

AGENDA
Regular Meeting of the Pierce County Library System Board of Trustees
December 11, 2013
2:30 – 5:00 pm

2:30 pm	02 min.	Call to Order: <i>Linda Ishem, Chair</i>	
2:32 pm	05 min.	Public Comment: <i>This is time set aside for members of the public to speak to the Board of Trustees. Unless the item you wish to discuss is of an emergency nature, the Board ordinarily takes matters under advisement before taking action. Please sign up at the time of the meeting to speak during the public Comment period, and limit your comments to three minutes.</i>	
2:37 pm	03 min.	Consent Agenda	Action
		<ol style="list-style-type: none"> 1. Approval of Minutes of the November 13, 2013 Regular Meeting 2. Approval of November 2013 Payroll, Benefits and Vouchers 3. Resolution 2013-10: Cancellation of Unredeemed Warrants 4. Insurance Renewal 5. 2014 Schedule of Meetings (Revised) 	
2:40 pm	10 min.	Board Members Report	
2:50 pm	10 min.	Officers Reports	
		<ol style="list-style-type: none"> 1. October Dashboard, <i>Georgia Lomax</i> 2. November 2013 Financial Report, <i>Dale Hough</i> 3. First 5 FUNdamentals Progress Report, <i>Judy Nelson</i> 4. Microsoft IT Academy Marketing, <i>Linda Farmer</i> 5. Fife Vandalism, <i>Jennifer Patterson</i> 	
3:00 pm	10 min.	Public Hearing: 2014 Draft Budget of Estimated Revenue and Expenditures: 2014 Revenue Sources and 2014 Expense Budget: Consideration of increases in property tax revenues, regarding the 2013 property tax levies for collection in 2014 (per RCW 84.55.10)	
3:10 pm	15 min.	Unfinished Business	
		<ol style="list-style-type: none"> 1. 2014 Budget, <i>Neel Parikh and Clifford Jo</i> <ol style="list-style-type: none"> a. Resolution 2013-11: Year-End Capital Improvement Fund Transfer Action b. Resolution 2013-12: To Adopt The 2014 General Fund Budget Action c. Resolution 2013-13: To Adopt The 2014 Capital Improvement Fund Budget Action d. Motion To Certify Property Taxes To Be Levied For Collection In 2014 (if needed) Action 	
	15 min.	<ol style="list-style-type: none"> 2. Philosophy Policy, <i>Georgia Lomax and Neel Parikh</i> Action 	
3:40 pm		New Business	
	30 min.	<ol style="list-style-type: none"> 1. Branch Service Plans Update, <i>Neel Parikh and Sally Porter Smith</i> 	
	15 min.	<ol style="list-style-type: none"> 2. Selection of Library Materials Policy, <i>Lisa Bitney</i> Action 	
	05 min.	<ol style="list-style-type: none"> 3. Resolution 2013-14: To Set 2014 Wages and Benefits For Non-Represented Employees, <i>Clifford Jo</i> Action 	
	05 min.	<ol style="list-style-type: none"> 4. 2014 Election of Officers, <i>Neel Parikh</i> Action 	
4:25 pm	20 min.	Executive Session: <i>At this time on the agenda, the Board of Trustees will recess to Executive Session, per RCW 42.30.110, to discuss personnel issues.</i>	
		New Business Continued	
4:55 pm	03 min.	<ol style="list-style-type: none"> 5. 2014 Executive Director Agreement Action 	
4:58 pm	02 min.	Announcements	
5:00 pm		Adjournment	

CONSENT

AGENDA

**BOARD OF TRUSTEES
PIERCE COUNTY LIBRARY SYSTEM
REGULAR MEETING, NOVEMBER 13, 2013**

CALL TO ORDER

Chair Linda Ishem called to order the regular meeting of the Pierce County Rural Library District Board of Trustees at 3:33 p.m. Board members present were J.J. McCament, Allen Rose, Robert Allen and Donna Albers.

PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. Minutes of the October 16, 2013 Regular Meeting of the Board of Trustees
2. October 2013 Payroll, Benefits and Vouchers in the total amount of \$2,933,837.18
 - a. Payroll Warrants 3477-3492, dated 10/01/13 – 10/31/13 in the amount of \$19,209.45
 - b. Payroll Disbursement Voucher dated 10/07/13 in the amount of \$539,634.26
 - c. Payroll Disbursement Voucher dated 10/21/13 in the amount of \$548,754.76
 - d. Accounts Payable Warrants 621302 -621556 dated 10/01/13 – 10/31/13 in the amount of \$1,826,238.71
3. Resolution 2013-07: Schedule of Recurring Meetings

Moved by Mr. Allen, seconded by Mr. Rose to approve the consent agenda. Motion carried unanimously.

BOARD MEMBERS REPORT

Rob Allen reported on his experience while attending the Urban Libraries Council conference. The theme of the conference was how to leverage partnerships to make learning programs for children more successful. The overriding theme was the role of creativity and imagination in education and how they impact the library. He noted there are various learning methods for children that take place outside the classroom, prompting us to think of the library's role in the education system. He added that most successful communities are those who thoughtfully approach how to break down institutional barriers.

Ms. McCament noted that many of the concepts and ideas shared at the conference are already a part of Pierce County Library System's culture.

Mr. Allen added that during a conversation with a City Council member, she asked what libraries could do in the area of Early Childhood Education. He shared with her how Pierce County Library works with preschool providers and told her about the Block Play programs. He noted it was gratifying to hear how advanced Pierce County Library is in the programs and services it provides.

Ms. Parikh praised a keynote speaker, Sir Ken Robinson, who stated, "Children are like learning engines." He also remarked that 30% of children do not graduate from high school and if 30% of customers in private sector business went away, the business would likely not survive. She found this to be an interesting correlation.

Georgia Lomax, Deputy Director, expressed great pleasure in how well Ms. McCament and Mr. Allen represented Pierce County Library. She was pleased to watch them interact with other attendees and to hear them speaking about the Library with such enthusiasm and in a manner which depicts a true understanding of the Library's role in the community.

