

**AGENDA**  
**Regular Meeting of the Pierce County Library System Board of Trustees**  
**October 21, 2015**  
**3:30 pm**

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 emergency nature, the Board ordinarily takes matters under advisement before taking action. Please sign up at the time of the meeting to speak during the Public Comment period, and limit your comments to three minutes.</i>	
3:36 pm	04 min.	<b>Consent Agenda</b>	<b>Action</b>
		1. Approval of Minutes of the September 9, 2015, Regular Meeting	
		2. Approval of September 2015 Payroll, Benefits and Vouchers	
3:40 pm	05 min.	<b>Board Member Reports</b>	
3:45 pm	10 min.	<b>Routine Reports</b>	
		1. Dashboard, Georgia Lomax	
		2. September 2015 Financial Report, Dale Hough	
		3. Executive Director Activities, Georgia Lomax	
3:55 pm		<b>Unfinished Business</b>	
	05 min.	1. Strategic Planning Process Update, Georgia Lomax	
	15 min.	2. Special Purpose Fund, Clifford Jo	
	10 min.	3. Fiscal Management Policy: First Proposed Draft, Clifford Jo	
4:25 pm		<b>New Business</b>	
	25 min.	1. 2016 Budget, Georgia Lomax	
		a. 2016 Levy Certificates and Implicit Price Deflator, Clifford Jo	
		b. 2016 Revenue and Expenditures Draft, Clifford Jo	
		c. 2016 Materials Budget Summary, Melinda Chesbro	
		d. 2016-2020 Cash Flow, Clifford Jo	
	05 min.	2. 2016 Board Meeting Schedule, Georgia Lomax	
	05 min.	3. Friends and Foundation of Libraries Week, Joy Kim	<b>Action</b>
5:00 pm	35 min.	<b>Board Education and Service Reports</b>	
		1. 2016 Work Plan, Melinda Chesbro	
5:35 pm	10 min.	<b>Officers Reports</b>	
		1. 2016 Library Conferences, Georgia Lomax	
		2. Regional Trustees Meeting, Georgia Lomax	
		3. Parking Lot Administrative Policy, Sally Porter Smith and Jennifer Patterson	
		4. ERate Update, Karim Adib	
		5. Wave Broadband Contract Update, Karim Adib	
		6. Fife Construction Update, Lorie Erickson	
		7. 2013/14 Library Audit, Clifford Jo	
		8. Leadership Academy, Chereé Green	
		9. New Library Card Designs, Linda Farmer	
		10. 2015-16 Foundation Board Meeting Schedule, Georgia Lomax	
		11. 2015 Summer Reading, Judy Nelson and Jaime Prothro	
5:45pm	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 contract negotiations and personnel.</i>	
6:00 pm	01 min.	<b>Announcements</b>	
6:01 pm		<b>Adjournment</b>	

# Consent Agenda

**BOARD OF TRUSTEES  
PIERCE COUNTY LIBRARY SYSTEM  
REGULAR MEETING, SEPTEMBER 9, 2015**

**CALL TO ORDER**

Chair Rob 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 Linda Ishem, Donna Albers and Monica Butler. J.J. McCament was absent.

**PUBLIC COMMENT**

There was no public comment.

**CONSENT AGENDA**

1. Approval of Minutes of the August 12, 2015, Regular Meeting
2. August 2015 Payroll, Benefits and Vouchers
  - Payroll Warrants 3632-3636, dated 08/01/15 - 08/31/15 in the amount of \$6,124.97
  - Payroll Disbursement Voucher dated 08/06/15 in the amount of \$630,216.27
  - Payroll Disbursement Voucher dated 08/21/15 in the amount of \$575,213.24
  - Accounts Payable Warrants 624761-624846 dated 08/01/15 – 08/31/15 in the amount of \$939,221.14

*Ms. Ishem moved for approval of the consent agenda as amended for clarity. Ms. Butler seconded the motion and it was passed.*

**BOARD REPORTS**

There were no Board Reports.

**ROUTINE REPORTS**

**Dashboard** - Georgia Lomax, Executive Director, said this is a time of unknowns and the Library must look at what happens in the community and make our operational decisions based on this. She said the Library continues to track trends in the industry to remain informed and ensure it remains flexible and responsive to the community.

**August 2015 Financial Report** - Dale Hough, Finance Manager, reported August is one of the lower months for revenue. In October, the Library will receive \$8-10 Million in revenue. The 2015 Mid-Year budget adjustments are posted. The Library is at 55% revenue YTD and approximately 67% of expenditures YTD.

**Executive Director Activities** - Ms. Lomax reviewed her activities for the month of August. She reported she attended the author event featuring Foundation Board member Tim Sherry's latest poetry book. She said it was a well-attended event.

**UNFINISHED BUSINESS**

**Fiscal Management Policy** - Clifford Jo, Finance and Business Director reviewed the draft of the new policy. Discussion ensued. It was suggested the policy be reviewed annually at the beginning of the budget process. Mr. Jo will bring revisions to the Board in October for further consideration.

**2016 Budget: Estimated Revenue and Expenditures** - Mr. Jo said he anticipates a revenue increase of approximately 7%, which equates to nearly \$2.1 Million. He will bring a balanced budget to the Board along with the Executive Director's message to the next meeting.

**Compensation Study** - Cheree Green, Staff Experience Director, reported the results of the study have been shared with staff. She reviewed the report with the Board. Discussion ensued on the findings in the report. Ms.

Lomax said the goal was to demystify the report and the process around it. Ms. Green said the compensation philosophy is nearly complete and will be brought to the Board in a future meeting.

**2016 Work Plan Development** - Ms. Lomax said the budget is a means to achieving the work the Library is doing. She noted the Administrative and Leadership teams are working on the work plan and how it will allow the Library to achieve its objectives.

**Strategic Planning Process** - Ms. Lomax reported the Library will be issuing the RFQ for a strategic planning consultant in October. This public process will help the Library understand what is important to the community.

#### NEW BUSINESS

**Special Purpose Fund Project** - Mr. Jo said this new fund will recognize the Library is moving into a new era in which it does not receive funds from other sources. Currently all revenue is contained in the general fund, making it difficult to extricate costs for personnel and grant-funded positions. There is a need to separate those sources of revenue and expenditures with day to day operations and from the capital fund. Mr. Jo suggested viewing it as a project fund. This will allow the Library to recognize the revenue first and spend afterward. It will also be used to purposefully develop funds for future projects. Mr. Jo will bring his recommendation to the Board by the November meeting.

Ms. Lomax said creating this new fund offers greater transparency. Chair Allen and the Board agreed to its value.

#### BOARD EDUCATION AND SERVICE REPORTS

There were no board Education and Service Reports.

#### OFFICER REPORTS

Ms. Lomax reported Mr. Hough is serving as Chair of the Washington Finance Officers Association 2015 Annual Conference.

**Deputy Director Hiring** - Ms. Lomax announced an offer has been extended to Melinda Chesbro, who is currently serving as Reading and Materials Director. She said she was pleased with the response of staff to the news. She added there were many great candidates and it was valuable to consider candidates outside of the Library industry.

**E-Rate Application Review** - Mr. Adib reported the Category 1 application is on target. He said he expects some questions about Category 2 service due to its complexity. He noted the final response will be on September 24, 2015.

#### EXECUTIVE SESSION

At 5:45 pm, Ms. Albers moved to recess to Executive Session, per RCW 42.30.110, to discuss personnel issues for ten minutes. Ms. Ishem seconded the motion and it was passed. The Session ended at 5:59 pm.

#### ANNOUNCEMENTS

There were no announcements.

#### ADJOURNMENT

*The meeting was adjourned at 6:00 pm on motion by Ms. Butler, seconded by Ms. Ishem.*

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Georgia Lomax, Secretary

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Rob Allen, Chair

## September 2015 Payroll, Benefits and Vouchers

	<u>Warrant Numbers</u>	<u>Date(s)</u>	<u>Amount</u>
Payroll Warrants	3637-3641	9/1/15-9/30/15	\$7,045.84
Electronic Payments - Payroll & Acct Payable		09/06/15	\$601,235.50
Electronic Payments - Payroll & Acct Payable		09/21/15	\$599,912.45
Accounts Payable Warrants	624847-624953	9/1/15-9/30/15	\$1,254,470.75
<b>Total:</b>			<u><u>\$2,462,664.54</u></u>

**Check History Listing**  
Pierce County Library System

Check #	Bank	Date	Paid to	Status	Can/Vd Date	Pay Period Dates	Dir Dep	Amount
3637	pr	09/04/2015	MCKINNON, CAMERON			08/16/15 - 08/31/15	0.00	1,923.51
3638	pr	09/21/2015	THOMPSON, TRACEY			09/01/15 - 09/15/15	0.00	2,170.25
3639	pr	09/21/2015	FRANKLIN, MICHELE			09/01/15 - 09/15/15	0.00	53.90
3640	pr	09/21/2015	DEFORGE, KRISTIN			09/01/15 - 09/15/15	0.00	914.48
3641	pr	09/21/2015	LUCE, ELISIBETH			09/01/15 - 09/15/15	0.00	1,983.70
<b>Total:</b>							<b>0.00</b>	<b>7,045.84</b>

Checks in report: 5

**Grand Total: 0.00 7,045.84**

# Ad-hoc bank transaction (Withdrawal)

## PCL\_Company

Wire Template Number in Cash-Pro :WAPC014

Description: Pierce County Rural Library

Contact Name: Christy Telling

Contact Phone: 253-548-3451

Contact e-mail: ctelling@piercecountylibrary.org

Comments: payday 09/04/2015

Withdrawal Date: 09/04/15

Company	Description	Revenue/Spend Category	Cost Center	Fund	Business Unit	Total
PCL_Company	FIT EE and EIC	237100	CC_Library_District	697-00	5100000	63,410.77
PCL_Company	FICA EE and Medicare	237100	CC_Library_District	697-00	5100000	46,177.23
PCL_Company	FICA ER and Medicare	237100	CC_Library_District	697-00	5100000	46,177.23
PCL_Company	DIR DEP	237100	CC_Library_District	697-00	5100000	428,306.48
PCL_Company	Deferred Comp. Plan	237100	CC_Library_District	697-00	5100000	12,869.50
PCL_Company	VOYA	237100	CC_Library_District	697-00	5100000	2,722.00
PCL_Company	H.S.A Employee Deductions	237100	CC_Library_District	697-00	5100000	1,572.29
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	Department of Revenue	237101	CC_Library_District	697-00	5100000	-
					Total Deposit	\$ 601,235.50

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

Christy Telling  
Signature ( Department Designee)

9/3/15  
Date

Comments:

# Ad-hoc bank transaction (Withdrawal)

## PCL\_Company

Wire Template Number in Cash-Pro :WAPC014

Description: Pierce County Rural Library

Contact Name:	Christy Telling
Contact Phone:	253-548-3451
Contact e-mail:	<a href="mailto:ctelling@piercecountylibrary.org">ctelling@piercecountylibrary.org</a>
Comments:	payday 09/21/2015

Withdrawal Date: 09/21/15

Company	Description	Revenue/Spend Category	Cost Center	Fund	Business Unit	Total
PCL_Company	FIT EE and EIC	237100	CC_Library_District	697-00	5100000	63,317.52
PCL_Company	FICA EE and Medicare	237100	CC_Library_District	697-00	5100000	46,152.80
PCL_Company	FICA ER and Medicare	237100	CC_Library_District	697-00	5100000	46,152.80
PCL_Company	DIR DEP	237100	CC_Library_District	697-00	5100000	425,539.98
PCL_Company	Deferred Comp. Plan	237100	CC_Library_District	697-00	5100000	12,369.50
PCL_Company	VOYA	237100	CC_Library_District	697-00	5100000	2,722.00
PCL_Company	H.S.A Employee Deductions	237100	CC_Library_District	697-00	5100000	1,593.29
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	200.60
PCL_Company	Department of Revenue	237101	CC_Library_District	697-00	5100000	1,863.96
<b>Total Deposit</b>						<b>\$ 599,912.45</b>

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

Christy Telling  
 \_\_\_\_\_  
 Signature ( Department Designee)

9/18/15  
 \_\_\_\_\_  
 Date

Comments:

**Check History Listing**  
**Pierce County Library System**

Bank code: boa

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Status</u>	<u>Check Total</u>
624847	09/03/2015	006132 ALLISON SHROY		70.30
624848	09/03/2015	001554 ANDREW'S FIXTURE CO INC		2,625.60
624849	09/03/2015	000363 OVERALL LAUNDRY SERV. DBA ARAMARI		34.82
624850	09/03/2015	000895 COLUMBIA BANK		3,101.64
624851	09/03/2015	000895 COLUMBIA BANK		289.23
624852	09/03/2015	000895 COLUMBIA BANK		50.00
624853	09/03/2015	006295 DOVETAILING LLC		2,775.00
624854	09/03/2015	005272 GREEN EFFECTS INC		6,005.62
624855	09/03/2015	005428 GRITTON BUILDING CO INC		85,876.50
624856	09/03/2015	004674 MCHUGH MANAGEMENT CONSULTING		1,900.00
624857	09/03/2015	001139 METROPOLITAN PARK DIST OF TACO		1,596.00
624858	09/03/2015	001494 SEALTECH ASPHALT INC	V	14,990.59
624859	09/03/2015	005603 TEGCO FENCE		2,023.63
624860	09/04/2015	000830 BAKER & TAYLOR		24,052.93
624861	09/04/2015	000087 BLACKSTONE AUDIO BOOKS INC		280.00
624862	09/04/2015	000242 BUCKLEY CITY OF		337.59
624863	09/04/2015	000847 CENTER POINT PUBLISHING		862.20
624864	09/04/2015	001769 CHICAGO DISTRIBUTION CENTER		1,290.51
624865	09/04/2015	000093 PAYMENT PROCESSING CENTER EBSCO		3.59
624866	09/04/2015	000195 FIRGROVE MUTUAL WATER CO		395.80
624867	09/04/2015	006243 BEN HAINES		24.04
624868	09/04/2015	001643 IMPACT		48.67
624869	09/04/2015	000243 INGRAM LIBRARY SERVICES		14,244.68
624870	09/04/2015	001011 LIVE OAK MEDIA		1,371.49
624871	09/04/2015	000352 MIDWEST TAPE	V	0.00
624872	09/04/2015	000352 MIDWEST TAPE		29,492.49
624873	09/04/2015	000323 NEWS TRIBUNE		327.60
624874	09/04/2015	000367 PARTNERS WEST DISTRIBUTING		1,754.67
624875	09/04/2015	000377 PUGET SOUND ENERGY		5,502.96
624876	09/04/2015	000406 RECORDED BOOKS LLC		49.24
624877	09/04/2015	000451 SEATTLE TIMES SEATTLE PI		374.40
624878	09/04/2015	000460 STEILACOOM TOWN OF		761.01
624879	09/04/2015	000535 WESTON WOODS STUDIOS		2,286.02
624880	09/04/2015	000828 AFSCME AFL-CIO		5,782.07
624881	09/04/2015	000175 ASSOCIATION OF WASHINGTON CITI		177,069.81
624882	09/04/2015	003985 PACIFICSOURCE ADMINISTRATORS		1,725.21
624883	09/04/2015	001181 PIERCE CTY LIBRARY FOUNDATION		364.20
624884	09/04/2015	004276 STATE CENTRAL COLLECTION UNIT		151.67

Check History Listing  
Pierce County Library System

10/08/2015 12:27PM

Bank code: boa

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Status</u>	<u>Check Total</u>
624885	09/04/2015	000823 UNITED WAY		82.58
624886	09/04/2015	004782 US DEPARTMENT OF EDUCATION		187.65
624887	09/04/2015	000827 WA STATE- DEPT OF RETIREMENT S		101,772.37
624888	09/09/2015	000273 CARRILLO & ASSOCIATES		2,343.75
624889	09/09/2015	001290 REGIONAL BUILDING SVCS CORP		507.25
624890	09/09/2015	006307 ROYCE CARLTON INC		5,750.00
624891	09/09/2015	000497 TILlicum COMMUNITY SERVICE CEN		2,260.31
624892	09/09/2015	003719 UNIQUE MANAGEMENT SERVICES		1,853.58
624893	09/09/2015	006278 UNIVERSITY OF PUGET SOUND		90.00
624894	09/09/2015	004022 US BANK		187,405.39
624895	09/14/2015	003938 BINW		4,839.14
624896	09/14/2015	006295 DOVETAILING LLC		2,220.00
624897	09/14/2015	005862 ELITE PROPERTY INVESTMENTS LLC		366.87
624898	09/14/2015	004022 US BANK		133,529.99
624899	09/14/2015	000534 WCP SOLUTIONS		523.01
624900	09/17/2015	005882 LAUREN LINDSKOG		66.55
624901	09/17/2015	006311 JENNIFER MAHLUM		138.90
624902	09/17/2015	006312 JAMES MCDANIEL		15.00
624903	09/17/2015	000377 PUGET SOUND ENERGY		994.36
624904	09/17/2015	000463 SUMMIT WATER & SUPPLY CO		606.30
624905	09/17/2015	000541 STATE OF WASHINGTON		359.81
624906	09/21/2015	003778 AFLAC		5,933.46
624907	09/21/2015	000828 AFSCME AFL-CIO		5,750.63
624908	09/21/2015	000175 ASSOCIATION OF WASHINGTON CITI		1,653.58
624909	09/21/2015	001578 COLONIAL SUPPLEMENTAL INSURANC		562.24
624910	09/21/2015	003985 PACIFICSOURCE ADMINISTRATORS		1,725.21
624911	09/21/2015	001181 PIERCE CTY LIBRARY FOUNDATION		360.27
624912	09/21/2015	004276 STATE CENTRAL COLLECTION UNIT		151.67
624913	09/21/2015	000823 UNITED WAY		82.58
624914	09/21/2015	004782 US DEPARTMENT OF EDUCATION		187.59
624915	09/21/2015	000827 WA STATE- DEPT OF RETIREMENT S		102,164.29
624916	09/23/2015	004022 US BANK		69,201.56
624917	09/24/2015	000363 OVERALL LAUNDRY SERV. DBA ARAMARI		18.41
624918	09/24/2015	000895 COLUMBIA BANK		4,755.96
624919	09/24/2015	005428 GRITTON BUILDING CO INC		99,304.39
624920	09/24/2015	006310 INTRACOMMUNICATION NETWORK SYS		1,258.82
624921	09/24/2015	006293 SUSAN L MARTIN		450.00
624922	09/24/2015	001494 SEALTECH ASPHALT INC		14,990.59
624923	09/24/2015	004397 SHKS ARCHITECTS PS INC		8,434.76

