

Pierce County
Library System

2021 Budget

We Spark Success for Pierce County

Welcome to a brighter 2021! We look toward this year with optimism and hope, as we move to a healthier, safer, more inclusive time for all Pierce County residents. The Pierce County Library System thanks you for the opportunity to serve you and the diverse communities.

The Board of Trustees took a unique and thoughtful approach to the 2021 budget, balancing the tax impact on the public while maintaining the long-term sustainability of the Library and reinventing services during the COVID-19 pandemic.

For the 2021 budget, the Board levied property taxes at a lower amount than legally authorized from homeowners and other property owners. The trustees opted not to increase taxes; rather we reduced the Library's budget from 2020 to 2021 by nearly \$350,000. The flat budget lessens burdens on people who are already stressed from COVID-19 and the resulting economic recession. The trustees are continuing our commitment to being good stewards of the taxpayers' investment as the Library System supports serving communities.



In another step to reduce economic burdens, the budget shows a loss of approximately \$400,000 in revenue from fines on overdue books and other materials, while the Library is not charging fines in 2021. The budget maintains the Library's goal to sustain funding from the 2018 reauthorized levy approved by voters, which the Library System projects will provide stable funding up to 2029.

COVID-19 will continue to re-shape library services in 2021, and staff members will innovate and offer valued library services in the focus areas of learning, enjoyment, and community outlined in the Library's Strategic Plan. The Library is committed to ensuring parents have the resources to raise thriving children, people have access to excellent reading for pleasure to reduce stress and share joy, and Pierce County communities have the knowledge and resources to make confident choices.

This year, the Library will continue curbside service with convenient and safe access to books, movies, and other materials, while also looking forward to when the buildings will reopen to the public under guidance from state and local health officials. Also, the Library will buy more online e-books and e-audiobooks and reduce the time people wait for popular reads. In addition, in its commitment to bring value throughout the county, the Library plans to pilot new ways to get books and other materials to where people are in their neighborhoods and communities.

On behalf of the Library System's Board of Trustees and the Library's staff, thank you for your support and allowing us the privilege to deliver valued services.



Pat Jenkins
Chair, Board of Trustees

Fiscal Sustainability Plan

“The Pierce County Library System 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.”

—Library Board’s Fiscal Management Policy

With the restored levy voters approved in 2018, the Library System promised to use the funding to deliver library services for at least five years. In order to fulfill this stewardship of the voters’ investment, the Library created a Fiscal Sustainability Plan. The Library created the early part of the plan to set aside a portion of current levy revenue, which the Library System will use to fund services in future years when it projects operating costs to exceed revenue. In 2019, the Library Board of Trustees created a Levy Sustainability Fund to support this plan. 2021 marks the second full fiscal year of operating with a Levy Sustainability Fund.

Development of a three-phase, multi-year funding cycle is central to the Library’s funding strategy. In phase one of the funding cycle, the Library receives more revenue than is spent and the Library deposits unallocated funds into a Levy Sustainability Fund. During phase two of the funding cycle, revenue and expenditures are in balance and the Library does not deposit funds into nor does it withdraw from the Levy Sustainability Fund. In phase three of the funding cycle, the Library projects costs to operate the Library System to exceed revenue and the Library will withdraw funds from the Sustainability Levy Fund to close the budget shortfall.

In 2021, the Board of Trustees chose not to increase the budget and levied property taxes at a lower amount than legally authorized, reducing the Library’s budget from 2020 to 2021 in order to reduce the burden on taxpayers impacted by the pandemic and its economic impact on individuals and businesses. The Library estimates total revenue from all sources for the Library in 2021 to be \$42.5 million, of which \$39.4 million is budgeted for 2021 services and operations. The Library plans to fund Capital investments of \$2.35 million through carryforwards, available cash in the Capital Fund, and transfers from the General Fund. The Library will deposit \$380,000 in the Special Purpose Fund for future lands and buildings. The Library projects the remaining unallocated revenue to be approximately \$3 million, which it will deposit into the Levy Sustainability Fund in late 2021. This will bring the Levy Sustainability Fund balance to \$12 million, building upon the \$9 million in the fund in 2020.