Chair Ishem inquired as to whether keynotes had been recorded. Ms. Lomax indicated she would follow up.

Chair Ishem spoke with Glen Hull, Fife Councilmember, who expressed great satisfaction about the new parking turnaround at the Fife branch.

OFFICERS REPORT

Ms. Parikh introduced Linda Farmer, Marketing and Community Relations Director, to the Board. Ms. Farmer has 20 years' experience working in public relations. She provided an overview of her former positions. Ms. Farmer indicated Ms. Parikh's work with early learning and literacy and the Library's community connections drew her to apply for the position.

Ms. Parikh informed the Board that Clifford Jo, Finance and Business Director, is a speaker at the Systems Thinking In Action conference being held in Washington DC.

Ms. Parikh announced Ms. Lomax is the Program Chair for the upcoming Public Library Association conference taking place in Indianapolis in March. Ms. Lomax provided the Board with information on key programs that would be of interest to the Trustees.

September Dashboard

Ms. McCament noticed the general downward trend and wondered if the improving economy has an impact on this. Ms. Lomax noted the Public Library Association is beginning to do benchmark work. In addition, Counting Opinions, a software program set for a January launch, will allow the Library to compare statistics with other libraries.

October 2013 Financial Report

Dale Hough, Finance Manager, reported the Library received tax revenue in amount of \$7.4 million. The field audit is nearly complete. He will receive the final report in January.

2013 Summer Reading Program

Ms. Parikh shared the analysis of the program. She noted this is Pierce County Library's biggest outreach effort. The Foundation supports this program as well. She added that the Library's program addresses early learning and summer learning loss.

Science to Go Advisory Board

Ms. Parikh praised the committee that was formed, noting the work of the Library is at the top of the curve and fits well with what was discussed at the Urban Libraries Council conference. Sally Porter Smith, Customer Experience Director, noted reports would be issued quarterly. Some

meetings will be virtual due to logistics. She added that since this is new to the Library, it is important to have Advisory Board members with expertise and resources, which will open doors to collaboration with other organizations.

Fife Turnaround - Temporary Lighting

Permanent lights will be installed by the end of November or early December.

University Place Civic Building

Ms. Parikh stated that although it is difficult to compare costs at this time, Lorie Erickson, Facilities Manager, will work with Mr. Jo to identify them in 2014. She noted Association Management Inc. fully took over management of the building in September. When construction begins on the apartments south of the Library, parking in front of the Library will no longer be available due to the equipment staging for construction of the apartments, however, the parking garage is available.

Mr. Rose expressed concern over the cost to operate the gas fireplace, remarking that the nearly \$9,500 was a lot to pay for ambiance. Ms. Parikh said she would discuss this with the Condominium Board.

Ms. Parikh and Ms. McCament will be attending the Elected Officials Holiday Reception given by the Chamber of Commerce on December 11 and requested to start the Board meeting an hour early on that date.

Ms. McCament moved to start the meeting at 2:30 PM. Mr. Allen seconded the motion and it passed.

PUBLIC HEARING - 2014 DRAFT BUDGET

Ms. McCament moved that in accordance with RCW 84.55.10, the public hearing be opened for consideration of increases in property tax revenues, regarding 2013 property tax levies for collection in 2014. Mr. Allen seconded the motion and it passed.

Chair Ishem then asked if there was anyone else in the audience who wished to comment on the 2014 budget of estimated revenue and expenditures, and received no response.

There being no comments, Ms. McCament moved to close the public hearing on the 2014 budget of estimated revenue and expenditures. Mr. Rose seconded the motion and it passed.

UNFINISHED BUSINESS

2013 Budget

a. Review of Regular 2014 Budget

Mr. Jo presented the first draft of the 2014 budget. He reported home values are up 3% over the previous year. He is awaiting the Case-Schiller data to finalize figures. He added that total revenue increased by 3.7%, factoring in a 2.9% increase from taxes. Approximately 96% of the Library's revenues still come from property taxes.

b. Resolution 2013-08: Requesting Highest Lawful Levy and Levy Certification

Mr. Jo discussed the document with the Board.

Ms. McCament moved to approve Resolution 2013-08. Mr. Allen seconded the motion and it passed.

c. 2014 Capital Improvement Budget and 2014 Capital Improvement Plan

Mr. Jo said Ms. Porter Smith will provide updated narratives for upcoming projects, including the technology plan. Discussion ensued about projections.

Ms. Parikh informed the Board there are two positions being laid off, one in the Finance department and another in the Staff Experience department. One employee will be able to move into another position with the Library. She added the Library did not fund the Volunteer Coordinator position and converted some vacant positions. Ms. Parikh noted that over the past two years the Library has hired temporary employees in order to avoid layoffs, which has proven to be a wise decision, as reflected in the case of the Finance department layoff.

Philosophy Statement

Ms. Lomax noted she felt the statement needed a more aspirational tone, while incorporating the Mission, Vision and Values of the Library. She asked for feedback from the Board.

Mr. Allen said he would like to work on the opening sentence regarding use of the term “portal”, and added he felt what was missing from the policy was the mention, and sense, of community rather than focusing on individuals.

Mr. Rose suggested replacing “portal” with the term “gateway”.

Ms. McCament expressed interest in seeing the term leadership added to the statement, showing the Library is not passive, and is making intentional decisions. She noted that leadership is what set Pierce County Library apart from other libraries, adding that staff has been empowered to be proactive. Discussion ensued about the terms “entrepreneurial learning” and “self-directed learning”. The Board agreed that the spirit of innovation and risk taking, as well as professional leadership, is a trait of the Library.

Ms. Albers commented that the Library is filling a niche that is not available elsewhere to the community and expressed a desire to see something about the Library’s commitment to this important and vital role in the community.

