1,870,133 (-6.55%)	-2,058,003 (-7.98)	814,117 (3.43%)	2,537,376 (9.94%)	1,645,793 (5.86%)	1,135,807 (4.03%)	
<b>NON-TAX REVENUES</b>							
33300 Indirect Federal Grants	5,000	0	0	0	0	0	0.00%
33740 Shared Fixed Assets - Timber						15,000	New <sup>1</sup>
34160 Copier Fees	25,000	25,000	25,000	30,000	30,000	30,000	0.00%
34161 Graphics Services Charges						7,500	New <sup>2</sup>
34162 Printer Fees	45,000	60,000	60,000	105,000	125,000	125,000	0.00%
34163 Fax Fees				21,000	21,000	21,000	0.00%
34193 Orting – Service Fees						3,000	New <sup>2</sup>
35970 Library Fines	615,000	615,000	615,000	600,000	550,000	500,000	-9.09%
36110 Investment Income	25,000	10,000	10,000	10,000	5,000	15,000	200.00%
36200 Key Pen Hlth Dept Facility Rev						1,000	New <sup>2</sup>
36290 Book Sale Revenue	40,000	20,000	20,000	20,000	20,000	7,000	-65.00%
36700 Foundation Donations	150,000	150,000	225,500	350,000	300,000	189,000	-37.00%
36720 Friends' Reimbursements						38,000	New <sup>2</sup>
36725 Donations-Other						1,000	New <sup>2</sup>
36910 Sale of Scrap and Salvage						5,000	New <sup>2</sup>
36920 Unclaimed Property/Found Money						3,000	New <sup>2</sup>
36991 Payment for Lost Materials	25,000	25,000	25,000	12,000	12,000	12,000	0.00%
36998 E Rate Reimbursement				250,000	415,000	415,000	0.00%
36699 Rebates – Procurement Card	5,000	10,000	15,000	30,000	30,000	70,000	133.33%
39510 Sale of Fixed Assets <sup>1</sup>			15,000	15,000	15,000	0	-100.00%
SUBTOTAL	935,000	915,000	1,010,500	1,443,000	1,523,000	1,457,500	-4.30%
<b>TOTAL REVENUES</b>	<b>\$ 26,694,758</b>	<b>\$ 24,616,725</b>	<b>\$ 25,526,372</b>	<b>\$ 28,063,748</b>	<b>\$ 29,709,541</b>	<b>\$ 30,779,848</b>	<b>3.60%</b>

Notes:

1. Sales of Fixed Assets was moved to Shared Fixed Assets - Timber.
2. These line items are now budgeted; prior years they were recorded only as actuals.

Figure 2-2: Taxes & Non Taxes, Historical & Projections



Property Taxes and Other Taxes

**Taxes**  
\$ 29,322,348

**Table 2-4: 2017 Tax Revenues**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
31111 Property Taxes Current .....	\$ 26,144,599.04	\$ 27,294,700	\$ 28,677,357	5.07%
31112 Property Taxes Delinquent.....	602,576.03	818,841	558,991	-31.73%
31130 Sale of Tax Title Property .....	16,024.23	3,000	3,000	0.00%
31210 Private Harvest Tax .....	0.00	0	0	-100.00%
31720 Leasehold Excise Tax .....	19,770.52	20,000	20,000	0.00%
31740 Timber Excise Tax <sup>1</sup> .....	69,865.28	50,000	63,000	26.00%
<b>TOTAL TAXES</b>	<b>\$ <u>26,852,835.10</u></b>	<b>\$ <u>28,186,541</u></b>	<b>\$ <u>29,322,348</u></b>	<b><u>4.03%</u></b>

Notes:

1. Sales of Fixed Assets was moved to Shared Fixed Assets - Timber.

Local property taxes constitute 95.3% of total 2017 revenues. The breakdown of these taxes is provided in the above table.

The total allowable levy (Property Taxes Current) is calculated by Pierce County Office of the Assessor-Treasurer using statutory rates and limitations. See below for the preliminary calculation of the tax levy.

A history of the tax base is provided as follows:

For Year	Property Tax Base	%Change
2017	\$ 62,468,255,605	10.33% <sup>1</sup>
2016	56,619,764,586	6.27%
2015	53,277,813,749	8.81%
2014	48,964,088,146	2.94%
2013	47,566,193,799	-8.82%
2012	52,166,456,544	-6.79%
2011	55,964,407,888	-5.11%
2010	58,984,142,315	-5.00%
2009	62,085,405,469	3.34%
2008	60,077,557,821	13.37%
2007	52,990,993,065	25.02%
2006	42,385,528,523	20.00%
2005	35,306,548,741	9.25%
2004	32,318,475,182	6.39%
2003	30,377,319,365	3.84%
2002	29,255,137,258	8.25%

Notes:

The **x.xx%** is based on the final certificate issued in January 2017 over the final certificate issued in January 2016. The preliminary certificate for 2017 noted a

10.33% increase in property values, which was used for all 2017 budget decisions. The preliminary certificate does not include final assessments made between September and December. Final assessments to be made in late 2016 are projected to affect values by **+0.27%**.

This base includes the growth in assessed valuation (AV) of existing property in Pierce County and all new construction. For the 2017 fiscal year, the estimated tax base to levy is assessed at nearly \$62.5 billion, which represents a 10.33% increase from the previous year's assessed valuation. The last time the district was assessed at over \$62 billion was in 2009.

**Revenue Increases**

State law allows the Library to increase its revenues by up to 1% over the previous year, so long as it does not exceed the 50¢ per \$1,000 calculation, also set in state law. Voters restored the levy rate for 2007 to 48¢. In October 2016 the Implicit Price Deflator (IPD, another limiter) was recorded at 0.953%. If the IPD is less than 1%, to collect 1% more than the previous year (or any future year) the Board would need to override the IPD rule. During the November 2016 Board meeting, the Board determined that, due to the commitment to ensure appropriate staffing, materials, technology and technology infrastructure, and facility maintenance, there was a substantial need to pass a resolution to override the IPD and have revenues increase by 1%.

Figure 2-3: 2017 Tax Levy Calculation—Preliminary Certificate



## Pierce County

**Mike Lonergan, Assessor-Treasurer**

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TAX LEVY LIMIT 2016 FOR 2017	RURAL LIBRARY > 10,000
<b>REGULAR TAX LEVY LIMIT:</b>	<b>2015</b>
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).	28,309,882.29 1.01000 28,592,981.11
B. Current year's assessed value of new construction, improvements and wind turbines in original districts before annexation occurred time 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).	1,034,865,628 0.500000000000 517,432.81
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).	881,599,652 881,599,652 0.00 0.500000000000 0.00
<b>D. REGULAR PROPERTY TAX LIMIT (A + B + C)</b>	<b>29,110,413.93</b>
<b>ADDITIONAL LEVY LIMIT DUE TO ANNEXATIONS:</b>	
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.	29,110,413.93 62,468,255,605 0.466003310721
F. Annexed area's current assessed value including new construction and improvements times rate found in E above.	0.00 0.466003310721 0.00
<b>G. NEW LEVY LIMIT FOR ANNEXATION (D + F)</b>	<b>29,110,413.93</b>
<b>LEVY FOR REFUNDS:</b>	
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)	29,110,413.93 69,195.16 29,179,609.09
<b>I. TOTAL ALLOWABLE LEVY AS CONTROLLED BY THE LEVY LIMIT (D,G,OR H)</b>	<b>29,179,609.09</b>
J. Amount of levy under statutory rate limitation.	62,468,255,605 0.500000000000 31,234,127.80
<b>K. LESSER OF I OR J</b>	<b>29,179,609.09</b>

**New Construction**

New construction varies year to year, depending on property improvements generated by construction (such as new homes, apartments, etc.). For every \$1,000 of new construction, the Library may levy at its current levy rate (46.68¢ for 2017). State law does not apply the 1% limit for revenues received from new construction. New construction can have a significant effect on revenues, as the values can contribute between 2% and 4% of revenue growth. Because the Library is under its statutory limit of 50 cents per \$1,000 assessed valuation, revenues from new construction can be collected. Below is a breakdown that shows new construction values:

For Year	New Construction	PCLS Revenue	% of Budget
2017	\$ 1,034,865,628	\$ 517,433	1.68%
2016	859,436,358	3,609	0.00%
2015	751,513,170	0	0.00%
2014	664,868,196	0	0.00%
2013	688,832,368	0	0.00%
2012	447,391,586	0	0.00%
2011	508,485,021	0	0.00%
2010	759,965,065	408,506	1.43%
2009	1,494,356,425	660,926	2.31%
2008	1,789,938,371	859,170	3.10%
2007 <sup>1</sup>	1,769,575,840	709,401	0.00%
2006	1,519,842,131	696,437	4.09%
2005	1,092,187,309	519,261	3.22%

Notes:

1. New construction was not a factor for 2007 due to the levy lid-lift being calculated at 48¢ per \$1000 of the districts' property value.

**Calculation of Mill Rate ("Millage")**

The district's property value is used to calculate the levy rate of assessment (mill rate) of individual properties

and the amount the Library will receive for regular property taxes. The statutory limit for taxes is 50 cents per \$1,000 of assessed valuation. Recent mill rates were as follows (table at bottom includes projected mill rates):

For Year	Calculated Mill Rate
2017	\$0.4671
2016	0.5000
2015	0.5000
2014	0.5000
2013	0.5000
2012	0.5000
2011	0.5000
2010	0.4695
2009	0.4437
2008	0.4425
2007	0.4800 <sup>1</sup>
2006	0.4002
2005	0.4560

Notes:

1. Voter approved.

See projected mill rate chart below for future years. The Library estimates that the mill rate will continue to drop over the next three to four years. This will change depending on circumstances, such as permits issued, houses built, major developments, etc.

**Final Revenue Calculation for Property Taxes**

**Property Taxes Current..... \$ 28,677,357**  
**Property Taxes Delinquent ..... \$ 558,991**  
 For budget purposes the Library applies a 98% collection rate on current property taxes and nearly 2% of the forecasted collection of current taxes as delinquent taxes to be collected. The ratios were adjusted to reflect 2016's experience. Also included is \$83,000 of projected revenue added in a late December amended tax certificate.

**Table 2-5: Mill Rate Projections (2013 - 2021)**

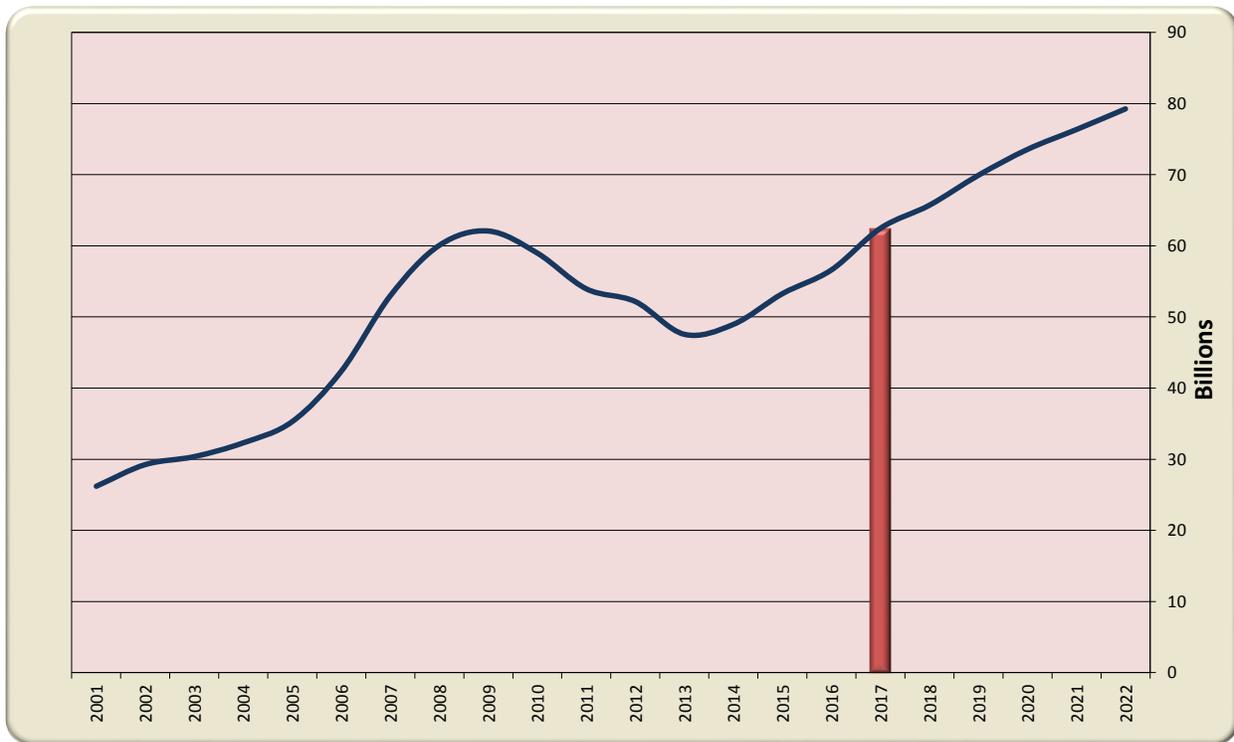
Year	Mill Rate		Assessed Value		Base Property Taxes				New Construction	
	Actual	Projected	\$ Value	Change	Actuals	Projection	Difference	Change	Actuals	Projection
2013	0.5000		47,566,193,799	-8.82%	23,783,097		(2,300,131)	-8.82%	-	-
2014	0.5000		48,964,088,146	2.94%	24,482,044		698,947	2.94%	-	-
2015	0.5000		53,277,813,749	8.81%	26,638,907		2,096,429	8.56%	-	-
2016	0.5000		56,619,764,586	6.27%	28,309,882		1,670,975	6.27%	3,609	-
<b>2017</b>	<b>0.4671</b>		<b>62,468,255,605</b>	<b>10.33%</b>	<b>29,179,609</b>		<b>869,727</b>	<b>3.07%</b>	<b>517,433</b>	
2018		0.4467	67,209,596,205	7.59%		30,028,405	848,796	2.91%		557,000
2019		0.4426	69,817,328,538	3.88%		30,907,689	879,284	2.93%		579,000
2020		0.4445	71,555,780,019	2.49%		31,809,766	902,077	2.92%		593,000
2021		0.4453	73,502,097,235	2.72%		32,736,864	927,098	2.91%		609,000

**Timber Excise Tax: .....\$ 50,000**  
 Once a major source of revenues, timber excise tax (formerly private harvest tax) steadily declined between 1998 and 2003, had a resurgence in 2004 (see following table) through 2007, and then dropped to less than half in 2008. In 2017 the Library is projected to receive approximately the same as 2016. This source of revenue is not in the Library’s control.

**Other Taxes (summarized): .....\$ 23,000**  
 Other tax collections include sale of title property and leasehold excise taxes. They are not in the Library’s control, and are not discussed in this section due to their low amounts.

<u>Year</u>	<u>Revenue</u>
2017 (estimated).....	63,000
2016 (projected) .....	63,000
2015 .....	69,865
2014 .....	76,053
2013 .....	70,214
2012 .....	70,352
2011 .....	71,846
2010 .....	35,710
2009 .....	74,516
2008 .....	66,671
2007 .....	168,198
2006 .....	133,861
2005 .....	125,977
2004 .....	109,022

**Figure 2-4: Library District Assessed Property Values (2001-Current with 5 Year Projections)**



## Non-Tax Revenues

### Intergovernmental

\$ 15,000

**Table 2-6: 2017 Intergovernmental Revenues**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
33145 LSTA Federal Direct (IMLS) .....	\$ 23,000.00	\$ 0	\$ 0	0.00%
33301 Workforce Central.....	137,068.39	0	0	0.00%
33345 LSTA Indirect (Federal IMLS) .....	7,500.00	0	0	0.00%
33403 State LSTA Direct.....	49,000.00	0	0	0.00%
33533 State Forest Funds/DNR Timber Trust .....	764.39	0	0	0.00%
33710 Shared Fixed Assets - Timber .....	1,281.22	15,000	15,000	0.00%
<b>TOTAL INTERGOVERNMENTAL</b>	<b><u>\$ 218,614.00</u></b>	<b><u>\$ 15,000</u></b>	<b><u>\$ 15,000</u></b>	<b><u>0.00%</u></b>

The Library receives certain revenues from other governmental entities, such as from grants and contracts. Unless otherwise known for the specific year, these revenues are not predictable and so the Library budgets conservatively.

**Grants..... \$ 0**  
Indirect Federal Grants are pass-through grants and come typically through the Washington State Library,

which has several grant-related programs. The Library applies for these grants throughout the year. For 2017, any revenue from indirect federal grants will be recognized at year end.

**Other Intergovernmental (summarized) ..... \$ 15,000**  
A certain amount of state-owned timber is sold every year and is distributed to the taxing districts.

### Charges for Services

\$ 186,500

**Table 2-7: 2017 Charges for Services**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
34160 Copier Fees .....	\$ 31,058.39	\$ 30,000	\$ 30,000	0.00%
34161 Graphics Services Charge .....	9,787.36	0	7,500	New
34162 Printer Fees .....	125,714.39	125,000	125,000	0.00%
34163 Fax Fees.....	22,821.61	21,000	21,000	0.00%
34193 Orting - Service Fees .....	3,240.00	0	3,000	New
34730 Interlibrary Loan Fees .....	63.88	0	0	0.00%
<b>TOTAL CHARGES FOR SERVICES</b>	<b><u>\$ 192,685.63</u></b>	<b><u>\$ 176,000</u></b>	<b><u>\$ 186,500</u></b>	<b><u>5.97%</u></b>

Library charges for services include revenue from photocopying, customers printing and faxing in the libraries, and interlibrary loan fees.

**Photocopy Fees ..... \$ 30,000**  
All libraries provide photocopiers for public use. The fee of 10¢ per copy will remain for 2017.

**Fax Fees..... \$ 21,000**  
Fax services are available and charged.

**Printer Fees ..... \$ 125,000**  
All libraries offer laser printers for customers to print from the computers. 10¢ per page is charged.

**Other Charges for Services (summarized) ... \$ 10,500**

- Foundation pays for funding the Summer Reading program but was not generally not budgeted until 2017.
- The Library provides custodial services to the mixed-used facility owned by the City of Orting.

- Interlibrary Loan Fees are fees charged between libraries for loaning each other books. The Library does not budget these but they are recognized during the mid-year budget process.

**Library Fines**  
\$ 500,000

**Table 2-8: 2017 Fines**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
35970 Library Fines .....	\$ 505,401.53 .....	\$ 550,000 .....	\$ 500,000 .....	-9.09%
<b>TOTAL FINES</b>	<b>\$ 505,401.53</b>	<b>\$ 550,000</b>	<b>\$ 500,000</b>	<b>-9.09%</b>

Library fines are received from library customers paying for overdue books and other materials, or for lost items.

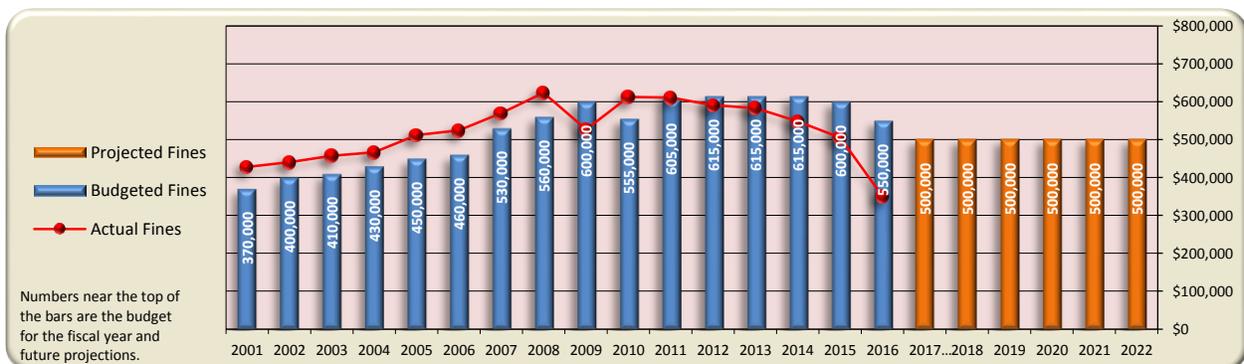
**Library Fines .....\$ 500,000**

All materials returned after the due dates are considered late and subject to fines. The daily fine for any item, whether book, DVD or other physical item is 15¢. There are no fines associated with e-books as they are automatically deleted from the customer’s e-book reader at the end of the loan period (3 weeks). The Library had a reasonably consistent trend of increases in this category (see Figure 16) through 2011. Some noteworthy events related to fines are below:

- In 2008, the Library reduced the fines for DVDs, but this did not considerably affect revenues. Also in 2008 the Library began offering customers the convenience of paying their fees online using their credit/debit cards. When this service was offered, there was no offsetting decrease noted in the total of collections in the libraries.

- To great success and to recognize the economic hardships our community was suffering, in October 2009 the Library offered a one-week Fine Amnesty Week that forgave all fines should the customer return overdue books during that week. Per the graph below, note the dip in budget for 2010; this was made on the assumption that Fine Amnesty Week would have an impact in 2010. It did not (as the red line shows); therefore the budget was restored in 2011.
- Beginning in 2012, fines have seen a declining trend, accompanying lower circulation. This is anticipated to continue and future revenue has been lowered.
- In January 2016, the Library tested a new feature that allowed checked out materials to automatically renew without customer action. This dramatically reduced fines revenues.