Pierce County Library System: Organization & Structure

Established in 1946 under Washington State law Chapter 27.12 RCW, the Library is an independent taxing district governed by a five-member volunteer Board of Trustees appointed by the County Executive. The Board sets the property tax levy each year and approves the annual budget on its own authority. Property taxes are the Library’s primary revenue source. As the fourth-largest library system in Washington state, the Library serves 620,000 people across 1,800 square miles in unincorporated Pierce County and 15 annexed cities and towns through 20 library locations, and mobile and online services.

Skilled and knowledgeable staff members provide customer and community-driven services to support the Library’s strategic plan and direction. The Library regularly undertakes public engagement activities to understand community priorities, interests, and needs to ensure the Library System provides services valued and used by residents. The Library is highly collaborative in its organizational culture, and Core Skills and Qualities guide how staff designs, delivers, and evaluates services. Core Skills and Qualities include: customer focus, teamwork, professional integrity, leadership, communication, problem solving, change and learning, positive attitude, and diversity.

Management teams support the work of the organization, ensure accountability, tend to the organizational culture, and embody the Library's Leadership Competencies: builds trustworthy relationships, communicates effectively, builds successful teams, manages and develops people, achieves results, facilitates innovation and change, and demonstrates leadership. The organizational structure creates, manages, and delivers an excellent customer experience to serve communities and staff best.

- The Leadership Team provides a venue for customer-supplier partnerships to work at a system-view level. The Leadership Team shares customer feedback and information and manages operations to deliver services the public values. The team is also responsible for planning, developing, collaborating, and managing the Library System's budget and annual strategic work plans.
- The Administrative Team shares a common understanding of the whole system, focuses on the vision for the future, and shapes the organizational culture. The Administrative Team drives strategy and sets high-level system goals.

2021 marks 75 years of Pierce County Library Service

The Library System thanks communities for supporting library services for 75 years. The Library continuously transformed its services through the years to meet the diverse communities' top priorities. With the public's investment, the Library System continues to support residents' growth and curiosity, offer excellent reading choices, and work to connect and strengthen growing and changing communities.

Service offerings include...

The Pierce County Library is committed to meeting the public's highest priority library needs. In 2021, the Library will offer services and programs through learning, enjoying, and connecting as a community, to spark successes for Pierce County residents. Throughout the pandemic the Library reimagined services to include curbside pickup of books, movies, and other materials; online Summer Reading and story times; and answering questions and assisting people online and by phone. In 2021, in-library access to technology services and browsing will begin.

- Help from library staff to answer questions, find books and materials, and use technology.
- Offer 822,000 print books, magazines, DVDs, audiobooks, and music CDs.
- Offer online e-books, e-audiobooks, and e-magazines.
- Access to computers, Wi-Fi, printers, and other technology.
- Deliver books and materials to people with barriers to access, including those who live in adult care centers, are homebound, or are in childcare.
- Present classes to prepare children for kindergarten, such as story time.
- Present events and materials for school-aged children related to science, technology, engineering, art and math (STEAM).
- Foster partnerships with community organizations to leverage services and access.
- Offer services for job seekers and small businesses.

2021 Initiatives

- Reopen library buildings safely, when public health officials allow, following months of closure to help reduce the spread of the COVID-19 virus.
- Provide services to help individuals impacted by pandemic:
 - At home learners/parent-teachers
 - Displaced workers
 - Digital literacy (technology access and skill building)
- Partner with regional agencies to extend the reach of public health efforts – hosting drive-through COVID-19 testing and distributing COVID-19 self-test kits.