Mr. Rose noted the Library is about more than books; it is about knowledge no matter when it is obtained. He further stated the Library is about facilitating the connection and not as much about the place as it is about bringing the people together.

Ms. Lomax thanked the Board for the work it is doing on the policies and their confirmation of what they want the Library to be. She noted she would bring a new draft of the Policy before the Board at the December meeting.

NEW BUSINESS

Branch Service Plans

The item was moved to the December agenda.

Foundation Annual Report

Mike Gordon, Foundation President, spoke about the Foundation's current goal to help the Library 'Mind the Gap'. He indicated that seven members have joined the Foundation Board this year, including Jack Conway former Dean of University of Texas, El Paso; Joan Cooley, member of a family foundation; Kathryn Galbraith, a published children's author; Craig Richmond, from Simpson; and Tim Sherry, a former Trustee.

Mr. Gordon reported the Foundation ended 2012-13 fiscal year with 50% increase in giving. The total distribution to the Library was \$300,960. The Foundation has determined it needs a focused approach in order to identify how to do more with less. As a result, they will focus their fundraising efforts on early learning and senior outreach in order to make the greatest impact.

Ms. Hoffman, Foundation Director thanked Mr. Gordon for his work on the Board. She briefed the Board on the Foundation Report, noting that over the past five years the Foundation has distributed over \$1.5 million dollars for Library programs. She said the Foundation is meeting its long-term goals of finding a diversified way to reach out and raise money through annual, corporate and leadership giving and grants.

Julie Kramer, Development Associate, reviewed grant awards. She noted that since December 2012 there have been 40 formal proposals submitted. The Library has received nine grants, the largest from the Paul G. Allen Foundation. In fiscal year 2013, the Library received \$214,000 in grants against a goal of \$215,000. She added there are over \$300,000 in outstanding requests pending. Ms. Kramer said most funders value the Library, understand the diversity of its programs and appreciate the partnerships the Library has within the community.

Mr. Gordon has informed the Board that the Foundation will be having a retreat, which will empower them to accomplish their goals.

Ms. Hoffman reminded the Board of the opportunity to donate to the Foundation. She also asked them as they share the story of Pierce County Library to mention that the Library welcomes and loves its donors. Ms. Parikh stated she is looking forward to working with the new Foundation Board.

The Board thanked the Foundation for their efforts. Chair Ishem invited the Foundation to a future meeting to inform the Trustees about sources of support. In particular, she would like to know more about the philosophies and sustainability of donors, as well as the implications of how to sustain the Library's current programs.

Mr. Gordon expressed his appreciation to Ms. Hoffman and her staff for the work they do for the Foundation.

Microsoft Academy

Jaime Prothro, Customer Experience Manager, provided a presentation on the partnership with the State Library and Microsoft Academy. She noted there are 250 classes available online for students to prepare for certification for Microsoft IT program. Although the classes are free, there is a cost for testing for the certificate. Classes will be created to help customers get started.

Resolution 2013-09 Association of Washington Cities Interlocal Agreement

Ms. Lomax briefed the Board on the item.

Mr. Allen moved to approve Resolution 2013-09. Ms. Albers seconded the motion and it passed.

EXECUTIVE SESSION

At 5:40 pm, Mr. Allen moved to enter into executive session as per RCW 42.30.110 for 20 minutes for discussion of personnel matters. Ms. McCament seconded the motion and it passed. The session was reopened to the public at 5:52 pm.

ANNOUNCEMENTS

There were no announcements.

ADJOURNMENT

Ms. McCament, seconded by Mr. Allen, adjourned the meeting at 5:56 pm on motion.

Neel Parikh, Secretary

Linda Ishem, Chair

November 2013 Payroll, Benefits and Vouchers

	<u>Warrant Numbers</u>	<u>Date(s)</u>	<u>Amount</u>
Payroll Warrants	3493-3502	11/01/13-11/30/13	\$7,763.30
Disbursement Voucher - Payroll & Acct Payable		11/06/13	\$767,032.21
Disbursement Voucher - Payroll & Acct Payable		11/21/13	\$727,437.23
Accounts Payable Warrants	621557-621761	11/01/13-11/30/13	\$1,042,844.08
Total:			<u><u>\$2,545,076.82</u></u>

Check History Listing
Pierce County Library System

Check #	Bank	Date	Paid to	Status	Can/Vd Date	Pay Period Dates	Dir Dep	Amount
3493	pr	11/06/2013	SARONO, JONATHAN			10/16/13 - 10/31/13	0.00	405.13
3494	pr	11/06/2013	STANTON, RAE			10/16/13 - 10/31/13	0.00	489.38
3495	pr	11/06/2013	ANTES, ERIN			10/16/13 - 10/31/13	0.00	1,893.77
3496	pr	11/06/2013	MUSHATT, RENE			10/16/13 - 10/31/13	0.00	2,032.56
3497	pr	11/21/2013	WHELAN, MICHEAL			11/01/13 - 11/15/13	0.00	267.97
3498	pr	11/21/2013	CORNELIUS, ARIENNE			11/01/13 - 11/15/13	0.00	240.01
3499	pr	11/21/2013	DALTON, LESLIE			11/01/13 - 11/15/13	0.00	315.52
3500	pr	11/21/2013	HAMILTON, CHRISTOPHER			11/01/13 - 11/15/13	0.00	766.35
3501	pr	11/21/2013	GRIFFITH, KAITLYN			11/01/13 - 11/15/13	0.00	251.03
3502	pr	11/21/2013	FARMER, LINDA			11/01/13 - 11/15/13	0.00	1,101.58
Total:							0.00	7,763.30

Checks in report: 10

Grand Total: 0.00 7,763.30

COUNTY OF PIERCE
BUDGET AND FINANCE DEPARTMENT

Disbursement Journal Voucher (T/C) 74	Agency No.	D.J.V. Date	D.J.V. No.
	001-116	revised 11/5/2013	