**Check History Listing**  
Pierce County Library System

Bank code: boa

Check #	Date	Vendor	Status	Check Total
624924	09/24/2015	004018 STAPLES INC		19.21
624925	09/24/2015	006322 JOAN TORNOW		119.00
624926	09/24/2015	000507 UNIVERSITY OF WASHINGTON		900.00
624927	09/25/2015	000830 BAKER & TAYLOR		23,250.95
624928	09/25/2015	006326 JACQUELIN BENITEZ		52.96
624929	09/25/2015	006320 ENID BUCHANAN		27.99
624930	09/25/2015	000243 INGRAM LIBRARY SERVICES		13,178.80
624931	09/25/2015	000352 MIDWEST TAPE	V	0.00
624932	09/25/2015	000352 MIDWEST TAPE		25,928.67
624933	09/25/2015	006325 SUSAN PHILLIP		17.00
624934	09/25/2015	000377 PUGET SOUND ENERGY		3,027.27
624935	09/25/2015	000406 RECORDED BOOKS LLC		513.94
624936	09/25/2015	006319 LESLIE SHERMAN		18.80
624937	09/25/2015	006318 NICHOLAS STEPHENS		16.99
624938	09/25/2015	006321 HANNA TOLBERT		46.00
624939	09/25/2015	006327 RYLEY TRONTVET		6.85
624940	09/25/2015	001780 UNIVERSITY PLACE CITY OF		132.84
624941	09/25/2015	006324 MICHAEL WELLS		15.95
624942	09/25/2015	000570 WOIS THE CAREER INFORMATION SY		8,768.00
624943	09/25/2015	000895 COLUMBIA BANK		7,600.00
624944	09/25/2015	005862 ELITE PROPERTY INVESTMENTS LLC		9,338.78
624945	09/25/2015	004883 FIFE CITY OF		15.00
624946	09/25/2015	004393 LEDDING LIBRARY OF MILWAUKIE		4.00
624947	09/25/2015	004955 MEDCO SUPPLY COMPANY		72.04
624948	09/25/2015	006184 MONKEYHOUSE MEDIA		150.00
624949	09/25/2015	006323 NOVA SOUTHEASTERN UNIVERSITY		34.59
624950	09/25/2015	001005 PETTY CASH CUSTODIAN		145.95
624951	09/25/2015	002282 SEATTLE PUBLIC LIBRARY		10.00
624952	09/25/2015	000690 STEILACOOM CHAMBER OF COMMERCE		80.00
624953	09/25/2015	004391 WRP SURPRISE LAKE LLC		8,188.57

**boa Total: 1,254,470.75**

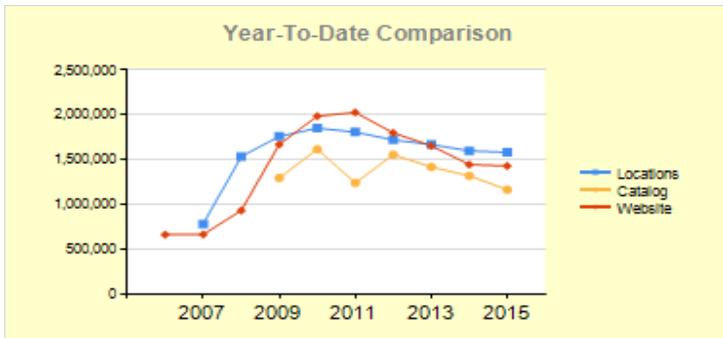
107 checks in this report

**Total Checks: 1,254,470.75**

# Routine Reports

CUSTOMER SERVICE/PHILANTHROPY DASHBOARD - AUGUST

VISITS



	August		
	2014	2015	% Change
Door Count	194,535	177,169	-8.93%
Catalog	151,396	147,212	-2.76%
Website	166,281	189,407	13.91%
Job & Business Portal	1,921	3,340	73.87%
Military Portal	69	100	44.93%
Total	514,202	517,228	0.59%

CHECKOUTS



	August		
	2014	2015	% Change
Checkouts	492,481	469,993	-4.57%
Downloadables	55,059	70,108	27.33%
Total	547,540	540,101	-1.36%

CUSTOMERS



	August		
	2014	2015	% Change
Active Cardholders	262,632	310,510	18.23%
New Cards	4,063	3,870	-4.75%
Checkout Transactions	93,516	92,520	-1.07%
Unique Users	41,228	40,505	-1.75%

PHILANTHROPY



	August		
	2014	2015	% Change
FoundationDonors	54	99	83.33%
NewFoundationDonors	1	1	0.00%
\$ Raised by Foundation	\$9,441.00	\$6,776.00	-28.23%
\$ Provided by Friends	\$1,285.00	\$0.00	-100.00%

BRANCH CLOSURES

2012		
Location	Dates	Duration (days)
Various (Snow Closures)	1/17-23	7
Bonney Lake	2/13-26	13
Graham	3/21-4/5	15
South Hill	4/9-5/6	27
Tillicum	7/3-8/5	33
Sumner	7/30-9/3	35
Summit	9/17-30	13
Steilacoom	10/17-11/14	28
Bookmobile Ends	11/11	
Key Center	11/14-12/31	47

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

# Monthly Financial Reports

## September 30, 2015

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### **General Fund**

- County and all other revenue posted - up to date through 9/30/15
- Through 9/30 we have received 58% of budgeted revenue
  - Expect approximately \$8,500,000 in property tax and other revenue types in October
- Expenditures are at 74% of budget – right on target

### **Capital Improvement Projects Fund**

- Received 79% of budgeted revenue
- Spent 78% of budgeted expenditures
- Budget balance of just over \$600,000

**Pierce County Library System  
Statement of Financial Position - Interim  
September 30, 2015  
All Funds**

	General Fund	Debt Service Fund	Capital Improvement Projects Fund
<b>Assets</b>			
<b>Current Assets - Cash</b>			
Cash	\$ 2,296,272	\$ 31	\$ 553,912
Investments	\$ 1,500,000	\$ 83,662	\$ 1,000,000
<b>Total Cash</b>	<b>\$ 3,796,272</b>	<b>\$ 83,693</b>	<b>\$ 1,553,912</b>
<b>Total Current Assets</b>	<b>\$ 3,796,272</b>	<b>\$ 83,693</b>	<b>\$ 1,553,912</b>
<b>Liabilities and Fund Balance</b>			
<b>Current Liabilities</b>			
Warrants Payable	\$ 52,958	\$ -	\$ 159,728
Sales Tax Payable	\$ 4,371	\$ -	\$ -
Payroll Taxes and Benefits Payable	\$ 46,413	\$ -	\$ -
<b>Total Current Liabilities</b>	<b>\$ 103,742</b>	<b>\$ -</b>	<b>\$ 159,728</b>
<b>Fund Balance</b>			
Reserve for Encumbrances	\$ 453,429	\$ -	\$ 357,345
Net Excess (Deficit)	\$ (4,565,416)	\$ 44	\$ 29,812
Unreserved Fund Balance	\$ 7,804,517	\$ 83,649	\$ 1,007,027
<b>Total Fund Balance</b>	<b>\$ 3,692,530</b>	<b>\$ 83,693</b>	<b>\$ 1,394,184</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 3,796,272</b>	<b>\$ 83,693</b>	<b>\$ 1,553,912</b>
Anticipated Property Tax Revenue	\$ 12,414,655	\$ 12	\$ -

<b>Pierce County Library System</b>													
<b>Comparative Statement of Financial Position - Interim</b>													
<b>General Fund - Rolling Comparison</b>													
<i>(as of the listed date of the reported month)</i>													
	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>HISTORICAL</i>	<i>CURRENT</i>
	<b>9/30/2014</b>	<b>10/31/2014</b>	<b>11/30/2014</b>	<b>12/31/2014</b>	<b>1/31/2015</b>	<b>2/28/2015</b>	<b>3/30/2015</b>	<b>4/30/2015</b>	<b>5/31/2015</b>	<b>6/30/2015</b>	<b>7/31/2015</b>	<b>8/31/2015</b>	<b>9/30/2015</b>
<b>Assets</b>													
<b>Current Assets - Cash</b>													
Cash	\$ 1,783,229	\$ 10,585,428	\$ 3,821,250	\$ 8,537,811	\$ 1,229,471	\$ 2,036,210	\$ 3,707,222	\$ 11,678,461	\$ 3,966,177	\$ 2,018,084	\$ 1,910,091	\$ 1,857,511	\$ 2,296,272
Investments	\$ 3,768,000	\$ 1,800,000	\$ 8,255,000	\$ -	\$ 5,100,000	\$ 2,500,000	\$ -	\$ -	\$ 8,126,000	\$ 8,250,000	\$ 6,500,000	\$ 3,562,782	\$ 1,500,000
<b>Total Cash</b>	<b>\$ 5,551,229</b>	<b>\$ 12,385,428</b>	<b>\$ 12,076,250</b>	<b>\$ 8,537,811</b>	<b>\$ 6,329,471</b>	<b>\$ 4,536,210</b>	<b>\$ 3,707,222</b>	<b>\$ 11,678,461</b>	<b>\$ 12,092,177</b>	<b>\$ 10,268,084</b>	<b>\$ 8,410,091</b>	<b>\$ 5,420,293</b>	<b>\$ 3,796,272</b>
<b>Total Current Assets</b>	<b>\$ 5,551,229</b>	<b>\$ 12,385,428</b>	<b>\$ 12,076,250</b>	<b>\$ 8,537,811</b>	<b>\$ 6,329,471</b>	<b>\$ 4,536,210</b>	<b>\$ 3,707,222</b>	<b>\$ 11,678,461</b>	<b>\$ 12,092,177</b>	<b>\$ 10,268,084</b>	<b>\$ 8,410,091</b>	<b>\$ 5,420,293</b>	<b>\$ 3,796,272</b>
<b>Liabilities and Fund Balance</b>													
<b>Current Liabilities</b>													
Warrants Payable	\$ 416,700	\$ 450,616	\$ 454,093	\$ 729,888	\$ 549,239	\$ 368,284	\$ 345,727	\$ 302,297	\$ 262,350	\$ 333,402	\$ 425,157	\$ 421,568	\$ 52,958
Sales Tax Payable	\$ 3,683	\$ 4,930	\$ 5,293	\$ 2,082	\$ 3,879	\$ 4,383	\$ 11,936	\$ 4,523	\$ 4,337	\$ 4,070	\$ 4,561	\$ 3,891	\$ 4,371
Payroll Taxes and Benefits Payable	\$ 12,671	\$ 14,507	\$ 24,239	\$ 17,190	\$ 25,256	\$ 41,786	\$ 43,400	\$ 10,667	\$ 28,290	\$ 45,337	\$ 9,666	\$ 27,778	\$ 46,413
<b>Total Current Liabilities</b>	<b>\$ 433,053</b>	<b>\$ 470,053</b>	<b>\$ 483,624</b>	<b>\$ 749,161</b>	<b>\$ 578,374</b>	<b>\$ 414,453</b>	<b>\$ 401,064</b>	<b>\$ 317,487</b>	<b>\$ 294,978</b>	<b>\$ 382,810</b>	<b>\$ 439,384</b>	<b>\$ 453,237</b>	<b>\$ 103,742</b>
<b>Fund Balance</b>													
Reserve for Encumbrances	\$ 227,145	\$ 208,720	\$ 155,364	\$ -	\$ 480,435	\$ 438,268	\$ 397,093	\$ 454,484	\$ 401,208	\$ 401,736	\$ 524,749	\$ 443,775	\$ 453,429
Net Excess (Deficit)	\$ (4,141,897)	\$ 2,673,728	\$ 2,404,334	\$ -	\$ (2,517,988)	\$ (4,105,162)	\$ (4,895,451)	\$ 3,101,973	\$ 3,591,475	\$ 1,679,022	\$ (358,559)	\$ (3,281,236)	\$ (4,565,416)
Unreserved Fund Balance	\$ 9,032,928	\$ 9,032,928	\$ 9,032,928	\$ 7,788,650	\$ 7,788,650	\$ 7,788,650	\$ 7,804,517	\$ 7,804,517	\$ 7,804,517	\$ 7,804,517	\$ 7,804,517	\$ 7,804,517	\$ 7,804,517
<b>Total Fund Balance</b>	<b>\$ 5,118,176</b>	<b>\$ 11,915,375</b>	<b>\$ 11,592,625</b>	<b>\$ 7,788,650</b>	<b>\$ 5,751,097</b>	<b>\$ 4,121,757</b>	<b>\$ 3,306,158</b>	<b>\$ 11,360,974</b>	<b>\$ 11,797,199</b>	<b>\$ 9,885,274</b>	<b>\$ 7,970,707</b>	<b>\$ 4,967,056</b>	<b>\$ 3,692,530</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 5,551,229</b>	<b>\$ 12,385,428</b>	<b>\$ 12,076,250</b>	<b>\$ 8,537,811</b>	<b>\$ 6,329,471</b>	<b>\$ 4,536,210</b>	<b>\$ 3,707,222</b>	<b>\$ 11,678,461</b>	<b>\$ 12,092,177</b>	<b>\$ 10,268,084</b>	<b>\$ 8,410,091</b>	<b>\$ 5,420,293</b>	<b>\$ 3,796,272</b>
<b>Anticipated Property Tax Revenue</b>	<b>\$ 11,762,780</b>	<b>\$ 11,762,780</b>	<b>\$ 1,098,207</b>	<b>\$ -</b>	<b>\$ 27,468,688</b>	<b>\$ 27,079,256</b>	<b>\$ 25,938,795</b>	<b>\$ 15,656,184</b>	<b>\$ 13,299,906</b>	<b>\$ 13,113,114</b>	<b>\$ 13,113,114</b>	<b>\$ 12,867,362</b>	<b>\$ 12,414,655</b>

**PIERCE COUNTY LIBRARY SYSTEM**  
Statement of Revenue and Expenditures - INTERIM  
Year to Date September 30, 2015  
no pre-encumbrances

<u>General Fund</u>	<u>2015 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	\$ 26,759,932	\$ 15,207,227	\$ -	\$ 11,552,705	57%
Other Revenue	\$ 1,499,900	\$ 1,189,035	\$ -	\$ 310,865	79%
<b>Total Revenue</b>	<b>\$ 28,259,832</b>	<b>\$ 16,396,262</b>	<b>\$ -</b>	<b>\$ 11,863,570</b>	<b>58%</b>
Expenditures					
Personnel/Taxes and Benefits	\$ 19,580,996.00	\$ 14,365,006.93	\$ -	\$ 5,215,989	73%
Materials	\$ 3,544,378	\$ 2,633,136	\$ -	\$ 911,242	74%
Maintenance and Operations	\$ 3,997,240	\$ 2,372,888	\$ 453,429	\$ 1,170,923	71%
Transfers Out	\$ 1,137,218	\$ 1,137,218	\$ -	\$ -	100%
<b>Total Expenditures</b>	<b>\$ 28,259,832</b>	<b>\$ 20,508,249</b>	<b>\$ 453,429</b>	<b>\$ 7,298,154</b>	<b>74%</b>
Excess/(Deficit)		\$ (4,111,987)			
(less encumbrances)		(453,429)			
<b>Net Excess (Deficit)</b>		<b>\$ (4,565,416)</b>			