- Develop an equity, diversity, and inclusion action framework for the Library, its services, and its engagement with the communities it serves.
- Celebrate 75 years of service and engage with communities in a StoryWalk.
- Increase online e-books selections.
- Take services to communities, versus anchoring services at buildings.
- Continue discussions with the public and conduct preliminary design process for possible new library in Sumner.
- Launch “Spark: Ignite the future of the Library” capital fundraising effort to fund possible new library in Sumner and system-wide innovations.
- Redesign the public website to serve online customers better.
- Offer Our Own Expressions, Summer Reading program, Enjoy BOOKS!, and support the Pierce County Library Foundation’s Trivia Bee fundraising event.
- Launch new finance and human resources system for greater efficiencies and modernization.

2020 Highlights

- Connected individuals with books, movies and other materials with new Library Curbside to help reduce the spread of COVID-19.
- For the first time ever, created online events and classes, as another innovative way to serve communities during the pandemic.
- Engaged all ages with Summer Reading program, primarily as an online program.
- Updated civic engagement for families through Our Community Adventure’s activities for 2 to 5 year olds.
- Reimagined Teen Volunteer League in the virtual world.
- Explored the Library’s role in participating in community efforts to support families working towards economic self-sufficiency.
- Continued critical work to meet the way people use the library today and in the future.
- Updated Parkland/Spanaway Pierce County Library’s furnishings and interior spaces.
- Rebuilding the public website to serve online customers better.
- Applied efficiency processes to get new library books, movies, and music to customers faster.
- Offered Our Own Expressions, Summer Reading program, and supported the Pierce County Library Foundation’s Trivia Bee fundraising event.
- Replaced more than 200 public computers in library buildings to offer access to up-to-date technology.
- Supported Census information with direct mail to asset limited households and radio ads on KNKX and KZTM Spanish radio.

Future Libraries Planning

In 2021, the Library continues work begun in 2019 to address the Library System’s building needs and its strategic priority of welcoming, inclusive spaces to support library services communities need, value, and use. In 2021, the Library will update children, teen, and adult spaces at Bonney Lake Pierce County Library to improve access to books and movies and better use the overall space in the library for quiet reading and studying as well as noisier group activities. The Library will update Graham Pierce County Library’s parking lot to align with the county’s nearby road improvements, which the Library System projects will improve access to the library.

During the current multi-year funding cycle established following voter approval of the restored levy in 2018, the Library will allocate approximately \$1 million each year to update and improve existing buildings and in support of progress on the Facilities Master Plan.

In 2019, the Library engaged thousands of residents in Lakewood and Sumner to learn about their interest in possible new library buildings, and conducted a capital fundraising feasibility study to determine the potential for private support for funding library buildings. Residents in both communities expressed an interest in new library buildings. With the pandemic and subsequent economic downturn in 2020, the Library System adjusted its scope to focus on developing

building programs for future small” and medium-sized libraries, and to develop conceptual design, and construction cost estimates for a new building in Sumner where the City has purchased land to hold as a location for the new Library. The Library will wait to pursue new buildings for Lakewood and Tillicum.

In 2021, the Library plans to engage residents in Sumner in planning for the new Sumner Pierce County Library, and explore possible innovative service access methods system-wide. The Pierce County Library Foundation has launched a capital fundraising campaign in support of the project.

2021 General Fund – Revenue and Expenditures

With 97% of the Library’s budget derived from property tax and state law limiting property tax collections to a 1% annual increase plus the levy on new construction, it is essential for the Library to project revenues and expenditures in advance to plan for sustaining services for the current year and future years.

By law, the Library may collect up to 50 cents for every \$1,000 of assessed property value. Property values are the basis for the Library District’s property tax rate. In 2021, the Library levy is 43.7 cents for every \$1,000 of assessed property value.

For 2021, total new revenues from all sources are budgeted to decrease by net \$346,000 from 2020, a -0.9% decrease. \$380,000 will go toward future infrastructure and building projects, and cash flow management during low revenue months.

The total amount of property tax revenue is certified to be \$41.4 million in 2021. About \$3 million will be set aside in 2021 for future levy sustainability, and it will grow through additional savings and set asides for several years. After which, the accumulated savings will be used for balancing future budgets when costs exceed revenue.