	Account Code							Acct. Action	DESCRIPTION	AMOUNT
	Fund	Dept	Prog	BASUB	Elem	OB	M/OB			
1	697	001	0000	237	00				FIT EE and EIC- Wire to IRS	\$65,115.93
2	697	001	0000	237	00				Fica EE and Medicare - Wire to IRS	\$44,753.20
3	697	001	0000	237	00				Fica ER and Medicare - Wire to IRS	\$44,753.20
4	697	001	0000	237	00				DIR DEP-file to Columbia Bank	\$422,980.43
5	697	001	0000	237	00					
6	697	001	0000	237	00					
7	697	001	0000	237	00				dept of rev	
8	697	001	0000	237	00					
9	697	001	0000	237	00				FIT	
10	697	001	0000	237	00				EE fica/medi	
11	697	001	0000	237	00				ER fica/medi	
12	697	001	0000	237	00					
13	697	001	0000	237	00				ING	\$1,955.00
14	697	001	0000	237	00				H.S.A. Employee deductions	\$1,970.93
15	697	001	0000	237	00				H.S.A. Employees Contributions	
16	697	001	0000	237	00					
									Py adjustment	\$880.45
									BCC	\$184,623.07
									please put the total amt below into PCLS payroll account	
									TOTAL	\$767,032.21

Bank No.	Check No.	Issued To	Bank No.	Check No.	Issued To
		U.S. Treasury			
Prepared By:			Date:	Approved By:	
Christy Telling			11/5/2013	Christy Telling	
				11/5/2013	

COUNTY OF PIERCE
BUDGET AND FINANCE DEPARTMENT

Disbursement Journal Voucher (T/C) 74	Agency No.	D.J.V. Date	D.J.V. No.
	001-116	revised 11/20/2013	

	Account Code							Acct. Action	DESCRIPTION	AMOUNT
	Fund	Dept	Prog	BASUB	Elem	OB	M/OB			
1	697	001	0000	237	00				FIT EE and EIC- Wire to IRS	\$58,712.84
2	697	001	0000	237	00				Fica EE and Medicare - Wire to IRS	\$41,385.12
3	697	001	0000	237	00				Fica ER and Medicare - Wire to IRS	\$41,385.12
4	697	001	0000	237	00				DIR DEP-file to Columbia Bank	\$397,119.05
5	697	001	0000	237	00					
6	697	001	0000	237	00					
7	697	001	0000	237	00				dept of rev	\$2,219.43
8	697	001	0000	237	00					
9	697	001	0000	237	00				FIT	
10	697	001	0000	237	00				EE fica/medi	
11	697	001	0000	237	00				ER fica/medi	
12	697	001	0000	237	00					
13	697	001	0000	237	00				ING	\$2,000.00
14	697	001	0000	237	00				H.S.A. Employee deductions	\$1,970.93
15	697	001	0000	237	00				H.S.A. Employees Contributions	
16	697	001	0000	237	00					
									H.S.A. fee	\$209.45
									BCC	\$182,435.29
									please put the total amt below into PCLS payroll account	
									TOTAL	\$727,437.23

Bank No.	Check No.	Issued To	Bank No.	Check No.	Issued To
		U.S. Treasury			

Prepared By:	Date:	Approved By:	
Christy Telling	11/20/2013	Christy Telling	11/20/2013

Check History Listing
Pierce County Library System

Bank code: boa

Check #	Date	Vendor	Status	Check Total
621557	11/01/2013	001554 ANDREWS FIXTURE CO INC		657.00
621558	11/01/2013	000153 ASSOCIATED PETROLEUM PRODUCTS		7,193.64
621559	11/01/2013	005369 BIRCH ELECTRIC LLC		6,117.72
621560	11/01/2013	000895 COLUMBIA BANK		178.28
621561	11/01/2013	004934 FSI CONSULTING ENGINEERS		2,101.92
621562	11/01/2013	005746 OF COUNTY & CITY EMPLOYEE LOCAL 37		44.00
621563	11/01/2013	001534 PEDERSON PAINTING		1,934.19
621564	11/01/2013	001258 PTM DOCUMENT SYSTEMS INC		128.00
621565	11/01/2013	000534 WCP SOLUTIONS		194.95
621566	11/05/2013	000363 ARAMARK UNIFORM SERVICES		16.41
621567	11/05/2013	005369 BIRCH ELECTRIC LLC		718.46
621568	11/05/2013	005731 BOOK INDUSTRY STUDY GROUP, INC		395.00
621569	11/05/2013	000895 COLUMBIA BANK		91.53
621570	11/05/2013	000895 COLUMBIA BANK		50.00
621571	11/05/2013	004622 DATABAR INC		499.79
621572	11/05/2013	004709 HAAKENSEN GROUP INC		3,488.32
621573	11/05/2013	004955 MEDCO SUPPLY COMPANY		66.47
621574	11/05/2013	000857 PIERCE COUNTY RECYCLING		120.71
621575	11/05/2013	001290 REGIONAL BUILDING SVCS CORP		507.25
621576	11/05/2013	005485 S P IN SRL		4,615.64
621577	11/05/2013	001821 TYLER TECHNOLOGIES INC		2,500.00
621578	11/06/2013	001822 PENINSULA SCHOOL DISTRICT		130.00
621579	11/06/2013	000828 AFSCME AFL-CIO		5,452.72
621580	11/06/2013	000898 DEPARTMENT OF RETIREMENT SYSTE		7,236.00
621581	11/06/2013	000825 ING-VC3371	V	1,955.00
621582	11/06/2013	003985 PACIFICSOURCE ADMINISTRATORS		2,006.00
621583	11/06/2013	000821 PIERCE COUNTY SUPERIOR COURT		173.16
621584	11/06/2013	001181 PIERCE CTY LIBRARY FOUNDATION		339.10
621585	11/06/2013	004276 STATE CENTRAL COLLECTION UNIT		151.67
621586	11/06/2013	000823 UNITED WAY		77.51
621587	11/06/2013	004782 US DEPARTMENT OF EDUCATION		186.34
621588	11/06/2013	000827 WA STATE- DEPT OF RETIREMENT S		81,530.03
621589	11/06/2013	000881 WASHINGTON STATE SUPPORT REGIS		450.00
621590	11/06/2013	000821 PIERCE COUNTY SUPERIOR COURT		124.23
621591	11/07/2013	000172 AMERICAN LIBRARY ASSOC		276.00
621592	11/07/2013	000830 BAKER & TAYLOR		11,482.63
621593	11/07/2013	000161 CENGAGE LEARNING		946.28
621594	11/07/2013	001210 DEARREADER.COM		900.00