**Figure 2-5: Library Fines Budget & Actuals**



**Other Revenues**  
\$ 756,000

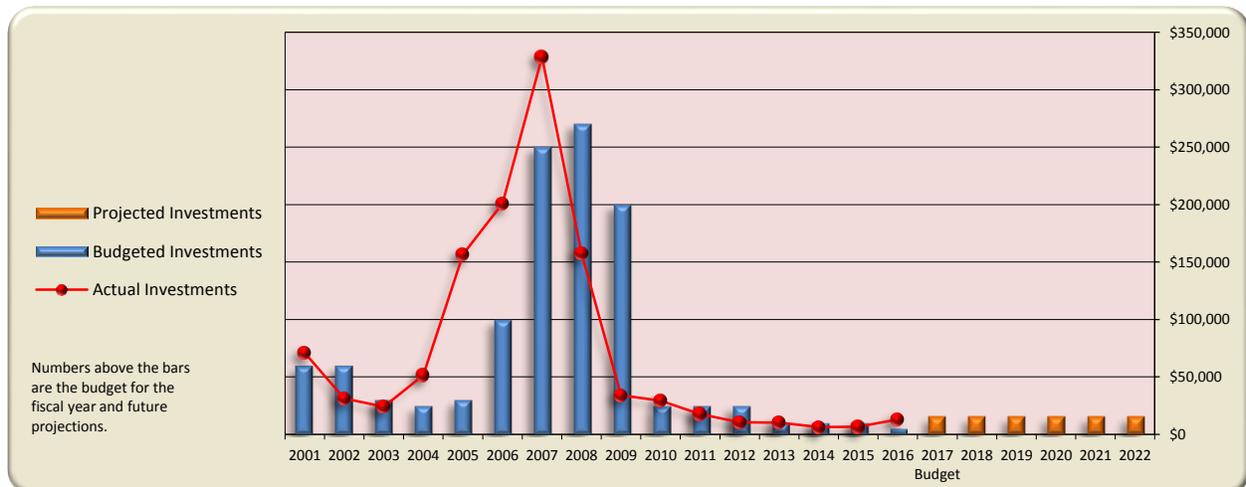
**Table 2-9: 2017 Other Revenues**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
36110 Investment Income .....	\$ 6,679.26	\$ 5,000	\$ 15,000	200.00%
36111 Interest – State Forest Fund .....	1.97			
36190 Other Interest Earnings .....	0.28			
36200 Key Pen Hlth Dept Facility Rev .....	3,294.29		1,000	New
36290 Book Sale Revenue .....	5,790.57	20,000	7,000	-65.00%
36700 Foundation Donations .....	254,980.44	300,000	189,000	-37.00%
36710 Friends' Donations .....	257.01			
36720 Friend’s Reimbursement .....	30,473.71		38,000	New
36725 Donations – Other .....	7,249.17		1,000	New
36910 Sale of Scrap and Salvage .....	9,411.15		5,000	New
36920 Unclaimed Property/Found Money .....	149.64		3,000	New
36990 Miscellaneous Revenue .....	1,119.29			
36991 Payment for Lost Materials .....	11,468.67	12,000	12,000	0.00%
36996 Jury Duty Reimbursement .....	580.00			
36997 Prior Year’s Refunds .....	8,646.36			
36998 E Rate Reimbursement .....	233,920.58	415,000	415,000	0.00%
36999 Rebates – Procurement Card .....	71,355.51	30,000	70,000	133.33%
<b>TOTAL OTHER REVENUES</b>	<b><u>\$ 757,582.06</u></b>	<b><u>\$ 782,000</u></b>	<b><u>\$ 756,000</u></b>	<b><u>-3.32%</u></b>

Other revenues include interest earned on investments and other revenues. Revenues from scrap sales of assets, Friends donations, and collection agencies are not budgeted because they cannot be reasonably predicted, but will be recorded in actuals or budget adjustments. E Rate reimbursement is budgeted revenue as reimbursements from the federal USAC/E Rate program.

**Investment Income .....\$ 15,000**  
On a weekly basis, the Library invests any substantial amounts of excess cash available after calculating the immediate expenditure needs. This line item was significantly reduced in 2012 to reflect significantly low interest rates. Beginning in 2016 interest rates began to rise again, but will hold steady for the foreseeable future at around 0.5%, up from less than 0.1%. See chart below.

**Figure 2-6: Investment Budget & Actuals**



**Book Sale Revenue ..... \$ 7,000**

The Library sends surplus books to retailers that sell materials online. A portion of the sales is forwarded to the Library. Revenues from online sales fluctuate and are budgeted accordingly.

**Foundation Donations ..... \$ 189,000**

Foundation Donations are budgeted based on funding commitments approved by the Foundation Board in the summer of 2016.

**Payment for Lost Materials..... \$ 12,000**

This includes payments made by customers for their lost/damaged materials.

**E Rate Reimbursement ..... \$ 415,000**

ERate is a federally supported program that provides substantial reimbursements to schools and libraries for network, Internet connectivity, and equipment costs. The Library has participated in ERate since 2000. The Library estimates its annual telecommunications costs and applies for the reimbursement. Because the federal program is a July 1 to June 30 calendar year, some of the increased reimbursements are not seen until the following fiscal year. For 2017, the Library anticipates similar reimbursements as the previous fiscal year.

**Rebates—Procurement Card .....\$ 70,000**

The Library will budget rebates from use of purchase/credit cards. When paying invoices, the Library makes every attempt to pay using US Bank purchase cards. When the balance is paid within 30 days, the Library receives 1% “cash back” rebates. Revenue has increased as a result of paying large invoices, such as construction projects and contracts, with purchase/credit cards.

**All Other Revenues (summarized) .....\$ 48,000**

This includes all other revenues not identified above, such as refunds, lost/damaged materials revenue, insurance settlements, jury duty fees received, Friends Reimbursements, etc.



**On the Wild Side** by Henry Stelle  
 2nd Place 7th/8th Grade Winner of the 2016 Our Own Expressions Photography Contest

## Total Budgeted Revenues

Provided below is a complete, combined listing of revenues discussed in this chapter.

**Table 2-10: 2017 General Fund Revenues (all combined)**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>TAX REVENUES</b>				
31111 Property Taxes Current .....	\$ 26,144,599.04	\$ 27,294,700	\$ 28,677,357	5.07%
31112 Property Taxes Delinquent.....	602,576.03	818,841	558,991	-31.73%
31130 Sale of Tax Title Property .....	16,024.23	3,000	3,000	0.00%
31210 Private Harvest Tax .....	0.00	0	0	-100.00%
31720 Leasehold Excise Tax .....	19,770.52	20,000	20,000	0.00%
31740 Timber Excise Tax <sup>1</sup> .....	69,865.28	50,000	63,000	26.00%
<b>TOTAL TAXES</b>	<b>26,852,835.10</b>	<b>28,186,541</b>	<b>29,322,348</b>	<b>4.03%</b>
<b>NON-TAX REVENUES</b>				
33145 LSTA Federal Direct (IMLS) .....	23,000.00			
33301 Workforce Central.....	137,068.39			
33345 LSTA Indirect (Federal IMLS) .....	7,500.00			
33403 State LSTA Direct.....	49,000.00			
33533 State Forest Funds/DNR Timber Trust .....	764.39			
33710 Shared Fixed Assets - Timber .....	1,281.22	15,000	15,000	0.00%
34160 Copier Fees .....	31,058.39	30,000	30,000	0.00%
34161 Graphics Services Charge .....	9,787.36		7,500	New
34162 Printer Fees .....	125,714.39	125,000	125,000	0.00%
34163 Fax Fees.....	22,821.61	21,000	21,000	0.00%
34193 Orting - Service Fees .....	3,240.00		3,000	New
34730 Interlibrary Loan Fees .....	63.88			
35970 Library Fines .....	505,401.53	550,000	500,000	-9.09%
36110 Investment Income .....	6,679.26	5,000	15,000	200.00%
36111 Interest – State Forest Fund.....	1.97			
36190 Other Interest Earnings .....	0.28			
36200 Key Pen Hlth Dept Facility Rev .....	3,294.29		1,000	New
36290 Book Sale Revenue.....	5,790.57	20,000	7,000	-65.00%
36700 Foundation Donations .....	254,980.44	300,000	189,000	-37.00%
36710 Friends' Donations .....	257.01			
36720 Friend's Reimbursement.....	30,473.71		38,000	New
36725 Donations – Other.....	7,249.17		1,000	New
36910 Sale of Scrap and Salvage.....	9,411.15		5,000	New
36920 Unclaimed Property/Found Money .....	149.64		3,000	New
36990 Miscellaneous Revenue .....	1,119.29			
36991 Payment for Lost Materials.....	11,468.67	12,000	12,000	0.00%
36996 Jury Duty Reimbursement.....	580.00			
36997 Prior Year's Refunds .....	8,646.36			
36998 E Rate Reimbursement .....	233,920.58	415,000	415,000	0.00%
36999 Rebates – Procurement Card .....	71,355.51	30,000	70,000	133.33%
<b>SUBTOTAL</b>	<b>1,562,079.06</b>	<b>1,523,000</b>	<b>1,457,500</b>	<b>-4.30%</b>
<b>TOTAL REVENUES</b>	<b>\$ 28,414,914.16</b>	<b>\$ 29,709,541</b>	<b>\$ 30,779,848</b>	<b>3.60%</b>

## Expenditures

### Summary of Expenditures and Assumptions

**Table 2-11: 2017 Operating Expenditure Summary**

	2015 ACTUALS	2016 FINAL	2017 BUDGET	% CHANGE 2016 FINAL TO 2017
<b>EXPENDITURES</b>				
Personnel .....	\$ 19,202,557.70	\$ 20,893,026	\$ 21,461,824	2.72%
Maintenance & Operations .....	3,763,521.91	3,895,960	4,306,030	10.53%
Materials .....	3,870,004.51	3,532,173	3,780,800	7.04%
<b>SUBTOTAL</b>	<b>26,836,084.12</b>	<b>28,321,159</b>	<b>29,548,654</b>	<b>4.33%</b>
<b>SET-ASIDES &amp; TRANSFERS</b>				
CONTINGENCY <sup>1</sup> .....	0.00	0	0	0.00%
TRANSFERS TO CAPITAL IMPROVEMENT FUND .....	1,137,218.00	1,188,382	1,231,194	3.60%
TRANSFERS TO SPECIAL PURPOSE FUND <sup>2</sup> .....		200,000	0	-100.00%
<b>SUBTOTAL</b>	<b>1,137,218.00</b>	<b>1,388,382</b>	<b>1,231,194</b>	<b>-11.32%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 27,973,302.12</b>	<b>\$ 29,709,541</b>	<b>\$ 30,779,848</b>	<b>3.60%</b>

Notes:

1. The Contingency budget item is by design budgeted but not spent; the unused funds flow into the General Fund. Since 2011, the Library identifies these items explicitly in the General Fund. The Election Set-Aside was moved to the Special Purpose Fund in 2016.
2. Beginning in 2016, a Special Purpose Fund is used to manage expenditures for restricted or committed revenues for programs, projects, and set-asides. However, its use was postponed until after the new Financial/HRIS system is installed in 2017.

**Table 2-12: Allocation of Budgeted Costs (2010 - 2017)**

	2010	2011	2012	2013	2014	2015	2016	2017
Personnel	64.2%	67.1%	69.6%	72.9%	73.4%	70.9%	70.3%	69.7%
Maintenance & Operations	10.7%	12.6%	11.4%	12.2%	12.8%	13.4%	13.1%	14.0%
Materials (books, DVDs, etc)	16.1%	16.1%	16.0%	13.0%	12.8%	12.7%	11.9%	12.3%
<b>TOTAL OPER. EXPENDITURES</b>	<b>91.0%</b>	<b>95.8%</b>	<b>97.0%</b>	<b>98.1%</b>	<b>99.0%</b>	<b>97.0%</b>	<b>95.3%</b>	<b>96.0%</b>

The operating budget consists of three major areas of operating expenditures that usually account for over 95% (see table below) of total expenditures. Personnel costs are based on the labor agreement, which is under negotiations for a new contract for 2016-2019. The June-June CPI-U for Seattle-Tacoma-Bremerton area, used for calculating the Wage Adjustment, was recorded at 1.8%, which at 90% by Union Contract translates to 1.62% for bargain unit members. Cost of medical benefits usually rises faster than inflation, at times by more than 10%. Between

2006 and 2016, the Library's contribution rate to retirement costs increased by 308%. These rates are set by the Legislature, and has had a dramatic effect on the budget. The Library anticipates that the Legislature will keep rates relatively steady for the next two to three years. (See Benefits, under Personnel section, below.)

Traditionally the Library has allocated a percentage of revenue for materials (books, music, movies, magazines, downloadable materials, etc.). In 2012 the Library conducted a comprehensive evaluation of the

materials budget, studying how it could best support what customers want. Through research on current use, customer demand and a review of related statistics and data, the Library identified how to reduce the budget by

about \$1 million, while still providing a vibrant collection. 2017's budget was increased by about \$249,000 to be at 13% of property tax revenue.

**Table 2-13: 2017 Expenditures—BARS Summary Level**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>PERSONNEL</b>				
5.11.xx Salaries & Wages.....	\$ 14,356,696.19	\$ 15,714,247	\$ 16,352,986	4.06%
5.12.xx Overtime Wages .....	16,473.98	7,400	12,400	67.57%
5.2x.xx Employee Benefits .....	4,829,387.53	5,707,098	5,990,681	4.97%
SUBTOTAL	19,202,557.70	21,428,745	22,356,067	4.33%
5.19.99 <sup>1</sup> Reduction in salaries planning budget to.....	0.00	(535,719)	(894,243)	66.92%
& 5.29.99 match projections (-2.5% in 2015 & 2016; -4% in 2017)				
SUBTOTAL	19,202,557.70	20,893,026	21,461,824	2.72%
<b>MAINTENANCE &amp; OPERATIONS</b>				
5.31.xx Supplies.....	370,745.93	393,800	433,200	10.01%
5.32.xx Fuel .....	34,448.82	47,000	47,500	1.06%
5.35.xx Small Tools and Minor Equipment.....	205,489.53	100,600	580,700	477.24%
5.41.xx Professional Services.....	500,392.78	561,050	522,340	-6.90%
5.42.xx Communications .....	466,820.93	497,900	552,100	10.89%
5.43.xx Travel .....	53,560.97	77,550	90,250	16.38%
5.44.xx Advertising .....	38,237.67	69,500	47,400	-31.80%
5.45.xx Operating Rentals/Leases .....	399,430.81	436,400	439,100	0.62%
5.46.xx Insurance .....	149,313.66	200,000	233,000	16.50%
5.47.xx Utilities.....	358,562.78	322,000	327,400	1.68%
5.48.xx Repair and Maintenance.....	992,324.75	1,041,900	837,800	-19.59%
5.49.00 Registrations & Tuition Assistance.....	44,826.60	43,850	52,650	20.07%
5.49.0x Miscellaneous .....	132,941.23	104,410	124,590	19.33%
5.51.xx Intergovernmental .....	16,425.45	0	18,000	New%
SUBTOTAL	3,763,521.91	3,895,960	4,306,030	10.53%
<b>MATERIALS</b>				
5.34.xx Materials .....	3,870,004.51	3,532,173	3,780,800	7.04%
<b>SET-ASIDES &amp; TRANSFERS</b>				
5.49.12 CONTINGENCY <sup>2</sup> .....	0.00	0	0	0.00%
5.97.00 TRANSFERS TO CAPITAL IMPROVE. FUND.....	1,137,218.00	1,188,382	1,231,194	3.60%
5.97.00 TRANSFERS TO SPECIAL PURPOSE FUND <sup>3</sup> .....		200,000	0	-100.00%
SUBTOTAL	1,137,218.00	1,388,382	1,231,194	-11.32%
<b>TOTAL EXPENDITURES</b>	<b>\$ 27,973,302.12</b>	<b>\$ 29,709,541</b>	<b>\$ 30,779,848</b>	<b>3.60%</b>

Notes:

1. Due to the personnel line item coding requirements of BARS for 5.19.xx for Salaries & Wages and 5.29.xx for Benefits, Coding for the -4% reduction must be split between 5.19.xx and 5.29.xx, hence 5.19.99 and 5.29.99.
2. The Contingency budget item is by design budgeted but not spent; the unused funds flow into the General Fund. Since 2011, the Library identifies this item explicitly in the General Fund. The Election Set-Aside was moved to the Special Purpose Fund in 2016.
3. Beginning in 2016, a Special Purpose Fund is used to manage expenditures for restricted or committed revenues for programs, projects, and set-asides. However, its use was postponed until after the new Financial/HRIS system is installed in 2017.

## Personnel

\$ \$21,461,824

**Table 2-14: 2017 Personnel Detail**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
51110 Salaries & Wages.....	\$ 13,610,105.23	\$ 14,984,682	\$ 15,661,261	4.52%
51105 Additional Hours .....	334,825.10	273,883	238,300	-12.99%
51106 Shift Differential.....	145,693.82	159,882	167,525	4.78%
51107 Substitute Hours .....	266,072.04	295,500	275,400	-6.80%
51109 Tuition Assistance Program.....	0.00	300	10,500	3,400.00%
51200 Overtime Wages .....	16,473.98	7,400	12,400	67.57%
52001 Industrial Insurance .....	155,806.39	196,629	178,682	-9.13%
52002 Medical Insurance .....	1,980,561.39	2,289,031	2,457,067	7.34%
52003 FICA .....	1,085,307.62	1,202,711	1,251,962	4.09%
52004 Retirement .....	1,384,557.50	1,727,914	1,800,779	4.22%
52005 Dental Insurance .....	197,075.49	219,387	231,182	5.38%
52003 Other Benefit .....	10,800.00	10,540	10,540	0.00%
52010 Life and Disability Insurance .....	15,237.51	29,086	28,669	-1.43%
52020 Unemployment Compensation .....	0.00	30,500	30,500	0.00%
52200 Uniforms .....	41.63	1,300	1,300	0.00%
<b>SUBTOTAL PERSONNEL</b>	<b>19,202,557.70</b>	<b>21,428,745</b>	<b>22,356,067</b>	<b>4.33%</b>
51999 <sup>1</sup> Reductions in salaries planning .....	0.00	(510,187)	(894,243)	66.92%
& 52999 budget to match projections (-2.5% in 2016, -4% in 2017)				
<b>TOTAL PERSONNEL</b>	<b>\$ 19,202,557.70</b>	<b>\$ 20,893,026</b>	<b>\$ 21,461,824</b>	<b>2.72%</b>

Notes:

- Due to the personnel line item coding requirements of BARS for 51xxx for Salaries & Wages and 52xxx for Benefits, Coding for the -4% reduction must be split between 51xxx and 52xxx, hence 51999 and 52999.

Personnel costs account for nearly 79% of expenditures and pay for staffing the Library to meet its mission and goals. The total change for 2017 from 2016 is 2.72%. The Library reduced the bottom line personnel budget to account for the realities of personnel changes through the year. While the Library budgets by position, when retirements, resignations, or terminations occur, filling the vacancies takes time and incoming employees are hired generally at lower salary steps than the departed employees. Therefore, by applying an adjustment to the personnel budget to match projections, the Library can reduce its budget without causing budget hardship. A study of budget to actual from 2002-2011 shows that on average actuals came in 5% less than budget. In 2013 and 2014 the Library applied a 3% reduction, and in 2015 it was reduced to 2.5%, which was kept for 2016. Another study was conducted in late 2016 and determined that it could be increased to 4%. The Library monitors this through the year and may make adjustments.

As part of budgeting for personnel costs for 2017, a full staffing audit was conducted to ensure that budgets for staff positions were reflected accurately.

**Salaries and Wages** ..... \$ 15,661,261  
Staffing includes all full and part-time personnel located in all locations. Salaries and Wages include Tuition Assistance.

**Additional Hours**..... \$ 238,300  
Additional hours are used to pay part-time regular staff to cover illness, vacations, and other staffing needs.

**Substitute Hours** ..... \$ 275,400  
Substitute hours are used to pay individuals who are “on-call” and have no regularly assigned hours to cover illness, vacations, and other staffing needs.

**Shift Differential .....\$ 167,525**

Union employees who work Sunday hours are paid at 1.5 times their regular non-Sunday wages. The amount is estimated each year.

**Overtime .....\$ 12,400**

Overtime costs are established by Managers for emergency or unusual situations that require an hourly employee to work beyond the 40-hour workweek. Library management keeps overtime costs low but increased it for 2017.

**Benefits .....\$ 5,990,681**

Benefits as a category include medical and dental costs, retirement, payroll taxes, and unemployment insurance.