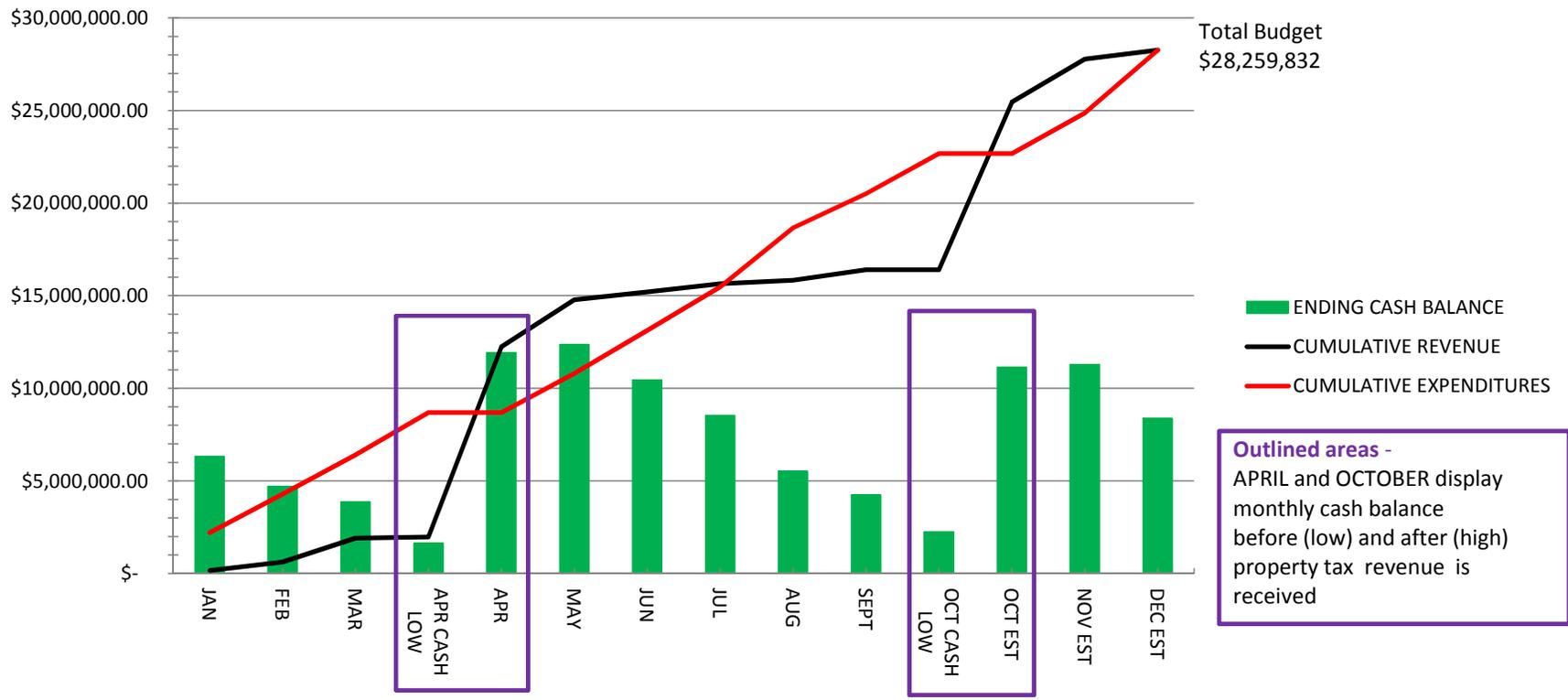
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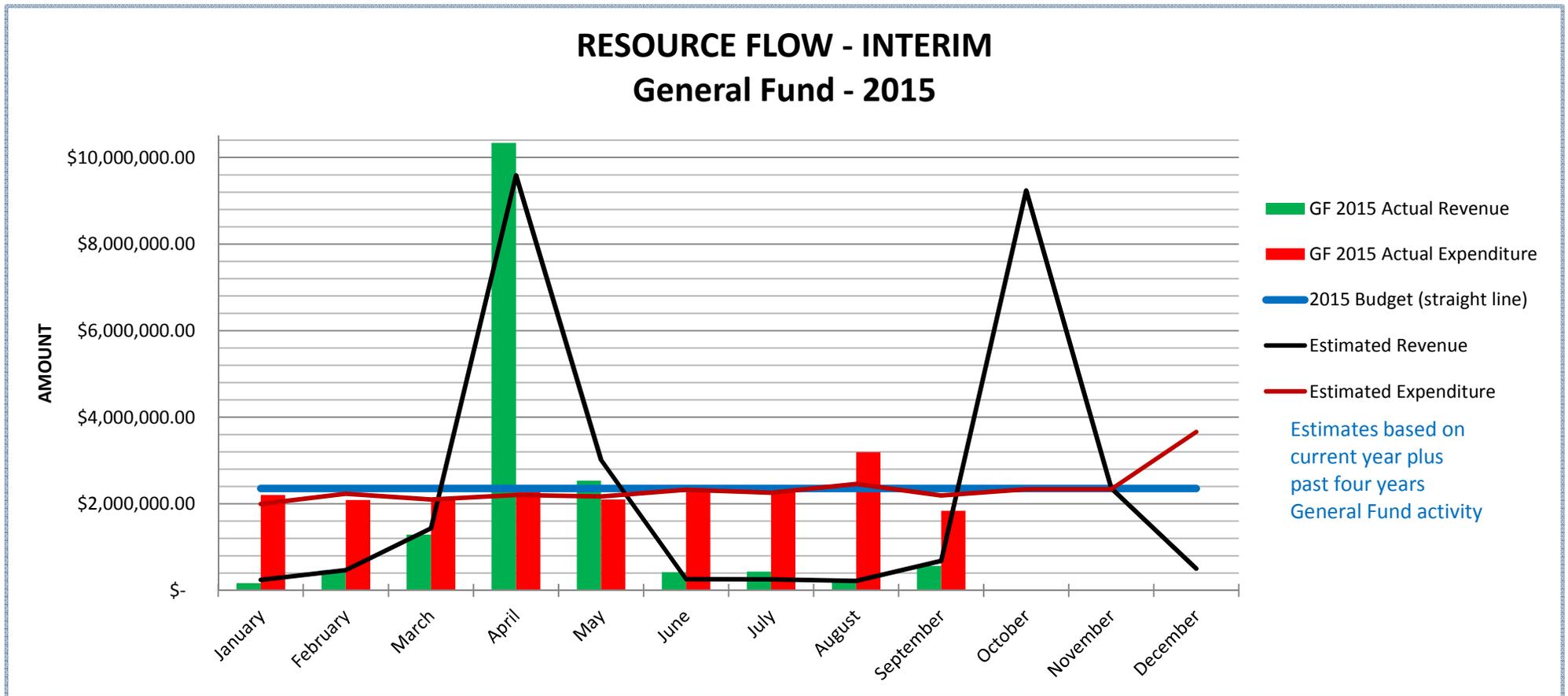
<u>Debt Service Fund</u>	<u>2015 Budget</u>	<u>Year To Date</u>	<u>Encumbrances</u>	<u>Budget Balance</u>	<u>% of Budget</u>
Revenue					
Property Tax/Investment Income & Other PC Revenue	\$ -	\$ 44	\$ -	\$ (44)	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	0%
<b>Total Revenue</b>	<b>\$ -</b>	<b>\$ 44</b>	<b>\$ -</b>	<b>\$ (44)</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>\$ 44</b>			

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<u>Capital Improvement Projects</u>	<u>2015 Budget</u>	<u>Year To Date</u>	<u>Encumbrances</u>	<u>Budget Balance</u>	<u>% of Budget</u>
Revenue					
Use of Fund Balance	\$ 1,642,688	\$ 1,027,588	\$ -	\$ 615,100	63%
Other Revenue	\$ 201,290	\$ 205,110	\$ -	\$ (3,820)	0%
Transfers In	\$ 1,137,218	\$ 1,137,218	\$ -	\$ -	100%
<b>Total Revenue</b>	<b>\$ 2,981,196</b>	<b>\$ 2,369,916</b>	<b>\$ -</b>	<b>\$ 611,280</b>	<b>79%</b>
Expenditures					
Maintenance and Operations	\$ 2,981,196	\$ 1,982,759	\$ 357,345	\$ 641,092	78%
<b>Total Expenditures</b>	<b>\$ 2,981,196</b>	<b>\$ 1,982,759</b>	<b>\$ 357,345</b>	<b>\$ 641,092</b>	<b>78%</b>
Excess/(Deficit)		\$ 387,157			
(less encumbrances)		(357,345)			
<b>Net Excess (Deficit)</b>		<b>\$ 29,812</b>			

## CUMULATIVE GENERAL FUND REVENUE AND EXPENDITURE Including Cash Flow Projection 2015





Pierce County Library System  
 Board Report - Budget to Actual by Object  
 Report as of: 9/30/2015

**FUND: GENERAL FUND (01)**

Object	2015 Budget	September Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
<b>REVENUE ACCOUNTS</b>						
31111 PROPERTY TAXES CURRENT	25,839,740.00	450,893.03	14,582,991.84	0.00	11,256,748.16	56.44
31112 PROPERTY TAXES DELINQUENT	775,192.00	16,341.06	522,409.25	0.00	252,782.75	67.39
31130 SALE OF TAX TITLE PROPERTY	15,000.00	8.94	11,989.11	0.00	3,010.89	79.93
31720 LEASEHOLD EXCISE TAX	20,000.00	0.00	13,697.27	0.00	6,302.73	68.49
31740 TIMBER EXCISE TAX	90,000.00	0.00	69,865.28	0.00	20,134.72	77.63
<b>TAXES:</b>	<b>26,739,932.00</b>	<b>467,243.03</b>	<b>15,200,952.75</b>	<b>0.00</b>	<b>11,538,979.25</b>	<b>56.85</b>
33533 STATE FOREST FUNDS/DNR TIMBER TRU	0.00	0.00	728.98	0.00	(728.98)	0.00
33872 CONTRACTS FEES - CITIES	3,200.00	0.00	2,430.00	0.00	770.00	75.94
33890 GOVERNMENTAL GRANTS	123,000.00	0.00	79,500.00	0.00	43,500.00	64.63
34160 COPIER FEES	32,000.00	2,574.59	23,475.32	0.00	8,524.68	73.36
34161 GRAPHICS SERVICES CHARGES	4,200.00	0.00	4,263.86	0.00	(63.86)	101.52
34162 PRINTER FEES	130,000.00	9,332.59	96,161.05	0.00	33,838.95	73.97
34163 FAX FEES	21,000.00	1,868.73	17,361.57	0.00	3,638.43	82.67
34730 INTERLIBRARY LOAN FEES	0.00	0.00	63.88	0.00	(63.88)	0.00
35970 LIBRARY FINES	570,000.00	35,044.48	386,101.79	0.00	183,898.21	67.74
36110 INVESTMENT INCOME	5,000.00	1,521.53	4,535.27	0.00	464.73	90.71
36111 INTEREST - STATE FOREST FUND	0.00	0.00	1.97	0.00	(1.97)	0.00
36190 OTHER INTEREST EARNINGS	0.00	0.00	0.28	0.00	(0.28)	0.00
36200 KEY PEN HLTH DEPT FACILITY REV	0.00	0.00	995.34	0.00	(995.34)	0.00
36700 FOUNDATION DONATIONS	290,000.00	0.00	246,997.44	0.00	43,002.56	85.17
36710 FRIENDS' DONATIONS	0.00	0.00	257.01	0.00	(257.01)	0.00
36720 FRIENDS' REIMBURSEMENTS	8,200.00	0.00	12,073.68	0.00	(3,873.68)	147.24
36725 DONATIONS - OTHER	2,000.00	18.78	2,032.21	0.00	(32.21)	101.61
36910 SALE OF SCRAP AND SALVAGE	0.00	5,040.00	5,340.00	0.00	(5,340.00)	0.00
36920 BOOK SALE REVENUE	10,000.00	500.60	4,350.97	0.00	5,649.03	43.51
36990 MISCELLANEOUS REVENUE	0.00	3.76	551.88	0.00	(551.88)	0.00
36991 PAYMENT FOR LOST MATERIALS	12,000.00	1,254.55	8,956.84	0.00	3,043.16	74.64
36994 UNCLAIMED PROPERTY	0.00	31.17	164.19	0.00	(164.19)	0.00
36996 JURY DUTY REIMBURSEMENT	0.00	0.00	530.00	0.00	(530.00)	0.00
36997 PRIOR YEAR'S REFUNDS	4,300.00	1,211.65	6,110.90	0.00	(1,810.90)	142.11
36998 E RATE REIMBURSEMENT	240,000.00	18,501.30	233,920.58	0.00	6,079.42	97.47
36999 REBATES - PROCUREMENT CARD	50,000.00	19,776.63	57,396.68	0.00	(7,396.68)	114.79
<b>CHARGES OTHER:</b>	<b>1,504,900.00</b>	<b>96,680.36</b>	<b>1,194,301.69</b>	<b>0.00</b>	<b>310,598.31</b>	<b>79.36</b>
39510 SALE OF FIXED ASSETS/TIMBER (GOV)	15,000.00	1,007.64	1,007.64	0.00	13,992.36	6.72
<b>TOTAL FOR REVENUE ACCOUNTS</b>	<b>28,259,832.00</b>	<b>564,931.03</b>	<b>16,396,262.08</b>	<b>0.00</b>	<b>11,863,569.92</b>	<b>58.02</b>
<b>EXPENSE ACCOUNTS</b>						
51100 SALARIES AND WAGES	14,093,050.00	1,144,924.90	10,193,918.03	0.00	3,899,131.97	72.33
51105 ADDITIONAL HOURS	280,045.00	31,946.01	248,547.05	0.00	31,497.95	88.75
51106 SHIFT DIFFERENTIAL	145,146.00	13,923.60	106,546.94	0.00	38,599.06	73.41
51107 SUBSTITUTE HOURS	308,515.00	26,499.62	195,025.47	0.00	113,489.53	63.21
51109 TUITION ASSISTANCE PROGRAM	300.00	0.00	0.00	0.00	300.00	0.00
51200 OVERTIME WAGES	13,400.00	1,313.50	11,448.47	0.00	1,951.53	85.44
51999 ADJ WAGE/SALARY TO MATCH PLAN	(339,849.00)	0.00	0.00	0.00	(339,849.00)	0.00
52001 INDUSTRIAL INSURANCE	173,239.00	12,839.79	116,633.16	0.00	56,605.84	67.33
52002 MEDICAL INSURANCE	2,171,527.00	156,972.63	1,509,529.68	0.00	661,997.32	69.51
52003 F.I.C.A.	1,160,745.00	92,330.03	814,761.08	0.00	345,983.92	70.19

Pierce County Library System  
 Board Report - Budget to Actual by Object  
 Report as of: 9/30/2015

**FUND: GENERAL FUND (01)**

Object	2015 Budget	September Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
<b>EXPENSE ACCOUNTS</b>						
52004 RETIREMENT	1,421,868.00	129,481.62	1,001,438.50	0.00	420,429.50	70.43
52005 DENTAL INSURANCE	209,759.00	16,440.34	147,926.66	0.00	61,832.34	70.52
52006 OTHER BENEFIT	10,540.00	900.00	7,980.00	0.00	2,560.00	75.71
52010 LIFE AND DISABILITY INSURANCE	20,318.00	1,223.41	11,210.26	0.00	9,107.74	55.17
52020 UNEMPLOYMENT COMPENSATION	30,500.00	0.00	0.00	0.00	30,500.00	0.00
52200 UNIFORMS	1,300.00	0.00	41.63	0.00	1,258.37	3.20
52999 ADJ BENEFITS TO MATCH PLAN	(119,407.00)	0.00	0.00	0.00	(119,407.00)	0.00
<b>PERSONNEL</b>	<b>19,580,996.00</b>	<b>1,628,795.45</b>	<b>14,365,006.93</b>	<b>0.00</b>	<b>5,215,989.07</b>	<b>73.36</b>
53100 OFFICE/OPERATING SUPPLIES	227,558.00	13,886.75	163,850.63	18,428.55	45,278.82	80.10
53101 CUSTODIAL SUPPLIES	52,500.00	5,375.31	39,276.65	0.00	13,223.35	74.81
53102 MAINTENANCE SUPPLIES	60,200.00	1,792.47	22,420.00	0.00	37,780.00	37.24
53103 AUDIOVISUAL PROCESSING SUP	25,000.00	927.59	14,907.33	822.64	9,270.03	62.92
53104 BOOK PROCESSING SUPPLIES	20,000.00	1,105.20	9,608.87	0.00	10,391.13	48.04
53200 FUEL	47,000.00	0.00	26,109.96	14,670.09	6,219.95	86.77
53401 ADULT MATERIALS	806,000.00	16,927.18	502,405.52	0.00	303,594.48	62.33
53403 PERIODICALS	88,135.00	58.99	62,585.02	0.00	25,549.98	71.01
53405 JUVENILE BOOKS	556,514.00	22,378.48	337,074.57	0.00	219,439.43	60.57
53406 PROFESSIONAL COLLECTION	4,200.00	0.00	1,473.71	0.00	2,726.29	35.09
53407 INTERNATIONAL COLLECTION	60,000.00	510.10	8,851.42	0.00	51,148.58	14.75
53408 AUDIOVISUAL MATERIALS - ADULT	842,000.00	28,315.09	770,523.51	0.00	71,476.49	91.51
53409 AUDIOVISUAL MATERIALS - JUV	94,000.00	1,573.17	67,356.52	0.00	26,643.48	71.66
53411 ELECTRONIC INFO SOURCES	379,068.00	8,768.00	275,984.17	0.00	103,083.83	72.81
53412 REFERENCE SERIALS	18,000.00	0.00	5,110.19	0.00	12,889.81	28.39
53413 ELECTRONIC SERVICES	143,391.00	0.00	146,899.78	0.00	(3,508.78)	102.45
53414 ELECTRONIC COLLECTION	400,070.00	0.00	313,712.24	0.00	86,357.76	78.41
53464 VENDOR PROCESSING SERVICES	153,000.00	5,555.95	140,852.23	0.00	12,147.77	92.06
53499 GIFTS - MATERIALS	0.00	60.79	307.39	0.00	(307.39)	0.00
53500 MINOR EQUIPMENT	23,500.00	0.00	731.23	0.00	22,768.77	3.11
53501 FURNISHINGS	75,620.00	7,464.74	26,506.12	53,770.12	(4,656.24)	106.16
53502 IT HARDWARE	63,900.00	5,387.95	67,584.77	0.00	(3,684.77)	105.77
53505 SOFTWARE	13,500.00	1,443.25	9,793.00	0.00	3,707.00	72.54
54100 PROFESSIONAL SERVICES	527,202.00	15,541.57	245,568.52	21,055.93	260,577.55	50.57
54101 LEGAL SERVICES	55,000.00	3,780.00	15,322.36	0.00	39,677.64	27.86
54102 COLLECTION AGENCY	19,900.00	1,853.58	12,383.58	0.00	7,516.42	62.23
54161 RESOURCE SHARING SERVICES	19,000.00	0.00	7,547.86	0.00	11,452.14	39.73
54162 BIBLIOGRAPHICS SERVICES	33,000.00	0.00	22,495.19	0.00	10,504.81	68.17
54163 PRINTING AND BINDING	1,500.00	0.00	0.00	0.00	1,500.00	0.00
54165 ILL LOST ITEM CHARGE	2,800.00	138.59	1,095.02	0.00	1,704.98	39.11
54200 POSTAGE AND SHIPPING	35,800.00	0.00	3,308.06	0.00	32,491.94	9.24
54201 TELECOM SERVICES	461,300.00	4,870.98	285,586.77	123,042.79	52,670.44	88.58
54300 TRAVEL	42,400.00	1,318.91	18,196.88	0.00	24,203.12	42.92
54301 MILEAGE REIMBURSEMENTS	33,000.00	2,176.82	22,603.51	0.00	10,396.49	68.50
54400 ADVERTISING	52,000.00	1,169.65	25,493.22	4,700.00	21,806.78	58.06
54501 RENTALS/LEASES - BUILDINGS	389,950.00	20,916.25	284,635.24	39,994.21	65,320.55	83.25
54502 RENTALS/LEASES - EQUIPMENT	32,400.00	0.00	15,969.61	8,486.69	7,943.70	75.48
54600 INSURANCE	178,500.00	0.00	75,655.73	0.00	102,844.27	42.38
54700 ELECTRICITY	235,000.00	16,146.53	166,261.92	0.00	68,738.08	70.75

Pierce County Library System  
 Board Report - Budget to Actual by Object  
 Report as of: 9/30/2015

**FUND: GENERAL FUND (01)**

Object	2015 Budget	September Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
<b>EXPENSE ACCOUNTS</b>						
54701 NATURAL GAS	12,000.00	886.08	6,847.98	0.00	5,152.02	57.07
54702 WATER	20,000.00	2,414.95	16,912.45	0.00	3,087.55	84.56
54703 SEWER	25,000.00	2,015.13	19,277.79	0.00	5,722.21	77.11
54704 REFUSE	25,000.00	247.11	18,957.04	504.93	5,538.03	77.85
54800 GENERAL REPAIRS/MAINTENANCE	211,300.00	1,214.89	112,653.70	47,561.66	51,084.64	75.82
54801 CONTRACTED MAINTENANCE	799,600.00	7,548.11	497,915.68	120,391.06	181,293.26	77.33
54900 REGISTRATIONS	47,400.00	4,022.00	36,512.48	0.00	10,887.52	77.03
54901 DUES AND MEMBERSHIPS	35,170.00	381.00	31,121.00	0.00	4,049.00	88.49
54902 TAXES AND ASSESSMENTS	29,500.00	55.01	15,524.23	0.00	13,975.77	52.62
54903 LICENSES AND FEES	44,950.00	2,433.64	32,268.43	0.00	12,681.57	71.79
54904 MISCELLANEOUS	790.00	0.00	20.34	0.00	769.66	2.57
54905 WELLNESS EVENTS/REGISTRATION	2,000.00	0.00	1,964.72	0.00	35.28	98.24
55100 INTERGOVERNMENTAL	17,000.00	0.00	0.00	0.00	17,000.00	0.00
59700 TRANSFERS OUT	1,137,218.00	0.00	1,137,218.00	0.00	0.00	100.00
<b>ALL OTHER EXPENSES</b>	<b>8,678,836.00</b>	<b>210,661.81</b>	<b>6,143,242.14</b>	<b>453,428.67</b>	<b>2,082,165.19</b>	<b>76.01</b>
<b>TOTAL FOR EXPENSE ACCOUNTS</b>	<b>28,259,832.00</b>	<b>1,839,457.26</b>	<b>20,508,249.07</b>	<b>453,428.67</b>	<b>7,298,154.26</b>	<b>74.17</b>
<b>NET SURPLUS / DEFICIT</b>	<b>0.00</b>	<b>(1,274,526.23)</b>	<b>(4,111,986.99)</b>	<b>(453,428.67)</b>	<b>4,565,415.66</b>	<b>0.00</b>