Check History Listing
Pierce County Library System

Bank code: boa

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621596	11/07/2013	000243 INGRAM LIBRARY SERVICES		5,112.28
621597	11/07/2013	000352 MIDWEST TAPE		17,112.18
621598	11/07/2013	003398 MULTICULTURAL BOOKS & VIDEOS		2,756.00
621599	11/07/2013	000406 RECORDED BOOKS LLC		3,924.25
621600	11/07/2013	000572 WORLD BOOK INC		5,375.92
621601	11/07/2013	005272 GREEN EFFECTS INC		6,416.61
621602	11/07/2013	002082 DALE HOUGH		476.00
621603	11/07/2013	001379 SENTINEL PEST CONTROL INC		708.00
621604	11/07/2013	004397 SHKS ARCHITECTS PS INC		250.00
621605	11/08/2013	005047 PATTY AMADOR		110.74
621606	11/08/2013	005704 ERIN ANTES		23.73
621607	11/08/2013	000830 BAKER & TAYLOR		11,336.99
621608	11/08/2013	004129 MARIANNA BISSONNETTE		187.86
621609	11/08/2013	000242 BUCKLEY CITY OF		263.19
621610	11/08/2013	003951 DORTHY CHUBB		45.20
621611	11/08/2013	000184 CITY TREASURER		426.16
621612	11/08/2013	000184 CITY TREASURER		46.04
621613	11/08/2013	004513 BONNIE CLINE		25.26
621614	11/08/2013	002080 PATRICIA COX	V	25.54
621615	11/08/2013	005754 AMINA CRANE		25.16
621616	11/08/2013	005510 NEIL DERKSEN		19.78
621617	11/08/2013	000094 ELMHURST MUTUAL POWER & LIGHT		945.66
621618	11/08/2013	001875 LINDA ESKESEN		8.48
621619	11/08/2013	004157 MINDY EWING		39.55
621620	11/08/2013	000195 FIRGROVE MUTUAL WATER CO		398.00
621621	11/08/2013	005755 KAREN FORD		43.27
621622	11/08/2013	003952 DONNA GALLAGHER		19.21
621623	11/08/2013	000207 GIG HARBOR CITY OF		1,301.71
621624	11/08/2013	005324 CHARLENE GINGRICH		14.69
621625	11/08/2013	005275 XENIA GONZALEZ		24.86
621626	11/08/2013	005226 DENNIS GOULD		35.03
621627	11/08/2013	005055 CHRISTOPHER HAMILTON		32.04
621628	11/08/2013	004128 LISA HEYERDAHL		40.68
621629	11/08/2013	000325 HF GROUP LLC		1,819.00
621630	11/08/2013	005756 ALYSSA HULET		25.59
621631	11/08/2013	005550 RAYMOND JOHNSON		89.27
621632	11/08/2013	004625 JOY KIM		51.60
621633	11/08/2013	005758 ALICE KNOX		348.06

Check History Listing
Pierce County Library System

12/02/2013 10:31AM

Bank code: boa

Check #	Date	Vendor	Status	Check Total
621634	11/08/2013	005518 JULIE KRAMER		68.24
621635	11/08/2013	001643 MATRIX/TRINSIC		52.41
621636	11/08/2013	003761 TERRI MAY		171.27
621637	11/08/2013	005757 KATIKA MIKLOS-GREEN		13.16
621638	11/08/2013	005759 JODY MILLER		12.99
621639	11/08/2013	003737 TONIE MONTGOMERY		84.75
621640	11/08/2013	005680 GRETCHEN NELSON		40.96
621641	11/08/2013	001941 JUDY T NELSON		135.23
621642	11/08/2013	002023 KATHERINE NORBECK		41.02
621643	11/08/2013	005748 JULIA OLSON		7.06
621644	11/08/2013	005508 CHRISTINA PEDERSON		152.55
621645	11/08/2013	000377 PUGET SOUND ENERGY		946.76
621646	11/08/2013	003497 TAMARA SAARINEN		45.50
621647	11/08/2013	005044 KATHERINE SAVAGE		102.71
621648	11/08/2013	004972 LAURA SCHMINKEY		118.08
621649	11/08/2013	005760 MELLISA SISLEY		151.41
621650	11/08/2013	005751 RAE ANN STANTON		6.50
621651	11/08/2013	002094 CHARLOTTE STRAIN		161.59
621652	11/08/2013	003893 C BRYAN TIDWELL		41.80
621653	11/08/2013	001930 MARGARET VENEMON		76.84
621654	11/08/2013	001933 LYNDA C WILSON		20.51
621655	11/14/2013	004038 ASSOCIATED BUSINESS SYSTEMS		319.64
621656	11/14/2013	003938 BINW		3,635.19
621657	11/14/2013	001467 DATA SECURITY CORP		132.50
621658	11/14/2013	005283 E-RATE EXPERTISE INC		1,083.50
621659	11/14/2013	001875 LINDA ESKESEN		8.28
621660	11/14/2013	001586 NORTHWEST DOOR INC		196.92
621661	11/14/2013	000370 PIERCE COUNTY		955.54
621662	11/14/2013	001258 PTM DOCUMENT SYSTEMS INC		50.30
621663	11/14/2013	003719 UNIQUE MANAGEMENT SERVICES		1,503.60
621664	11/14/2013	000635 WAYNES ROOFING INC		5,451.40
621665	11/14/2013	000184 CITY TREASURER		5,166.68
621666	11/14/2013	000184 CITY TREASURER		1,030.86
621667	11/14/2013	000184 CITY TREASURER		996.95
621668	11/14/2013	002080 PATRICIA COX		25.54
621669	11/14/2013	005762 JUANITA TUKIA		15.55
621670	11/14/2013	000541 STATE OF WASHINGTON		398.43
621671	11/15/2013	004022 US BANK		63,506.32
621672	11/08/2013	000273 CARRILLO & ASSOCIATES		3,500.00