The 2016 Legislature passed retirement rates for 2017 and 2018 (July-June) at 12.52%. Rates can and have had a major impact on the Library’s budget. The following shows historic and projected contribution rates:

July 2018 - June 2019: 12.520%

**July 2017 - June 2018: 12.520%**

**July 2016 - June 2017: 11.180%**

July 2015 - June 2016: 11.180%

July 2014 - June 2015: 9.210%

July 2013 - June 2014: 9.210%

July 2012 - June 2013: 7.250%

July 2011 - June 2012: 7.250%

July 2010 - June 2011: 5.310%

July 2009 - June 2010: 8.310%

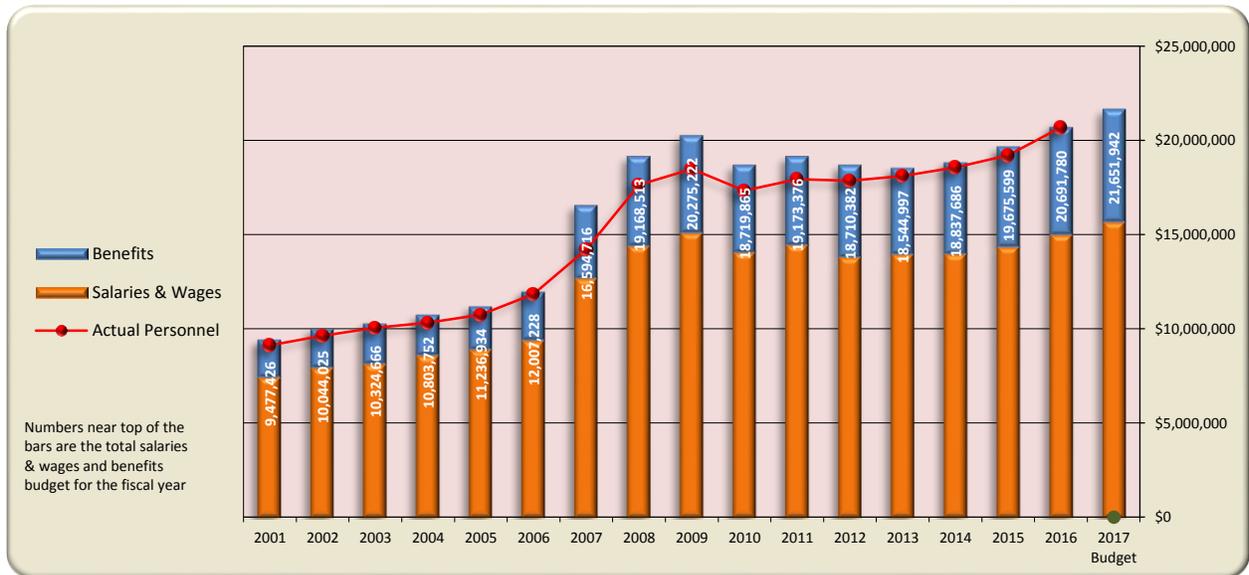
July 2008 - June 2009: 8.310%

July 2007 - June 2008: 5.940%

July 2006 - June 2007: 3.065%

Provided below is a chart that shows the historical budgeting and actual of the personnel costs for the Library.

**Figure 2-7: Personnel Budget & Actuals**



## Library Staffing

**Table 2-15: Budgeted Library Staffing**

DEPARTMENT FTE STAFFING <sup>1</sup>	2015 FINAL	2016 FINAL	2017 BUDGET	2017 FTEs w/ MLS/MLIS <sup>2</sup>
Executive Office .....	5.00	4.00	5.00	2.00
Collection Management .....	28.78	28.00	23.20	6.00
Customer Experience .....	183.70	188.81	190.16	48.40
Communications .....	5.85	5.60	5.60	
Facilities Management .....	19.85	20.51	27.46	
Finance .....	6.00	6.00	6.00	
Fund Development .....	2.75	2.80	2.80	
Information Technology .....	12.20	17.00	18.00	
Staff Experience .....	4.80	4.80	6.00	
<b>TOTAL FTE COUNT .....</b>	<b><u>268.93</u></b>	<b><u>277.52</u></b>	<b><u>284.22</u></b>	<b><u>56.40</u></b>
Change in personnel by FTE from previous year	2.29	8.59	6.70	0.40
	0.86%	3.19%	2.41%	0.71%

Notes:

1. See chapter on department narratives for a breakdown of budgets by department.
2. MLS or MLIS: Masters of Library Science or Library Information Science graduate degree, a requirement to hold the title "Librarian".

The Library maintains a workforce of fulltime and regular part-time employees with regularly assigned hours that calculate into fulltime equivalent (FTEs) employees, where 1 FTE equates to 40 hours per workweek and may be spread over one or more employees. The Library also maintains a substitute, on-call workforce with no regularly assigned hours (similar to schools). FTEs are found in the above table and in the chapter on department narratives.

### Changes in Overall Staffing (2012-2017)

2012 Facing a \$1.9 million shortfall, the Library extensively reorganized management and also administrative reductions (most in the way of eliminating open positions), which ended in minimal staff layoffs in front-line positions. The budgeted reduction in staffing was -5.08 FTEs. Further reductions were avoided due to creating a workforce for the new Fife Library using employees who otherwise would have been laid off.

2013 The Library faced its largest budget reduction to date at \$3 million. As part of its planning strategy, the Library filled most vacancies during 2012 as temporary positions that could be eliminated at the end of the year as needed to meet necessary budget reductions. Several positions were

eliminated when bookmobile service was ended in November 2012.

2014 The Library reduced 1.5 FTEs as part of implementing efficiencies in the Finance and Staff Experience Departments. Hours or positions were added in other departments to maintain or increase service needs.

2015 No major staffing changes occurred.

2016 FTE levels remained stable. The Strategic Planning project will drive future staffing adjustments and priorities.

2017 A comprehensive staffing audit was conducted in 2016 to ensure that all staff and their FTEs were accounted for in the budget. Minor adjustments were made.

## Maintenance & Operations

\$ 4,306,030

**Table 2-16: 2017 Maintenance & Operations Detail**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
53100 Office/Operating Supplies .....	\$ 243,437.96	\$ 236,100	\$ 240,800	1.99%
53101 Custodial Supplies .....	54,892.67	52,500	60,000	14.29%
53102 Maintenance Supplies .....	36,030.98	60,200	60,200	0.00%
53103 A/V Processing Supplies .....	16,279.96	25,000	25,000	0.00%
53104 Book Processing Supplies .....	20,104.36	20,000	20,000	0.00%
53105 Training Supplies .....			10,700	New
53171 Graphics Supplies Sum. Reading .....			16,500	New
53200 Fuel .....	34,448.82	47,000	47,500	1.06%
53500 Minor Equipment .....	19,812.95	3,500	17,700	397.14%
53501 Furnishings .....	91,138.79	35,000	127,500	264.29%
53502 Technology Hardware .....	71,860.79	50,000	143,300	186.60%
53505 Software Licenses/Hosting .....	22,677.00	12,100	292,500	2,317.36%
54100 Professional Services .....	378,685.13	457,750	401,840	-12.21%
54101 Legal Services .....	53,278.61	30,000	45,000	50.00%
54102 Collection Agency .....	18,774.08	17,000	14,000	-17.65%
54161 Resource Sharing Services .....	13,021.20	19,000	15,000	-21.05%
54162 Bibliographics Services .....	34,987.07	33,000	35,000	6.06%
54163 Printing and Binding .....	0.00	1,500	9,000	500.00%
54165 Inter Library Loan Lost Item Charges .....	1,646.69	2,800	2500	-10.71%
54200 Postage .....	25,101.47	36,600	33,800	-7.65%
54201 Telephone/Data Lines .....	441,719.46	461,300	518,300	12.36%
54300 Travel .....	23,457.11	47,200	55,000	16.53%
54301 Mileage Reimbursements .....	30,103.86	30,350	35,250	16.14%
54400 Advertising .....	38,237.67	69,500	47,400	-31.80%
54501 Rentals/Leases - Buildings .....	374,286.48	404,000	404,500	0.12%
54502 Rentals/Leases - Equipment .....	25,144.33	32,400	34,600	6.79%
54600 Insurance .....	149,313.66	200,000	233,000	16.50%
54700 Electricity .....	256,973.67	235,000	235,000	0.00%
54701 Natural Gas .....	10,448.47	15,000	15,000	0.00%
54702 Water .....	27,390.71	21,000	29,700	41.43%
54703 Sewer .....	31,421.60	25,000	16,200	-35.20%
54704 Refuse .....	32,328.33	26,000	31,500	21.15%
54800 General Repairs/Maintenance .....	262,579.82	231,300	236,400	2.20%
54801 Contracted Maintenance .....	728,744.93	779,600	591,400	-24.14%
54803 Maint. Telecomm Equipment .....	374,286.48	31,000	10,000	-67.74%
54900 Registrations .....	1,000.00	41,850	50,650	21.03%
54901 Dues and Memberships .....	42,267.88	30,170	41,650	38.05%
54902 Taxes and Assessments .....	37,153.00	29,500	29,500	0.00%
54903 Licenses and Fees .....	30,608.77	43,950	52,650	19.80%
54904 Miscellaneous .....	65,135.75	790	790	0.00%
54905 Event Registration .....	43.71	2,000	2,000	0.00%
55100 Intergovernmental .....	2,558.72	0	18,000	New
<b>Total Maintenance &amp; Operations</b>	<b>\$ 3,763,521.91</b>	<b>\$ 3,895,960</b>	<b>\$ 4,306,030</b>	<b>10.53%</b>

The following descriptions are based on the BARS summarized categories and not the complete line item breakdowns as presented in the table above, which is a complete listing of all line items. See the BARS Summary Table presented at the beginning of this chapter.

**Supplies .....\$ 433,200**

The Supplies category includes office and operating supplies, custodial supplies, maintenance supplies, materials processing supplies, audiovisual and book processing supplies, supplies for the Summer Reading Program, and audio/visual replacement parts. The amount budgeted is 10.0% more than budgeted last year, due to increased needs for 2017.

**Fuel.....\$ 47,500**

Fuel consists of charges for gasoline, diesel, and propane. Fuel budget remains slightly increased from 2016.

**Smalls Tools & Minor Equipment.....\$ 580,700**

Minor equipment includes furniture, computers, printers, scanners, and software. This category increased by 477.2%, due to shifting some software licenses that were in Repair and Maintenance, and moving routine purchases that were in the Capital Improvement Plan to the operating budget.

**Professional Services .....\$ 522,340**

This category includes services provided by a private business or agency. In addition to the services of attorneys, accountants, and consultants, it includes software consultants, interpreters, trainers, and maintenance-related services, etc. This decreased by 6.9%.

**Communications.....\$ 552,100**

Communications include all Library mailings (postage, Federal Express, UPS, courier services); voice communication service (monthly service and long distance, TDD, and cellular); costs associated with the high speed network lines connecting all Library computers together and to the Internet; leased telephone lines used in support of Internet access; and costs associated with having landline phone lines for security alarm monitoring. Communications increased by 10.9% due to adding in WAVE telecommunications costs.

The Library annually applies for E-rate reimbursements for network connectivity costs, including Internet services. The Library receives reimbursement for about 80% of overall connectivity costs from the Federal E-rate program either as direct reimbursement or applied

to telecommunication provider’s monthly statements. E-rate reimbursements are projected to be similar to 2016.

**Travel .....\$ 90,250**

This includes reimbursement to employees and Board of Trustees for use of personal automobiles on Library business and travel expenses associated with attendance at training and continuing education events, conferences, and seminars. The budget is 16.4% more.

*A Lament of Renowned Poets*

What Shakespeare, Poe, Longfellow and Surrey  
Have all in common: poetry so fine,  
Which causes thoughts like this to come my way:  
“If only all their poetry was mine.”  
My anger grows with every line I read.  
“How did they write such thought-provoking things?”  
Their only role is to my envy feed,  
For envy and contempt is all this brings.  
But I have skills I’m sure they wished they had.  
For instance, I doubt Poe could dance like me.  
Though smart and learned, Shakespeare’s math was bad.  
Perhaps I should a bit more grateful be.  
Since I have talents I must not forget,  
My lack of other skills I won’t regret.

\_\_\_\_\_  
**Nathan Lawty**  
Covenant High School

**2016 Our Own Expressions**  
**9th & 10th Grade Poetry Winner—3rd place**

**Advertising .....\$ 47,400**

This includes newspaper advertising for library activities, advertising employee and Board of Trustees vacancies, requests for bids, and other marketing. The amount budgeted decreased by -31.8%.

**Operating Rentals/Leases .....\$ 439,100**

This includes leases of the remaining fleet of copy machines, and leases for the DuPont Library and Milton/Edgewood Library, and UP Library condominium agreement costs. The amount budgeted increased by 0.6%.

**Insurance .....\$ 233,000**

This includes all insurance for the Library’s real and personal property, vehicles, fidelity, errors and omissions, employment practices, umbrella plan, commercial crime, cybercrime, differences in conditions, earthquake and underground storage tanks. Budget for insurance increased by 16.5% Coverage remains the same as 2016.

**Utilities .....\$ 327,400**  
 Utilities include electricity, natural gas, water, sewer, and refuse collection for all Library facilities. In 2003, the Facilities Management Department implemented significant energy conservation projects throughout the system, which continue to result in dramatic year-to-year offsets of significant rate increases. The amount budgeted is 1.7% more than 2016.

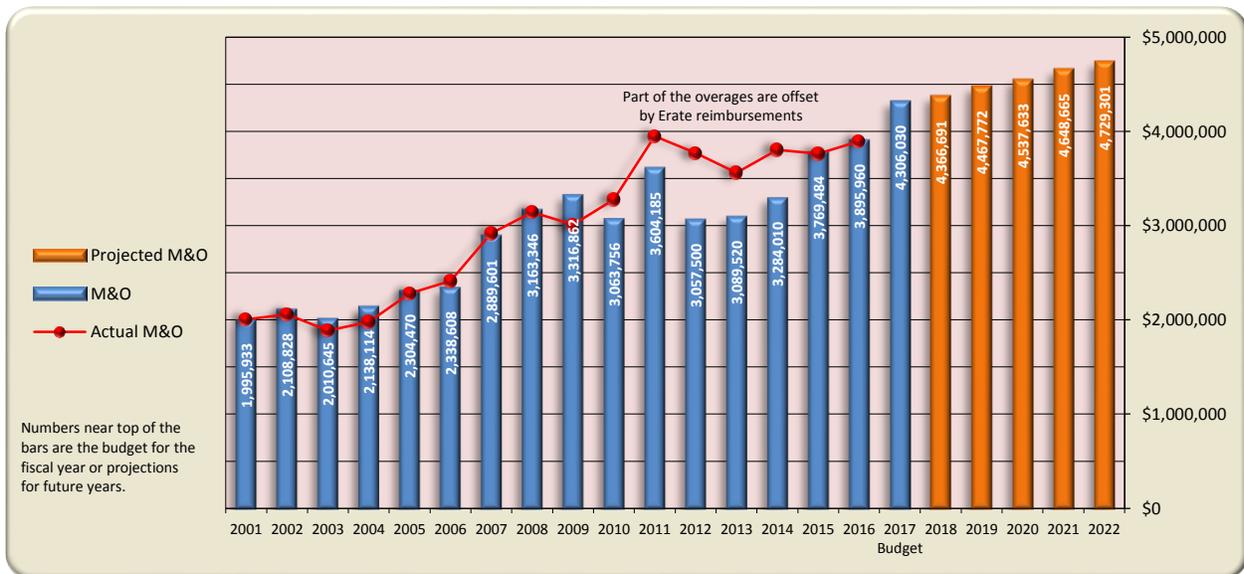
**Repair & Maintenance .....\$ 837,800**  
 This category includes commercial repair of the Library’s office equipment; fees for the maintenance and service contracts for the Polaris Integrated Library System (ILS) software and related hardware; telecommunications system, personal computer and peripheral maintenance, elevator service, heating, ventilation and air conditioning preventive maintenance; and unscheduled commercial repairs, septic tank cleaning, and pest control. The budget decreased by -19.6%, mainly due to shifting software costs to Small Tools & Minor Equipment.

**Training .....\$ 52,650**  
 Training includes non-travel costs for attendance at classes, seminars, and conferences. The Library increased the budget by 20.0% to increase training for staff.

**Intergovernmental.....\$ 18,000**  
 This category includes costs associated with fees paid to other governmental agencies. The amount budgeted is for the next biennial audit scheduled to be conducted in late 2017.

**Miscellaneous.....\$ 124,590**  
 This category includes memberships in ALA, WLA, and PNLA, and dues for local Chambers of Commerce and other groups; sales tax payable on photocopies/printers and graphics sales, use tax on out-of-state purchases, and sewer assessments/surface water management fees. It also includes fees for driving records requests, bad debt expenses/bank fees, and charges associated with the collection of fines, and other charges at the branches. This category increased by 19.3%.

**Figure 2-5: Maintenance & Operations Budget & Actuals**



## Books, Movies, Music, and Downloadables (Materials)

\$ 3,780,800

**Table 2-17: 2017 Materials Detail**

		2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
53401	Adult Materials .....	\$ 3,869,233.98	\$ 806,000	\$ 732,500	-9.12%
53403	Periodicals.....	763,486.54	88,135	86,000	-2.42%
53405	Juvenile Books.....	77,175.23	544,279	527,150	-3.15%
53406	Professional Collection.....	515,958.44	4,200	1,500	-64.29%
53407	International Collection .....	3,915.97	60,000	43,000	-28.33%
53408	Audiovisual Materials - Adult.....	21,345.44	842,000	845,000	0.36%
53409	Audiovisual Materials - Juvenile.....	996,767.46	94,000	93,500	-0.53%
53411	Electronic Info Sources.....	369,817.51	379,068	641,700	69.28%
53412	Reference Serials.....	12,127.73	18,000	12,000	-33.33%
53413	Electronic Services .....	151,135.78	143,391	248,950	73.62%
53414	Electronic Collection .....	682,616.97	400,100	395,000	-1.27%
53464	Vendor Processing Services .....	187,833.95	153,000	154,500	0.98%
53499	Gifts - Materials.....	770.53	0	0	0.0%
<b>TOTAL MATERIALS</b>		<b>\$ 3,870,004.51</b>	<b>\$ 3,532,173</b>	<b>\$ 3,780,800</b>	<b>7.04%</b>

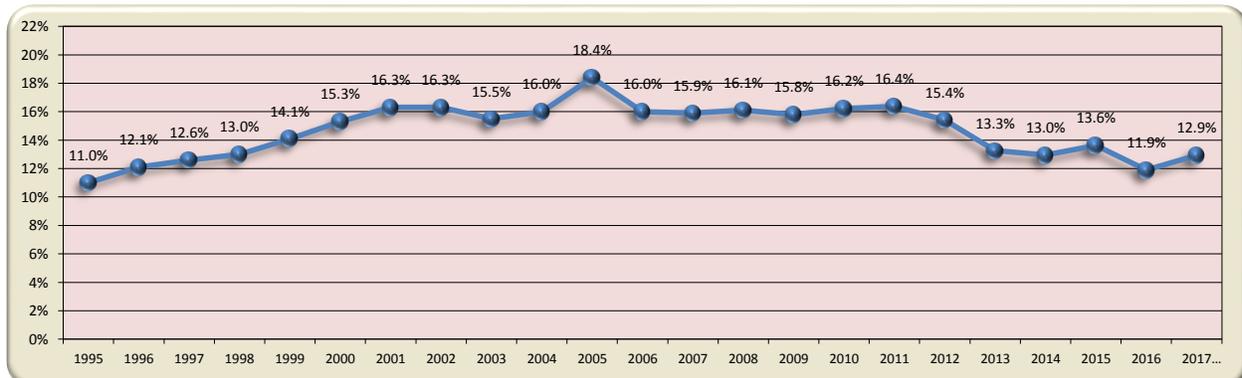
Pierce County Library System provides a wealth of materials for its customers to read, view and listen to. Books, movies, music, magazines, eBooks and more are carefully selected from a variety of sources. Staff get to know the interests and needs of each community so branch collections are customized to support the unique interests of their customers.

collection with breadth and depth of interest. For 2013, the Library conducted a comprehensive study of the Materials it buys, how much it spend on each and how purchased items are used. Each branch was reviewed holistically, balancing the need for books, computers, gathering spaces, quiet reading corners and meeting rooms.

Prior to 2013 the Library had allocated 16% of new revenues for the materials budget. Using customer-driven priorities and a zero-based budget technique, a staff committee was able to reduce the materials budget for 2013 by \$1 million while preserving a vibrant

For 2017, the Materials budget was increased to be closer to 13% of property tax revenue. Figure 2-6 below shows the historical funding of Materials as a percentage of each year's new revenues.

**Figure 2-6: Materials Budget History (Actuals 1995 - 2015)**



The spike in the 2005 Materials budget is due to a carrying forward of unexpected 2004 unexpended funds (the catalog system replacement project delayed purchasing and receipt of materials).

Figure 2-7: Materials Expenditures Per Capita History (Actuals 1995 - 2015)

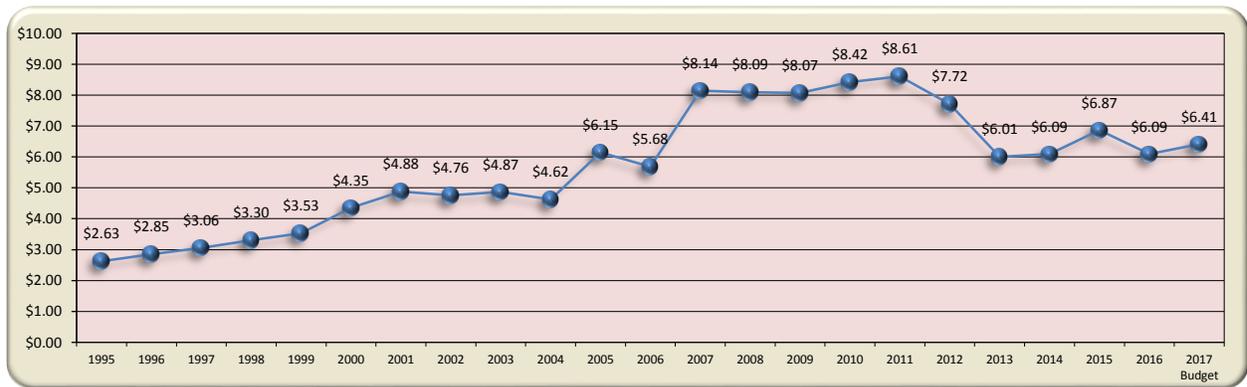
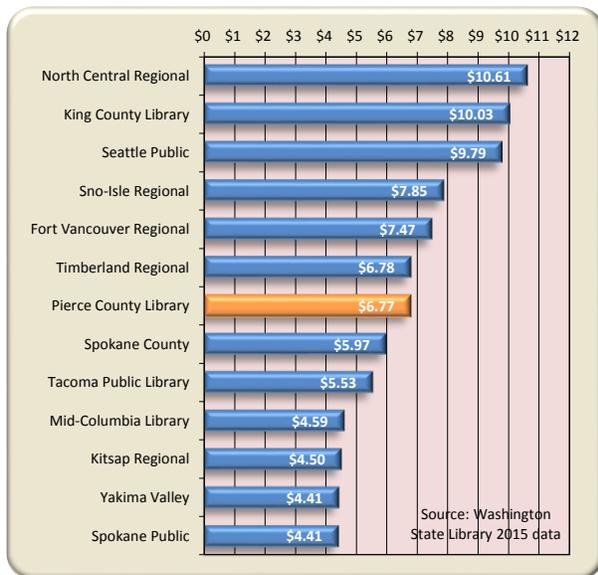


Figure below shows PCLS’s Materials budget per capita, which is an effective measure of our focus on our collection. The figure at right gives a comparison of our budget along with that of other local libraries. PCLS is 7th out of the 13 regional libraries for the second year in a row. The 2017 materials expenditure per capita is estimated to be \$6.41 per capita.

increased the budget to be closer to 13% of property tax revenue.