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

Object	2015 Budget	September Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
<b>REVENUE ACCOUNTS</b>						
31112 PROPERTY TAXES DELINQUENT	0.00	0.02	0.10	0.00	(0.10)	0.00
<b>TAXES:</b>	<b>0.00</b>	<b>0.02</b>	<b>0.10</b>	<b>0.00</b>	<b>(0.10)</b>	<b>0.00</b>
36110 INVESTMENT INCOME	0.00	9.49	44.14	0.00	(44.14)	0.00
<b>CHARGES OTHER:</b>	<b>0.00</b>	<b>9.49</b>	<b>44.14</b>	<b>0.00</b>	<b>(44.14)</b>	<b>0.00</b>
<b>TOTAL FOR REVENUE ACCOUNTS</b>	<b>0.00</b>	<b>9.51</b>	<b>44.24</b>	<b>0.00</b>	<b>(44.24)</b>	<b>0.00</b>
<b>NET SURPLUS / DEFICIT</b>	<b>0.00</b>	<b>9.51</b>	<b>44.24</b>	<b>0.00</b>	<b>(44.24)</b>	<b>0.00</b>

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

Object	2015 Budget	September Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
<b>REVENUE ACCOUNTS</b>						
29150 USE OF FUND BALANCE-BUDGET	1,642,688.00	0.00	1,027,588.00	0.00	615,100.00	62.56
36110 INVESTMENT INCOME	0.00	169.00	769.11	0.00	(769.11)	0.00
36200 KEY PENINSULA SHARED COSTS	17,500.00	1,500.00	20,500.00	0.00	(3,000.00)	117.14
36700 FOUNDATION DONATIONS	183,790.00	0.00	183,790.60	0.00	(0.60)	100.00
36725 DONATIONS - OTHER	0.00	0.00	50.00	0.00	(50.00)	0.00
<b>CHARGES OTHER:</b>	<b>1,843,978.00</b>	<b>1,669.00</b>	<b>1,232,697.71</b>	<b>0.00</b>	<b>611,280.29</b>	<b>66.85</b>
39700 TRANSFERS IN	1,137,218.00	0.00	1,137,218.00	0.00	0.00	100.00
<b>TOTAL FOR REVENUE ACCOUNTS</b>	<b>2,981,196.00</b>	<b>1,669.00</b>	<b>2,369,915.71</b>	<b>0.00</b>	<b>611,280.29</b>	<b>79.50</b>
<b>EXPENSE ACCOUNTS</b>						
53100 OFFICE/OPERATING SUPPLIES	0.00	0.00	14,831.77	0.00	(14,831.77)	0.00
53102 MAINTENANCE SUPPLIES	0.00	0.00	5,620.83	0.00	(5,620.83)	0.00
53501 FURNISHINGS	50,000.00	0.00	88,049.12	52,390.54	(90,439.66)	280.88
53502 IT HARDWARE	683,000.00	20,335.78	525,045.48	0.00	157,954.52	76.87
53505 SOFTWARE	0.00	0.00	18,360.06	0.00	(18,360.06)	0.00
54100 PROFESSIONAL SERVICES	138,900.00	8,434.76	142,556.13	10,012.28	(13,668.41)	109.84
54400 ADVERTISING	170.00	0.00	145.20	0.00	24.80	85.41
54502 RENTALS/LEASES - EQUIPMENT	0.00	0.00	284.09	0.00	(284.09)	0.00
54800 GENERAL REPAIRS/MAINTENANCE	10,000.00	0.00	2,193.23	90.89	7,715.88	22.84
54805 VEHICLE REPAIR - MAJOR	0.00	1,952.12	1,952.12	63.63	(2,015.75)	0.00
54903 LICENSES AND FEES	1,500.00	8,000.00	8,049.75	0.00	(6,549.75)	536.65
54912 CONTINGENCY/RESERVE	46,000.00	0.00	0.00	0.00	46,000.00	0.00
56200 BUILDINGS & BLDG IMPROVEMENTS	361,700.00	1,793.69	139,611.09	240,683.61	(18,594.70)	105.14
56201 CONSTRUCTION	366,926.00	104,060.35	276,623.06	1,974.58	88,328.36	75.93
56202 ELECTRICAL	0.00	0.00	0.00	38,765.89	(38,765.89)	0.00
56203 FLOORING	114,500.00	0.00	0.00	0.00	114,500.00	0.00
56301 PARKING LOT REPAIR & IMPROVEMENT	88,000.00	14,990.59	49,323.04	656.41	38,020.55	56.79
56400 MACHINERY & EQUIPMENT	869,000.00	0.00	459,073.43	0.00	409,926.57	52.83
56401 VEHICLES	86,000.00	0.00	85,664.64	0.00	335.36	99.61
56402 HVAC	165,500.00	165,376.00	165,376.00	12,707.20	(12,583.20)	107.60
<b>TOTAL FOR EXPENSE ACCOUNTS</b>	<b>2,981,196.00</b>	<b>324,943.29</b>	<b>1,982,759.04</b>	<b>357,345.03</b>	<b>641,091.93</b>	<b>78.50</b>
<b>NET SURPLUS / DEFICIT</b>	<b>0.00</b>	<b>(323,274.29)</b>	<b>387,156.67</b>	<b>(357,345.03)</b>	<b>(29,811.64)</b>	<b>0.00</b>

# MEMO

Date: October 6, 2015

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

From: Georgia Lomax, Executive Director

Subject: Executive Director Activities - September

In September, I attended the Workforce Innovation and Opportunity Act Transition (WIOA) planning meeting at Workforce Central and a Tacoma Community House Board meeting.

I met with Lua Pritchard, Executive Director of the Asia Pacific Cultural Center and Jennifer Kilmer, Director of the Washington State History Museum.

I had the pleasure of attending the Foundation's annual donor thank you event, "A Literary Evening" and hearing Seattle author Knute Berger talk about his work.

I also attended a Custodian staff meeting and a Regional Meeting for the Lakewood, Tillicum, DuPont, University Place and Steilacoom branches where I presented service awards to staff and shared a draft of the 2016 Work Plan with them.

Finally, I was invited by Finance Manager Dale Hough, who served as the Conference Chair, to share a few words of welcome at the opening breakfast for the Washington Finance Officers Association Annual Conference.

# Unfinished Business

# MEMO

Date: October 7, 2015

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

From: Georgia Lomax, Executive Director

Subject: Strategic Planning Process Update

The Request for Qualifications for the Library's strategic plan has been advertised and we've received good response so far. We expect to select the successful consultant in early November and spend the remainder of 2015 on planning, preparation and design of the process. During the first quarter of 2016, we will conduct the public process. In the second quarter, we expect to analyze and create the plan and begin work on its implementation. We are on target to have results in time for the 2017 budget process.

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# MEMO

Date: October 5, 2015

To: Rob Allen, Chair and Members of the Board

From: Clifford Jo, Finance & Business Director

Subject: Special Purpose Fund

During last month's Board meeting, we introduced the concept of the Special Purpose Fund and had some lively discussion, and ended on follow up action to introduce more information about this fund, how it would be used, criteria for inclusion, and the process for creating the fund. Following is the write up for you, and we look forward to further discussion this month and your ideas.

## Criteria for Special Purpose Fund

Items in the Special Purpose Fund will be one of three broader categories: (1) projects that are one-time in nature, (2) programs that are well-defined and recur, and (3) set-asides for future use. For projects and programs, a line-item budget must exist and spending generally cannot occur until revenue is received and posted. Should something become part of daily operations, the budget and expenditures will transfer to the general operating budget.

In terms of what constitutes a project, program, or set-aside in the Special Purpose Fund, criteria may include one or more of the following:

1. Funding from multiple sources, e.g., Foundation donations, grants, Library matching funds
2. Set-aside for future service development, e.g., land, construction, service incubations
3. Set-aside for critical future projects, e.g., election costs
4. Multiyear rollovers of remaining balance, e.g., Tuition Assistance Program, Job & Business Center
5. Multi-departmental authority, e.g., Summer Reading, PC READS
6. Projects that require special tracking, recording, and reporting, e.g., grants

Capital Improvement Fund items are generally one-time projects that are \$5,000 or more and have a useful life of three years or more. They have a tangible asset quality to them, for example, purchase of computer networking equipment, major facility maintenance, construction projects, or vehicles. It is possible that some projects that can pass for a capital improvement project may instead be in the special purpose fund. An example is grant funded purchasing and outfitting special vehicles for new service delivery.

## Board Actions to Create Special Purpose Fund

The last time the Library created a fund was in 1998, for the Capital Improvement Fund as it exists today. During the October 1998 Board meeting, Library management proposed a final draft of

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substantial revisions to the Fiscal Management policy, which (1) removed the “Accumulation Fund”<sup>1</sup> and (2) installed the Capital Improvement Fund. At that time, by the Board approving the Fiscal Management policy, the Capital Improvement Fund was automatically created and the Accumulation Fund automatically eliminated with any remaining fund balance transferred to the new Capital Improvement Fund. I recommend that we keep Board actions separate through the following sequence:

1. The Fiscal Management policy be approved by the Board by motion, and then,
2. A resolution be considered and approved for the creation of the Special Purpose Fund.

This sequence keeps intentions very clear and transparent for both instruments, and I recommend that resolutions be used for any future creation or elimination of funds. Upon approval, Dale and I will begin implementation of this fund, with moving identified programs, projects, set-asides, and accumulation needs into the fund. In November we will present to you revised tables and charts regarding the three primary funds. In December we will present to you resolutions for 2016 approval.

Therefore in 2016, the Library will be managing the following funds:

- General Fund (operating fund)
- Capital Improvement Fund
- Special Purpose Fund
- Debt Service Fund (which exists but is managed passively)

Following best practices outlined by the Government Finance Officer Association (GFOA), these funds will be defined and described in the Budget Narrative, which will be made available to you in January 2016.

### Board Responsibilities

The Board’s core responsibility for the Special Purpose Fund is the same as the Capital Improvement Fund, including but not limited to: fiscal oversight of the fund, annual budgeting tasks, approvals of bottom line changes, monthly approval of vouchers (in the consent agenda) and purchase orders equaling or exceeding \$50,000, review of fiscal results, and auditing. The primary difference is that changes and approvals to this fund may be brought to you several times a year—quarterly—as projects, programs, and set-asides may require changes to the bottom line budget.

### Library Responsibilities

The Library will manage the fund similar to both the General Fund and Capital Improvement Fund. Project/Program managers will develop line-item budgets and be responsible for inflows and outflows of their assigned items. The Library will bring bottom line changes to the Board at least quarterly for approvals.

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<sup>1</sup> According to Board minutes and records, the Accumulation Fund was created in the 1960s as a means to set aside funds for purchase of property and improvements (construction). Considerable legal advice was sought regarding the legality of a Washington State public library’s statutory authority in setting aside a portion of its revenue for future use, compared to expending funds within a fiscal year. The Library attorney at the time advised the Library that it was legal to do so. This legal advice is still pertinent in how we use cash reserves to address short- and long-term future budget/fiscal concerns regarding operations, the Capital Improvement Fund, and any set-asides we may need to establish.

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## Known Special Purpose Items

We are taking inventory of those projects, programs, and set-asides to be financed in the SPF. They include:

Election Set-Aside .....	\$360,000
PC READS .....	TBD
Summer Reading .....	TBD
Tuition Assistance Program.....	TBD
WorkForce .....	TBD

## Schedule of Events

Detailed review of SPF .....	October 21 Board meeting
Set up EDEN for SPF .....	November 1 – December 31
First Public Hearing of 2016 budget, including SPF .....	November 18 Board meeting & Resolution to create SPF
Training for SPF users .....	December 1 – 31
Second Public Hearing and approval of 2016 budget .....	December 9 Board meeting
Coding of entries into the SPF .....	December 1 – 31
Go live with SPF .....	January 1, 2016
2016 Q1 review.....	March 9, 2016 Board meeting
2016 Q2 review.....	June 8, 2016 Board meeting
2016 Q3 review.....	September 14, 2016 Board meeting
2016 Q4 review and 2017 FY budget.....	December 14, 2016 Board meeting

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# MEMO

Date: October 6, 2015

To: Rob Allen, Chair and Members of the Board

From: Clifford Jo, Finance & Business Director

Subject: Fiscal Management Policy—First Proposed Draft

Please find attached a first reading of the proposed fiscal management policy, incorporating discussions and ideas from last month's meeting. I incorporated all the suggested changes and offered some language revisions. While you may approve it this month with further changes as you see needed, it's not necessary until next month.

## Capital Fund Balance

In terms of the Capital Fund balance, my approach was to analyze the most recent economic downturn and plan for the next one. The downturn for the nation began in 2008, but the Library didn't feel the financial impact until two years later in 2010. We then sustained 5 years of significant challenges in which revenues actually declined for three years (after factoring out Fife's annexation to the Library District). During this time, we reduced the Capital Improvement fund transfer twice: once in 2013 from 3% to 2%, and then in 2014 from 2% to 1%. Had it not been for Fife's annexation, we would have likely reduced the transfer a year earlier in 2012. We restored it to the full 3% this year.

My analysis suggests that we keep in a perpetual fund balance of 4% of revenues for the Capital Fund, which would sustain a 5-year downturn. During negative economic impacts, we could strategize the first two years with no impact to the transfer amount, in years three and four reduce it to 2%, then in the fifth year reduce the transfer to 1%. Assuming we must conduct necessary maintenance replacements, we would use the Capital Fund balance to offset the decline in transfers, and once revenue restores around the sixth year, we would replenish the fund balance to 4% of general fund revenues.

4% of 2016 revenues is estimated to be \$1,188,382 (round to \$1,190,000). Every year I would recalculate this so that escalation is factored in. On the budget/expenditure side, we would still approach capital projects with critical needs as priority, and reduce elective projects when negative economic conditions warrant.

**PIERCE COUNTY LIBRARY SYSTEM  
BOARD OF TRUSTEES POLICY 3.15: FISCAL MANAGEMENT**

Policy Statement

~~It is the policy of the~~ The Pierce County Library System (“Library”) Board of Trustees ~~to~~ shall implement and maintain sound financial management of the entrusted resources provided by the taxpayers and other sources of funding, consistent with the Library’s mission.

In accordance with state law, RCW 27.12.070, the Pierce County Office of the Assessor-Treasurer serves duly as the Library’s fiscal agent.

**Policy**

The Library Board of Trustees establishes the following fiscal management policy, which requires Board Action to enforce, make decisions, make exceptions, or otherwise implement to the extent law allows:

1. Current year general fund operations are funded from current year revenues. ~~Permitted exceptions include, but are not limited to, transferring funds between fund accounts or the incurring of debt.~~
2. Cash may be transferred between funds.
- ~~3.~~ 3. Debt may be incurred as a last resort.
- ~~2.~~ 4. Cash reserves is a fiscal resource to stabilize long-term library sustainability. Cash reserves will not be used as a sole substitute for budget reductions to meet economic challenges.
5. Cash reserves (fund balance) may be used to plan or pay for current or future operations. ~~Cash reserves shall not fall below twenty percent (20%) of the following year’s anticipated revenues.~~
6. Upon declaring a need for cash reserves to address a severe emergency having effects that cannot be addressed through the existing budget, the Board may pass a motion to release cash reserves for purposes of continuity of operations and services. Examples of emergencies are a natural disaster or a virulent pandemic.
7. Cash reserves in all funds shall maintain positive fund balances that plan and account for fiscal year patterns of revenues and expenses. The General Fund shall have adequate cash reserves beginning January 1 of every fiscal year to pay for expenses until the first major property value receipt occurs on or around May 1. The Capital Fund shall have adequate cash reserves beginning January 1 of every fiscal year to pay for expenses until the General Fund transfer occurs during the fiscal year. Specific guidelines shall be managed under Library Responsibility below.
- ~~3.~~ 8. The Library Board of Trustees may set higher cash reserve balances for any Fund as circumstances require.
- ~~4.~~ 9. 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.
- ~~5.~~ 1. ~~To pay for qualified capital projects, a Capital Improvement Fund is established and funded appropriately by and through the General Fund.~~
- ~~6.~~ 10. For purposes of managing the Library’s finances, additional fund types may be implemented.

11. To pay for qualified capital projects, a Capital Improvement Fund is established and funded appropriately by and through the General Fund.
- ~~12. Capital Improvement Fund revenues may be supplemented by unanticipated~~ Unanticipated revenues ~~or and~~ unanticipated savings in expenditures in the General Fund shall be given preference as transfers to the Capital Fund.
13. To pay for qualified special purpose projects, a Special Revenue Fund is established and funded appropriately by and through multiple funding sources including but not limited to, grants, donations and distributions from external sources such as a Foundation, restricted or unrestricted revenues, General Fund transfers, special set-asides, and other sources of revenue.
- ~~7.~~14. Special Revenue Fund revenues may be supplemented by unanticipated revenues or unanticipated savings in expenditures in the General Fund.
- ~~8.~~15. The Board approves a budget for revenues and expenditures in each fund, annually or any substantial modifications throughout the year.
- ~~9.1. Upon declaring a need for cash reserves to address a severe emergency having effects that cannot be addressed through the existing budget, the Board may pass a motion to release cash reserves for purposes of continuity of operations and services. Examples of emergencies are a natural disaster or a virulent pandemic.~~
- ~~10.~~16. The annual budget process anticipates the need for future system expansion and improvement, and allocates revenue accordingly, recognizing that additional services from system growth will need to be funded mostly from reducing operational costs rather than from new revenue sources.