Check History Listing

Pierce County Library System

Bank code: boa

Check #	Date	Vendor	Status	Check Total
621673	11/15/2013	004022 US BANK		69,971.11
621674	11/20/2013	000363 ARAMARK UNIFORM SERVICES		16.41
621675	11/20/2013	003938 BINW		808.84
621676	11/20/2013	005272 GREEN EFFECTS INC		306.32
621677	11/20/2013	004674 MCHUGH MANAGEMENT CONSULTING		10,575.00
621678	11/20/2013	000370 PIERCE COUNTY		55.00
621679	11/20/2013	001780 UNIVERSITY PLACE CITY OF		51,320.70
621680	11/20/2013	000541 STATE OF WASHINGTON		9,268.35
621681	11/20/2013	000534 WCP SOLUTIONS		1,364.00
621682	11/20/2013	001932 LYNNE ZEIHNER		202.21
621683	11/20/2013	001554 ANDREW'S FIXTURE CO INC		4,862.83
621684	11/20/2013	005369 BIRCH ELECTRIC LLC		5,161.40
621685	11/20/2013	004779 CONVERGENT TECHNOLOGY SYS		6,486.71
621686	11/20/2013	000731 CUMMINS NORTHWEST LLC		652.56
621687	11/20/2013	005272 GREEN EFFECTS INC		5,333.86
621688	11/20/2013	004709 HAAKENSEN GROUP INC		840.74
621689	11/20/2013	005338 PHOENIX MECHANICAL INC		164,799.03
621690	11/20/2013	000830 BAKER & TAYLOR		16,573.03
621691	11/20/2013	000189 BAKER & TAYLOR ENTERTAINMENT		128.74
621692	11/20/2013	005739 ROBERTA CARROLL		78.00
621693	11/20/2013	000161 CENGAGE LEARNING		4,182.80
621694	11/20/2013	004292 CENTER FOR THE STUDY SERVICES		3,600.00
621695	11/20/2013	005752 CORINNE CRUVER		27.00
621696	11/20/2013	005753 JOHN GONYEA		20.30
621697	11/20/2013	000243 INGRAM LIBRARY SERVICES		28,228.55
621698	11/20/2013	000352 MIDWEST TAPE	V	0.00
621699	11/20/2013	000352 MIDWEST TAPE		29,334.39
621700	11/20/2013	001041 MITCHELL 1		3,596.00
621701	11/20/2013	003398 MULTICULTURAL BOOKS & VIDEOS		3,522.70
621702	11/20/2013	000362 ORTING CITY OF		1,812.01
621703	11/20/2013	000380 QUALITY BOOKS		95.97
621704	11/20/2013	005761 LORENA SAUCEDO		22.90
621705	11/21/2013	003778 AFLAC		3,387.42
621706	11/21/2013	000828 AFSCME AFL-CIO		5,290.18
621707	11/21/2013	001578 COLONIAL SUPPLEMENTAL INSURANC		1,040.66
621708	11/21/2013	000898 DEPARTMENT OF RETIREMENT SYSTE		7,236.00
621709	11/21/2013	003985 PACIFICSOURCE ADMINISTRATORS		2,126.00
621710	11/21/2013	000821 PIERCE COUNTY SUPERIOR COURT		176.84
621711	11/21/2013	001181 PIERCE CTY LIBRARY FOUNDATION		339.10

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>
621712	11/21/2013	004276 STATE CENTRAL COLLECTION UNIT		151.67
621713	11/21/2013	000823 UNITED WAY		77.51
621714	11/21/2013	004782 US DEPARTMENT OF EDUCATION		158.09
621715	11/21/2013	000827 WA STATE- DEPT OF RETIREMENT S		76,519.77
621716	11/21/2013	000881 WASHINGTON STATE SUPPORT REGIS		450.00
621717	11/22/2013	000821 PIERCE COUNTY SUPERIOR COURT		105.40
621718	11/25/2013	000176 ATS AUTOMATION INC		65,886.15
621719	11/25/2013	005210 CARSON BLOCK LLC		3,500.00
621720	11/25/2013	000041 EMPLOYMENT SECURITY DEPARTMENT		4,942.00
621721	11/25/2013	005782 JOSEPH DUFFY		4,958.50
621722	11/25/2013	004798 LEARNING TIMES LLC		12,500.00
621723	11/25/2013	000323 NEWS TRIBUNE		5,037.00
621724	11/25/2013	003374 JAMI SCHWARZWALDER		26.95
621725	11/25/2013	003772 SOUND PUBLISHING INC		319.52
621726	11/26/2013	004022 US BANK		104,180.70
621727	11/26/2013	004022 US BANK		664.20
621728	11/20/2013	001554 ANDREW'S FIXTURE CO INC		328.50
621729	11/20/2013	005369 BIRCH ELECTRIC LLC		2,026.33
621730	11/20/2013	000895 COLUMBIA BANK		269.81
621731	11/20/2013	005787 LUBBOCK PUBLIC LIBRARY SYSTEM		18.95
621732	11/20/2013	004413 OAKLAND PUBLIC LIBRARY		12.00
621733	11/20/2013	005336 WECOMPLY INC		337.50
621734	11/20/2013	005337 WELLSTEPS		149.50
621735	11/27/2013	005369 BIRCH ELECTRIC LLC		1,361.08
621736	11/27/2013	005770 EVANS ELECTRIC CO		3,574.10
621737	11/27/2013	003394 THERMO FLUIDS INC		495.00
621738	11/27/2013	001878 PAIGE LEA ALVORD		7.91
621739	11/27/2013	000830 BAKER & TAYLOR		10,590.33
621740	11/27/2013	005453 DANA BROWNFIELD		43.79
621741	11/27/2013	002071 MARY BRYANT		28.25
621742	11/27/2013	003951 DORTHY CHUBB		13.56
621743	11/27/2013	003377 JAMES DAVIS		17.18
621744	11/27/2013	003425 TERESA M DAVIS		10.68
621745	11/27/2013	003883 SUSAN FORDHAM		44.52
621746	11/27/2013	005226 DENNIS GOULD		80.61
621747	11/27/2013	002019 ANNABEL GUIMONT		18.08
621748	11/27/2013	005107 ART HOOVER		18.08
621749	11/27/2013	001994 CLIFFORD JO		90.00
621750	11/27/2013	003523 SEUNG HEE KANG		471.78