Figure 2-8: Materials Expenditures Per Capita Comparison (2015)



In 2012 the Library was reported as third among the above libraries, at \$7.64 per capita. Due to the impact of materials budget reductions incurred during the recession, in 2015 the Library remained in the middle at \$6.77 per capita.

Beginning in 2017, the Library returned to a percentage of revenues to fund purchase of materials, and

*The Ordinary Woman*

Mundane is going to grocery store;  
Everyone can do it, so is my Aunt;  
But it makes one very special indeed.

What shall we have for lunch, dinner, and breakfast?  
Plans she ahead for the day, for the week.  
Mundane is going to grocery store.

Costco and Winco, Hong Kong then H-mart;  
Meat, lettuce, fish, the forgettable salt.  
They make a person so special indeed.

Take the rice paper, for Uncle likes spring rolls;  
Also, buy veggie food for Full Moon day.  
Mundane is going to grocery store.

Early Sunday morning: boiled meat smell filled,  
Clunking utensils, sink full, hurried steps.  
They make a person so special indeed.

“No big deal,” says Aunt, “just ordinary.”  
True: mundane is go to grocery store;  
But it makes one very special indeed.

**Bao Nguyen**  
Curtis Senior High School

**2016 Our Own Expressions**  
**11th & 12th Grade Poetry Winner—1st place**

Other Set-Asides & Transfers

\$ 1,231,194

Table 2-18: 2017 Other Expenditures, Set-Asides, and Transfers

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
CONTINGENCY <sup>1</sup> .....	\$ 0.00 .....	\$ 0 .....	\$ 0 .....	0.00%
TRANSFERS TO CAPITAL IMPROVEMENT FUND ...	1,137,218.00 .....	1,188,382 .....	1,231,194 .....	3.60%
TRANSFERS TO SPECIAL PURPOSE FUND <sup>2</sup> .....	.....	200,000 .....	0 .....	-100.00%
<b>TOTAL SET-ASIDES &amp; TRANSFERS</b>	<b>\$ 1,760,245.00</b>	<b>\$ 1,388,382</b>	<b>\$ 1,231,194</b>	<b>-11.32%</b>

Notes:

1. The Contingency budget item is by design budgeted but not spent; the unused funds flow into the General Fund. Since 2011, the Library identifies these items explicitly in the General Fund. The Election Set-Aside was moved to the Special Purpose Fund in 2016.
2. Beginning in 2016, a Special Purpose Fund is used to manage expenditures for restricted or committed revenues for programs, projects, and set-asides. However, its use was postponed until after the new Financial/HRIS system is installed in 2017.

**Contingency..... \$ 0**

The Library uses contingency as a floating variable to calculate cash-solvency to pay April’s bills two fiscal years ahead. Having set-aside enough in unrestricted reserves, and given that the Library’s budget is decreasing, no cash needs to be set-aside to cover cash flow shortfalls. For 2017, this means that enough restricted funds are available to plan for paying April 2017’s bills. The Library’s goal is to maintain at least 2% cash-to-revenues in the unrestricted fund balance, and this line item will be used when restricted funds need to be replenished.

**Transfers to Capital Improvement Fund..... \$ 1,231,194**

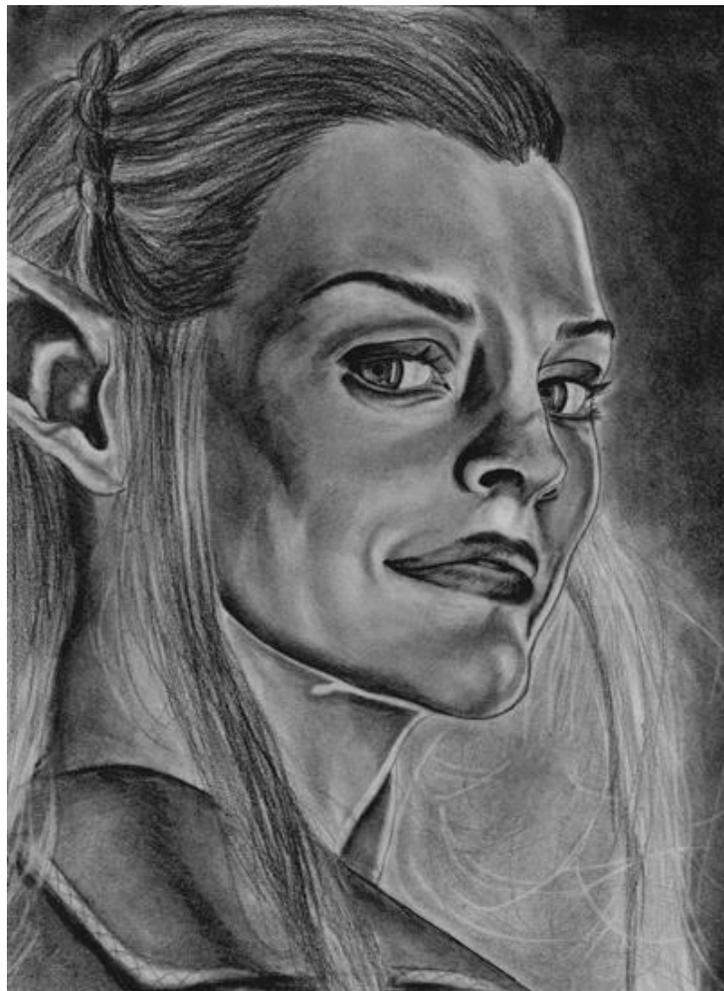
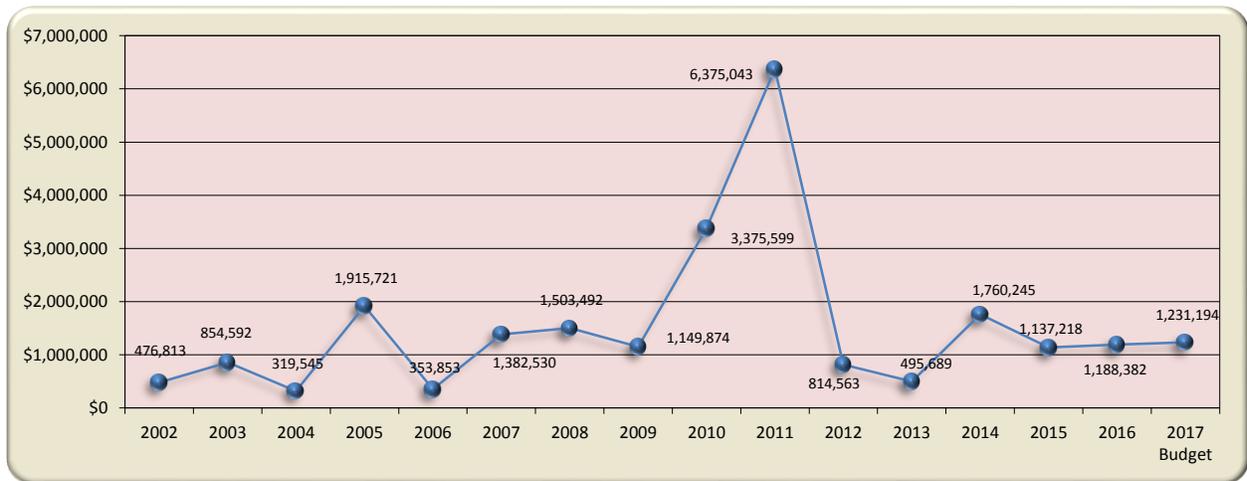
Some funding for the Capital Improvement Plan comes from transferring funds out of the operating budget. From 2011 to 2014 the Library reduced the capital fund transfer to offset further reductions of services. In 2015 the Capital transfer was restored to the original 3% of revenues to pay for anticipated capital improvement projects. After a comprehensive exam of current and future needs, the transfer was increased to 4% for 2016 and remains at 4% for 2017. Below shows capital transfer history since 2002.

**Transfers to Special Purpose Fund ..... \$ 0**

In 2016 the Library created a special purpose fund for its restricted and committed revenues. These programs, projects, and set-asides have well-defined activities and are distinct from general operations and capital improvements. An initial transfer to provide resources to the fund was deemed necessary for 2016; however, use of the Special Purpose Fund was postponed until after the new Financial/HRIS system is installed in 2017.

In the future, the fund will be funded through grants, donations, and other sources of revenue instead of or in addition to transfers from the general fund.

Figure 2-9: Capital Improvement Fund Transfer History (Actuals 2002 - 2015)



**Daughter of Mirkwod** by Rosalie Roscoe  
 3rd Place 9th/10th Grade Winner of the 2016 Our Own Expressions  
 Drawing Contest

# General Fund Balance

## General Fund Balance

The Library may budget funds out of the General Fund balance for special purposes. This includes charging expenditures to the General Fund balance, and identifying special funds that carry forward from one fiscal year into the next. This complies with Board Policy on Fiscal Management, which states “fiscal year carryovers of funds within the General Fund are limited in nature, and are used for special purposes that are related to grants, gifts/donations, and collection materials.” At year close, all unexpended revenues are released into the General Fund unless the Board takes action to identify and approve use of fund balance.

### **GFOA Statement on General Fund Balance**

The General Fund balance is a key tool for managing the Library’s cash flow. Should the General Fund balance be too low, not enough funds are available to pay for the first four months of each year (until tax collections are received), requiring the Library to borrow from the Capital Improvement Fund or establish a line-of-credit.

In 2009, the Government Finance Officers Association (GFOA) released an updated policy statement on cash reserves (Fund Balance), approved by its Executive Board during 2009’s GFOA Conference held in Seattle:

*“Furthermore, a government’s particular situation often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level [2 months’ worth]. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the general fund at any one time.”*

— GFOA, October 2009

This has been consistent with the Library’s practice since 2002. The Library’s fund balance is a critical resource for paying bills during normal intra-year shortfalls, and has used it in long-term forecasting. GFOA recommends a Fund Reserve policy (which was incorporated into the Fiscal Management Policy) to address one or more of the following 5 factors:

1. Predictability of revenues and the volatility of expenditures—higher levels may be needed if there are unpredictable fluctuations in revenues or expenditures are volatile.

*The Library continues to experience major, unpredictable volatility of property tax revenues and interest rates.*

2. Perceived exposure to significant one-time outlays (e.g., disasters, state budget cuts, immediate capital needs).

*The Library’s policy has a disaster provision should emergency circumstances warrant use. However, the Library has not budgeted cash reserves specifically for an emergency disaster. Instead, timely assessments dictated whether cash is required, or whether other means may be available to maintain payments for operations until emergency circumstances are mitigated.*

3. Potential drain upon general fund resources from other funds. I.e., deficits in other funds may require that a higher level of fund balance be maintained.

*The Library’s only other major fund is the Capital Improvement Fund. It is used to pay for major projects related to maintaining or improving the Library’s capital assets. The Library’s Fiscal Management policy approves funding for capital projects through operating budget transfers, unanticipated savings, and through other sources, for example donations. When the Capital Improvement Fund is depleted, the Library can’t borrow from it for cash flow.*

4. Liquidity (i.e., disparity between when financial resources become available to make payments and the average maturity of related liabilities may require a higher level be maintained).

*The Library requires approximately 4 months of fund reserves to pay its bills until the large property tax revenues are received in early May and early November. The fund is replenished and automatically restored.*

5. Commitments and assignments for a specific purpose may require higher than normal levels.

*The Library set asides commitments in the Special Purpose Fund.*

The Library's Fiscal Management Policy and its directives on usage and planning of cash reserves conform to GFOA's most recent statement on fund balance. The Library has been practicing to this most recent update since 2002.

**Table 2-19: 2017 General Fund Balance Summary**

	2015 ACTUALS	2016 FINAL	2016 PROJECTED <sup>1</sup>	2017 FINAL	% CHANGE 2016 FINAL TO 2017
<b>Beginning Fund Balance, January 1</b>	<b>\$ 8,510,835.46</b>	<b>\$ 8,010,835</b>	<b>\$ 8,330,154</b>	<b>\$ 7,600,000</b>	<b>-5.13%</b>
<b>Less: RESTRICTED COMMITMENTS</b>					
Operational needs for first 4 months (calculated)	6,314,343.00	6,417,261	6,417,261	6,648,447	3.60%
Reserve for future election	360,000.00	0	0	0	0.00%
<b>TOTAL RESERVE COMMITMENTS</b>	<b>6,674,343.00</b>	<b>6,417,261</b>	<b>6,417,261</b>	<b>6,648,447</b>	<b>3.60%</b>
<b>Available unrestricted funds at beginning of year</b>	<b>1,836,492.46</b>	<b>1,593,574</b>	<b>1,912,893</b>	<b>951,553</b>	<b>-40.29%</b>
<b>INFLOWS</b>					
Set aside from operating budget for 2% goal	0.00	0	0	0	0.00%
Other inflows	0.00	0	0	0	0.00%
<b>TOTAL OF INFLOWS</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>OUTFLOWS</b>					
Use of cash reserves to balance budget	0.00	0	0	0	0.00%
Transfer of Election Set-Aside to Special Purpose Fund		360,000	360,000	0	-100.00%
Transfers to CIF from previous year-end results	0.00		441,612 <sup>2</sup>	0	0.00%
Transfers to CIF for critical project needs	500,000.00		301,806 <sup>2</sup>	0	0.00%
Transfer to SPF for future land, property, & facility needs			198,194 <sup>2</sup>	0	0.00%
<b>TOTAL OF OUTFLOWS</b>	<b>500,000.00</b>	<b>360,000</b>	<b>1,301,612</b>	<b>0</b>	<b>-100.00%</b>
<b>Net unrestricted fund balance at end of year</b>	<b>1,336,492.46</b>	<b>1,233,574</b>	<b>611,281</b>	<b>951,553</b>	<b>-22.86%</b>
% of following year revenues	6.18%	4.06%	1.99%	3.01%	-25.86%
<b>Add: UNUSED/REPLENISHED RESTRICTED COMMITMENTS</b>					
Operational needs for first 4 months (replenished)	6,674,343.00	6,417,261	6,417,261	6,648,447	3.60%
Reserve for future election	360,000.00	0	0	0	0.00%
<b>TOTAL UNUSED RESTRICTED COMMITMENTS</b>	<b>6,674,343.00</b>	<b>6,417,261</b>	<b>6,417,261</b>	<b>6,648,447</b>	<b>3.60%</b>
<b>Subtotal Fund Balance at end of year</b>	<b>8,010,835.46</b>	<b>7,650,835</b>	<b>7,028,542</b>	<b>7,600,000</b>	<b>-0.66%</b>
<b>RESULTS OF FISCAL YEAR OPERATIONS</b>					
Use of fund balance to cover shortfall (for operations)	0.00	0	0	0	0.00%
New revenues	28,414,914.16	29,709,541	29,900,000	30,779,848	3.60%
Less Expenditures and budgeted transfers	27,973,302.12	29,709,541	29,250,000	30,779,848	3.60%
<b>NET OF OPERATIONS</b>	<b>441,612.04</b>	<b>0</b>	<b>650,000</b>	<b>0</b>	<b>0.00%</b>
Warrants & sales tax payable, benefit accruals, adj	(122,293.47)	0	(78,542)	0	0.00%
<b>Ending Fund Balance, December 31</b>	<b>\$ 8,330,154.03</b>	<b>\$ 7,650,835</b>	<b>\$ 7,600,000</b>	<b>\$ 7,600,000</b>	<b>0.00%</b>

Notes:

1. Projected fiscal year results are estimated in November 2016 and finalized by December 31, 2016.
2. These transfers were not budgeted for 2016, but occurred during July and December 2016 upon analysis of available cash.

**Beginning Fund Balance**  
\$ 7,600,000

The fund balance is estimated at \$7.6 million. The actual amount is reconciled and released in the February annual report.

**Reserve Commitments**  
\$ 6,648,447

**Operational needs for first 4 months ..... \$ 6,648,447**  
The Library calculates that approximately \$6.6 million will be needed for cash flow to operate until the large influx of tax revenues come in late April. Some revenue, for example fines and some property taxes arrive between January and April, therefore the calculation is not 33% of expenditures.

As revenues are received through December, this reserve is restored and becomes available for the following year.

**Reserve for future election ..... \$ 0**  
Building up the set aside for a future election was met in 2011. This amount will remain unspent and is reserved in the fund balance until the Library asks voters to restore revenues. In cash flow, it is excluded from operational needs and therefore is never used. Within an aggregate of cash available, it is invested. This set aside was transferred to the Special Purpose Fund in 2016.

**Inflows**  
\$ 0

**Set aside from operating budget..... \$ 0**  
The unreserved fund balance for 2017 is estimated to be 3.01%, which meets the goal of 2% minimum of following year revenues. At this time there is no need to build up the unreserved fund balance by use of the Contingency line item.

**Other inflows..... \$ 0**  
No other inflows are budgeted or anticipated.

**Outflows**  
\$ 0

**Use of cash reserves (fund balance)..... \$ 0**  
During the recession years the Library budgeted cash reserves to balance the budget after making significant reductions in many areas. For these years, using some cash reserves prevented further layoffs and maintained services. For 2017, cash reserves will not be used.

**Transfers to CIF from previous year-end results..... \$ 0**  
The amount of unanticipated revenues and savings to be transferred to the Capital Improvement Fund from the General Fund will be determined in February 2017. At this time, there is no planned transfer.

**Transfers to CIF for critical project needs..... \$ 0**  
Any funds available due to savings in 2016 may be identified and transferred in 2017.

**Bottom Line Adjustments**

**Estimated difference between budget & actuals ...TBD**  
This line item is only used when estimating year-end actuals for the current year. It is neither used for the prior year nor for the budget year.

**Warrants & sales tax payable, bene. accruals, adj .TBD**  
As part of closing a fiscal year, cash in the general fund is adjusted by any sales tax payables, benefit accruals, and adjustments made necessary to reconcile cash with accounting records. These are reported to the state auditor in the final report.

**Ending Fund Balance**  
\$ 7,600,000

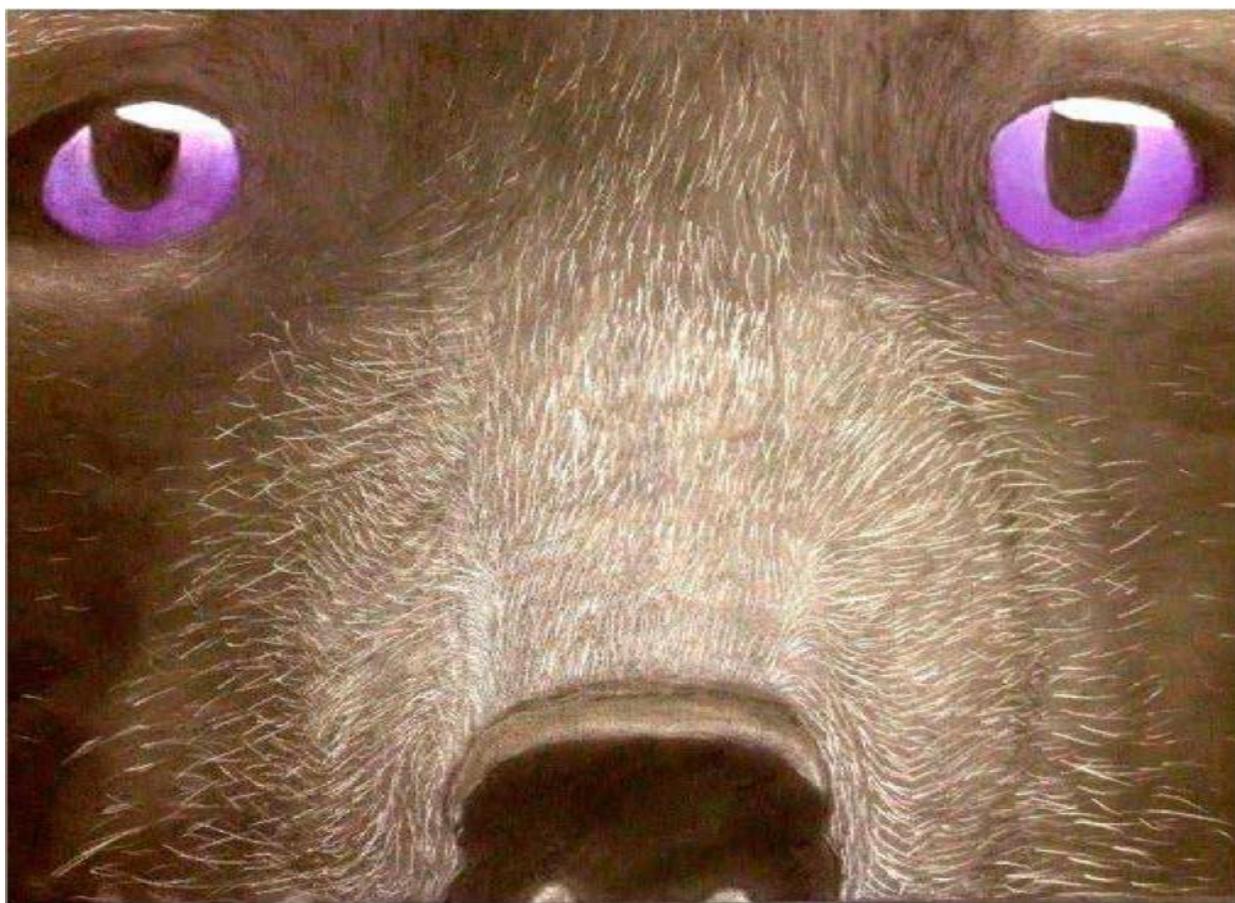
**Net effect on general fund balance..... \$ 0**  
The Library projects that there will be no changes to the fund balance at year end.