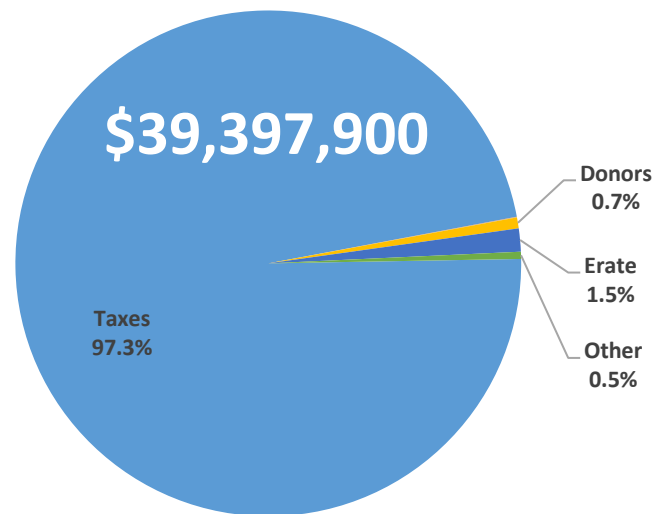
In 2021, the homeowner of the average assessed home of \$379,000 will pay \$166 for Pierce County Library services, and the average business property owner will pay \$619.

	2019 Actual	2020 Budget	2021 Budget	2020 to 2021 % chg
Revenues				
Taxes	\$ 33,920,510	\$ 37,828,400	\$ 38,923,400	1.32
Intergovernmental	96,021	15,000	15,000	- 0 -
Charges for Services	531,689	187,500	7,500	-96.00
Fines	182,338	400,000	10,000	-97.50
Donors	349,220	330,000	275,000	-16.67
Other	530,409	983,000	762,000	-22.48
Total Revenues	\$ 35,610,187	\$ 39,743,900	\$ 39,397,900	- 0 -
Expenditures				
Personnel	\$ 23,731,958	\$ 26,432,500	\$ 27,623,800	4.51
Maint. & Ops.	4,589,431	6,406,600	6,811,900	8.82
Materials	3,425,618	3,824,800	4,582,200	15.37
Subtotal	\$ 31,747,008	\$ 36,663,900	\$ 39,017,900	6.42
Transfers to Capital Improvement Fund	\$ 1,460,000	\$ 1,500,000	\$ - 0 -	-100.00
Transfers to Special Purpose Fund	1,100,000	1,080,000	380,000	-64.81
Set Aside for Apr/Oct Cashflow	- 0 -	500,000	- 0 -	-100.00
Subtotal	\$ 2,560,000	\$ 3,080,000	\$ 380,000	-87.66
Total Expenditures	\$ 34,307,008	\$ 39,743,900	\$ 39,397,900	-0.87
Revenues less Expenditures	\$ 1,303,179	\$ - 0 -	\$ - 0 -	- 0 -
Fund Balance				
Beginning Fund Balance	\$ 7,738,394	\$ 9,042,394	\$ 9,500,000 ¹	5.06
Ending Fund Balance	\$ 9,042,172	\$ 9,500,000 ¹	\$ 9,500,000 ¹	- 0 -

¹ Fund balances for yearend 2020 and 2021 are estimates; final yearend balances are calculated in March of each year.

Funding the Library

For most of 2020 and into 2021, the Library System closed its buildings to the public, while the Library offered service curbside and online to help reduce the spread of the COVID-19 virus. As a result, some revenue sources were reduced.



Revenues: Where They Come From

General Fund. An accounting fund used by the Library to receive revenues and pay for ongoing services and operations.

Taxes. Local property taxes used to fund the general fund constitute 97.3% of total 2021 revenues. Pierce County Office of the Assessor-Treasurer, using statutory rates and limitations, calculates the total allowable property tax levy. A small amount comes from other taxes including tax title, leasehold excise taxes, and timber taxes.