Check History Listing
Pierce County Library System

Bank code: boa

Check #	Date	Vendor	Status	Check Total
621751	11/27/2013	004698 GREG KOSTER		48.59
621752	11/27/2013	000891 LAKEWOOD WATER DISTRICT		141.09
621753	11/27/2013	005609 LEMAY TRANSPORTATION SERVICES		143.90
621754	11/27/2013	003418 KAREN MCGHEE		40.85
621755	11/27/2013	001886 NEEL PARIKH		236.62
621756	11/27/2013	000377 PUGET SOUND ENERGY		3,718.41
621757	11/27/2013	002064 HOLLY L SMITH		152.01
621758	11/27/2013	005788 MONICA SMITH		106.22
621759	11/27/2013	005608 REBEKAH SMITH		19.78
621760	11/27/2013	000463 SUMMIT WATER & SUPPLY CO		317.00
621761	11/27/2013	000506 UNIVERSITY PLACE REFUSE SERVIC		166.87
* 11062013	11/06/2013	000825 ING-VC3371		1,955.00 *
* 11222013	11/22/2013	000825 ING-VC3371		2,000.00 *

boa Total: 1,046,799.08

207 checks in this report

Total Checks: 1,046,799.08

* Wire Transfers

- 1,955.00
- 2,000.00

1,042,844.08

BOA TOTAL
Accounts payable
warrants.

RESOLUTION NO. 2013-10

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE
PIERCE COUNTY RURAL LIBRARY DISTRICT
TO CANCEL WARRANTS WHICH HAVE REMAINED UNPROCESSED
FOR OVER ONE (1) YEAR**

WHEREAS, R.C.W. 39.56.040 requires cancellation of outstanding warrants which have been lost, destroyed, or otherwise gone unredeemed in excess of one (1) year, and

WHEREAS, the warrants on Attachment A were issued by the Pierce County Rural Library District over one (1) year ago, but have not yet been redeemed by the payees, and

WHEREAS, Pierce County Rural Library District administrative staff has sent notices to payees informing them of their rights to make application for duplicate warrant if they certify within thirty (30) days of receipt of notice that the original was lost or destroyed and has not been paid, now, therefore,

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

The Pierce County Budget and Finance be authorized to cancel the warrants on Attachment A, dated November 30, 2013.

PASSED AND APPROVED THIS 11th DAY OF December, 2013.

BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT

Linda Ishem, Chair _____

Allen Rose, Vice-Chair _____

Donna Albers, Member _____

Robert Allen, Member _____

J.J. McCament, Member _____

Attachment A

Pierce County Library System

Warrants Outstanding for Twelve or more Months
11/30/2013

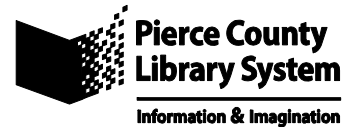
Date of Issuance	Warrant #	Payee	Amount	Mo's Outstanding
7/23/2010	611783	YI, REBECCA	\$6.99	40.87
8/27/2010	612126	DAWE, LYDIA	\$163.54	39.70
11/2/2010	612746	SOUND PUBLISHING	\$39.00	37.47
1/24/2011	613494	CHILD CUSTODY TREATMENT CENTER	\$24.00	34.70
3/24/2011	614043	FEATHERSTON, PATRICIA	\$33.95	32.73
4/15/2011	614245	MANN, MERWIN	\$19.99	32.00
4/29/2011	614395	CASTILLO, ALBERTO	\$17.05	31.53

- All payees were contacted.
- Warrants “stale date” or become not valid six months after issuance per Pierce County Budget and Finance.
- PCLS turns these unclaimed payments over to State of Washington as Unclaimed Property. Currently, we batch and send payments to Unclaimed Property once per year after a payment is outstanding for two or more years per State law.

Total Dollar Amount of Warrants Cancelled	\$304.52
Total Number of Warrants Cancelled	7

Submitted by Dale E. Hough, Finance Manager

M E M O



Date: December 2, 2013
To: Chair Linda Ishem and Members of the Board of Trustees
From: Clifford Jo, Finance & Business Director
Subject: 2014 Insurance Renewal

We are in the process of renewing our insurance policy for 2014. Please see attached summary of coverage costs. Without the pollution coverage, the renewal comes in at \$215,116, which is nearly identical to 2013's cost (\$215,144).

We made some adjustments with Differences in Conditions (earthquake insurance) to raise the deductible to 10% instead of 5%, and increase the coverage from \$10 million to \$20 million. The insurance carrier reviewed our properties and would not quote less than \$20 million.

The expiring policy for \$47,000 pollution coverage (mildew, etc) was for three years and a new three year policy came in much lower at \$33,382. I recommend that we renew for three years and then reevaluate in 2016. Because the pollution policy includes underground storage tanks, we will not have to renew the separate policy in February 2014. The net savings is about \$800, but it brings all renewals to one date instead of two.