**Conclusion**

The General Fund unrestricted fund balance—at 3.01%—meets the 2% minimum goal. Given slow revenue increases, the unrestricted fund balance of 2% helps the Library mitigate shortfalls in future revenues. The Board of Trustees remains concerned about future cash flow, and encourages the Library to reserve aside cash as much as possible to ensure that the Library does not diminish its product during times of significant economic stress.

# Part 3 Other Funds

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**Prey** by Amelia Day  
2nd Place 7th/8th Grade Winner of the 2016 Our Own Expressions Drawing Contest

# Capital Improvement Fund

## 2017 Capital Improvement Budget Summary

**Table 3-1: 2017 Capital Improvement Budget Summary**

	2015 ACTUALS	2016 FINAL	2017 BUDGET	% CHANGE 2016 FINAL TO 2017
<b>FUNDING SOURCES</b>				
Use of fund balance .....	\$ 1,086,225.51 .....	\$ 0.....	\$ 633,806 <sup>1</sup> .....	New
Transfers from General Fund <sup>2</sup> .....	1,637,218.00 .....	1,188,382.....	1,231,194 .....	3.60%
New revenues .....	211,375.84 .....	300,000.....	52,000 .....	-82.67%
<b>TOTAL FUNDING SOURCES</b>	<b>2,934,819.35</b>	<b>1,488,382</b>	<b>1,917,000</b>	<b>28.80%</b>
<b>EXPENDITURES</b>				
Total project expenditures.....	2,934,819.35 .....	1,405,000.....	1,917,000 .....	36.44%
<b>TOTAL EXPENDITURES</b>	<b>2,934,819.35</b>	<b>1,405,000</b>	<b>1,917,000</b>	<b>36.44%</b>
<b>NET OF FUNDING SOURCES &amp; EXPENDITURES</b>	<b>\$ <u>0.00</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>0</u></b>	<b><u>0.00%</u></b>

Notes:

1. Use of fund balance for 2017 includes funds identified and transferred in December 2016 from (1) unallocated 2015 eRate reimbursements and (2) available cash in the general fund.
2. Transfers due to prior fiscal year savings occur as a Board-approved fund-to-fund transfer from the General Fund and the Capital Improvement Fund, generally without effect on the current operating budget. Because prior fiscal year savings in the General Fund already occur by the time the budget is finalized but are unknown by the time the fiscal year begins, they are not recorded against the operating budget; however, depending on timing, they may be estimated in the Capital Improvement Fund budget.

The Capital Improvement Fund was established in 1998 as a fiscal mechanism to fund large projects or equipment purchases, which may cross fiscal years. In order to receive an allocation through the Capital Improvement Fund, a project must be approved and be included in the Capital Improvement Plan (CIP). The following criteria must be met for a project to be considered in the CIP:

1. The value of the asset/project/service is equal to or greater than \$5,000; and
2. Has a useful life equal to or greater than three years.

Major repairs or maintenance projects may be included in the CIP with a third criterion: the project increases capacity and/or extends the original useful life of the asset. Additionally, ongoing maintenance as a part of a system-wide project or smaller capital items, beneath the threshold needing to be purchased as a larger

“group”, can be aggregated into larger-value capital improvement projects.

### 2 Year Capital Planning

The Library has significantly revised the method by which it plans and budgets current and future capital projects. Prior to 2016, the Library create a plan that anticipated projects for five years, which was not realistic given economic uncertainties, facility issues, and customer needs that changed constantly. To address this, the Library produces an annual two year capital plan with improved vetting among the managers. This process also incorporates a 30-year projection for future major maintenance of facilities, vehicles, and technology.

The Capital Improvement Plan and its corresponding budget is reviewed within the year and only revised if critical needs arise.

### **Recurring vs. Non-recurring Capital Projects**

In 2009 and 2010, the Library removed specific general repairs to facilities from Capital Improvement Projects and put them into the operating budget. This included parking lot repairs and touchup painting. While these passed the CIP test above, they were recurring in a manner that did not need to be funded in the capital improvement fund. With exception to a contingency afforded to significant vehicle repairs and by agreement to payments made to purchasing 5,000 square feet for the University Place Library for future expansion, by Library definition *all capital projects entered into the capital improvement plan are non-recurring*. Due to the kinds of projects the Library has in the capital plan, all are worked within the existing scope of the operating budget.

Managers propose capital projects that can be done either within the context of external contracts or plan their projects with their internal resources. Exceptions are capital projects that are intended to make efficiencies by reducing the impact of future labor; these are clearly identified during the planning process and measured by the impact on departmental budgets. An example is purchasing and delivering online timesheets, a tool that ultimately reduced staffing needs within the Finance Department.

### **Planning Before Project Execution**

The Library implements a two-step process for planning capital projects. During budget planning prior to the next fiscal year, managers proposing projects conduct reasonable analysis of costs, timelines, and deliverables required of their capital projects so that the overall capital improvement budget can be proposed and approved by the Board of Trustees. Prior to creating purchase orders related to capital projects, managers must hone their project budgets by planning projects across multiple departments, acquiring competitive costs, and calculating a contingency. Once completed and evaluated for accuracy, the Finance & Business Director appropriates funding for the capital project, a project number is assigned and the budget is entered into the financial system for the project manager and managers to begin expending against.



**Union Pacific** by Trevor Kvinsland

2nd Place 9th/10th Grade Winner of the 2016 Our Own Expressions  
Drawing Contest

## Capital Projects Funding Sources

**Table 3-2: Summary of Funding Sources**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>FUND BALANCE</b>				
Use of fund balance .....	\$ 1,086,225.51	\$ 0	\$ 633,806 <sup>1</sup>	New
<b>TRANSFERS</b>				
Budgeted GF transfer from operating budget .....	847,795.00	1,188,382	1,231,194	3.60%
GF transfers from prior fiscal year savings.....	289,423.00	0	0	0.00%
Transfers for critical project needs .....	500,000.00 <sup>2</sup>	0	0	0.00%
<b>TOTAL TRANSFERS.....</b>	<b>1,637,218.00</b>	<b>1,188,382</b>	<b>1,231,194</b>	<b>3.60%</b>
<b>NEW REVENUES</b>				
New revenues .....	211,375.84	300,000	52,000	-82.67%
<b>TOTAL FUNDING SOURCES</b>	<b>\$ 2,934,819.35</b>	<b>\$ 1,488,382</b>	<b>\$ 1,917,000</b>	<b>28.80%</b>

Notes:

1. Use of fund balance for 2017 includes funds identified and transferred in December 2016 from (1) unallocated 2015 eRate reimbursements and (2) available cash in the general fund.
2. The \$500,000 transfer was conducted in December 2015 to increase the capital improvement fund balance.

**Funding Sources**  
\$ 1,917,000

**F**unding for capital projects comes from three sources:

1. Fund balance of the Capital Improvement Fund.
2. Funds transferred from the General Fund:
  - a. Minimum 4% (up from 3% in 2015) of General Fund revenues. More may be transferred due to needs.
  - b. Funds transferred from the General Fund due to unanticipated revenues and savings, backfilling funding for projects.
3. New revenues (e.g., fund raising, investment).

**Shortfalls are an Ongoing Concern**

Capital Improvement budgets fluctuated as shown in the chart below. The average Capital Improvement budget for 2002 through 2017 is \$1,735,000.

An ongoing concern is that the Capital Improvement Fund be funded adequately for ongoing improvements. These budgets are multiyear budgets, so not all funds are spent during the budgeted year. At times, projects

are cancelled as circumstances warrant. The Capital Improvement Fund has an important role for addressing cash shortfall; therefore, transfers and budgets are planned and coordinated carefully.

In 2016, a set aside within the Capital Improvement Fund was created for future technology procurements, particularly computer equipment for the public and staff. After extensive review, the Library determined that technology procurements should be incurred year-to-year instead of saving up large amounts in a set-aside.

At the end of 2016, it is estimated that the Capital Improvement Fund balance will be approximately \$1,238,000. Adding monies to be received from transfers in the operating budget, the total available funding is nearly \$3.2 million.

**Budgeted General Fund Transfer ..... \$ 1,231,194**

The budgeted transfer from the General Fund is 4% of General Fund New Revenues. This calculation excludes any use of General Fund balance to balance the operating budget.

**Use of fund balance ..... \$ 633,806**

The Capital Improvement budget uses its Capital Improvement Fund cash balance to pay for projects that exceed new revenues. For 2017, the Library will be using

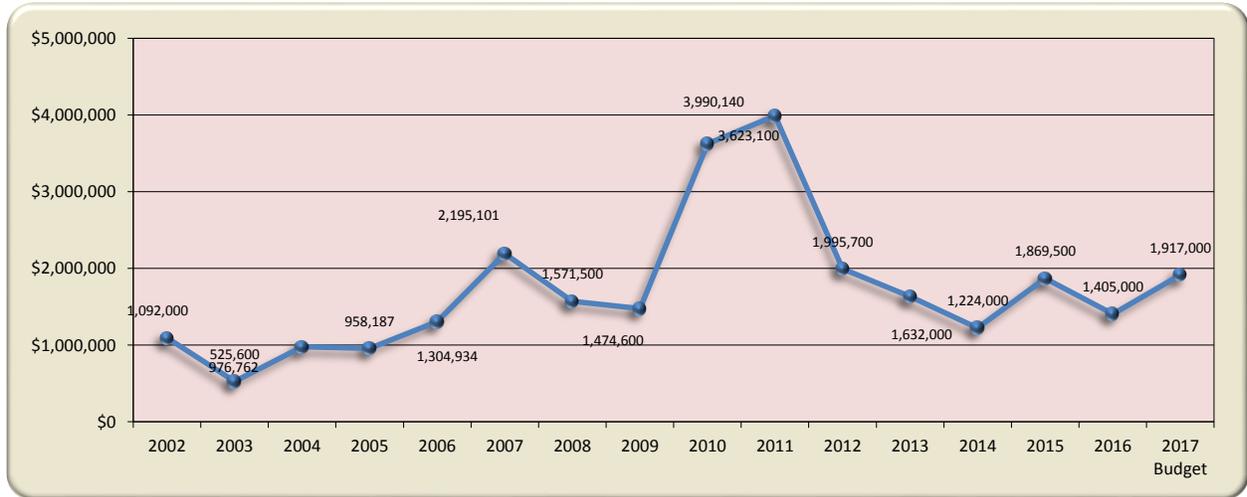
funds from the Capital Improvement fund balance that were increased in December 2016. Those items were unallocated 2015 eRate reimbursements (\$332,000) and available cash in the general fund (\$301,806).

from the General Fund, such as unanticipated savings and revenues from previous fiscal years. This occurs after the Library reports the previous fiscal year results.

**Transfers from prior fiscal year savings..... \$ 0**  
As per the Library’s Fiscal Management policy, the Library may consider transferring additional revenues

**New revenues.....\$ 52,000**  
The Library anticipates \$22,000 from Lakewood Library Friends reimbursements and Erate reimbursements of approximately \$30,000 from 2016 purchases.

**Figure 3-1: Capital Project Budget History (Excludes Carry Forwards)**



Prior to 2011, the Library had budgeted the capital improvement fund transfer at 3% of revenues. Historically, a 3% transfer fell short of budgeted expenditures by as much as \$1 million, at times considerably more. To make up for the shortfall, the Library relied on unanticipated revenues and savings to backfill the shortfall. Should the Library budget funds for the yearly capital projects, the operating budget

would be impacted considerably, and substantial reductions could be necessary. Due to severe budget shortfalls, the Library reduced the transfer back to 2% for 2013 and to 1% in 2014. In 2015, it was restored to 3%. The Library studied current and future needs and the Capital Improvement Fund transfer was increased to 4% for 2016, and remains at 4% for 2017.

**Figure 3-2: Capital Improvement Fund Shortfalls (Budgeted Project Costs Compared to Set-Asides)**



## Capital Improvement Plan—Project Expenditures

### 2017 Capital Improvement Plan Projects

\$ 1,917,000

**Table 3-3: Capital Budget Summary—Project Expenditures**

<u>Capital Project Categories<sup>1</sup></u>	<u>2017 BUDGET</u>	<u>2018 ESTIMATED</u>
Commitments .....	\$ 120,000	\$ 120,000
Service improvement projects .....	742,000	50,000
Major maintenance .....	250,000	30,000
Vehicles .....	130,000	0
Technology updates .....	200,000	160,000
Other capital projects .....	450,000	500,000
 SUBTOTAL .....	 1,892,000	 860,000
Contingency (unanticipated minor projects) .....	25,000	25,000
 <b>TOTAL CAPITAL PROJECT BUDGET</b>	 <b>\$ 1,917,000</b>	 <b>\$ 885,000</b>

Notes:

A line item breakdown of the Capital Projects does not occur until the projects are planned. Each project’s funding is a general estimate made for purposes of budgeting.

**Commitments**

\$ 120,000

**University Place Library (+5,000 sq ft).....\$ 120,000**

The Library has set aside monies to pay for the 10-year annual payment for the expanded space. This is per the agreement with the City of University Place. Payment began in late 2012 and is considered recurring but “silent”, i.e., no activity other than payments are made.

**Service Improvement Projects**

\$ 742,000

**Interior Updates .....\$ 590,000**

- Workspace updates at two libraries
- Public Computer reconfiguration at one library
- Restroom and other public area remodels for several libraries
- Wayfinding updates at two libraries
- Front and staff doors at several libraries (year 1 of 2)
- Carpeting at three libraries

**Exterior Updates.....\$ 152,000**

- Roof replacement at one library
- Lighting upgrades at one library
- Garden and frontage improvements at one library
- Bookdrop reconfiguration at one library

**Major Maintenance**

\$ 250,000

- Elevator Upgrades at Administrative Center & Library.
- IBEX to BACtalk HVAC Control Replacement (final year)
- Modernizing building alarm system controls (year 1 of 2).

**Vehicles**

\$ 130,000

- Delivery van
- Maintenance van

**Technology Updates**

\$ 200,000

- PC Replacement plan

**Other Capital Projects**

\$ 450,000

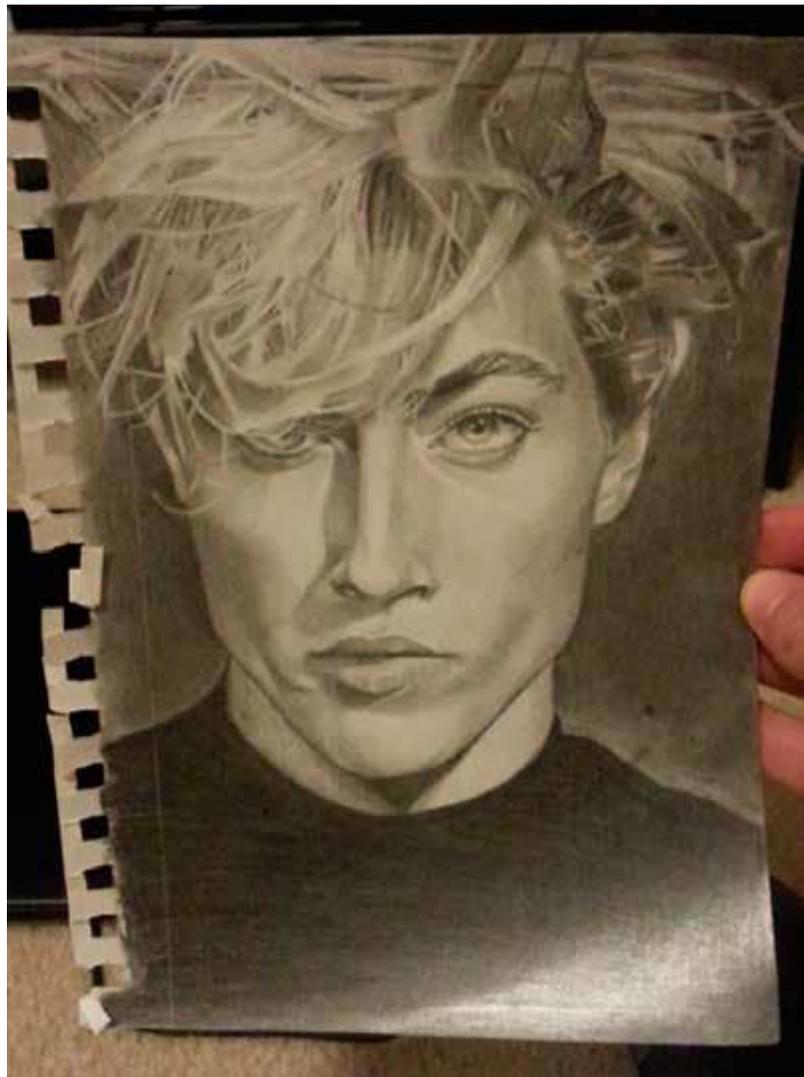
- Financial/HRIS system replacement (year 1 of 2)
- Movie Tower decommissioning (year 1 of 2)
- Ground/soil study at one library

**Future Anticipated Major Projects (2018)**

\$ 885,000

The method by which the Library creates an approved list of capital projects has changed. Beginning for fiscal year 2017, management created a substantial list and shifted or split some projects over 2017 and 2018. The 2018 projects are committed and the \$885,000 is the minimum with which to begin planning for the 2018 fiscal year; other projects will be added during next year's budget process.

A summary of anticipated capital projects for the next two years is shown below.



**Lucky Smith Model** by Sara Huff

2nd Place 11th/12th Grade Winner of the 2016 Our Own Expressions  
Drawing Contest

Table 3-4: 2-Year Capital Improvement Projects (2017 - 2018)

	2017 <u>BUDGET</u>	2018 <u>ESTIMATED</u>
<b>COMMITMENTS</b>		
University Place 5,000 sq ft expansion (10 year term) .....	\$ 120,000	\$ 120,000
TOTAL COMMITMENTS	120,000	120,000
<b>SERVICE IMPROVEMENT PROJECTS</b>		
Interior Updates		
Workspace updates (Summit, Admin Center & Library) .....	210,000	0
Public Computer reconfigurations (Graham) .....	15,000	0
Restroom and other public area remodels .....	180,000	0
Wayfinding updates at two libraries .....	25,000	0
Front and staff doors at several locations.....	50,000	50,000
Carpeting (Lakewood, Parkland/Spanaway, Admin Center & Library).....	110,000	0
Exterior Updates		
Roof replacements (Bonney Lake) .....	100,000	0
Lighting upgrades (Steilacoom).....	25,000	0
Garden & Frontage Improvements (Lakewood).....	22,000	0
Bookdrop (Gig Harbor).....	5,000	0
TOTAL SERVICE IMPROVEMENT PROJECTS	742,000	50,000
<b>MAJOR MAINTENANCE</b>		
Elevator Upgrades at Admin Center & Library.....	135,000	0
IBEX to BACTalk HVAC Control Replacement .....	85,000	0
Modernize Building Alarm System Controls .....	30,000	30,000
TOTAL MAJOR MAINTENANCE	250,000	30,000
<b>VEHICLES</b>		
Delivery van .....	80,000	0
Maintenance van .....	50,000	0
TOTAL VEHICLES	130,000	0
<b>TECHNOLOGY UPDATES</b>		
PC Replacement plan .....	200,000	160,000
TOTAL TECHNOLOGY UPDATES	200,000	160,000
<b>OTHER CAPITAL PROJECTS</b>		
Finance/HR System Replacement .....	150,000	350,000
Movie Tower Decommissioning.....	200,000	150,000
Ground/soil study at one library.....	50,000	0
TOTAL OTHER CAPITAL PROJECTS	450,000	500,000
SUBTOTAL CIP	1,892,000	860,000
Contingency (unanticipated minor projects) .....	25,000	25,000
<b>TOTAL CAPITAL PROJECT BUDGET</b>	<b><u>\$ 1,917,000</u></b>	<b><u>\$ 885,000</u></b>

Note: A line item breakdown of the Capital Projects does not occur until the projects are being planned. Each project's funding is a general estimate made for purposes of budgeting and planning.