Intergovernmental. The Library receives revenues from other governmental entities, such as grants and contracts, from time to time, generally for specific projects. It is small in comparison to other revenue sources.

Charges for Services (postponed in 2020 and in 2021). Charges for services include revenue from photocopying, customer printing and faxing in the libraries, and interlibrary loan fees. While library buildings are closed to help reduce the spread of the COVID-19 virus, revenues on services are greatly reduced.

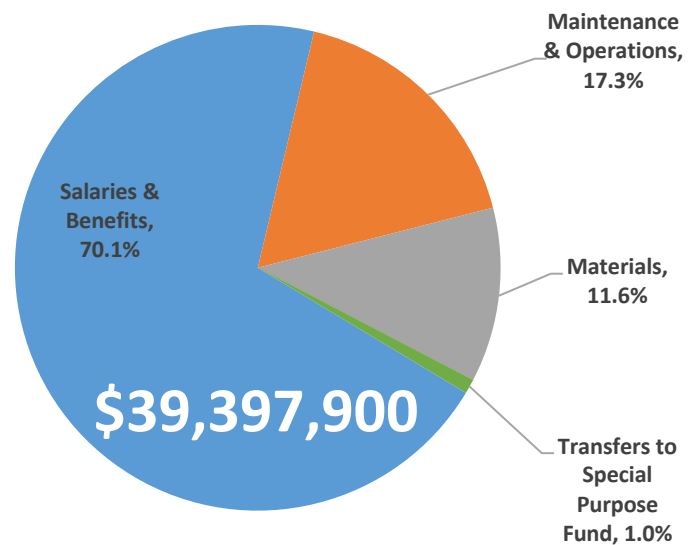
Fines (postponed in 2020 and in 2021). For most of 2020 and again in 2021, the Library is not charging fines for books and other materials returned late, to help reduce burdens from the economic downturn brought on by the pandemic. The Library continues to assess replacement costs for lost items.

Donors. The 501(C)(3) nonprofit Pierce County Library Foundation fundraises for the Library and distributes donor gifts and benefits to the Library.

Other. Other revenues include interest earned on investments, scrap sales of assets, Friends of the Library donations, and reimbursement from the federal E-rate program (broken out in the chart above). While the library buildings have been closed due to the pandemic, Friends of the Library activities to raise funds have been on hold and contributions are reduced.

Operating the Library

In 2020 and into 2021, due to COVID-19, some revenues were higher than planned and some lower. At the same time expenses fluctuated as well.



Expenditures: What They Pay For

Salaries & Benefits. Personnel costs account for 70% of expenditures and pay for staffing the Library to meet its mission and goals. Included are salaries/wages, healthcare/dental, FICA (Federal Insurance Contributions Act-Social Security), retirement, and other personnel costs. The Library also provided mandated but unfunded Federal Emergency Leave for employees. The Library will employ 291 FTEs in 2021.

Materials. The Library provides a wealth of materials for customers to read, view, and listen to. Staff selects books, movies, music, magazines, and e-books from a variety of sources. In response to the closure of library buildings, the Library stopped the checkout of print materials for several months and purchased more e-books for checkout.

Maintenance & Operations. These include a wide range of expenditures, including office and custodial supplies, furnishings, computers, contracted services, legal and professional services, telecommunications costs, rent and leases, utilities, dues and memberships. The Library incurred significant costs for health and safety measures to protect customers and staff due to COVID-19 including personal protective equipment, reconfiguration for social distancing, and investments in virtual tools for meetings, story times and Summer Reading programs.

Contingency. The Library reserves a small portion of the budget for unanticipated needs, such as emergency repairs. During the year, the Library adds savings from efficiencies or projected project cost savings to the working contingency, which fluctuates throughout the fiscal year.