## **Library Responsibilities**

The Board expects the Library to carry out the following responsibilities:

1. Establish a budget system and administer the budget process.
2. Establish and maintain financial procedures for managing the Library's cash. Document, keep prudently current, and enforce such financial procedures as an implementation of this fiscal policy.
3. Establish and maintain a ten-year cash reserve strategy to sustain operations that best funds services to the Library's communities.
4. Set solvency goals to achieve and implement a perpetual positive General fund balance that ensures short-term debt, excluding inter-fund loans, is not used to pay for operations. ~~This may require cash~~ Cash of at least ~~three to four months of operations~~ operating costs shall be available in the fund balance ~~during certain times in a fiscal year~~ as of January 1 of each fiscal year.
5. Develop and manage fiscal practices and strategies so that cash reserves ~~do not fall below~~ have at least twenty-two percent (~~20%~~2.00%) of the following year's anticipated revenues in addition to the amount set aside for General Fund solvency.
6. Administer a cash-flow system as an anticipatory approach to budget for and meet the Library's expenditure needs for future operations, including bill management.
7. Implement the State of Washington's Budget, Accounting, and Reporting System (BARS).
8. Furnish to the Board appropriate financial reports on a monthly basis, and deliver the annual report to the Board subsequent to filing it with the State of Washington.

9. Incorporate into the annual budget process efforts to reduce operational costs which anticipate future service expansion without significant future revenue increases.

~~9.~~10. Maintain a goal of 4% of average annual General Fund revenues in the year-end Capital Fund Balance over a ten year period.

The Board of Trustees or Library Director shall review this fiscal management policy ~~periodically~~ prior to or in conjunction with considerations of the fall fiscal year budget process, and amend it as deemed appropriate.

**PIERCE COUNTY LIBRARY SYSTEM  
BOARD OF TRUSTEES POLICY 3.15: FISCAL MANAGEMENT**

**Policy Statement**

The Pierce County Library System (“Library”) Board of Trustees shall implement and maintain sound financial management of the entrusted resources provided by the taxpayers and other sources of funding, consistent with the Library’s mission.

In accordance with state law, RCW 27.12.070, the Pierce County Office of the Assessor-Treasurer serves duly as the Library’s fiscal agent.

**Policy**

The Library Board of Trustees establishes the following fiscal management policy, which requires Board Action to enforce, make decisions, make exceptions, or otherwise implement to the extent law allows:

1. Current year general fund operations are funded from current year revenues.
2. Cash may be transferred between funds.
3. Debt may be incurred as a last resort.
4. Cash reserves is a fiscal resource to stabilize long-term library sustainability. Cash reserves will not be used as a sole substitute for budget reductions to meet economic challenges.
5. Cash reserves (fund balance) may be used to plan or pay for current or future operations.
6. Upon declaring a need for cash reserves to address a severe emergency having effects that cannot be addressed through the existing budget, the Board may pass a motion to release cash reserves for purposes of continuity of operations and services. Examples of emergencies are a natural disaster or a virulent pandemic.
7. Cash reserves in all funds shall maintain positive fund balances that plan and account for fiscal year patterns of revenues and expenses. The General Fund shall have adequate cash reserves beginning January 1 of every fiscal year to pay for expenses until the first major property value receipt occurs on or around May 1. The Capital Fund shall have adequate cash reserves beginning January 1 of every fiscal year to pay for expenses until the General Fund transfer occurs during the fiscal year. Specific guidelines shall be managed under Library Responsibility below.
8. The Library Board of Trustees may set higher cash reserve balances for any Fund as circumstances require.
9. 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.
10. For purposes of managing the Library’s finances, additional fund types may be implemented.
11. To pay for qualified capital projects, a Capital Improvement Fund is established and funded appropriately by and through the General Fund.
12. Unanticipated revenues and unanticipated savings in expenditures in the General Fund shall be given preference as transfers to the Capital Fund.

13. To pay for qualified special purpose projects, a Special Revenue Fund is established and funded appropriately by and through multiple funding sources including but not limited to, grants, donations and distributions from external sources such as a Foundation, restricted or unrestricted revenues, General Fund transfers, special set-asides, and other sources of revenue.
14. Special Revenue Fund revenues may be supplemented by unanticipated revenues or unanticipated savings in expenditures in the General Fund.
15. The Board approves a budget for revenues and expenditures in each fund, annually or any substantial modifications throughout the year.
16. The annual budget process anticipates the need for future system expansion and improvement, and allocates revenue accordingly, recognizing that additional services from system growth will need to be funded mostly from reducing operational costs rather than from new revenue sources.

### **Library Responsibilities**

The Board expects the Library to carry out the following responsibilities:

1. Establish a budget system and administer the budget process.
2. Establish and maintain financial procedures for managing the Library's cash. Document, keep prudently current, and enforce such financial procedures as an implementation of this fiscal policy.
3. Establish and maintain a ten-year cash reserve strategy to sustain operations that best funds services to the Library's communities.
4. Set solvency goals to achieve and implement a perpetual positive General fund balance that ensures short-term debt, excluding inter-fund loans, is not used to pay for operations. Cash of at least four months of operating costs shall be available in the fund balance as of January 1 of each fiscal year.
5. Develop and manage fiscal practices and strategies so that cash reserves have at least two percent (2.00%) of the following year's anticipated revenues in addition to the amount set aside for General Fund solvency.
6. Administer a cash-flow system as an anticipatory approach to budget for and meet the Library's expenditure needs for future operations, including bill management.
7. Implement the State of Washington's Budget, Accounting, and Reporting System (BARS).
8. Furnish to the Board appropriate financial reports on a monthly basis, and deliver the annual report to the Board subsequent to filing it with the State of Washington.
9. Incorporate into the annual budget process efforts to reduce operational costs which anticipate future service expansion without significant future revenue increases.
10. Maintain a goal of 4% of average annual General Fund revenues in the year-end Capital Fund Balance over a ten year period.

The Board of Trustees or Library Director shall review this fiscal management policy prior to or in conjunction with considerations of the fall fiscal year budget process, and amend it as deemed appropriate.

# New Business

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# MEMO

Date: October 5, 2015

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

From: Clifford Jo, Finance & Business Director

Subject: 2016 Levy Certificates and Implicit Price Deflator

Attached are two levy certificates issued by Pierce County Assessor-Treasurer's Office, and Municipal Research and Services Center's (MRSC) report of this year's Implicit Price Deflator (IPD). We received the first certificate in mid-September, which includes the standard 1% increase (line A). The second certificate was received today, which recalculates the standard increase to the IPD to 0.251%.

Property tax laws for Washington State were revised in 2002 when voters passed Initiative 747, which limited property tax increases over the previous year to 1.00% or the Implicit Price Deflator, whichever is less. Since then the IPD has come in less than 1% once in 2009. This year the IPD is 0.251% which means property taxes can only increase by that percent *unless* the governing body passes a resolution that overrides the IPD to the maximum annual increase of 1%. See the attached IPD report.

Note that on the bottom line of both levy certificates (line K), the low IPD does not affect 2016 property tax revenues. This is because we're still recovering to 2010 levels (our maximum tax levy). However, the low IPD does affect future revenues by as much as \$209,910 beginning as early as 2017. Over a ten year period, this could mean as much as \$2.2 million in total compounded reduced revenue. (\$209,000 is about 85% of the cost of staffing a small library.)

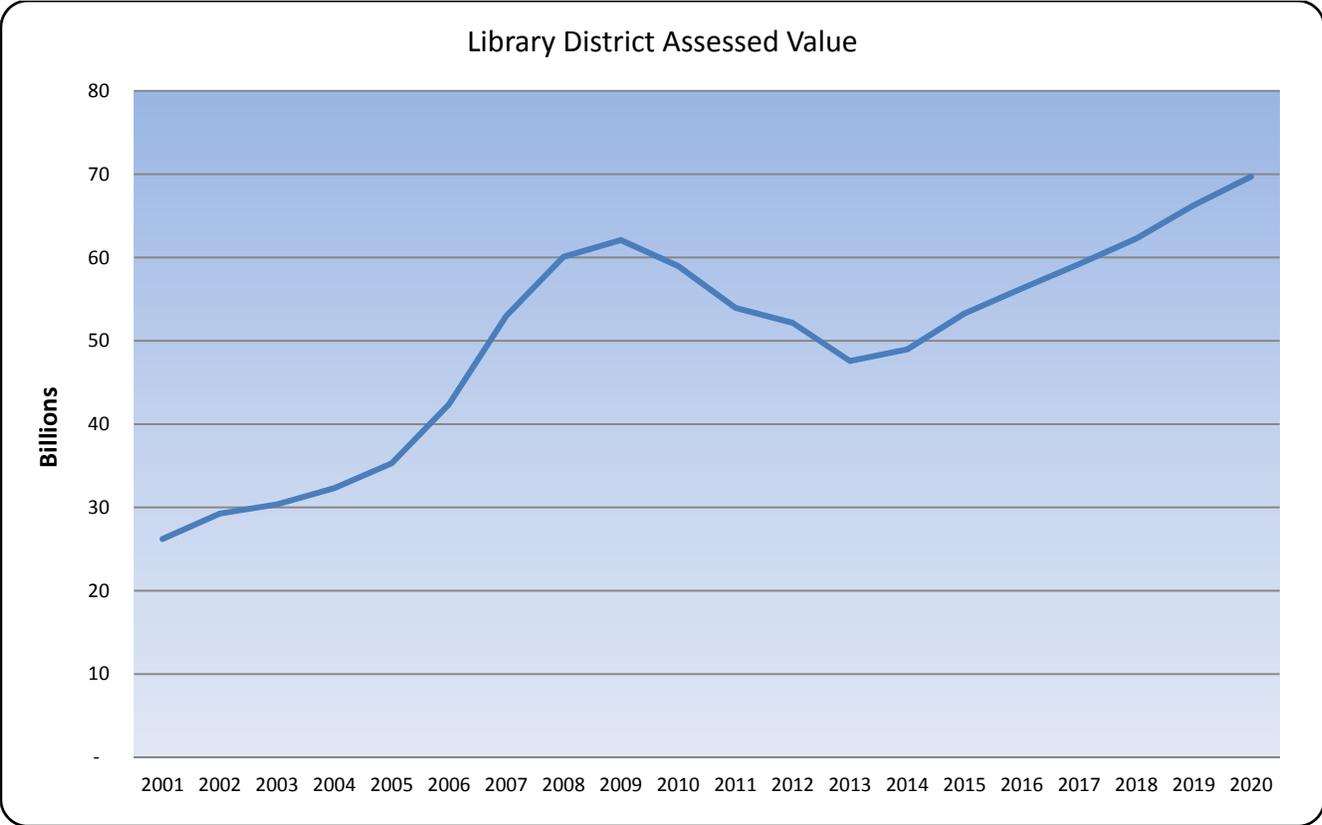
By passing a resolution declaring a need for overriding the 1%, we will in effect create banked capacity of \$209,910 next year. Passing one requires a supermajority, which means at least 4 out of 5 Board members for PCLS. No action is required now, as the certificate does not need to be submitted until the end of November. During the November Board meeting we will bring to you a proposal and discussion regarding any IPD override.

In either case, 2016's property tax revenue increases by \$1,499,959 and remains limited to the actual assessed value for the Library's taxing district. This represents a 5.63% increase over 2015's final certificate issued to us in January. Assuming property values nominally increase next year for 2017 tax revenue, we will have reached 2010's maximum levy and will fall under or within the 1.00% annual increase plus new construction.

2016 appears to be our final year of being at 50¢ mill rate. If property values grow by at least 2.55% next year, the mill rate will be under 50¢ for the first time in seven years. Case-Schiller data from earlier this year suggests property growth in this area to be around 5% in 2016. If it grows by 5%, the mill rate will fall to 48.85¢.

On the next page, I included a graph to show the library district's assessed value as recorded for fiscal years 2001 through 2016 and projected from 2017 through 2020. The decrease in 2011 would have been

much steeper had it not been for Fife’s annexation to the Library, which added \$2 billion to the Library District’s assessed property values.





**Pierce County**  
**Mike Lonergan, Assessor-Treasurer**  
 2401 South 35th Street  
 Tacoma, WA 98409-7498  
 (253) 798-6111 FAX (253) 798-3142  
 ATLAS (253) 798-3333  
 www.piercecountywa.org/atr

ORIGINAL  
 9/11/2015

September 11, 2015

OFFICIAL NOTIFICATION TO: PIERCE COUNTY RURAL LIBRARY- PIERCE ONLY

RE: 2015 PRELIMINARY ASSESSED VALUE

**FOR REGULAR LEVY**

Total Taxable Regular Value	56,277,730,948
Highest lawful regular levy amount since 1985	28,026,013.05
<b>Last year's actual levy amount</b>	<b>26,594,773.15</b>
Additional revenue from current year's NC&I	425,447.06
Additional revenue from annexations (RCW 84.55)	0
Additional revenue from administrative refunds (RCW 84.69)	96,172.96
<i>No additional revenue from administrative refunds will be allowed if you are limited by your statutory rate limit.</i>	
Additional revenue from increase in state-assessed property	0.00

**FOR EXCESS LEVY**

Taxable Value	54,921,849,219
Timber Assessed Value	N/A
Total Taxable Excess Value	54,921,849,219

2015 New Construction and Improvement Value 850,894,127

*If you need assistance or have any questions regarding this information, please contact Kim Fleshman  
 253.798.7114 kfleshm@co.pierce.wa.us.*



**Pierce County**

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ORIGINAL  
9/11/2015  
1%

**TAX LEVY LIMIT 2015 FOR 2016**

RURAL LIBRARY  
> 10,000

**REGULAR TAX LEVY LIMIT:**

	<b>2010</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).	28,026,013.05 1.01 28,306,273.18
B. Current year's assessed value of new construction, improvements and wind turbines in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).	850,894,127 0.500000000000 425,447.06
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).	838,934,432 838,934,432 0.00 0.500000000000 0.00
D. <b>REGULAR PROPERTY TAX LIMIT (A + B + C)</b>	<b>28,731,720.24</b>



**ADDITIONAL LEVY LIMIT DUE TO ANNEXATIONS:**

E. To find rate to be used in F, take the levy limit as shown in Line D above and divide it by the current assessed value of the district, excluding the annexed area.	28,731,720.24 56,277,730,948 0.510534446930
F. Annexed area's current assessed value including new construction and improvements times rate found in E above.	0.00 0.510534446930 0.00
G. <b>NEW LEVY LIMIT FOR ANNEXATION (D + F)</b>	<b>28,731,720.24</b>

**LEVY FOR REFUNDS:**

H. RCW 84.55.070 provides that the levy limit will not apply to the levy for taxes refunded or to be refunded pursuant to Chapters 84.68 or 84.69 RCW. (D or G + refund if any)	28,731,720.24 96,172.96 28,827,893.20
I. <b>TOTAL ALLOWABLE LEVY AS CONTROLLED BY THE LEVY LIMIT (D,G,or H)</b>	<b>28,827,893.20</b>
J. Amount of levy under statutory rate limitation.	56,277,730,948 0.500000000000 28,138,865.47
K. <b>LESSER OF I OR J</b>	<b>28,138,865.47</b>







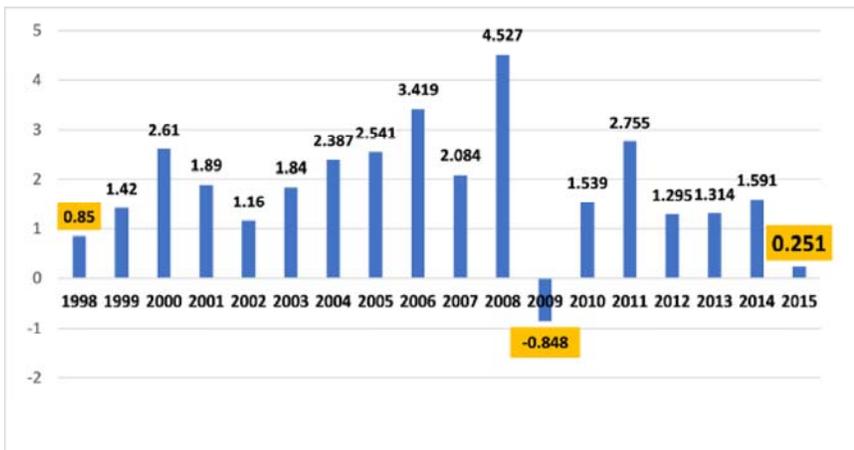
## IPD Falls Below 1%, May Affect Your Property Tax Levy Setting Process

September 28, 2015 by [Toni Nelson \(/Home/Stay-Informed/MRSC-Insight.aspx?aid=121\)](#)

Category: [Administration and Fiscal Policy \(/Home/Stay-Informed/MRSC-Insight.aspx?catID=82&cat=Administration and Fiscal Policy\)](#)

The Bureau of Economic Analysis published the [implicit price deflator for personal consumption expenditures \(/getdoc/94dbc032-a83f-4596-9c70-1c9c6cddb379/Implicit-Price-Deflator.aspx\)](#) today and the results are that the **rate of inflation to be used for 2016 is 0.251%**.<sup>1</sup>

This is only the third time since 1998 that the inflation rate has fallen below 1% and unfortunately that means that local governments with a population of 10,000 or greater may have an additional step in the property tax levy setting process.



If you are a local government entity with a population of less than 10,000, it's business as usual. You must adopt a [property tax levy ordinance](#)

([http://dor.wa.gov/docs/Pubs/Prop\\_Tax/PT\\_Ordinance.pdf](http://dor.wa.gov/docs/Pubs/Prop_Tax/PT_Ordinance.pdf)) stating in terms of amount and percentage the increase over last year's levy and the maximum that you can increase is the 1%. If you are a local government with a population of 10,000 or more, then your property tax increase is limited to the lesser of 1% or the IPD, which this year means it is limited to 0.251%.

However, you can still levy the full 1%, or bank the capacity for the future, if you pass an ordinance or resolution of "substantial need". (See the [DOR example of a resolution of "substantial need"](#) ([http://dor.wa.gov/docs/Pubs/Prop\\_Tax/PT\\_Ordinance.pdf#page=3](http://dor.wa.gov/docs/Pubs/Prop_Tax/PT_Ordinance.pdf#page=3))) The ordinance or resolution requires approval by a majority plus one of your council or board for passage. In districts with legislative authorities of four members or less, at least two-thirds of the members must approve the ordinance or resolution.

The next question that I frequently get asked is, "what is the definition of substantial need?" and the answer, although I hate to say this, is "it depends." It depends upon the needs and requirements of your jurisdiction. Each local government provides different services to its citizenry and different criteria to fulfill the demands of those

services. While we may have a defined set of circumstances for delivery of services in 2016, will these circumstances remain consistent from year to year? Banking your capacity for the future may be more important than asking for the increase in this next fiscal period. Once again, each of us is unique.