## Capital Improvement Fund Balance

**Table 3-5: 2017 Capital Improvement Fund Balance Summary**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2016 <u>PROJECTED<sup>1</sup></u>	2017 <u>FINAL</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>Beginning Fund Balance, January 1</b>	<b>\$ 2,034,614.98</b>	<b>\$ 1,039,155</b>	<b>\$ 948,389</b>	<b>\$ 1,650,000</b>	<b>58.78%</b>
<b>INFLOWS</b>					
Budgeted transfer from general fund budget .....	847,795.00	1,188,382	1,188,382	1,231,194	3.60%
GF transfers from prior fiscal year savings <sup>2</sup> .....	289,423.00	TBD	441,612	0	0.00%
GF transfers for critical project needs .....	500,000.00 <sup>3</sup>	TBD	0	0	0.00%
Available cash in General Fund transferred to CIP .....	0	0	301,806	0	0.00%
<b>TOTAL INFLOWS</b>	<b>1,637,218.00</b>	<b>1,188,382</b>	<b>1,931,800</b>	<b>1,231,194</b>	<b>3.60%</b>
<b>Available funds during fiscal project year</b>	<b>3,671,832.98</b>	<b>2,227,537</b>	<b>2,880,189</b>	<b>2,881,194</b>	<b>29.48%</b>
<b>OUTFLOWS</b>					
Use of inflows to fund capital projects .....	1,637,218.00	1,105,000	1,029,000	1,231,194	11.42%
Use of fund balance to cover shortfall .....	1,086,225.51	0	0	0	0.00%
Future land/prop/fac. transferred to spec. purp. fund.....	0	0	170,069	0	0.00%
Unallocated 2015 eRate reimbursements .....	0	0	0	332,000	New
Available cash in General Fund transferred to CIP .....	0	0	0	301,806	New
<b>TOTAL OUTFLOWS</b>	<b>2,723,443.51</b>	<b>1,105,000</b>	<b>1,199,069</b>	<b>1,865,000</b>	<b>68.79%%</b>
<b>Subtotal Fund Balance at end of year</b>	<b>948,389.47</b>	<b>1,122,537</b>	<b>1,681,120</b>	<b>1,016,194</b>	<b>-9.21%</b>
<b>RESULTS OF FISCAL YEAR</b>					
New revenues .....	211,375.84	300,000	376,000	52,000	82.67%
Less: Expenditures .....	2,934,819.35	1,405,000	1,405,000	1,917,000	36.44%
<b>TOTAL RESULTS OF FISCAL YEAR PROJECTS</b>	<b>(2,723,443.51)</b>	<b>(1,105,000)</b>	<b>(1,029,000)</b>	<b>(1,865,000)</b>	<b>68.78%</b>
Add: Warrants & sales tax payable, adj.....	0.00	0	(31,120)	0	0.00%
<b>Ending Fund Balance, December 31</b>	<b>\$ 948,389.47</b>	<b>\$ 1,222,537</b>	<b>\$ 1,650,000</b>	<b>\$ 1,016,194</b>	<b>-16.63%</b>

## Notes:

1. Projected fiscal year results are estimated in November 2016 and finalized by December 31, 2016.
2. Transfers due to prior fiscal year (2015) savings occur as a Board-approved fund-to-fund transfer from the General Fund and the Capital Improvement Fund, and do not affect the current (2016) operating budget.
3. The \$500,000 transfer was conducted in December 2015 to be used for funding 2016-17 technology projects.

As with the General Fund, the Capital Improvement Fund balance is also an important factor in cash flow. However, the Capital Improvement Fund balance is susceptible to large fluctuations. Since 1995, the Library has improved the Capital Improvement Fund balance, which is used as a source to borrow funds when the General Fund balance is low. Capital project expenditures can reduce the fund's balance very quickly; the amount budgeted for transfer has nearly always been significantly less than the budgeted project expenditures. The Library backfills the Capital Improvement Fund balance based on unanticipated revenues and savings from prior year operations. Below is a chart showing the history of the Capital Improvement Fund's ending fund balance.

### Beginning Fund Balance

\$ 1,650,000

The fund balance is estimated at \$1.65 million. The actual amount is reconciled and released in the February annual report.

### Inflows

\$ 1,231,194

**Budgeted transfer from GF budget ..... \$ 1,231,194**  
4% of GF revenue will be transferred to the Capital Fund to pay for the majority of 2017 projects.

**Outflows**

\$ 1,865,000

**Use of inflows to fund capital projects.....\$ 1,231,194**

For 2017, the full 4% transfer from the operating budget will be used to pay for the majority of capital improvement projects.

**Available cash in GF transferred to CIP .....\$ 301,806**

At the end of 2016, the Library determined that \$500,000 was available for transfers out of the general fund. In December 2016, \$301,806 was transferred to the capital improvement fund and \$198,194 was transferred to the special purpose fund. For 2017, the CIP transfer will be used to pay for some of the capital improvement projects.

**Unallocated 2015 eRate reimbursements .....\$ 332,000**

2015 eRate reimbursements were received in late 2016. These were recorded as general revenue and were unallocated. For 2017, these funds will be used to pay for some of the capital improvement projects.

**Results of Fiscal Year**

\$ (1,865,000)

**New revenue .....\$ 52,000**

The Library anticipates a small amount of new revenue to be received in the Capital Improvement Fund.

**Expenditures.....\$ 1,917,000**

The capital improvement budget for 2017 project expenditures.

The net income deficit is covered by transfers and other identified sources in the capital improvement fund balance.

**Bottom Line Adjustments**

**Warrants & sales tax payable, bene. accruals, adj .TBD**

As part of closing a fiscal year, cash in the general fund is adjusted by any sales tax payables, benefit accruals, and adjustments made necessary to reconcile cash with accounting records. These are reported to the state auditor in the final report.

**Ending Fund Balance**

\$ 1,016,194

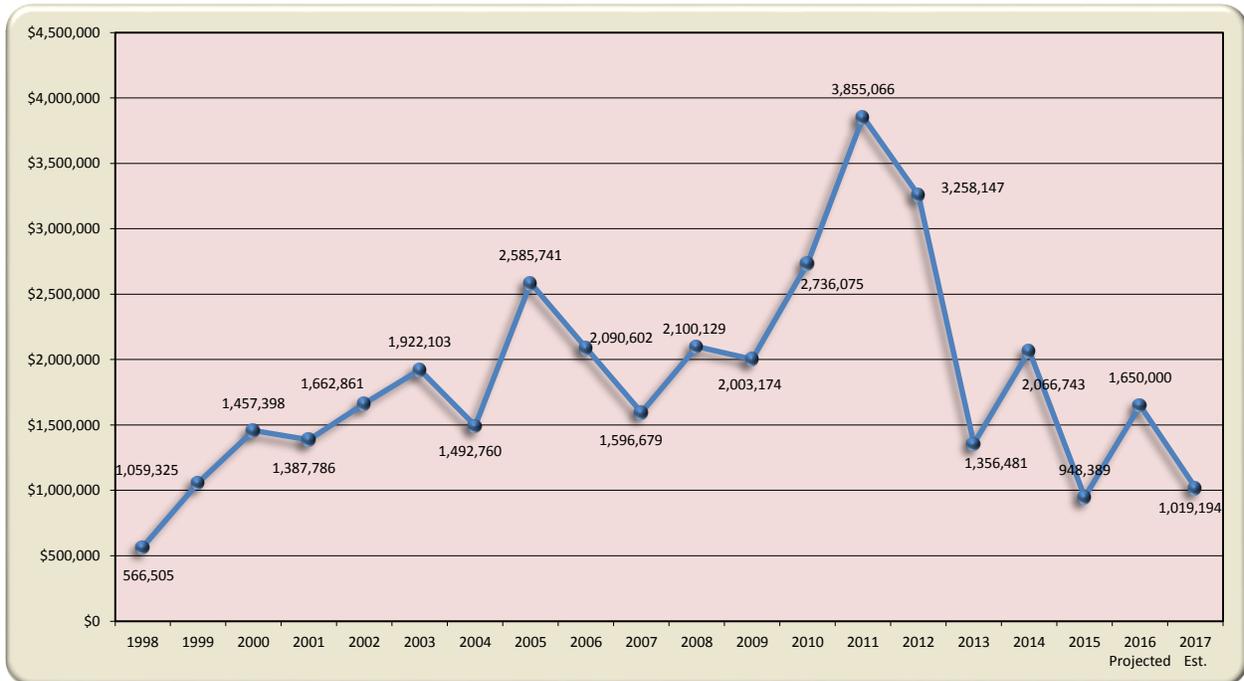
**Net effect on cap. improve. fund balance .. \$ (633,806)**

The Library projects that the fund balance will decrease by \$634,000. The ending fund balance calculates to 3.23% of 2018’s projected revenue (the goal is 4%).

**Conclusion**

The Capital Improvement Fund unrestricted fund balance—at 3.23% of 2018’s general fund projected revenue—is less than the 4% minimum goal. However, the majority of projects are critical projects that have been delayed during the recession. The Library anticipates that there will be fewer of these projects in 2018.

**Figure 3-3: Capital Improvement Fund Ending Fund Balance (Actuals 1998 - 2015)**



*Ode to the Beach*

Your calm, relaxing melody,  
 the immediate peace you bring to me,  
 the ability to be stress free for a period of time.  
 Your many beautiful color combinations,  
 the mellow earth tones on your sandy base,  
 the vibrant colors growing taller and taller,  
 as I look up to the calm blue sky.  
 The crisp cooling breeze,  
 bringing total relaxation over one's body,  
 bringing in the salty air from the ocean,  
 just as it slowly marches itself in and out.  
 The un-wound sounds of your calm blue  
 abyss marching itself back and forth,  
 toward me and away from me,  
 without you my life would be hectic.  
 The sound of your rocky base,  
 as I walk relieves me of all tensions,  
 as well as clears my mind of any negativity,  
 from today, or the day prior.

**Sarah Shaffer**  
 Henderson Bay High School

**2016 Our Own Expressions**  
**11th & 12th Grade Poetry Winner—2nd place**

## Special Purpose Fund

### 2017 Special Purpose Budget Summary

**Table 3-6: 2017 Special Purpose Budget Summary**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>FUNDING SOURCES</b>				
Use of fund balance less reserved set-asides .....	Did not exist .....	\$ 0 .....	\$ 0 .....	-100.00%
Transfers from General Fund .....		40,000 .....	0 .....	-100.00%
New revenues .....		227,000 .....	0 .....	-100.00%
<b>TOTAL FUNDING SOURCES</b>		<b>267,000</b>	<b>0</b>	<b>-100.00%</b>
<b>EXPENDITURES</b>				
Total program and project expenditures .....		267,000 .....	0 .....	-100.00%
<b>TOTAL EXPENDITURES</b>		<b>267,000</b>	<b>0</b>	<b>-100.00%</b>
<b>NET OF FUNDING SOURCES &amp; EXPENDITURES</b>	<b>Did not exist</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>-100.00%</b>

**Notes:**

Transfers due to prior fiscal year savings occur as a Board-approved fund-to-fund transfer from the General Fund and the Capital Improvement Fund, generally without effect on the current operating budget. Because prior fiscal year savings in the General Fund already occur by the time the budget is finalized but are unknown by the time the fiscal year begins, they are not recorded against the operating budget; however, depending on timing, they may be estimated in the Capital Improvement Fund budget.

**IMPLEMENTING PROGRAMS AND PROJECTS IN THE SPECIAL PURPOSE FUND WAS POSTPONED UNTIL AFTER THE HRIS/FINANCIAL SYSTEM IS IN PLACE, ANTICIPATED AT THE END OF 2017**

The Special Purpose Fund (SPF) was established in November 2015 as a fiscal mechanism to fund certain projects, programs, and set-asides that are well-defined, are not operations-oriented and are generally not a capital project. To receive an allocation through the Special Purpose Fund, a funded entry must have revenues that are either restricted or committed in nature. The following criteria must be met for a project to be considered in the SPF:

1. A project that is one-time in nature that ends after its revenues are completely expended, or
2. A recurring program that occurs briefly in a year and has either multiple funding sources or multiple departments responsible for expenses, or

3. A set-aside that is to be used for a defined future purpose.

Respective examples of these are, Job & Business Center, PC Reads, and the Election Set Aside.

#### **Special Purpose Planning**

All entries in the Special Purpose Fund are either restricted by an external funding source (such as a grant or donation) or committed by internal authority (the Board of Trustees). Unlike the operating budget or the capital improvement budget, the Special Purpose Budget can be amended more often during a fiscal year, and any balances are automatically restored into the following fiscal year.

## Special Purpose Funding Sources

**Table 3-7: Summary of Funding Sources**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>FUND BALANCE</b>				
Use of fund balance .....	Did not exist .....	\$ 0 .....	\$ 0 .....	0.00%
<b>TRANSFERS</b>				
Budgeted GF transfer from operating budget .....		200,000 .....	0 .....	-100.00%
Transfer of Election Set Aside from General Fund Balance .....		360,000 .....	0 .....	-100.00%
<b>TOTAL TRANSFERS</b> .....		<b>560,000</b> .....	<b>0</b> .....	<b>-100.00%</b>
<b>NEW REVENUES</b>				
New revenues .....		227,000 .....	0 .....	-100.00%
<b>TOTAL FUNDING SOURCES</b>	<b>Did not exist</b>	<b>\$ 787,000</b>	<b>\$ 0</b>	<b>-100.00%</b>

**Funding Sources**

\$ 0

IMPLEMENTING PROGRAMS AND PROJECTS IN THE SPECIAL PURPOSE FUND IS POSTPONED UNTIL AFTER THE HRIS/FINANCIAL SYSTEM IS IN PLACE, ANTICIPATED AT THE END OF 2017

**F**unding for special purpose projects comes from three sources:

1. Fund balance of the Special Purpose Fund.
2. Funds transferred from the General Fund to pre-fund programs and projects.
3. New revenues from external sources such as grants, donations, and reimbursements.

**Budgeted General Fund Transfer ..... \$ 0**

To initially fund the Special Purpose Fund, a one-time transfer will occur in 2016. A portion of this will be used to fund the PC Reads program and Digital Literacy project (until reimbursement is received from WorkForce).

**Transfer of Election Set Aside ..... \$ 0**

The Election Set Aside was created in 2007 and intended to build up to \$360,000, which was completed in 2011. It has been residing in the General Fund since then, but with the creation of the Special Purpose Fund, will be transferred here.

**Use of fund balance ..... \$ 0**

The Special Purpose Fund will generally not use any fund balance to pay for the fund at large. Some of the fund balance may be appropriated to fund programs and projects that are not externally funded, but fall into the definition as a special purpose entry.

**New Revenues ..... \$ 0**

No new revenues are planned for 2017.

## Special Purpose Budget—Expenditures

### 2017 Special Purpose Budget \$ 0

**Table 3-8: Special Purpose Budget Summary—Expenditures**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2017 <u>BUDGET</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>PROGRAMS<sup>1</sup></b>				
Pierce County READS .....		\$ 40,000 <sup>2</sup>	\$ 0	-100.00%
Other SPF programs (none planned for 2017) .....			0	
<b>SUBTOTAL PROGRAMS</b> .....		40,000	0	-100.00%
<b>PROJECTS<sup>1</sup></b>				
Digital Literacy (WorkForce 2016) .....		227,000 <sup>2</sup>	0	-100.00%
Other SPF projects (none planned for 2017) .....			0	
<b>SUBTOTAL PROJECTS</b> .....		227,000	0	-100.00%
<b>TOTAL PROGRAMS &amp; PROJECTS BUDGET</b> .....		<b>\$ 267,000</b>	<b>\$ 0</b>	<b>-100.00%</b>
<b>RESERVED SET-ASIDES</b>				
Future election cost .....			360,000	New
Future land, property, and facility needs.....			368,173	New
<b>TOTAL RESERVED SET-ASIDES</b> .....			<b>\$ 728,173</b>	<b>New</b>

Notes:

1. A line item breakdown of any Special Purpose item does not occur until they are planned. Funding is a general estimate made for purposes of budgeting.
2. Although the Pierce County READS program and Digital Literacy (WorkForce 2016) project were slated to be funded out of the Special Purpose Fund, they were and will be funded out of the General Fund until a new HRIS/Financial system is in place.

IMPLEMENTING PROGRAMS & PROJECTS IN THE SPECIAL PURPOSE FUND IS POSTPONED UNTIL AFTER THE HRIS/FINANCIAL SYSTEM IS IN PLACE IN EARLY 2018

**Programs**  
\$ 0

**Pierce County READS ..... \$ 0**  
 Since 2007, the Library has been conducting a district-wide reading program called Pierce County READS. This program begins with the announcement of an author and book, to which the district participates in reading. The finale includes the free author event, which hosts the author as a speaker to a large audience. People have an opportunity to meet and greet the author and have their book autographed for free. Much of the Pierce County READS event is funded by the Foundation, but the Library provides some funding. For 2017, funding for this is in the General Fund.

**Projects**  
\$ 0

**Digital Literacy (WorkForce 2016) ..... \$ 0**  
 The two-year grant-funded project for providing digital/computer literacy to customers ended in 2016. For 2017, the Library will continue some aspects of Digital Literacy paid out of the General Fund.

**Reserved Set-Asides**

All set-asides do not have expenditures associated with them. When they are reallocated or repurposed, they will have budgets in the respective fund.

See Fund Balance section on the next page for specific reserved set-asides.

## Special Purpose Fund Balance

**Table 3-9: 2017 Special Purpose Fund Balance Summary**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2016 <u>PROJECTED<sup>1</sup></u>	2017 <u>FINAL</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>Beginning Fund Balance, January 1</b>	Did not exist	\$ 0	\$ 0	\$ 728,173	New
<b>RESERVED SET-ASIDES IN FUND BALANCE</b>					
Future election cost.....	0	0	0	360,000	New
Future land, property, and facility needs .....	0	0	0	368,173	New
<b>TOTAL RESERVED SET-ASIDES</b>	0	0	0	728,173	New
<b>NET AVAILABLE FUNDS</b>	0	0	0	0	0.00%
<b>INFLOWS</b>					
Use of net available fund balance .....	0	0	0	0	0.00%
Budgeted GF transfer from general fund budget .....	200,000	0	0	0	-100.00%
Election Set Aside transferred from general fund balance .....	360,000	360,000	360,000	0	-100.00%
Future land/prop/fac. transferred from cap. impr. fund.....	0	0	170,069	0	0.00%
Future land/prop/fac. transferred from available GF cash.....	0	0	198,104	0	0.00%
<b>TOTAL INFLOWS</b>	0	560,000	728,173	0	-100.00%
<b>Available funds during fiscal year</b>	0	560,000	728,173	0	-100.00%
<b>OUTFLOWS</b>					
Use of inflows to fund programs and projects .....	0	40,000	0	0	-100.00%
<b>TOTAL OUTFLOWS</b>	0	40,000	0	0	-100.00%
<b>Subtotal Fund Balance at end of year</b>	0	520,000	728,173	0	-100.00%
<b>RESULTS OF FISCAL YEAR</b>					
New revenues .....	0	227,000	0	0	-100.00%
Less: Expenditures .....	0	267,000	0	0	-100.00%
<b>TOTAL RESULTS OF FISCAL YEAR PROJECTS</b>	0	(40,000)	0	0	-100.00%
Add: Warrants & sales tax payable, adj.....	0	0	0	0	0.00%
<b>Ending Fund Balance, December 31</b>	Did not exist	\$ 520,000	\$ 728,173	\$ 728,173	40.03%

## Notes:

- Projected fiscal year results are estimated in November 2016 and finalized by December 31, 2016.

The fund balance for the Special Purpose Fund will generally not be used because the design of the fund is to have revenues secured prior to expenditures for programs and projects. However, some pre-funding may be necessary until revenues are received as distributions or reimbursements, which could occur after expenses incur.

**Beginning Fund Balance**  
\$ 728,173

The fund balance is just over \$728,000. The actual amount is reconciled and released in the February annual report.

### Reserved Set-Asides

**Future Election Costs ..... \$ 360,000**

This reserve was created from funds stemming from the successful 2006 levy lid-lift election. Its purpose is to fund the costs associated with a future levy lid-lift, in particular, mailing costs for voter pamphlets. Planning for a levy lid-lift would begin about two years in advanced of an election.

**Future Land, Property, & Facility Needs..... \$ 368,173**

This reserve was created for purposes of future investments in library locations.

**Inflows**  
\$ 0

**Use of net available fund balance ..... \$ 0**  
Available funds are calculated after the reserved set-asides are factored. For 2017, the reserved set-asides take up the entire special purpose fund balance.

**Budgeted GF transfer from general fund budget .... \$ 0**  
No funds are budgeted for transfer from the General Fund.

**Outflows**  
\$ 0

**Use of inflows to fund programs and projects ..... \$ 0**  
Due to no programs and projects funded in the special purpose fund, for 2017, no inflows are budgeted.

**Results of Fiscal Year**  
\$ 0

**New revenue ..... \$ 0**  
The Library anticipates no new revenue in the special purpose fund.

**Expenditures..... \$ 0**  
There are no programs and projects funded in the special purpose fund for 2017.

**Bottom Line Adjustments**

**Warrants & sales tax payable, bene. accruals, adj .TBD**  
As part of closing a fiscal year, cash in the general fund is adjusted by any sales tax payables, benefit accruals, and adjustments made necessary to reconcile cash with accounting records. These are reported to the state auditor in the final report.

**Ending Fund Balance**  
\$ 728,173

**Net effect on special purpose fund balance ..... \$ 0**  
For 2017, the Special Purpose Fund will be used only to hold reserved set-asides.

**Conclusion**

For 2017, the Special Purpose Fund’s primary role will be the fiscal custodian for the reserved set-asides until the new HRIS/Financial system is implemented. The only 2017 activity in the fund will be interest earned on investing the fund balance.

## Bonds, Debt, and Debt Service Fund

### Bonds & Debt

The Library is a special purpose taxing district and by Washington State law, is authorized to issue debt in the form of voted and non-voted debt—Unrestricted General Tax Obligation (UGTO) bonds and Councilmanic bonds, respectively.