Transfers to Capital Fund. Some funding for capital projects comes from transferring funds out of the operating budget. In 2020, the transfer was set at \$1.5 million, which was nearly 4% of revenue. Due to significantly reduced capital expenditures in 2020, the Library transferred an additional \$450,000 to postpone transferring any funds in 2021. The transfers will resume in 2022.

Transfers to Special Purpose Fund. The Library sets a certain portion of its revenue and savings to pay for costs related to future elections and for future property and buildings. Similar to the Capital Fund, an additional \$700,000 was transferred in 2020 to reduce the amount transferred in 2021 to be \$380,000, of which \$80,000 will build up the election set-aside and \$300,000 towards future property and buildings. The normal amount of transfer (\$1 million) will be restored in 2022.

2021 Capital Improvements and Other Funds

Fund Balance

Fund balance includes cash and investments less outstanding invoices and payroll due.

Capital Improvement Fund

The Capital Improvement Fund is used to budget and pay for projects that improve or add to the Library's capital assets, which are largely made up of facilities, vehicles, and technology. The Library System put many planned 2020 projects on hold due to COVID-19. In 2021, the Library plans to invest in facility updates in Bonney Lake and Graham, planning for future buildings including a relocated facility in Sumner, and possible innovative service access methods, vehicle replacement and technology projects.

	2019 Actual	2020 Budget	2021 Budget	2020 to 2021 % chg
Revenues				
Use of Fund Balance	\$ - 0 -	\$ 845,000	\$ 2,095,000	147.93
General Fund Transfers	1,460,000	1,500,000	- 0 -	-100.00
New Revenue	41,281	- 0 -	- 0 -	- 0 -
Total Revenues	1,501,281	\$ 2,345,000	\$ 2,095,000	-10.66
Expenditures				
Projects	832,314	2,095,000	1,845,000	-11.93
Contingency	37,952	250,000	250,000	- 0 -
Total Expenditures	\$ 870,266	\$ 2,345,000	\$ 2,095,000	-10.66
Revenues less Expenditures	\$ 631,015	\$ - 0 -	\$ - 0 -	- 0 -
Fund Balance				
Beginning Fund Balance	\$ 1,551,840	\$ 2,182,967	\$ 3,200,000 ¹	46.59
Ending Fund Balance	\$ 2,182,967	\$ 3,200,000 ¹	\$ 1,100,000 ¹	-65.63

¹ Fund balances for yearend 2020 and 2021 are estimates; final yearend balances are calculated in March of each year.

Special Purpose Fund

The Special Purpose Fund, also known as Special Revenue Fund, is a fund the Library System uses for committed and restricted projects, as designated by the Board of Trustees. In 2021 the fund will maintain the committed set asides for future election costs and future property and buildings, which total nearly \$3.9 million at the beginning of 2021 and to be increased through additional transfers. The Library System creates a budget only when the Board approves the release of the committed funds for specific projects.

	2019 Actual	2020 Budget	2021 Budget	2020 to 2021 % chg
Revenues				
Use of Fund Balance	\$ 625,000	\$ - 0 -	\$ - 0 -	-100.00
General Fund Transfers	1,100,000	1,080,000	380,000	-64.81
Property Taxes	5,450,000	- 0 -	- 0 -	- 0 -
New Revenue	37,909	30,000	2,000	-93.33
Total Revenues	\$ 7,212,909	\$ 1,110,000	\$ 382,000	-65.59
Expenditures				
Total Expenditures	268,372	- 0 -	- 0 -	- 0 -
Revenues less Expenditures	\$ 6,944,537	\$ 1,100,000	\$ 382,000	-65.59
Transfers to Levy Sustainability Fund	\$ - 0 -	\$ 5,450,000	\$ - 0 -	-100.00
Fund Balance				
Beginning Fund Balance	\$ 1,255,685	\$ 7,574,482	\$ 3,900,000 ¹	-48.51
Ending Fund Balance	\$ 7,574,482	\$ 3,900,000 ¹	\$ 4,280,000 ¹	-9.74

¹ Fund balances for yearend 2020 and 2021 are estimates; final yearend balances are calculated in March of each year.