So you want to bank capacity? That just means that you need to adopt the same levy ordinance but state that you are only increasing by a percentage less than allowed. This will automatically bank your capacity for the future.

If you have any questions about this process, visit our [property tax page \(http://mrsc.org/Home/Explore-Topics/Finance/Revenues/The-Property-Tax-in-Washington-State.aspx\)](http://mrsc.org/Home/Explore-Topics/Finance/Revenues/The-Property-Tax-in-Washington-State.aspx) or [let us know \(http://mrsc.org/Home/Research-Tools/Ask-MRSC.aspx\)](http://mrsc.org/Home/Research-Tools/Ask-MRSC.aspx) here at MRSC. All of your tax questions will be directed to the finance team, which is myself and Christine Holloway. We are here to assist you with this complex process.

*1. The rate of inflation is the percent change of the Quarter 2 2015 number by the Quarter 2 2014 number, subtracting one, and then multiplying by 100. The values used in the calculation this year were as follows:*

- Quarter 2 2014      109.114
- Quarter 2 2015      109.388



## About Toni Nelson

Toni has over 24 years of experience with Local Government finance and budgeting. Toni's area of expertise include "Cash Basis" accounting and reporting, budgeting, audit prep and the financial issues impacting small local government.

[VIEW ALL POSTS BY TONI NELSON](#) ▶ (</Home/Stay-Informed/MRSC-Insight.aspx?aid=121>)

[Leave a Comment](#) ▾

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## Comments

0 comments on IPD Falls Below 1%, May Affect Your Property Tax Levy Setting Process

Blog post currently doesn't have any comments.

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# MEMO

Date: October 8, 2015

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

From: Clifford Jo, Finance & Business Director

Subject: 2016 Revenues and Expenditures

## REVENUES

See the first page of the attached 2016 budget. 2016 revenues are set overall at +5.86% from the final Board approved budget on December 10, 2014. Property values increased by 5.63% when compared to what the County is reporting to us (but by +6.31% when compared to the original budget). Other line items were adjusted accordingly, including a marked increase to ERate upon certification and a decrease in fines/fees accompanying a drop in circulation.

Note that per our practice, we don't budget for revenues that we generally cannot predict, such as Friends reimbursements. These revenues are recognized during the mid-year budget process.

## EXPENDITURES

Beginning page 2 of the first attachment is the table of expenditures. It is presented as unbalanced with revenues exceeding expenditures by slightly over \$200,000. We have work left to do on the budget and will have a balanced proposal for you next month.

### Personnel Costs

Total net increase is 6.89% or +\$1,370,524. This is pending labor negotiations and impacts bargaining. Also included is a -2.5% subtotal reduction in salaries planning budget to match projections, at -545,328. This was begun in 2012 and is now in its fifth year. In 2014 it was set at -3% which helped balance the budget, but did not give breathing room.

### Maintenance & Operations

Total net increase is +1.29% or +\$48,476. The majority of the increase is due to:

- Additional supplies and advertising for programs funded in part by the Foundation; and
- Offsetting reductions to professional services.

While computer equipment was increased, many of those purchases are for one offs during the year and other needs. Most purchases will remain in the continuing implementation of the technology plan via the Capital Improvement Plan. We will bring those costs/projects to the Board next month.

### Materials

The materials budget is set at 2015's budget less -\$22,900, which was due to a grant that ended in 2015. This calculates to 11.89% of new revenues. In 2012 the Library conducted an extensive study of the

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materials budget that eliminated the historically used 16% budget and proposed a zero-based process and budget for materials. The Library reviewed the materials budget and made thoughtful recommendations for changes, in particular, the databases and ebooks.

**Set-Asides**

Because we are anticipating approximately enough unrestricted cash reserves by year end (the minimum is 2%), we are not adding to that balance. The CIP transfer remains at 3% to fund Capital Improvement fund balance, pending further discussion by the Board.

**PIERCE COUNTY LIBRARY SYSTEM  
- 2016 PRELIMINARY -**

GENERAL FUND ANNUAL BUDGET PROPOSED AS OF 10/7/2015	2015 Final (12/10/14)	2015 Mid-Year	2016 Preliminary	% Change 2015 Final to 2016 Pre	2016 PRELIMINARY Notes
<b>----- REVENUES -----</b>					
31111 Property Taxes Current	25,674,805	25,839,740	<b>27,294,700</b>	6.31%	6.31% AV change (1620k) compared to 12/20/13 levy certif.
31112 Property Taxes Delinquent	872,943	775,192	<b>818,841</b>	-6.20%	-6.20% AV change (-54k) compared to 12/20/13 levy certif.
31130 Sale of Tax Title Property	3,000	15,000	<b>3,000</b>		
31210 Private Harvest Tax	50,000	0	<b>0</b>	-100.00%	Moved to Timber Excise Tax line item
31720 Leasehold Excise Tax	20,000	20,000	<b>20,000</b>		
31740 Timber Excise Tax		90,000	<b>50,000</b>	new	Moved from Private Harvest Tax
33872 Contract Fees-Cities		3,200			
33890 Governmental Grants		123,000			
34160 Copier Fees	30,000	32,000	<b>30,000</b>		
34161 Graphics Services Charges		4,200			
34162 Printer Fees	105,000	130,000	<b>125,000</b>	19.05%	Increased to projected actuals
34163 Fax Fees	21,000	21,000	<b>21,000</b>		
35970 Library Fines	600,000	570,000	<b>550,000</b>	-8.33%	Decreased to projected actuals (follows circulation decrease)
36110 Investment Income	10,000	5,000	<b>5,000</b>	-50.00%	Decreased to projected actuals (interest rates remain very low)
36700 Foundation Donations	350,000	290,000	<b>300,000</b>	-14.29%	Will move substantial revenues (and expenditures) to SPF in Nov.
36720 Friends' Reimbursements		8,200			
36725 Donations-Other		2,000			
36920 Book Sale Revenue	20,000	10,000	<b>20,000</b>		
36991 Payment for Lost Materials	12,000	12,000	<b>12,000</b>		
36997 Prior Year's Refunds		4,300			
36998 E Rate Reimbursement	250,000	240,000	<b>415,000</b>	66.00%	Erate reimbursements offset most network connectivity charges
36999 Rebates - Procurement Card	30,000	50,000	<b>30,000</b>		
39510 Sale of Fixed Assets	15,000	15,000	<b>15,000</b>		
<b>TOTAL REVENUES</b>	<b>\$28,063,748</b>	<b>\$28,259,832</b>	<b>\$29,709,541</b>	<b>5.86%</b>	
Increase/decrease over previous		196,084 (.7%)	1,645,793 (5.86%)		Compared to 2015 Original budget (passed 12/10/2014)
<b>TOTAL FUNDING SOURCES</b>	<b>\$28,063,748</b>	<b>\$28,259,832</b>	<b>\$29,709,541</b>	<b>5.86%</b>	
Increase/decrease over previous		196,084 (.7%)	1,645,793 (5.86%)		Compared to 2015 Original budget (passed 12/10/2014)

**PIERCE COUNTY LIBRARY SYSTEM  
- 2016 PRELIMINARY -**

GENERAL FUND ANNUAL BUDGET PROPOSED AS OF 10/7/2015	2015 Final (12/10/14)	2015 Mid-Year	2016 Preliminary	% Change 2015 Final to 2016 Pre	2016 PRELIMINARY Notes
<b>----- EXPENDITURES -----</b>					
<b>PERSONNEL</b>					
51100 Salaries & Wages	14,345,866	14,093,050	<b>15,332,067</b>	6.87%	Subject to contract negotiations
51105 Additional Hours	259,045	280,045	<b>275,850</b>	6.49%	Shifted some funds from Substitute hours
51106 Shift Differential	151,607	145,146	<b>161,804</b>	6.73%	Follows Salaries & Wages
51107 Substitute Hours	315,515	308,515	<b>290,500</b>	-7.93%	Shifted some funds to Additional hours
51109 Tuition Assistance Program	300	300	<b>300</b>		
51200 Overtime Wages	5,400	13,400	<b>7,400</b>	37.04%	Increased due to vacancies
52001 Industrial Insurance	193,617	173,239	<b>197,488</b>	2.00%	Follows Salaries & Wages
52002 Medical Insurance	2,191,477	2,171,527	<b>2,258,934</b>	3.08%	Subject to contract negotiations
52003 FICA	1,153,581	1,160,745	<b>1,229,200</b>	6.56%	Follows Salaries & Wages
52004 Retirement	1,508,392	1,421,868	<b>1,767,134</b>	17.15%	Includes projected increases
52005 Dental Insurance	212,859	209,759	<b>221,460</b>	4.04%	Subject to contract negotiations
52006 Other Benefit (Cell Phone Allowance)	11,020	10,540	<b>10,540</b>	-4.36%	Reduced need
52010 Life and Disability Insurance	26,987	20,318	<b>28,654</b>	6.18%	Follows Salaries & Wages
52020 Unemployment Compensation	30,500	30,500	<b>30,500</b>		
52200 Uniforms	1,300	1,300	<b>1,300</b>		
Total Personnel	<b>20,407,466</b>	<b>20,040,252</b>	<b>21,813,131</b>	<b>6.89%</b>	
Reduction in salaries planning budget to match projections (	(510,187)	(459,256)	<b>(545,328)</b>	-6.89%	Applied 2.5% to account for vacancies and new hires at lower steps
Net Personnel	<b>19,897,279</b>	<b>19,580,996</b>	<b>21,267,803</b>	<b>6.89%</b>	
<b>MAINTENANCE &amp; OPERATIONS</b>					
53100 Office/Operating Supplies	164,400	227,558	<b>208,100</b>	26.58%	Offset by Foundation & grant funds; part will move to SPF
53101 Custodial Supplies	52,500	52,500	<b>52,500</b>		
53102 Maintenance Supplies	60,200	60,200	<b>60,200</b>		
53103 A/V Processing Supplies	25,000	25,000	<b>25,000</b>		
53104 Book Processing Supplies	20,000	20,000	<b>20,000</b>		
53200 Fuel	47,000	47,000	<b>47,000</b>		
53500 Minor Equipment	3,500	23,500	<b>3,500</b>		
53501 * Furnishings	35,000	75,620	<b>35,000</b>		
53502 * PC Hardware	20,000	63,900	<b>50,000</b>	150.00%	Includes Printers from 53503 and anticipated equipment needs
53503 Printers	10,000	0	<b>0</b>	-100.00%	Moved to PC Hardware line item
53505 Software	13,500	13,500	<b>12,100</b>	-10.37%	Eliminated some software needs
54100 * Professional Services	437,884	527,202	<b>409,950</b>	-6.38%	Includes Strategic Planning consultant
54101 Legal Services	30,000	55,000	<b>30,000</b>		
54102 Collection Agency	22,000	19,900	<b>17,000</b>	-22.73%	Adjusted for anticipated costs
54161 Resource Sharing Services	19,000	19,000	<b>19,000</b>		
54162 Bibliographics Services	33,000	33,000	<b>33,000</b>		
54163 Printing and Binding	1,500	1,500	<b>1,500</b>		
54165 Inter Library Loan Lost Item Charges	2,800	2,800	<b>2,800</b>		
54200 Postage	35,000	35,800	<b>35,800</b>	2.29%	Adjusted for anticipated costs
54201 Telephone/Data Lines	461,300	461,300	<b>461,300</b>		Offset by nearly 90% through ERate reimbursements
54300 * Travel	42,100	42,400	<b>48,800</b>	15.91%	Includes travel costs for upcoming management recruitments
54301 Mileage Reimbursements	31,150	33,000	<b>31,350</b>	0.64%	Adjusted for anticipated costs
54400 * Advertising	43,000	52,000	<b>69,500</b>	61.63%	Includes additional advertising; part will move to SPF
54501 * Rentals/Leases - Buildings	389,950	389,950	<b>404,000</b>	3.60%	Adjusted for increased contractual lease costs

**PIERCE COUNTY LIBRARY SYSTEM  
- 2016 PRELIMINARY -**

GENERAL FUND ANNUAL BUDGET PROPOSED AS OF 10/7/2015	2015 Final (12/10/14)	2015 Mid-Year	2016 Preliminary	% Change 2015 Final to 2016 Pre	2016 PRELIMINARY Notes
54502 * Rentals/Leases - Equipment	32,300	32,400	32,400	0.31%	Adjusted for anticipated costs
54600 Insurance	189,500	178,500	200,000	5.54%	November renewal will inform final costs for 2016
54700 Electricity	235,000	235,000	235,000		
54701 Natural Gas	15,000	12,000	15,000		
54702 Water	20,000	20,000	21,000	5.00%	Adjusted for anticipated costs
54703 Sewer	36,000	25,000	25,000	-30.56%	Adjusted for anticipated costs
54704 Refuse	27,500	25,000	26,000	-5.45%	Adjusted for anticipated costs
54800 * General Repairs/Maintenance	229,300	211,300	231,300	0.87%	Adjusted for anticipated costs
54801 * Contracted Maintenance	788,000	799,600	779,600	-1.07%	The Library is beginning to work on reducing this cost
54803 Maint. Telecomm Equipment	31,000	0	31,000		
54900 * Registrations	42,750	47,400	41,850	-2.11%	Adjusted for anticipated costs
54901 * Dues and Memberships	35,170	35,170	30,170	-14.22%	Adjusted for anticipated costs
54902 Taxes and Assessments	29,500	29,500	29,500		
54903 Licenses and Fees	38,890	44,950	38,950	0.15%	Adjusted for anticipated costs
54904 Miscellaneous	790	790	790		
54905 Event Registration	2,000	2,000	2,000		
55100 Intergovernmental	17,000	17,000	1,000	-94.12%	Includes final remaining payments (if needed)
<b>Total Maintenance &amp; Operations</b>	<b>3,769,484</b>	<b>3,997,240</b>	<b>3,817,960</b>	<b>1.29%</b>	
* Items that are asterisked required department heads to list specific costs					
<b>MATERIALS</b>					
534xx Materials	3,555,073	3,544,378	3,532,173	-0.64%	Slight adjustments for electronic collection and movie licensing
<b>Total Materials</b>	<b>3,555,073</b>	<b>3,544,378</b>	<b>3,532,173</b>	<b>-0.64%</b>	= 11.89% of revenues
54912 CONTINGENCY	0	0	0		No cash reserve set aside needed for 2016
59700 TRANSFERS TO CIP	841,912	1,137,218	891,286	5.86%	3% transfer
<b>Total Transfers</b>	<b>841,912</b>	<b>1,137,218</b>	<b>891,286</b>	<b>5.86%</b>	
<b>TOTAL EXPENDITURES</b>	<b>\$28,063,748</b>	<b>\$28,259,832</b>	<b>\$29,509,222</b>	<b>5.15%</b>	
<b>REVENUES LESS EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,319</b>	<b>new</b>	Balanced budget

**PIERCE COUNTY LIBRARY SYSTEM  
- 2016 PRELIMINARY -**

GENERAL FUND ANNUAL BUDGET PROPOSED AS OF 10/7/2015	2015 Final (12/10/14)	2015 Mid-Year	2016 Preliminary	% Change 2015 Final to 2016 Pre	2016 PRELIMINARY Notes
<b>----- BUDGET SUMMARY -----</b>					
Use of Fund Balance/Cash Reserves	0	0	0		
<b>REVENUES</b>					
Taxes	26,620,748	26,739,932	<b>28,186,541</b>	5.88%	94.87% of revenues
Intergovernmental	0	126,200	<b>0</b>		0.00% of revenues
Charges for Services	156,000	187,200	<b>176,000</b>	12.82%	0.59% of revenues
Fines	600,000	570,000	<b>550,000</b>	-8.33%	1.85% of revenues
Miscellaneous	687,000	636,500	<b>797,000</b>	16.01%	2.68% of revenues
<b>TOTAL REVENUES</b>	<b>28,063,748</b>	<b>28,259,832</b>	<b>29,709,541</b>	<b>5.86%</b>	100.00% of revenues
Increase/decrease over previous year		196,084 (.7%)	1,645,793 (5.86%)		
<b>TOTAL AVAILABLE FUNDING SOURCES</b>	<b>28,063,748</b>	<b>28,259,832</b>	<b>29,709,541.00</b>	<b>5.86%</b>	
Increase/decrease over previous year		196,084 (.7%)	1,645,793 (5.86%)		
<b>EXPENDITURES</b>					
Personnel	19,897,279	19,580,996	<b>21,267,803</b>	6.89%	72.07% of expenditures
Maintenance & Operations	3,769,484	3,997,240	<b>3,817,960</b>	1.29%	12.94% of expenditures
Materials	3,555,073	3,544,378	<b>3,532,173</b>	-0.64%	11.97% of expenditures
Subtotal	<b>27,221,836</b>	<b>27,122,614</b>	<b>28,617,936</b>	<b>5.13%</b>	96.98% of expenditures
Increase/decrease over previous year		-99,222 (-.36%)	1,396,100 (5.13%)		
CONTINGENCY	0	0	<b>0</b>		0.00% of expenditures
TRANSFERS TO CIP	841,912	1,137,218	<b>891,286</b>	5.86%	3.02% of expenditures
Subtotal	<b>841,912</b>	<b>1,137,218</b>	<b>891,286</b>	<b>5.86%</b>	3.02% of expenditures
<b>TOTAL EXPENDITURES</b>	<b>28,063,748</b>	<b>28,259,832</b>	<b>29,509,222</b>	<b>5.15%</b>	100.00% of expenditures
Increase/decrease over previous year		196,084 (.7%)	1,445,474 (5.15%)		
<b>NET OF REVS &amp; EXPS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,319</b>	<b>new</b>	

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# MEMO



Date: October 9, 2015

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

From: Melinda Chesbro, Deputy Director

Subject: 2016 Materials Budget Summary

The 2016 Materials Budget recommendation is \$3,511,073, keeping it the same as 2015. Allocation of materials budget will be done in December in response to the Annual Branch Service Plans. At that time we will determine any shifts in purchasing.

Circulation is still falling, but the rate of decline is leveling out and 2015 total circulation will likely be similar to 2008 circulation. Downloadable circulation is a notable area of growth, with a 45% increase over 2012.

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# MEMO

Date: October 12, 2015

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

From: Clifford Jo, Finance & Business Director

Subject: 2016-20 Cash Flow Chart

Attached is the cash flow chart for 2016-20.

As presented in the operating budget, it remains unbalanced with net of revenues and expenditures at slightly over \$200,000. We don't anticipate much savings for 2015, but any that do occur will automatically flow to cash reserves. We will have an estimate in December but the final number will be determined in April when we report to the State Auditor.