#### **Unrestricted General Tax Obligation Bonds (UGTO):**

Bonds may be issued as a measure to voters in the taxing district and require 60% approval. Such bonds would generally be used for large-scale projects such as district-wide library construction. The Library's maximum legal debt capacity is one half of one percent of the Library District's assessed valuation, and in the simplest form may be levied up to 30 years. As of 2016, typical bond rates remain between 3% and 6%.

Library District assessed value:	\$ 62,468,255,605
Legal GO bond capacity:	x 0.005000
Maximum GO bond capacity:	\$ 312,341,278
<u>Current outstanding bonds:</u>	<u>- \$ 0</u>
Available bonding capacity:	\$ 312,341,278

The Library therefore may issue general obligation bonds of up to \$312,341,278. For the property owner with average property value of \$250,000, a 20-year simple bond issued would cost around \$100 per year. Other factors affecting the cost to a property owner depend on the structure of the bond, bond rates, maturity dates, bond sales, changes in property values, and changes in the district-wide property value.

**Councilmanic Bonds:** The Library may also issue non-voted debt in the form of "Councilmanic" bonds at a rate of one tenth of one percent of the Library District's assessed valuation. Because Councilmanic bonds are non-voted, for all intents and purposes they may be considered a bank loan secured by property tax revenue, payable out of the Library's existing funds or future revenue receipts. This debt must be repaid within 7 years.

Councilmanic bonds could be used for short term financing of small construction projects, equipment needs, or emergencies that cannot be paid out of

available general funds or Capital Improvement funds. They would not be used for covering budget shortfalls in ongoing operations.

Library District assessed value:	\$ 62,468,255,605
Legal Councilmanic bond capacity:	x 0.001000
Maximum Councilmanic capacity:	\$ 62,468,256
<u>Current outstanding Councilmanic bonds:</u>	<u>- \$ 0</u>
Available Councilmanic capacity:	\$ 62,468,256

**Other Forms of Debt:** The Library may carry lines of credit with banks, sometimes known as Tax Anticipation Notes (TANs). This is short-term debt and must carry a \$0 balance on its annual anniversary. This kind of debt might be used when an organization is facing a serious short-term cash flow concern. The Library currently carries no line of credit because the Library manages its cash flow through the use of restricted cash reserves.

All forms of debt require one-time attorney and bank set-up fees, which may total between 1% and 5% of the principle value.

### Current Bonds and Debt

Currently, the Library maintains no debt of any form:

Sum of all outstanding UGTO bonds:	\$ 0
Sum of all outstanding Councilmanic bonds:	\$ 0
<u>Sum of all other forms of debt:</u>	<u>\$ 0</u>
Total of all outstanding bonds and debt:	\$ 0

### Last Use of Debt (System Expansion Project)

In 1986, the voters passed a \$28.9 million general obligation bond levy to construct new library facilities, including the purchase of land and the acquisition of furniture and equipment. It also included funds to remodel/renovate existing library facilities throughout the Library System and to purchase books and other materials. Bonds were issued in 1986 (\$18 million), 1990-91 (\$8 million), and 1992 (\$2.9 million). In 1995, a portion of the 1986 and 1990-91 issues was refinanced; the value of this refunding was \$6.93 million. With the payment of principal and interest in December 2002, the entire debt was retired.

**Future Debt Needs**

The Library began a Facilities Master Plan (FMP) project in late 2008 and concluded in January 2010 with a comprehensive report and plan delivered to the communities it studied. This project determined the needs of services and facilities for the next 20 years

(2030). The FMP funding analysis calculated district-wide construction proceeds of \$310 million. At this time, the Library has determined that, taking into consideration the voter, economic, and property value climate placing a bond measure on a ballot is not feasible. Recommendations may ensue for bonds sometime in the future.

**Table 3-10: 2017 Debt Service Fund Balance Summary**

	2015 <u>ACTUALS</u>	2016 <u>FINAL</u>	2016 <u>PROJECTED<sup>1</sup></u>	2017 <u>FINAL</u>	% CHANGE 2016 <u>FINAL TO 2017</u>
<b>Beginning Fund Balance, January 1</b>	<b>\$ 83,648.57</b>	<b>\$ 83,725</b>	<b>\$ 83,725</b>	<b>\$ 83,970</b>	<b>0.29%</b>
<b>INFLOWS</b>					
Inflows .....	0.00	0	0	0	0.00%
<b>TOTAL INFLOWS</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Available funds during fiscal year</b>	<b>83,648.57</b>	<b>83,725</b>	<b>83,970</b>	<b>83,970</b>	<b>0.29%</b>
<b>OUTFLOWS</b>					
Outflows .....	0.00	0	0	0	0.00%
<b>TOTAL OUTFLOWS</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Subtotal Fund Balance at end of year</b>	<b>83,648.57</b>	<b>83,725</b>	<b>83,970</b>	<b>83,970</b>	<b>0.29%</b>
<b>RESULTS OF FISCAL YEAR ACTIVITY</b>					
Revenues .....	76.76	0	245	0	0.00%
Expenditures .....	0.00	0	0	0	0.00%
<b>TOTAL RESULTS OF FISCAL YEAR ACTIVITY</b>	<b>76.76</b>	<b>0</b>	<b>245</b>	<b>0</b>	<b>0.00%</b>
Add: Warrants & sales tax payable, adj.....	0.00	0	0	TBD	0.00%
<b>Ending Fund Balance, December 31</b>	<b>\$ 83,725.33</b>	<b>\$ 83,725</b>	<b>\$ 83,970</b>	<b>\$ 83,970</b>	<b>0.29%</b>

Notes:

1. Projected fiscal year results are estimated in November 2016 and finalized by December 31, 2016.

The Debt Service fund is used to manage debt payments. A residual amount remained since 2002, when it was last used to pay debt. It has received only a small amount of interest from investing the fund balance and receipts from delinquent payments. Because the Library has no outstanding debt, only minimal, passive activity in this fund will occur in 2017.

**Beginning Fund Balance**  
\$ 83,970

The fund balance is estimated at nearly \$84,000. The actual amount is not known until the annual report is issued in February 2017.

**Inflows**  
\$ 0

**Inflows..... \$ 0**  
None will occur in 2017.

**Outflows**  
\$ 0

**Outflows..... \$ 0**  
None will occur in 2017.

**Results of Fiscal Year**  
\$ 0

**New revenue ..... \$ 0**  
No new revenue is budgeted. Small income from interest by investing the fund balance will accrue, which will be recognized only as actuals.

**Expenditures..... \$ 0**  
No expenditures will occur in the debt service fund.

**Ending Fund Balance**  
\$ 83,970

**Bottom Line Adjustments**

**Net effect on debt service fund balance ..... \$ 0**  
Very little change is anticipated for 2017.

**Warrants & sales tax payable, bene. accruals, adj .TBD**  
As part of closing a fiscal year, cash in the general fund is adjusted by any sales tax payables, benefit accruals, and adjustments made necessary to reconcile cash with accounting records. These are reported to the state auditor in the final report.

**Conclusion**

The Debt Service Fund will be the fiscal custodian only for the fund balance, which will not be used. The only 2017 activity in the fund will be interest earned on investing the fund balance and less than \$1 for tax payments owed.



**Me** by Sydney Paulsen  
3rd Place 11th/12th Grade Winner of the 2016 Our Own Expressions  
Drawing Contest

# Part 4 Cash Flow and Funds

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**Falling Water** by Aiyanna Kilgore  
3rd Place 7th/8th Grade Winner of the 2016 Our Own Expressions Photography Contest

# Cash Flow, Budgeting, and Funds

## General Fund Cash Flow

The Library's long-term financial sustainability and its ability to operate without incurring the costs and risks of debt are dependent on a strong cash flow strategy, stated as follows:

- Separate cash reserves (fund balance) to identify reserve commitments and unreserved balances.
- Set aside operational reserves for the first four months of the fiscal year (until major property tax revenues are received). The operational reserve is calculated every year according to projected expenditures.
- Set aside a reserve to fund costs for a potential future election.
- Maintain a minimum of 2% in the unreserved fund balance. The unreserved fund balance will decrease over time when the reserve for operational costs increases. This fund may need to be replenished.
- Contingency to flow into the fund balance is only budgeted when it's projected that the unreserved fund balance dips below 2%.
- The Capital Improvement Fund transfer is 3%. Backfill may be needed, depending on emergent capital needs.
- Identify projected shortfalls in future years. Identify reduction strategies in future years.
- Identify cash reserve needs in the current year only. Future years will depend on current year strategies for reductions.

The revised year-to-year cash flow chart is on the next page.

### Interfund Loans

In the General Fund, due to the cyclical nature of revenue receipts versus the regularity of expenditures, there may be temporary shortfalls in available cash (generally April and October). For the most part, the previous year's ending fund balance finances these shortfalls. However, when the balance proves insufficient, interfund loans from the Capital

Improvement Fund to the General Fund may be made by authority of the Board of Trustees. These loans are interest-bearing.

### Investments

When available cash exceeds current needs, the Library has Pierce County Treasurer invest the remaining available amounts, which earns investment income for the Library. The rate of returns is approximately 0.5% due to historically low interest rates. Extremely low return on investment rates will continue through 2021.

### *The Amaranth and the Rose*

An amaranth bloomed fully crowned  
Beside a flawless rose  
Who's splendor outshone all around.  
The former, so morose  
For sake of Rose's handsome face,  
Expressed in instant bold  
Her fierce envy of foretold grace.  
"But envy not," said old  
Sad Rose in her doleful tones,  
"My darling dearest friend,  
I beg you stop your sad'ning moans.  
Your beauty finds no end,  
While beauty that is mine is lost.  
All glory comes with cost."

Allyson Chiou  
Covenant High School

2016 Our Own Expressions  
9th & 10th Grade Poetry Winner—1st place

Table 4-1: 2017 - 2021 Cash Flow Summary

REVENUES & EXPENDITURES					CASH								Budget Strategy
Fiscal Year	Projected Revenues	%/ \$ Rev Change	Projected Expenditures	Budget Shortfall	Total of Cap. Imp. Transfers	Jan 1 Beginning Cash Reserves (est)	Operating Reserves (approx 4 mos)	Jan 1 Beginning Unrestricted Cash Rsrvs (est)	Less: Cash Use	Dec 31 Ending Unrestricted Cash Rsrvs (est)	% of Next fy Revs		
2016 <sup>1</sup> Yearend projected	29,900,000	5.23% 1,485,086	29,250,000	0	1,931,800	8,330,154	- 6,417,261	= 1,912,893	- 0	= 1,912,893	6.21%	Increased CIP transfer to 4%	
2017	30,779,848	2.94% 879,848	30,779,848	0	1,231,194	7,600,000	- 6,648,447	= 951,553	- 0	= 951,553	3.01%	Create long-term strategy for addressing 2018-21 funding	
2018	31,571,905	2.57% 792,057	31,723,569	-151,664 <sup>2</sup>	1,262,876	7,600,000	- 6,819,532	= 780,468	- 0	= 780,468	2.41%	Implement funding strategy	
2019	32,415,460	2.67% 843,555	33,250,668	-835,208 <sup>2</sup>	1,296,618	7,448,336	- 7,001,739	= 446,597	- 0	= 446,597	1.34%		
2020	33,316,494	2.78% 901,034	34,455,320	-1,138,826 <sup>2</sup>	1,332,660	6,613,128	- 7,196,363	= -583,235	- 0	= -583,235	-1.70%		
2021	34,242,520	2.78% 926,026	35,667,633	-1,425,113 <sup>2</sup>	1,369,701	5,474,302	- 7,396,384	= -1,922,082	- 0	= -1,922,082	-5.46%		

Notes:

1. Projected fiscal year results are estimated in November 2016 and finalized by December 31, 2016.
2. Estimate will change based on property values and operating costs.

The above table’s design and purpose is to call out the budgeting challenges over the next four years, and note the impact to operating reserves and unrestricted reserves. It also lays out the general strategy by which the Library is applying to close the shortfall. This tool is used by the Board of Trustees to assist in their understanding of the problem facing the Library, and the effects of decisions. The key concern this chart draws forward is how much of unrestricted fund balance is available to pay for operations, noted in the column, Jan 1 Beginning Unrestricted Cash Rsrvs (est).

Specific to the numbers over the next few years, this table shows the erosion of buying power. The annual costs in providing services will considerably exceed revenues within two years. In 2017 the Library will be creating a long-term strategy to address funding challenges.

## Capital Improvement Fund Cash Flow

**Table 4-2: Capital Improvement Cash Flow (Column Format)**

	2016 <u>FINAL</u>	2016 <u>PROJECTED<sup>1</sup></u>	2017 <u>FINAL</u>	2018 <u>ESTIMATED</u>	2019 <u>ESTIMATED</u>
<b>Beginning Capital Improvement Fund Balance, Jan 1 (est)</b>	<b>\$ 1,039,155</b>	<b>\$ 948,389</b>	<b>\$ 1,650,000</b>	<b>\$ 1,016,194</b>	<b>\$ 1,394,070</b>
Capital Improvement New Revenues & Transfers In.....	1,488,382	2,307,800	1,283,194	1,262,876	1,296,618
<b>Available Funds:</b>	<b>2,527,537</b>	<b>3,256,189</b>	<b>2,933,194</b>	<b>2,279,070</b>	<b>2,693,688</b>
Capital Improvement Expenditures & Transfers Out.....	1,405,000	1,606,189	1,917,000	885,000	1,296,618
<b>Ending Capital Improvement Fund Balance, Dec 31 (est)</b>	<b>\$ 1,122,537</b>	<b>\$ 1,650,000</b>	<b>\$ 1,016,194</b>	<b>\$ 1,394,070</b>	<b>\$ 1,394,070</b>

Notes:

1. Projected fiscal year results are estimated in November 2016 and finalized by December 31, 2016.

**Table 4-3: Capital Improvement Cash Flow (Row Format)**

REVENUES & EXPENDITURES					CASH						
Fiscal Year	Budgeted Revenues	%/ \$ Rev Change	Budgeted Expenditures	Cap. Imp. Budget Shortfall	Jan 1 Beginning Cash Reserves (est)	Less: Cash Use	Add: Unused Revenue	Dec 31 Ending Cash Reserves (est)	% of Next fy Revs		
2016 <sup>1</sup> Yearend Projected	1,564,382	-15.37% -284,212	1,405,000	-	948,389	-	0	+ 701,611	1,650,000	5.36%	
2017	1,283,194	-17.97% -281,188	1,917,000	633,806	1,650,000	-	633,806	+	0	= 1,016,194	3.30%
2018	1,262,876	-1.58% -20,318	885,000	-	1,016,194	-	0	+	0	= 1,394,070	4.42%
2019	1,296,618	2.07% 33,742	1,296,618	-	1,394,070	-	0	+	0	= 1,394,070	4.30%

Notes:

1. Projected fiscal year results are estimated in November 2016 and finalized by December 31, 2016.

Provided above is a Capital Improvement Fund cash flow chart (two versions). While it appears that the Capital Improvement Fund is sufficient for 2017 through 2019 routine projects, major maintenance can quickly draw down the Capital Improvement Fund. As allowed per the Fiscal Management policy, the Library may transfer unanticipated revenues and savings during the year, typically done when the annual fiscal report is completed, or during the mid-year budget process.

The Library's concern is the column second from the right, Dec 31 Ending Cash Reserves (est).

Continuing in 2017, the Library will be transferring 4% of general fund revenue to the capital improvement fund. The goal is to maintain at least 4% ending fund balance in the capital improvement fund, so that when

the next economic downturn occurs, less cash will be transferred from the general fund to help offset shortfalls, at which point the 4% cash balance will be drawn down over 2 or 3 years to pay for ongoing critical needs, and then replenished when the economy improves.

What's not addressed is more substantive modernization efforts in future plans. The available funds allow us to keep buildings operating, but does not address modern needs. Most of the library facilities are at least 25 years old and have had little done to modernize them beyond adding Internet-accessible computers. While the 2008 Facilities Master Plan addressed many of those concerns, the recession made a district-wide modernization effort impossible. In 2017, the Library will be developing a modern facilities strategy.

## Summary of Fund Balances

**Table 4-4: Summary of Fund Balances**

	GENERAL FUND	CAPITAL IMPROVE. FUND	SPECIAL PURPOSE FUND	DEBT SERVICE FUND
2016 <sup>1</sup> Beginning Fund Balance, Jan 1 .....	\$ 8,330,154	\$ 1,450,010	\$ 0	\$ 83,725
2017 Beginning Fund Balance, Jan 1 (est) .....	\$ 7,600,000	\$ 1,650,000	\$ 728,173	\$ 83,970
Add: 2017 New Revenues & Transfers In.....	30,779,848	1,283,194	0	0
<b>2017 Available Funds:</b> .....	<b>38,379,848</b>	<b>2,933,194</b>	<b>728,173</b>	<b>83,970</b>
Less: 2017 Expenditures & Transfers Out .....	30,779,848	1,917,000	0	0
<b>2017 Ending Fund Balance, Dec 31 (est)</b> .....	<b><u>\$ 7,600,000</u></b>	<b><u>\$ 1,016,194</u></b>	<b><u>\$ 728,173</u></b>	<b><u>\$ 83,970</u></b>

Notes:

1. 2016 balances were updated by using the 2015 actual ending fund balances reported in May 2016.

**P**rovided above is a summary of each fund's beginning and ending balances.



**Luhan** by Colleen Faber  
1st Place 9th/10th Grade Winner of the 2016 Our Own Expressions  
Drawing Contest

# Part 6 About the Library

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**1855** by Sydney Paulsen  
1st Place 11th/12th Grade Winner of the 2016 Our Own Expressions Photography Contest

**Table 6-6: Departmental Expenditure Budgets—General Fund**

DEPARTMENT	2015 ACTUALS	2016 FINAL	2017 BUDGET	% CHANGE 2016 FINAL TO 2017
Executive Office .....	\$ 581,959.91	\$ 719,720	\$ 753,625	4.71%
Collection Management .....	5,770,126.06	5,777,992	5,741,040	-0.64%
Customer Experience .....	12,816,800.91	14,057,577	14,683,189	4.45%
Communications .....	663,893.80	733,858	680,056	-7.33%
Facilities Management.....	2,707,457.97	2,900,147	3,425,787	18.12%
Finance .....	852,465.74	925,839	1,004,547	8.50%
Fund Development .....	252,981.73	268,175	281,326	4.90%
Information Technology .....	2,528,636.90	2,778,744	3,037,921	9.33%
Staff Experience .....	661,761.10	694,826	835,406	20.23%
<b>SUBTOTAL DEPARTMENTS</b>	<b>26,836,084.12</b>	<b>28,856,878</b>	<b>30,442,897</b>	<b>5.50%</b>
Reductions in salaries planning budget ..... to match projections (2.5% of personnel costs)	N/A for Actuals	(535,719)	(894,243)	66.92%
<b>TOTAL DEPARTMENTS</b>	<b>26,836,084.12</b>	<b>28,321,159</b>	<b>29,548,654</b>	<b>4.33%</b>
Net of other expenditures, set-asides, transfers .....	1,137,218.00	1,388,382	1,231,194	-11.32%
<b>TOTAL EXPENDITURES</b>	<b>\$ 27,973,302.12</b>	<b>\$ 29,709,541</b>	<b>\$ 30,779,848</b>	<b>3.60%</b>

All departments are budgeted general funds for operations. Some departments have locations for which they have staff or allocated purchases (for example, office supplies spread across 19 locations). Budgeting for locations occurs as an allocation after the full budget has been approved. Each department is then rolled up (summarized) to confirm the department’s overall budget.

Accounting module of the Library’s financial system, Eden. The capital projects tables provided in this budget are roll ups of multi-departmental capital project budgets, but identified with the principal department having overall project oversight of the budget.

No department has any budget in the Debt Service Fund.

Some departments have Capital Improvement Funds for projects. These budgets are entered into the Project

**Table 6-7: Departmental Expenditure Budgets—By General Fund Category**

	Collection Mgmt.	Comm.	Customer. Experience	Develop.	Executive Office	Facilities Mgmt.	Finance	Information Technology	Staff Experience	Subtotal	Pers. Adjust.	Total Budget
FTEs	23.20	5.60	190.16	2.80	5.00	27.46	6.00	18.00	6.00	284.22	NA	284.22
<b>Budget Category</b>												
Personnel	1,810,340	530,756	14,351,289	279,726	584,685	1,707,497	635,197	1,783,871	672,706	22,356,067	(894,243)	21,461,824
Maint. & Ops.	149,900	149,300	331,900	1,600	168,940	1,718,290	369,350	1,254,050	162,700	4,306,030	N/A	4,306,030
Materials	3,780,800										N/A	3,780,800
<b>TOTAL</b>	<b>5,741,040</b>	<b>680,056</b>	<b>14,683,189</b>	<b>281,326</b>	<b>753,625</b>	<b>3,425,787</b>	<b>1,004,547</b>	<b>3,037,921</b>	<b>835,406</b>	<b>30,442,897</b>	<b>(894,243)</b>	<b>29,548,654</b>
											CIP Transfer:	1,231,194
												\$30,779,848

**Table 6-8: Departmental Expenditure Budgets--Capital Improvement Fund**

DEPARTMENT	2015 ACTUALS	2016 FINAL	2017 BUDGET	% CHANGE 2016 FINAL TO 2017
Executive Office .....	\$ 120,000.00	\$ 120,000	\$ 170,000	41.67%
Customer Experience .....	569,682.95	235,000	200,000	-14.89%
Communications .....	0.00	175,000	0	-100.00%
Facilities Management .....	486,834.61	487,000	1,172,000	140.66%
Finance .....	0.00	0	150,000	New
Information Technology .....	1,746,800.31	360,000	200,000	-44.44
<b>SUBTOTAL DEPARTMENTS</b>	<b>2,923,317.87</b>	<b>1,377,000</b>	<b>1,892,000</b>	<b>37.40%</b>
Net of other expenditures and contingencies .....	11,501.48	28,000	25,000	-10.71%
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,934,819.35</b>	<b>\$ 1,405,000</b>	<b>\$ 1,917,000</b>	<b>36.44%</b>

**Table 6-9: Departmental Expenditure Budgets—Major Funds**

DEPARTMENT	2017 GENERAL FUND	2017 CAPITAL IMP. FUND	2017 TOTAL FUNDS <sup>1,2</sup>
Executive Office .....	\$ 753,625	\$ 170,000	\$ 923,625
Customer Experience .....	14,683,189	200,000	14,883,189
Collection Management .....	5,741,040		5,741,040
Communications .....	680,056		680,056
Facilities Management .....	3,425,787	1,172,000	4,597,787
Finance .....	1,004,547	150,000	1,154,547
Fund Development .....	281,326		281,326
Information Technology .....	3,037,921	200,000	3,237,921
Staff Experience .....	835,406		835,406
<b>SUBTOTAL DEPARTMENTS</b>	<b>\$ 30,442,897</b>	<b>\$ 1,892,000</b>	<b>\$ 32,334,897</b>
Net of all other costs, adjustments, and set-asides .....	336,951	25,000	361,951
<b>TOTAL EXPENDITURES</b>	<b>\$ 30,779,848</b>	<b>\$ 1,917,000</b>	<b>\$ 32,696,848</b>

Notes:

1. Debt Service Fund is not included, as there is de minimus activity in that fund.
2. Special Purpose Fund is not included, as it will not fund programs and projects in 2017, until after the Financial/HRIS system is implemented.