Levy Sustainability Fund

The Library created a Levy Sustainability Fund in 2019 to accumulate funds to pay for future sustainability of operations. The annual amount deposited into this fund depends on the amount of revenue available after budgeting for operations, and this is accomplished through recording revenue directly to the fund (instead of transfers). For 2021, the amount to be deposited is calculated at \$3 million.

	2019 Actual	2020 Budget	2021 Budget	2020 to 2021 % chg
Revenues				
Use of Fund Balance	\$ - 0 -	\$ - 0 -	\$ - 0 -	- 0 -
General Fund Transfers	- 0 -	5,450,000	- 0 -	-100.00
New Revenue	- 0 -	3,533,600	3,004,000	-14.99
Total Revenues	\$ - 0 -	\$ 8,983,600	\$ 3,004,000	-66.56
Expenditures				
Total Expenditures	- 0 -	- 0 -	- 0 -	- 0 -
Revenues less Expenditures	\$ - 0 -	\$ 8,983,600	\$ 3,004,000	-66.56
Transfers to Levy Sustainability Fund	\$ - 0 -	\$ - 0 -	\$ - 0 -	- 0 -
Fund Balance				
Beginning Fund Balance	\$ - 0 -	\$ - 0 - ¹	\$ 8,983,600 ¹	New
Ending Fund Balance	\$ - 0 -	\$ 8,983,600 ¹	\$ 11,980,000 ¹	33.35

¹ Fund balances for yearend 2020 and 2021 are estimates; final yearend balances are calculated in March of each year.

Debt Service Fund

The Library System Debt Service Fund makes payments related to debt, for example bonds. The Library System last used the Debt Service Fund in 2002. Other than unbudgeted revenue from investment returns, the fund is not actively budgeted and no expenses are incurred.

	2019 Actual	2020 Budget	2021 Budget	2020 to 2021 % chg
Revenues				
Use of Fund Balance	\$ - 0 -	\$ - 0 -	\$ - 0 -	- 0 -
New Revenue	1,915	- 0 -	- 0 -	- 0 -
Total Revenues	\$ 1,915	\$ - 0 -	\$ - 0 -	- 0 -
Expenditures				
Total Expenditures	- 0 -	- 0 -	- 0 -	- 0 -
Revenues less Expenditures	\$ 1,915	\$ - 0 -	\$ - 0 -	- 0 -
Fund Balance				
Beginning Fund Balance	\$ 86,171	\$ 88,086	\$ 88,600 ¹	0.58
Ending Fund Balance	\$ 88,086	\$ 88,600 ¹	\$ 89,100 ¹	0.56

¹ Fund balances for yearend 2020 and 2021 are estimates; final yearend balances are calculated in March of each year.

2021 Debt

The Library is a special purpose taxing district and by Washington State law, is authorized to issue voted and non-voted debt—Unrestricted General Tax Obligation (UGTO) bonds and Councilmanic bonds, respectively. Currently, the Library maintains no debt of any form.

Debt Capacity

Unrestricted General Tax Obligation Bonds (UGTO)

Library District assessed value: \$ 94,864,851,332
 Legal Councilmanic bond capacity: x 0.005000
 Maximum Councilmanic capacity: \$ 474,324,257
 Current outstanding Councilmanic bonds: - 0 -
 Available UGTO capacity: \$ 474,324,257

Councilmanic Bonds

Library District assessed value: \$ 94,864,851,332
 Legal Councilmanic bond capacity: x 0.001000
 Maximum Councilmanic capacity: \$ 94,864,851
 Current outstanding Councilmanic bonds: - 0 -
 Available Councilmanic bond capacity: \$ 94,864,851

Summary of Current Bonds and Debt

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

Last Use of Debt (System Expansion Project)

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

Future Debt Needs

The Library began a Facilities Master Plan (FMP) project in late 2008 and completed a comprehensive report and plan in January 2010. Every year, the Library reviews elements in the plan. In 2017, the Library conducted a more extensive update of the plan. In 2019, the Library explored possible new libraries in Sumner and Lakewood. As a result of the pandemic, for 2021, the Library reduced the project scope to a focus first on a relocated and new library in Sumner and system-wide innovation pilots for delivering service.