At current projections, we anticipate not needing to budget the set-aside to build up unrestricted cash reserves in 2016 and 2017. The goal is to maintain 2% in the unrestricted cash reserves. Given next year's projected year-end unrestricted balance of around \$1.755 million, available funds are sufficient to postpone budgeting a set-aside to build up the unrestricted cash reserves.

According to our forecasts, we face at least two challenges:

- Current revenue and expenditure forecasts from 2017-2020 show us being overspent due to the limits of the 1% annual increase. It begins in 2017 at -\$131,282 and grows to -\$621,240 by the end of 2020.
- Current projections show that we will be just under the 2% unrestricted fund balance at the end of 2020.

These challenges are familiar to us, as we faced them in the years preceding the levy lid-lift and during the recession. We have learned much from those times and can begin planning purposefully now.

We will discuss cash flow in greater detail during the Board meeting.

## PIERCE COUNTY LIBRARY SYSTEM CASH FLOW PROJECTIONS

AS OF OCTOBER 12, 2015 GENERAL FUND	2016 <u>Proposed</u>	2017 <u>Projected</u>	2018 <u>Projected</u>	2019 <u>Projected</u>	2020 <u>Projected</u>
Beginning General Fund Balance (cash)	8,800,000	9,000,319	8,869,037	8,539,054	8,034,544
<b>BUDGET SHORTFALL (RED) OR SURPLUS (BLACK)</b>	<b>200,319</b>	<b>(131,282)</b>	<b>(329,983)</b>	<b>(504,510)</b>	<b>(621,240)</b>
<b>REVENUE</b>					
Total Tax Revenue (Property, Harvest, Leasehold)	28,186,541	28,907,882	29,666,687	30,463,045	31,293,335
Intergovernmental (Grants, City)	0	0	0	0	0
Charges for Services (Graphics, Photocopy)	176,000	176,000	176,000	176,000	176,000
Fines	550,000	530,000	520,000	510,000	500,000
Miscellaneous (Interest, Donations, Salvage)	797,000	797,000	797,000	797,000	797,000
<b>Total</b>	<b>29,709,541</b>	<b>30,410,882</b>	<b>31,159,687</b>	<b>31,946,045</b>	<b>32,766,335</b>
\$ change from previous year's latest budget:	1,645,793	701,341	748,805	786,358	820,290
% change from previous year's latest budget:	5.86%	2.36%	2.46%	2.52%	2.57%
Operational needs to pay bills January - April	6,684,647	6,842,448	7,010,930	7,187,860	7,372,425
Election set-aside (\$360,000) is in the fund balance	360,000	360,000	360,000	360,000	360,000
<b>EXPENDITURES</b>					
Personnel					
Total Personnel (Pending contract negotiations)	21,813,131	22,772,153	23,635,587	24,508,833	25,350,327
Salary Planning to Actuals (2.5%)	(545,328)	(569,304)	(590,890)	(612,721)	(633,758)
Net Personnel	<u>21,267,803</u>	<u>22,202,849</u>	<u>23,044,697</u>	<u>23,896,112</u>	<u>24,716,569</u>
Materials (Books, Movies, Databases, etc)	3,532,173	3,532,173	3,532,173	3,532,173	3,532,173
Maintenance and Operations	3,817,960	3,894,816	3,978,009	4,063,889	4,155,843
Transfer to CIP - From General Fund (3%)	<u>891,286</u>	<u>912,326</u>	<u>934,791</u>	<u>958,381</u>	<u>982,990</u>
Contingency	0	0	0	0	0
<b>Total</b>	<b>29,509,222</b>	<b>30,542,164</b>	<b>31,489,670</b>	<b>32,450,555</b>	<b>33,387,575</b>
\$ change from previous year original budget:	1,436,289	1,032,942	947,506	960,885	937,020
% change from previous year original budget:	5.12%	3.50%	3.10%	3.05%	2.89%
<b>Unrestricted Ending Fund Balance</b>	<b>1,755,353</b>	<b>1,797,871</b>	<b>1,858,107</b>	<b>1,351,194</b>	<b>662,119</b>
(% of next year's revenues)	5.77%	5.77%	5.82%	4.12%	1.96%
2% Goal minimum	<b>608,218</b>	<b>623,194</b>	<b>638,921</b>	<b>655,327</b>	<b>675,989</b>
<b>Ending General Fund Balance</b>	<b>9,000,319</b>	<b>8,869,037</b>	<b>8,539,054</b>	<b>8,034,544</b>	<b>7,413,304</b>
(% of next year's revenues)	29.60%	28.46%	26.73%	24.52%	21.93%
<b>New Revenues</b>	29,709,541	30,410,882	31,159,687	31,946,045	32,766,335
<b>Expenditures</b>	29,509,222	30,542,164	31,489,670	32,450,555	33,387,575
<b>Difference</b>	<b>200,319</b>	<b>(131,282)</b>	<b>(329,983)</b>	<b>(504,510)</b>	<b>(621,240)</b>

# MEMO



Date: October 6, 2015

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

From: Georgia Lomax, Executive Director

Subject: 2016 Board Meeting Schedule

Attached for your consideration is a draft schedule of 2016 Board of Trustee meetings. As is past practice, the meetings would be held on the second Wednesday of the month at 3:30 pm. However, due to budget development, the October meeting would be held on the third Wednesday of the month.

If you approve the 2016 Meeting Schedule, it must be accepted by motion and formally approved by Resolution during the November meeting.

## PIERCE COUNTY LIBRARY SYSTEM BOARD OF TRUSTEES

### 2016 Meeting Schedule

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Meetings are regularly scheduled at 3:30 pm on the second Wednesday of the month, with the exception of the October meeting, to be held on the third Wednesday of the month. The dates of the 2016 Board of Trustee meetings are as follows:

January 13  
 February 10  
 March 9  
 April 13  
 May 11  
 June 8  
 July 13  
 August 10  
 September 14  
 October 19<sup>1</sup>  
 November 9  
 December 14

<b>2016 Conferences</b>	
January 8-12	American Library Association (ALA) Midwinter, Boston MA
April 5-9	Public Library Association (PLA), Denver CO
April 27-29	Washington Library Association (WLA), Spokane WA
June 23-28	American Library Association (ALA) Annual, Orlando FL

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<sup>1</sup> 3<sup>rd</sup> week of the month due to budget development

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# MEMO

Date: October 1, 2015

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

From: Joy Kim, Customer Experience Manager

Subject: Friends and Foundation of Libraries Week

Thank you to Pierce County Library System's Friends and Pierce County Library Foundation for their commitment, enthusiasm, and contributions to bolster reading, learning, and library services throughout Pierce County. October 18-24, 2015 marks National Friends of Libraries Week to recognize and celebrate friends and foundation groups for volunteering time and resources to help support libraries.

Pierce County Library System is indebted to the amazing support Friends and the Foundation give every day to keep our libraries running and to allow staff to give better and more service.

Friends groups support their community libraries in many areas:

- Raising funds through book sales and other activities.
- Advocating and raising awareness about library services, needs, and goals in the community

In 2014, Friends of the Libraries contributed \$120,684 for library needs. As examples:

- Furnishings for the computer lab and fiction areas and AWE early literacy station for children–Lakewood Library
- Funds for the South Hill Capital Campaign–South Hill Library
- Landscaping improvements–Gig Harbor Library
- Lounge seating–Graham Library
- Support for the DuPont Library 10<sup>th</sup> anniversary celebration–DuPont Library

During the Foundation's 2014-15 fiscal year, the Foundation will award \$475,000 to bring books to children through summer reading, schools, and child care centers and to seniors through care facilities.

The Foundation:

- Connects vital literacy and information resources beyond the scope of tax-based funding.
- Seeks funding from charitable foundations, businesses, and individuals.

Along with other recognition to celebrate National Friends of Libraries Week, we are asking Pierce County Library's Board of Trustees to issue the following proclamation to proclaim October 18-24, 2015, as "Friends and Foundation of Libraries Week" in Pierce County, Washington.

## *Friends and Foundation of Libraries Week*

Proclamation of the Pierce County Library Board of Trustees in recognition of Pierce County Library Friends and Pierce County Library Foundation.

*Whereas*, Friends of Pierce County Library raise funds through book sales and other activities to purchase materials, equipment and furnishings to enhance customer experiences;

*Whereas*, Friends advocate and raise awareness about Pierce County Library System's services, needs and goals in the community;

*Whereas*, Pierce County Library Foundation connects vital literacy and information resources beyond the scope of tax-based funding;

*Whereas*, the Foundation seeks funding from charitable foundations, businesses and individuals;

*Whereas*, the Friends' and Foundation's gift of time and enthusiastic commitment to Pierce County Library exemplifies strong volunteerism and leads to positive civic engagement and the betterment of our community;

**NOW, THEREFORE**, be it resolved that the Pierce County Library Board of Trustees proclaims October 18 through 24, 2015, as

## *Friends and Foundation of Libraries Week*

in Pierce County, Washington,

and urges everyone to join a Pierce County Library Friends' organization and be a part of Pierce County Library Foundation, and thanks the Friends and the Foundation for the time and resources provided to make our Library and community great.

**PROCLAIMED this day, Wednesday, October 21, 2015.**



# Board Education and Service Reports

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# MEMO

Date: October 12, 2015

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

From: Melinda Chesbro, Deputy Director

Subject: 2016 Work Plan Development

We are continuing to develop our 18 month work plan in conjunction with the 2016 budget. Within our broad goal of being focused and ready we have identified four planning areas for 2016:

1. Service focus – clear service priorities and realistic operating capacity
  - Branch service plans will focus on helping people learn and succeed – supporting youth and families, workforce and economic development, and continuing key system programs such as PC Reads, Summer Reading, school library card campaign and DIYFest/Maker Fest
  - We will also develop service focus plans for collection priorities, marketing priorities, Foundation growth plan
2. Environment – safe, secure and welcoming for staff and the public
  - This will include staff training, facility improvements, and review of policies and procedures related to patron behavior, incident reporting and trespass
3. Infrastructure – robust, sustainable and able to deliver our services
  - There is a significant group of IT projects including bandwidth improvements, gigabit Wi-Fi, printing, public and staff PCs and laptops, meeting room software, EVM credit card implementation
  - Other infrastructure projects are planned for Communications (internal communications, printing press, marketing plan), Finance (payroll crisis planning, timesheet improvements) and Reading & Materials (RFP for materials purchases, collection refresh pilot)
4. People – skilled and engaged workforce
  - Training, leadership/supervisor development, performance evaluation review and revision, Compensation Study implementation and labor contract, Staff Engagement and Communications survey follow-up, Opportunity Team recommendations, exploring staffing questions about full time/part time ratios, substitutes, 15 hour positions

# Officers Reports

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# MEMO

Date: September 30, 2015

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

From: Georgia Lomax, Executive Director

Subject: 2016 Library Conferences

I would encourage you to consider attending a Library conference in 2016. It's an opportunity to connect with trustees and library staff from other libraries and to learn about the many things happening in libraries around the country.

Upcoming conferences include:

**Public Library Association, April 5-9, 2016 (Denver)**

This conference is offered every other year and is THE place to be for public librarians. It is known for practical, relevant content, plenty of networking and its manageable size and logistics. I would recommend this as the conference to attend in 2016.

**Washington Library Association, April 27-29, 2016 (Spokane)**

Our local conference is an annual activity that includes public, school, academic and private library staff.

**American Library Association, June 23-28, 2016 (Orlando)**

This is the main national event for all types of libraries. I understand that Orlando is a confusing and difficult location for attendees.

**Urban Libraries Council Annual Forum, likely to be June 23-24, 2016 (Orlando)**

This annual leadership event is generally held the Thursday and Friday before ALA. It usually is focused on a key strategic theme. I would also recommend this event. We will have more specific details about this conference later this year.

Registration for the Public Library Association conference is now open. Please let Petra know if you would like to join me in attending and we will make arrangements.

# MEMO

Date: October 6, 2015

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

From: Georgia Lomax, Executive Director

Subject: Regional Trustees Meeting

The second annual Regional Trustees Meeting will be held October 24, 2015, at the Renton Library located at 100 Mill Avenue S.

This year's meeting objectives include:

- Building Board to Board relationships
- Understanding Jewish Family Service's process of transitioning to an outcomes-based organization
- Discussing current outcomes-based approaches in public libraries
- Board support of outcomes-based initiatives

I have attached the agenda and driving directions for your information.

# Agenda

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## Regional Trustees Work Session October 24, 2015

**MEETING OBJECTIVES:** To 1) Build Board-to-Board relationships; 2) Understand Jewish Family Service's process of transitioning to an outcomes-based organization; 3) Discuss current outcomes-based approaches in public libraries; 4) Discuss how Boards can support new and continuing outcomes-based initiatives.

<b>TIME</b>	<b>TOPIC</b>	<b>FACILITATOR(S)</b>
9:15 – 9:30 am	Optional Coffee / Light Snacks	
9:30 – 9:45 am	Welcome / Meeting Objectives / Ground Rules	<b>Gary Wasdin (KCLS Director) &amp; Catherine McHugh (Facilitator)</b>
9:45 – 10:15 am	Trustee Introductions	<b>Catherine McHugh</b>
10:15 – 11:15 am	Keynote Speaker: Rabbi Will Berkovitz, Chief Executive Officer, Jewish Family Services (Presentation, Q&A)	<b>Introduction: Marcellus Turner (Seattle City Librarian)</b>
11:15 – 11:45 am	Table Reflections: <ul style="list-style-type: none"><li>• Harvest learnings from presentation</li><li>• Discuss value &amp; relevance of outcomes-based vs. transaction-based thinking in libraries</li></ul>	<b>Catherine McHugh</b> <b>Directors act as table facilitators</b>
11:45 – 12:30 pm	Lunch (in meeting room) & Relationship Building	<b>All</b>
12:30 – 1:15 pm	Table Discussions: <ul style="list-style-type: none"><li>• Share current outcomes-based practices</li><li>• Explore how Boards can support new &amp; continuing outcomes-based initiatives</li></ul>	<b>Catherine McHugh</b> <b>Directors act as table facilitators</b>
1:15 – 1:45 pm	Large Group Harvesting of Table Discussions: Summary, Potential Next Steps	<b>Catherine McHugh</b>
1:45 – 2:00 pm	Meeting Debrief	<b>Catherine McHugh</b>
2:00 pm	Meeting Adjourns <ul style="list-style-type: none"><li>• Optional Tour of KCLS Facility</li></ul>	<b>Gary Wasdin</b>

# Renton Library

100 Mill Ave S.  
Renton, 98057  
425.226.6043

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## From I-405 S:

Take Exit 4 for WA-900 W towards WA-169/Renton/Enumclaw. Merge onto Sunset Blvd N. Turn right on Bronson Way N. Turn left on Mill Ave S. The Renton Library is immediately on the left.

## From I-405 N:

Take Exit 4 towards WA-900 W/Bronson Way. Turn right onto WA-169 N. Use the middle two lanes to turn slightly left onto Bronson Way N. Turn left onto Mill Ave S. The Renton Library is immediately on the left.

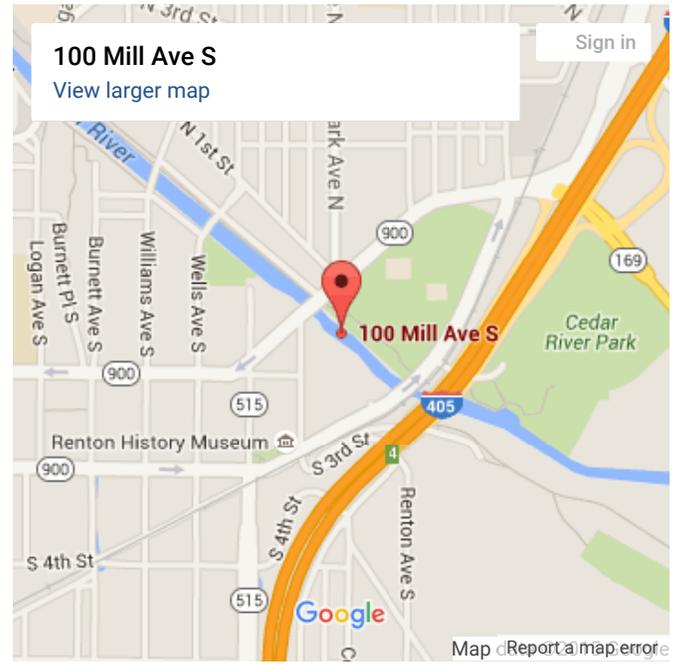
## From I-5 (North or South):

Take the I-405 N/Renton exit near Southcenter. Take Exit 4 towards WA-900 W/Bronson Way. Turn right onto WA-169 N. Use the middle two lanes to turn slightly right left onto Bronson Way N. Turn left onto Mill Ave S. The Renton Library is immediately on the left.

## Getting here by bus:

The Renton Library is served by bus routes 105, 240, 907 and 908.

Find [Metro Transit routes and schedules](#).



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# MEMO



Date: October 9, 2015

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

From: Sally Porter Smith and Jennifer Patterson, Customer Experience Team

Subject: Updated Parking Lots Administrative Policy

The administrative policy governing towing vehicles improperly parked has been updated to establish policy and procedures to facilitate the signing of memorandums of understanding with local law enforcement to address behaviors or activities in library parking lots or grounds that violate laws, regulations or Pierce County Library System rules of Conduct. It also provides for the removal of individuals and/or vehicles when vehicles present a hazard, violate regulations or are violating the Library's Rules of Conduct.

A proposed Board policy will be presented by year end to address the use of library grounds, inclusive of the use of parking lots within applicable laws, regulations and Library Rules of Conduct.

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# MEMO

Date: October 7, 2015

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

From: Karim Adib, Digital Experience Director

Subject: E-Rate Update

## 1) Funding Commitments

We have received Funding Commitment Decision Letters from USAC for our category 1 and category 2 applications. The totals are as follows:

Category 1: \$431,731.39

Category 2: \$368,538.50

**The total commitment for category 1 and category 2 comes to \$800,269.89.** Our original goal, as presented to the board in May, was for an amount close to \$868,000. The approved amount for category 1 is the full amount of our request. However, the amount for category 2 is short of our requested amount. We are appealing the denied portion of our category 2 request. If the appeal goes our way, we are hoping to get approximately \$60K added to category 2.

## 2) Category 2 - Five Year Budget

USAC has approved all our category 2 calculations and has approved the new Administrative Center Library as our central location. This means that the **category 2 funding budget for the library is now set at \$978,099.** The Library has five years to spend these funds but is not required to do so. We would like to offer special thanks to Sally Porter Smith, Jennifer Patterson and Evelyn Lindberg of the Washington State Library.