*Whistle*

I walk through the colorless city.  
 My jacket is soaked, as useless as a  
 towel in a pool.  
 I whistle, suddenly people are visible.  
 The sun peaks, and lights turn on.  
 The sky turns from colorless, to a cool green.  
 I whistled.

\_\_\_\_\_  
**Claire Wing**  
 St. Patrick School

**2016 Our Own Expressions  
 7th & 8th Grade Poetry Winner—2nd place**

# 2017 BUDGET PUBLIC HEARING

## **Opening the Public Hearing:**

“I move that in accordance with RCW 84.55.120, the public hearing be opened for consideration of increases in property tax revenues, regarding 2016 property tax levies for collection in 2017.” (The motion is seconded and passed.)

## **Public Comment:**

After presentation of the 2017 budget, the chair must ask if there was anyone in the audience who would like to comment on the budget. If there is no response, or when public comments have ended, the public hearing is then closed.

## **Closing the Public Hearing:**

“I move to close the public hearing on the 2017 budget of final revenue and expenditures.” (The motion is seconded and passed.)

# **Unfinished Business (cont.)**

# BUDGET RESOLUTIONS

## 2017

2016-9: TO ADOPT THE 2017 GENERAL FUND BUDGET

2016-10: TO ADOPT THE 2017 CAPITAL IMPROVEMENTS FUND BUDGET

2016-11: TO ADOPT THE 2017 SPECIAL PURPOSE FUND BUDGET

**RESOLUTION NO. 2016-9**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
PIERCE COUNTY RURAL LIBRARY DISTRICT  
TO ADOPT THE 2017 GENERAL FUND BUDGET**

**WHEREAS**, the Pierce County Assessor’s Office has provided the Pierce County Rural Library District with a preliminary estimate of assessed valuation of \$62,468,255.605 for the real property located within District boundaries, and

**WHEREAS**, the assessed valuation, new construction, annexations, and administrative refunds will result in estimated property tax collections of \$29,179,609.09 certified in the levy certificate as passed by the Board of Trustees during the November 14, 2016 meeting, and

**WHEREAS**, the Board of Trustees declared a “Substantial Need” resolution that accompanies the levy certificate as passed by the Board of Trustees during the November 14, 2016 meeting, and

**WHEREAS**, the Library anticipates Pierce County Assessor-Treasurer’s Office will submit one or more revised levy certificate(s) by December 31, 2016 projected at \$83,000 of additional revenue, and

**WHEREAS**, the Library calculates 99.91% of property tax revenues as collectible in 2017, and therefore estimated revenue of property taxes is budgeted at \$29,322,348, and

**WHEREAS**, the Library estimates revenue of \$1,457,500 from other sources, and

**WHEREAS**, all available new revenue is necessary for the continued operation and maintenance of the Library District and services to its customers in 2017, and

**WHEREAS**, by Fiscal Management Policy the Library has created a balanced budget having expenditures match revenues, now therefore,

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

The 2017 General Fund budget for the Pierce County Rural Library District in the amount of \$30,779,848 is hereby adopted in its final form and content.

**PASSED AND APPROVED THIS 14TH DAY OF DECEMBER, 2016.**

<b>BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT</b>	
Robert Allen, Chair	_____
Donna Albers, Vice-Chair	_____
Monica Butler, Member	_____
Linda Ishem, Member	_____
J. J. McCament, Member	_____

**RESOLUTION NO. 2016-10**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
PIERCE COUNTY RURAL LIBRARY DISTRICT  
TO ADOPT THE 2017 CAPITAL IMPROVEMENTS FUND BUDGET**

**WHEREAS**, the Pierce County Rural Library District has developed a Capital Improvement Plan which describes significant projects to be accomplished in the years 2017 through 2018, and

**WHEREAS**, the Pierce County Rural Library District has established a Capital Improvements Fund to pay for approved projects included in the Capital Improvements Plan, and

**WHEREAS**, the Capital Improvement Fund receives financial support from transfers from the General Fund, the Capital Fund balance, the Foundation, rebates and reimbursements, and other identified sources of revenue, and

**WHEREAS**, the Library has reviewed the Capital Improvement Plan for 2017 and has determined that twenty-one (21) projects amounting to \$1,892,000 and a \$25,000 contingency should be funded through the Capital Improvement Fund, now therefore,

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

The 2017 Capital Improvement Fund budget for the Pierce County Library District in the amount of \$1,917,000 is hereby adopted in its final form and content.

**PASSED AND APPROVED THIS 14TH DAY OF DECEMBER, 2016.**

<b>BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT</b>	
Robert Allen, Chair	_____
Donna Albers, Vice-Chair	_____
Monica Butler, Member	_____
Linda Ishem, Member	_____
J. J. McCament, Member	_____

**RESOLUTION NO. 2016-11**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
PIERCE COUNTY RURAL LIBRARY DISTRICT  
TO ADOPT THE 2017 SPECIAL PURPOSE FUND BUDGET**

**WHEREAS**, the Pierce County Rural Library District has developed a list of projects, programs, and set-asides to be managed in the Special Purpose Fund beginning with fiscal year 2016, and

**WHEREAS**, the Special Purpose Fund receives financial support from transfers from the General Fund budget, transfers from any fund balances, Foundation funds, and other identified sources of revenue, and

**WHEREAS**, the Library has reviewed the Special Purpose Fund for 2017 and has determined that no (0) funded entries amounting to \$0 should be committed or restricted in its use through funding in the Special Purpose Fund, now therefore,

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

The 2017 Special Purpose Fund budget for the Pierce County Library District in the amount of \$0 is hereby adopted in its final form and content.

**PASSED AND APPROVED THIS 14TH DAY OF DECEMBER, 2016.**

<b>BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT</b>	
Robert Allen, Chair	_____
Donna Albers, Vice-Chair	_____
Monica Butler, Member	_____
Linda Ishem, Member	_____
J. J. McCament, Member	_____

# BUDGET RESOLUTIONS

## 2016 YEAREND TRANSFERS

2016-12: TO TRANSFER A PORTION OF THE FUND BALANCE OF THE  
GENERAL FUND TO THE CAPITAL IMPROVEMENTS FUND

2016-13: TO TRANSFER A PORTION OF THE FUND BALANCE OF THE  
GENERAL FUND TO THE SPECIAL PURPOSE FUND

2016-14: TO TRANSFER SET-ASIDES IN THE GENERAL FUND BALANCE AND  
CAPITAL FUND BALANCE TO THE SPECIAL PURPOSE FUND

**RESOLUTION NO. 2016-12**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
PIERCE COUNTY RURAL LIBRARY DISTRICT  
TO TRANSFER A PORTION OF THE FUND BALANCE  
OF THE GENERAL FUND TO THE CAPITAL IMPROVEMENTS FUND**

**WHEREAS**, the beginning General Fund balance in 2016 was \$8,330,154.03, and

**WHEREAS**, 4.00% (\$1,188,382) was set-aside in the 2016 General Fund budget for transfer to the 2016 Capital Improvement Fund for capital projects, and

**WHEREAS**, the Library's Fiscal Management Policy allows the Board of Trustees to transfer unanticipated revenues and savings to the Capital Fund, and

**WHEREAS**, in July 2016, as part of closing the 2015 fiscal year the Library determined that the net of 2015 General Fund revenues and expenditures resulted in a positive balance of \$441,612, and

**WHEREAS**, on July 13, 2016, the Board approved the transfer of said funds to the Capital Improvement Fund, and

**WHEREAS**, the Library is declaring a critical need to fund committed Capital Improvement projects between 2017 and 2018, and

**WHEREAS**, the Library conducted an analysis of General Fund balance needs for operating the Library in 2017 and determined that \$301,806.00 is available for transfer from the General Fund to the Capital Improvement Fund, now, therefore

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

\$301,806.00 be transferred from the General Fund to the Capital Improvement Fund for upcoming capital projects.

**PASSED AND APPROVED THIS 14TH DAY OF DECEMBER 2016.**

**BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT**

Robert Allen, Chair

\_\_\_\_\_

Donna Albers, Vice-Chair

\_\_\_\_\_

Monica Butler, Member

\_\_\_\_\_

Linda Ishem, Member

\_\_\_\_\_

J. J. McCament, Member

\_\_\_\_\_

**RESOLUTION NO. 2016-13**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
PIERCE COUNTY RURAL LIBRARY DISTRICT  
TO TRANSFER A PORTION OF THE FUND BALANCE  
OF THE GENERAL FUND TO THE SPECIAL PURPOSE FUND**

**WHEREAS**, the beginning General Fund balance in 2016 was \$8,330,154.03, and

**WHEREAS**, the Library’s Fiscal Management Policy allows the Board of Trustees to transfer unanticipated revenues and savings to the Special Purpose Fund, and

**WHEREAS**, the Library is declaring a critical need to fund future land, property, and facility needs, and

**WHEREAS**, the Library conducted an analysis of General Fund balance needs for operating the Library in 2017 and determined that \$198,194.00 is available for transfer from the General Fund to the Special Purpose Fund, now, therefore

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

\$198,104.00 be transferred from the General Fund to the Special Purpose Fund and be a “reserved” set-aside for future land, property, and facility needs to be accumulated and budgeted accordingly.

**PASSED AND APPROVED THIS 14TH DAY OF DECEMBER 2016.**

<b>BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT</b>	
Robert Allen, Chair	_____
Donna Albers, Vice-Chair	_____
Monica Butler, Member	_____
Linda Ishem, Member	_____
J. J. McCament, Member	_____

**RESOLUTION NO. 2016-14**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
PIERCE COUNTY RURAL LIBRARY DISTRICT  
TO TRANSFER SET-ASIDES IN THE GENERAL FUND BALANCE AND  
CAPITAL FUND BALANCE  
TO THE SPECIAL PURPOSE FUND**

**WHEREAS**, the Special Purpose Fund receives financial support from transfers from the General Fund budget, transfers from fund balances, Foundation funds, and other identified sources of revenue, and

**WHEREAS**, \$360,000 was set-aside within the General Fund since passing the 2006 levy lid-lift to pay for a future levy lid-lift election and the Board identifies the future election cost as a Special Purpose reserve set-aside, and

**WHEREAS**, \$170,069 was set-aside within the Capital Improvement Fund in 2016 to pay for future land, property, and facility needs and the Board identifies this as a Special Purpose reserve set-aside, now therefore,

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

The \$360,000 future election cost set-aside in the General Fund balance and the \$170,069 future land, property, and facility needs set-aside in the Capital Improvement Fund balance be each transferred to the Special Purpose Fund and that each be “reserved” as said set-asides to be accumulated for future project needs and budgeted accordingly.

**PASSED AND APPROVED THIS 14TH DAY OF DECEMBER 2016.**

**BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT**

Robert Allen, Chair

\_\_\_\_\_

Donna Albers, Vice-Chair

\_\_\_\_\_

Monica Butler, Member

\_\_\_\_\_

Linda Ishem, Member

\_\_\_\_\_

J. J. McCament, Member

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# New Business

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# MEMO



Date: December 1, 2016

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

From: Georgia Lomax, Executive Director

Subject: Election of 2017 Board of Trustee Officers

At this time each year, the Board elects new officers. You will be electing a Board Chair and Vice-Chair. The Chair and Vice-Chair will take office at the January meeting.

# **Board Education and Service Reports**

# MEMO

Date: December 6, 2016

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

From: Chereé Green, SHRM-SCP, Staff Experience Director

Subject: Leadership Academy Capstone Project

Pierce County Library System's first Leadership Academy cohort graduated on July 18, 2016. As you know, the cohort was given a capstone project making them responsible for planning the Library's recent Staff In-service Day.

During the December Board meeting, members of the cohort will share a presentation on their Leadership Academy experience and their project.

The members and graduates of our first Leadership Academy cohort are:

Ben Haines, Sr. Librarian, Sumner	Miguel Colon, Asst. Branch Supervisor, Sumner
David Seckman, Sr. Librarian, Graham	Meghan Sullivan, Customer Experience Manager,
Dianne Ellis, Asst. Branch Supervisor, South Hill	Karen Brooks, Branch Manager, Gig Harbor
Kim Archer, Branch Manager, Lakewood	Kathy Norbeck, Community Branch Supervisor, Buckley
Lauren Murphy, Senior Librarian, Bonney Lake	Dale Hough, Finance Manager, ACL
Jaime Prothro, Customer Experience Manager	Joy Kim, Customer Experience Manager



Pictured from left: Georgia Lomax, David Seckman, Karen Brooks, Kim Archer, Kathy Norbeck, Lauren Murphy, Jaime Prothro, Dianne Ellis, Ben Haines, Meghan Sullivan, Dale Hough, Joy Kim, Miguel Colon, Catherine McHugh

# Officers Reports

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# MEMO



Date: December 6, 2016

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

From: Georgia Lomax, Executive Director

Subject: Strategic Plan Update

With the Strategic Framework approved, the Planning Team is focused on completing the mid-level internal operating agreements that link the public-facing framework with the practical internal work and activities.

In December, we expect to complete the action strategies that further describe work in each focus area, as well as the document that provides a record of the public process and its results.

During December, work will continue on the internal implementation tools as we develop the 2017 work plan to achieve the services and activities funded by the 2017 budget.

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# MEMO



Date: December 6, 2016

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

From: Clifford Jo, Finance & Business Director

Subject: Wave Update

The Wave network buildout completed on November 30, 2016. The original Wave project had new high speed networking lines being installed in all of our locations by October 31, 2016. In the Amended and Restated Service Agreement that was signed on November 14, a total of 9 locations were included for final installation by November 30, and the others were released from any obligation. The Agreement also increased the bandwidths of the lines from 200 megabit to 1 gigabit for each branch and 1 gigabit to 2 gigabit for the Internet line.

The new system will help us with a growing segment of our technology service offerings. We have two primary populations using the Library's telecommunications systems:

1. Fixed form Internet PCs, which include the desktops and laptops for a segment of the population that either don't have the equipment or don't have Internet services.
2. Wireless/WiFi access to the Internet via customer-owned equipment, such as smartphones and tablets.

Prior to Wave, both of these populations were served by Comcast and are eligible for eRate reimbursements. In reviewing our current and future service needs, we have identified that additional networking, such as offered by Wave, is best suited for serving the WiFi community, as their needs are substantively different than customers who come into the branches to use library-owned computers. With the help of network consultants, we will implement an architecture around this concept and seek eRate funding in early 2017.

# MEMO

Date: December 2, 2016

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

From: Jaime Prothro, Customer Experience Manager

Subject: DIYfest

Pierce County Library System held its third annual DIYfest on Saturday, October 29, 2016 at Pierce College – Puyallup. More than 750 participants came throughout the day to learn and explore projects and ideas that celebrate a “do-it-yourself” approach. More than 40 exhibitors shared their expertise on topics that ranged from soap-making, tarot reading, and first aid to boat-building, fixing a flat bicycle tire, and energy efficient home ownership. There was a marked increase in presentations this year: 30 presentations ran throughout the day in 5 different spaces on a variety of skills - starting an Etsy shop, making your own sauerkraut, using a bow drill to start a fire in the wet Pacific Northwest environment, and nutrient rich container gardening to name a few. The full list of exhibitors and presenters can be found at [diyfest.pcls.us](http://diyfest.pcls.us).

A new feature in 2016 was the addition of a food drive for the Emergency Food Network. Attendees brought enough food to prepare over 116 meals.

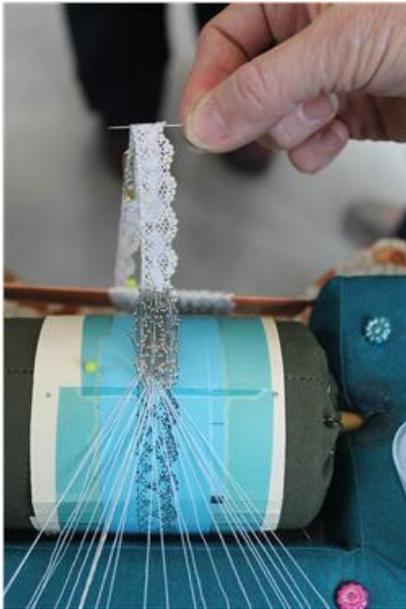
One of the most powerful outcomes from an event like DIYfest is seen as exhibitors and residents share ideas, connect, and really build a sense of community. A mother who brought her two young sons to the event shared that this was one of the best days they’ve had together because there was learning for all of them – a lot of it!

The planning team for the event came from throughout the PCLS organization: Stephanie Chou (Graham), Laura Farrow (Sumner), Beth Luce (Communications), Barbara Menne (Parkland), Lisa Oldoski (Collection Management), Bonnie Valens (Executive Office) and Jaime Prothro (Customer Experience).

This event was co-sponsored by Pierce College.







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# MEMO



Date: December 14, 2016

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

From: Cheree Green, Staff Experience Director

Subject: Local 3787 Election Results

Elections were recently held to fill three open Executive Board officer positions and a Trustee position in the Library's Union. The following staff members have been elected to serve during the next term:

Vice President - **Aisha Womack**, Senior Branch Assistant, Sumner  
Chief Shop Steward - **Michelle Angell**, Librarian, Lakewood  
Treasurer - **Genevieve Dettmer**, Librarian, University Place  
Trustee - **Margaret Bliss**, Assistant Branch Supervisor, Graham

#### Ongoing Members:

President - **Dianne Ellis**, Assistant Branch Supervisor, South Hill  
Recording Secretary - **Barbie Swayze**, Sr. IT Technician, ACL  
Trustee - **Danielle Marlin**, Library Page, Summit  
Trustee - **Tamara Saarinen**, Librarian, Gig Harbor

#### Stewards:

ACL - **John Bornicke**, Facilities Operations Lead, ACL; **Barbie Swayze**, Sr. IT Technician, ACL  
BLK - **Catherine O'Brien**, Librarian, Bonney Lake  
BUC - **Mellisa Sisley**, Senior Branch Assistant, Lakewood  
DPT - **Irene Poshtkouhi**, Senior Branch Assistant, Tillicum  
EAT - **Danielle Marlin**, Library Page, Summit  
F1F - **Dana Brownfield**, Librarian, Summit  
GIG - **Tamara Saarinen**, Librarian, Gig Harbor; **Terri May**, Librarian, Gig Harbor  
GHM - **Danielle Marlin**, Library Page, Summit  
KC - **Tamara Saarinen**, Librarian, Gig Harbor; **Terri May**, Librarian, Gig Harbor  
LWD - **Michelle Angell**, Librarian, Lakewood; **Yuri Button**, Senior Branch Assistant, Lakewood  
MIL - **Mellisa Sisley**, Senior Branch Assistant, Lakewood  
ORT - **Danielle Marlin**, Library Page, Summit  
PKS - **Annabel Guimont**, Assistant Branch Supervisor, Parkland  
SH - **Dianne Ellis**, Assistant Branch Supervisor, South Hill; **Mellisa Sisley**, Senior Branch Assistant, Lakewood  
STL - **Patti Cox**, Community Branch Supervisor, Steilacoom  
SMT - **Dana Brownfield**, Librarian, Summit  
SUM - **Aisha Womack**, Senior Branch Assistant, Sumner

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TIL - **Irene Poshtkouhi**, Senior Branch Assistant, Tillicum

UP - **Malia Tui**, Assistant Branch Supervisor, University Place; **Genevieve Dettmer**, Librarian,  
University Place

**Pierce County Library FYI Packet**  
**Link List**  
**December 14, 2016**

**Pierce County Library in the News**

- [‘Before I Die’ wall at Gig Harbor library engages community with bucket list goals](#) —The Peninsula Gateway/The News Tribune
- [DIY Fest: Bring out your best!](#)—The Weekly Volcano
- [Get Hired Job Fair connects tech industry employers and job seekers](#) —Suburban Times
- [Local libraries host holiday events](#) (outlines holiday programs across PCLS) —Courier-Herald
- [Sean Gaskell to perform West African Kora at Key Center Library](#) —The News Tribune
- [At least 42 percent of Pierce voters had turned in ballots by Saturday](#) —The News Tribune