Bonds Explained

The Library's common form of debt include...

Unrestricted General Tax Obligation Bonds (UGTO). Bonds may be issued as a measure to voters in the taxing district and require 60% approval. The Library's maximum legal debt capacity is one-half of 1% of the Library District's assessed valuation, and in the simplest form may be levied up to 30 years. The Library District's assessed value of \$94.9 billion means that the Library may issue an aggregate total of general obligation bonds of \$474.3 million.

Library Capital Facilities Area (LCFA). District-wide projects or a sub-district of the larger taxing district may use UGTO bonds. In the latter case, the Library would create a specific area to include, for example, one or two cities and a portion of unincorporated Pierce County. This forms a Library Capital Facilities Area within which a bond would be issued. An LCFA requires two voter issues: one to create the LCFA (simple majority to approve) and the other to approve a bond for construction of one or more libraries (60% majority).

Councilmanic Bonds. The Library may also issue debt in the form of Councilmanic bonds at a rate of one tenth of 1% of the Library District's assessed valuation. Because these bonds are non-voted, the bonds may be considered a bank loan secured by property tax revenue, payable out of the Library's existing funds or future revenue receipts. The Library District's assessed value of \$94.9 billion means that the Library may borrow up to \$94.9 million. The borrowing entity must repay the debt within seven years.

Entities may use Councilmanic bonds for short-term financing of small construction projects, equipment needs, or emergencies that available general funds or Capital Improvement funds cannot fund. Entities would not use the bonds for covering budget shortfalls in ongoing operations.

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

Strategic Plan

Pierce County Library System sparks success for Pierce County

With 20 libraries, hundreds of events, helpful staff, and 822,000 books and materials, the possibilities are endless.

Guiding Principles

The Library System is creative, community-focused, and system strong. It pledges to:

- **Be true to communities.** Listen and respond to what is important.
- **Innovate strategically.** Find inventive ways to serve.
- **Provide access for all.** Serve everyone with the same degree of interest and respect.
- **Deliver convenience.** Life is busy, and the Library System makes resources accessible and easy to use.
- **Play the right role.** Use strengths as a library to get results and to support community partners.
- **Be financially sustainable.** The public trusts the Library System with public resources, and the Library responsibly manages them for today and tomorrow.

Focus Areas



Learning. Support growth and curiosity.

1. Prepare preschoolers, babies, and toddlers so they are ready to learn.
2. Support school and career success for people of all ages.
3. Strengthen the practical skills and knowledge of Pierce County residents so they can navigate the real world and meet their goals.



Enjoyment. Help people enjoy their free time.

1. Inspire imagination through an extensive and diverse selection of books, movies, and other materials, so individuals discover outlets to help offset the pressures of daily life and relax.
2. Foster a love of reading.
3. Create opportunities to discover new interests and pursue passions, so people live balanced lives and find joy.



Community. Connect and strengthen communities.

1. Bring people together around shared interests and activities, so they are engaged in a thriving community and are optimistic about its future.
2. Activate Pierce County communities with welcoming, inclusive civic buildings and online spaces.
3. Connect people with information and community resources to help them navigate life's challenges, so they have a sense of belonging and embrace the diversity of their community.

Core Services



Materials

Provide books and resources the public values.



Technology

Meet needs with today's technology.



Staff

Connect people to the right resource at the right time.



Partnerships

Collaborate with others to best serve communities.



Spaces

Provide welcoming and vital spaces for communities.



Classes & Events

Offer skill-building classes, and interesting events.



Business Processes

Make smart investments in sound and sustainable operations.

LEARNING ENJOYMENT COMMUNITY