## 3) Additional Review

After receiving the Funding Commitment Decision Letters, a different division of USAC informed us that we had been selected for additional review. For the review, the Library is required to answer a series of questions and provide additional documentation. We have all the documentation to respond to this review in a timely manner.

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# MEMO



Date: October 7, 2015

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

From: Karim Adib, Digital Experience Director

Subject: Wave Broadband contract update

In the May Board meeting, the Board authorized the Information Technology department to enter into a contract with Wave Business Solutions. The contract has two parts:

Part one of the contract obligates Wave to build out fiber to the Library's Data Center for the purposes of delivering dedicated symmetrical Internet services. This project is on schedule and is expected to be completed by December or January.

Part two of the contract obligates Wave to build out fiber to all Library locations and connect them to the Library's Data Center. As part of the contract, Wave will absorb the cost of the fiber build out to all Library locations, estimated at approximately \$5 million. Additionally, Wave will not charge the Library any installation fees. However, the second part of the contract is not binding until and unless the contingency clause has been met. As part of the contingency clause, Wave is required to inform the Library, within a maximum of six months of the signing of the contract, whether they are able to deliver the E-LAN services itemized in Section 3 of contract. **We are pleased to inform the Board that we are in receipt of a letter from Wave's General Council, James Penney, stating that Wave is formally waiving its E-LAN cancellation option.**

In an increasingly digital world, we cannot overstate the importance of this agreement to the present and future of the Pierce County Library System. We would like to thank Wave CEO, Steve Weed, for his commitment to supporting the efforts of PCLS and the communities we serve. We would also like to thank Paul Koss and Jeff Stoner of Wave, whose tireless efforts in support of this agreement reflects their appreciation of the Library's mission.

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M E M O

Date: October 08, 2015

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

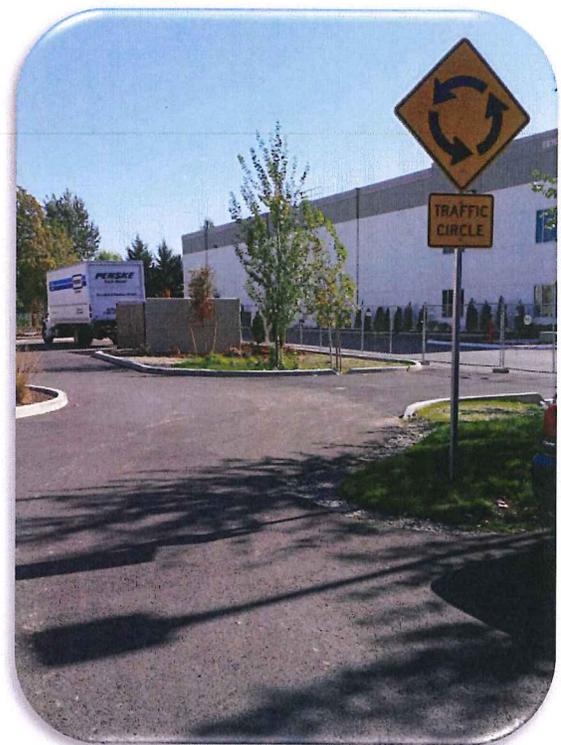
From: Lorie Erickson, Facilities Director

Subject: Fife Library Frontage, Access, and Connection Project

Construction for the Fife Library Frontage Improvements, Internal Access Plans, and the Connection from the Library to Building E was completed on October 1, 2015. Parking was increased by 9 stalls. Please see attached photos of the project. The new library entrance will be turned over to the library for use once the developer's work has been completed on and around 66<sup>th</sup> Street. The final budget for the project came in at \$303,411.95.

# FIFE LIBRARY FRONTAGE, ACCESS, AND CONNECTION

October 8, 2015



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# MEMO



Date: October 2, 2015

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

From: Clifford Jo, Finance & Business Director

Subject: 2013-14 Audit

Chris Ruiz, our assigned auditor, is beginning work on our 2013-14 fiscal audit and will be onsite beginning October 7, 2015. Pierce County Library System audits have typically taken two to three months with the preliminary report issued in January or February. We anticipate that audit costs will remain close to our \$17,000 budget.

We will schedule an audit entrance meeting either later this month or early next month. We anticipate that the auditor may recommend a Board member participate in either or both the entrance and exit meetings. During the October Board meeting we will ask the Board for a representative and schedule the meeting accordingly.

# M E M O

Date: October 9, 2015

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

From: Chereé Green, SPHR, Staff Experience Director

Subject: Leadership Academy

On September 2<sup>nd</sup>, we officially launched the library's first Leadership Academy. Twelve emerging leaders from across the system were chosen to participate. This nine-month, custom-designed program will start building the strong leadership skills the library needs to grow its future.

Leadership Academy is designed to:

- Develop the library's Leadership Competencies in current supervisors and managers
- Provide a process to develop emerging leaders
- Provide a ready pool of talent to facilitate succession planning

The members of our Leadership Academy cohort are:

Ben Haines, Sr. Librarian, Sumner  
David Seckman, Sr. Librarian, Graham  
Dianne Ellis, Asst. Branch Supervisor, South Hill  
Kim Archer, Branch Manager, Lakewood  
Lauren Murphy, Senior Librarian, Bonney Lake  
Jaime Prothro, Customer Experience Manager

Miguel Colon, Asst. Branch Supervisor, Sumner  
Meghan Sullivan, Branch Manager, South Hill  
Karen Brooks, Sr. Librarian, Summit  
Kathy Norbeck, Community Branch Supervisor, Buckley  
Dale Hough, Finance Manager, ACL  
Joy Kim, Customer Experience Manager

This leadership academy is a continuation of our work within leadership development and the implementation of our leadership competencies. With purposeful attention to leadership actions we will be able to respond rapidly and fully to changes in our community and industry. The Administrative Team is sponsoring this cohort with frequent check-ins and support. We will graduate this first class in June 2016.

# MEMO

Date: October 9, 2015

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

From: Linda Farmer, Director of Communications

Subject: New Library Card Designs Debut in October

Pierce County Library System debuts four new library card designs this month.

The new designs are:

- **Mt. Rainier** (replaces the Rainbow card and Keychain card)
- **Military fatigues** (replaces Military Dress Blues card)
- **Jump Into a Good Book** (2015 card design contest—elementary winner)
- **Reading is Super!** (2015 card design content—teen winner)

The **Dragonfly** and **Flower** cards are still popular. And, we have small supplies left of our limited edition **U.S. Open** and **Boys in the Boat** cards.

Every other year the library holds a youth card design contest and the new cards are debuted in the fall. In addition we had many customer requests this year for new designs, including something with Mt. Rainier.

These new cards have an added practical value: each card number is directly linked to the card's specific design. We will now be able to track card activations by design using an online database instead of asking branch staff to manually count how many of each design they have on hand.



# MEMO



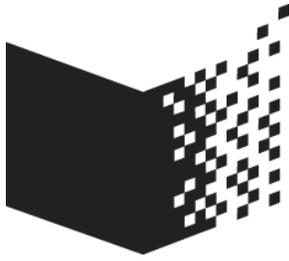
Date: October 6, 2015

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

From: Georgia Lomax, Executive Director

Subject: 2015-16 Pierce County Library Foundation Board Meeting Schedule

Attached for your reference is the 2015-16 Pierce County Library Foundation Board Meeting Schedule. These meetings are regularly scheduled on the fourth Tuesday of the month, with the December meeting being the exception. As always, you are welcome to attend these meetings.



# **Pierce County Library Foundation**

## **Board Meeting Schedule 2015 - 2016**

<b>DATE</b>	<b>TIME</b>	<b>LOCATION</b>
<b>Tuesday, September 22</b>	7:30 a.m. – 9:00 a.m.	PAC Boardroom
<b>Tuesday, October 27</b>	7:30 a.m. – 9:00 a.m.	PAC Boardroom
<b>November</b>	No Meeting	
<b>Tuesday, December 1</b>	7:30 a.m. – 9:00 a.m.	PAC Boardroom
<b>Tuesday, January 26</b>	7:30 a.m. – 9:00 a.m.	PAC Boardroom
<b>Tuesday, February 23</b>	7:30 a.m. – 9:00 a.m.	PAC Boardroom
<b>Tuesday, March 22</b>	7:30 a.m. – 9:00 a.m.	PAC Boardroom
<b>Tuesday, April 26</b>	7:30 a.m. – 9:00 a.m.	PAC Boardroom
<b>Tuesday, May 24</b>	7:30 a.m. – 9:00 a.m.	PAC Boardroom
<b>Tuesday, June 28</b>	7:30 a.m. – 9:00 a.m.	PAC Boardroom
<b>July</b>	No Meeting	
<b>August</b>	No Meeting	

# MEMO



Date: October 9, 2015  
To: Chair Rob Allen and Members of the Board of Trustees  
From: Judy Nelson and Jaime Prothro, Customer Experience Managers  
Subject: 2015 Summer Reading

Pierce County read 11,784,780 minutes in 2016! This summer, 32,016 community members participated in our summer reading program called *Every Hero Has a Story*. An overview of participants and participation is summarized below. Preparation for the 2016 Children's, Teen, and Adult summer reading programs is underway.

Once again, all thirteen PCLS school districts and many private schools worked with the Library on promoting the youth summer reading program. Increased staffing allowed for the Library to increase school presentations to reach over 10% more students. Youth Services staff also targeted more middle schools this year to promote reading during the summer break.

Ongoing work with county, city, and youth serving organizations will provide families in Pierce County with resources and programs to combat summer slide. Working with the mid-county partners, PCLS was part of the Summer Learning Tacoma-Pierce website, which allowed families to search for opportunities to partake in summer activities. PCLS saw an almost 8% increase in youth program attendance.

PCLS was able to provide opportunities to engage readers of all ages, provide families with activities aimed to help reduce summer reading slide, encourage the development of STEM skills, participate as part of the UW Tacoma's *I Can Be Anything* series, and just plain have fun. Teens participated through Teen Summer Challenge, and Adults had the opportunity to celebrate their own reading through the county-wide reading program.

2015 SUMMER OF READING		
PARTICIPANTS		
	KIDS	28,713
	TEENS	647
	ADULTS	2656
	TOTAL	32,016
HOURS READ		
	KIDS	122,585
	TEENS	11,893
	ADULTS	61,935
	TOTAL	196,413
ONLINE BADGES/ACTIVITIES EARNED		
	TEEN	757/13,408
	ADULTS	485/485
	TOTAL	1,242/13,893

- 11.6% more children registered to participate in 2015 than had registered in 2014, a 22.6% increase over two years.
- 36% (up 4%) of registered participants indicated they finished the program by receiving their completion award for 15 hours of reading.
- 11% more programs were offered across the county than in 2014. This continues to reflect survey information gathered at the end of 2014 that indicated the public wanted more programs. The programs provided to families and children provided a wide array of experiential learning opportunities, including live puppet shows, magic shows, science activities, and nature-related activities. There was a 7.8% increase in attendees over 2014.
- 14.1% more hours were read in 2014 by kids, who continued the trend of recording more hours read than in previous years.
- Teens recorded over 105% increase in reading than in 2014.
- The number of youth items checked out over the summer increased by 2%
- The Adult component increased participants by 642% from 2014.

The 2015 Summer Reading program consisted of five parts. One new element was added to the previous structure – a county-wide reading program for adults that was both online through Scout and in the branches.

1. Wee Ones encouraged parents of children ages birth to age 3 to read twenty minutes a day for thirty days. Getting parents into the habit of reading to their children on a daily basis is an inexpensive, easy way to support a child's pre-reading development. Research shows that children who are read to on a regular basis are more likely to become strong readers and therefore be successful at school.
2. The Children and Tween/Teen categories each included a reading log/poster with earned incentives for completing 5, 10, and 15 hours of reading. This year the weekly drawing prize was a superhero activity, which included a mask, boomerang, bandana, airplane, and superhero figure.
3. Five bonus activities were added to the children's and tween/teen logs. These encouraged participants to share their accomplishments with library staff, which resulted in being entered into the grand finale drawing. A separate prize drawing was held for parents/caregivers to encourage the support of their young reader.
4. Teens could participate either through the online Teen Summer Challenge or through a printed reading log. This resulted in more reading hours being logged. Teens could connect with peers as well as read, write, interact with music, science and art by earning badges that they voted for. This year, the prize structure was revised to allow participants to choose their prize from expanded list of options. Over the course of the program, 1096 badges were earned.
5. Adults were able to explore their reading interests and report their progress in 5, 10, and 15 hour increments to be eligible for prizes, which included a tablet, e-readers, coupons, and gift cards. The program was available both in print and online through Scout. The Friends of each library in PCLS provided a prize to receive one free item from the book sale when a participant hit the 15 hour mark. 657 coupons were redeemed by the end of the program, totaling \$910.45 in support by Friends groups. Ten "Top Ten" bookmarks were created to spark interest in the program on topics like "10 Books Your English Teacher Never Assigned" and 10 Trips You Don't Want To

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Take.” In total, 2656 adults participated, and from 1251 surveys that were returned, 99.7% (1247) indicated they would participate again in 2016.

The name of the 2016 Cooperative Summer Library Program is “On Your Mark, Get Set, Read.”

**Pierce County Library System  
2015 Summer Reading Program**

**Target:** Participation by 50% of the 5 – 9 year-olds in our service area (50% = 19,296). 2010 census numbers indicate 38,592 children 5-9 yrs. live in target area. (Pierce County minus Tacoma, City of Puyallup, Fircrest)

**Achievement:** 96% children participated by taking a log book. (101% of target reached, 50.3 % of targeted audience)

Promotion: Librarian visits to Schools	Visits to child cares	# of Elementary (K – 3rd gr)	# of Middle Schools
# of Schools	2	109	13
# of Classes	2	1265	164
Students	42	28,609	3,868
Teachers	4	945	76
<b>Total students/teachers</b>	<b>46</b>	<b>29,554 (+2,755) +10%</b>	<b>3,944 (+2,223) +129%</b>

Participation	Wee Ones 0 – 4	Children 5 – 9	Tweens 10-12	Teens 13+	Total
Children registered	included	19,413	included	647	<b>20,060(+2094) +11.6%</b>
Booklets: Number of Booklets handed out	2896	18,562	7,255	N/A	<b>28,713 (+2737) +10.5%</b>
Wee Ones: Number of Children read to by an Adult for 31 Days (received duck/growth chart)	565				<b>565 (+26) +4.8%</b>
Number of 10 hour fine forgiveness coupons distributed  Number redeemed by Sept 7, 2015	N/A	5,335	Combined w/ children	N/A	5,335 (-1216)  5151 (\$3793.35)
Number of 15 hour child/tween completion awards distributed (Zoo passes, teen badges awarded, adult slips entered in drawing)	N/A	6,259	Combined w/ children	1,096	<b>7,355 (+1607) +27.9%</b>

Program Attendance	Number of Programs	Child	Adult	Total
Summer Stories: Families, Babies, Toddlers,	167(+58)	2239 (+969)	1661 (+660)	3900 (+1629)
Discover Summer/Summer Stories & Crafts	94(-19)	1813 (-37)	1055 (-20)	2868 (-57)
Puppet Shows	31	867 (-92)	438 (-56)	1305 (-148)
Brainstorm programs (outreach to 3 B&G's Clubs )	28 (+3)	750 (+112)	61 (+27)	811 (+139)
Summer Theme Programs (Friends, Foundation & PCLS)	224 (+8)	5679 (-671)	2801 (+383)	8480 (-288)
Teen/Tween Programs	36 (-3)	505 (+28)	46 (--4)	551 (+24)
<b>Total Programs</b>	<b>580 (+47)</b>	<b>11,853 (+309)</b>	<b>6,062(+990)</b>	<b>17,915 (+1299) +7.8%</b>

**SUMMARY OF OVERALL SUMMER READING STATISTICS FOR PREVIOUS 3 YEARS**

	2012	2013	2014	2015
Students Visited in classrooms	23,834 K-3rd grade (decrease due to change in state testing schedule)  182 child care infant/toddlers visited  1,373 teens (new online challenge launched, class visits limited to "by request" only)	25,274 K – 3 <sup>rd</sup> grade (+6%)  44 child care children visited (1 librarian out on maternity leave)  0 teen classes visited (see 2012) (short 1 teen librarian)	26,799 K – 3 <sup>rd</sup> grade (+ 6%)  474 infant & toddler child care children visited  1,721 teen students visited	28,609 k-3 <sup>rd</sup> grade (+10%)  Summer work w/child cares revised  3,868 teens students visited (+129%)
Students Reached	22,699  (booklets, wee readers & online registration) Registered participants only. Does not include participating in youth level w/out signing reading log.	23,707 (+ 4.4%)  (booklets, wee readers, online teen registration)	27,122 (+17.5%)  (booklets, wee readers, online teen registration)	29,360 (+8%)  (booklets, wee readers, logs, online teen registration)
Kids Hours Read/ Completion (0 to 12 yrs)	75,450 hours read  4,345 completed 15 hours  4,536.33 hours read for wee readers  439 completed (-5.9%)	93,470 hours read (+23.9%)  5,378 completed 15 hours (+23.7%)  5,579.99 hours read for wee readers (+24.6%)  540 completed (+23%)	107,405 hours read (+14.9%)  5,748 completed 15 hours (+6.8%)  5,390 hours read for wee readers (- 3%)  539 completed (0%)	122,585 hours read (+14%)  5,896 completed 15 hours (+2%)  5650 hours read for wee readers (+4.8%)  565 completed (+4.8%)
Teen Participation	# of hours reading not recorded, shift to online teen challenge w/badges	6,740 hours reading (one reading badge only)	5,784 hours reading (4 reading badges) (-14%)	11,893 hours reading (+105.6%)
Badges earned	1241 badges earned	9426 badges earned (+659%)	1021 badges earned (+27.5%)	1,096 badges earned, 13,408 activities completed (+ 5.5%)
Hours engaged	Not counted	9, 959 activities finished  1,980 hour web engaged	2,480 hours web engaged (+25%)	1,297 hors web engaged (-47%)
Program Attendance	10,958	14,959 (+36.5%)	16,616 (+ 11%)	17,915 (+7.8%)
# of programs	316 programs -1 cancelled/ branch closed	438 programs (+38.6%)	533 programs (+ 21.6%)	580 programs (+8%)
Circulation of YS/YA materials	614,830 items checked out (-2%) (Sumner closed 5 wks)	573,393 items checked out (-6.7%)	544,123 items checked out (includes e-books) (-5%)	556,993 items checked out (includes e-books) (+2%)
Unique users	20,756 unique users	34,818 unique users	34,029 unique users (excludes e-users)	32,681 unique users (excludes e-users)