Therefore the total 2013 insurance renewal cost is \$248,497.19. I ask the Board to pass a motion to approve payment of the Library's renewal of the 2014 insurance policy, not to exceed \$249,000.

Motion: Move to approve the insurance renewal policy for 2014, not to exceed \$249,000.

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

Premium Summary for Pierce County Rural Library

Coverage	Current Year Premium	Prior Year Premium
Property	\$60,854.00	\$55,117.00
General Liability	\$6,524.00	\$5,865.00
Crime	\$ incl	\$ incl
Auto	\$24,996.00	\$22,811.00
Umbrella	\$22,453.00	\$20,738.00
Excess Umbrella	\$15,650.00	\$23,074.60
Excess Umbrella	\$14,035.00	\$13,635.00
D&O/EPL/Crime	\$23,154.00	\$21,316.00
Cyber	\$8,866.00	\$8,526.00
Difference in Conditions	\$38,583.59	\$44,061.26
Pollution	\$33,381.60 (3 year)	\$46,978.00 (3 year)
TOTAL COMMERCIAL PREMIUM:	\$248,497.19	\$262,121.86

This Coverage Summary neither amends nor alters the insurance contract. Specific questions on all policy terms and conditions should be referred to your Lovsted-Worthington insurance representative and the policy itself should be reviewed.

EXCLUSIONS APPLY – PLEASE READ YOUR POLICY CAREFULLY

M E M O



Date: November 27, 2013

To: Chair Linda Ishem and members of the Board of Trustees

From: Neel Parikh, Executive Director

Subject: 2014 Schedule of Recurring Meetings Updated

At the November 13, 2013 Board of Trustees meeting, Resolution 2013-07 was passed, setting the schedule of meetings for the upcoming year. It was noted after the Resolution passed that the May 7 date should have been May 14. This change has been made and the updated schedule has been posted to the website.

**PIERCE COUNTY LIBRARY SYSTEM
BOARD OF TRUSTEES**

2014 Meeting Schedule

Meetings are regularly scheduled from 3:30 – 6:00 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 2014 Board of Trustee meetings are as follows:

January 8
February 12
March 19¹
April 9
May 14
June 11
July 9
August 13
September 10
October 15²
November 12
December 10

2014 Conferences	
January 24 - 28	American Library Association Midwinter, Philadelphia, PA
April 30 - May 2, 2014	Oregon Library Association/Washington Library Association, Wenatchee, WA
June 26-July 1, 2014	American Library Association Annual, Las Vegas, NV

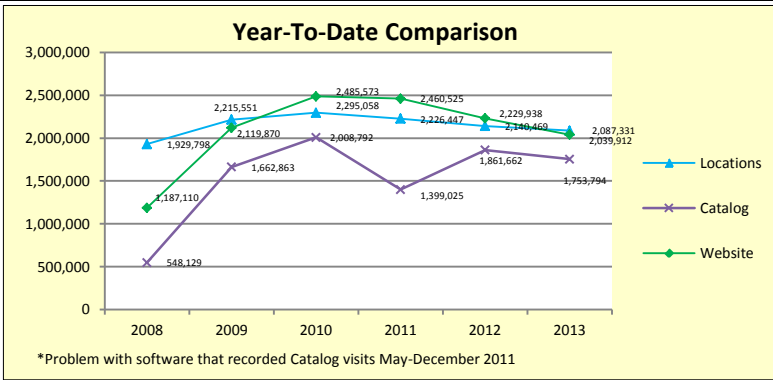
¹ 3rd week of the month due to PLA

² 3rd week of the month due to budget development

OFFICERS REPORT

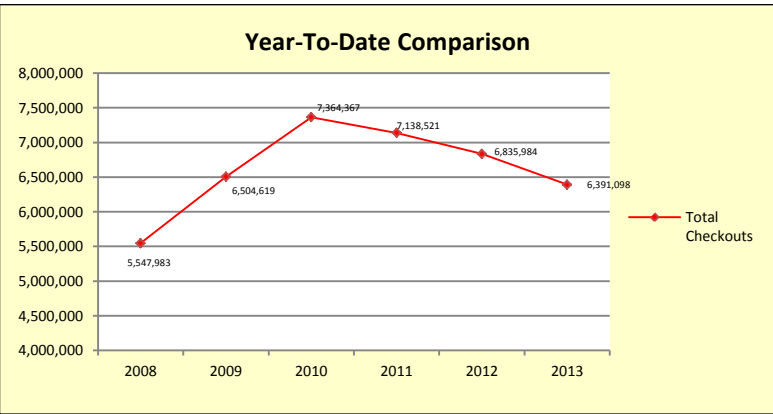
CUSTOMER SERVICE/PHILANTHROPY DASHBOARD - OCTOBER

VISITS



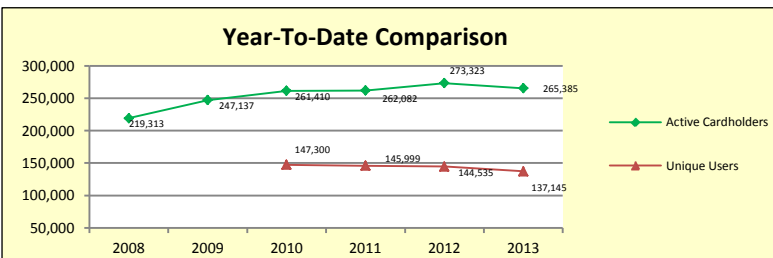
	October		
	2012	2013	% Change
Door Count	227,993	217,447	-4.63%
Catalog	188,215	168,123	-10.68%
Website	225,242	198,414	-11.91%
Job & Business Portal	1,005	1,943	93.33%
Military Portal (launched 3/12)	157	78	-50.32%
Total	642,612	586,005	-8.81%

CHECKOUTS



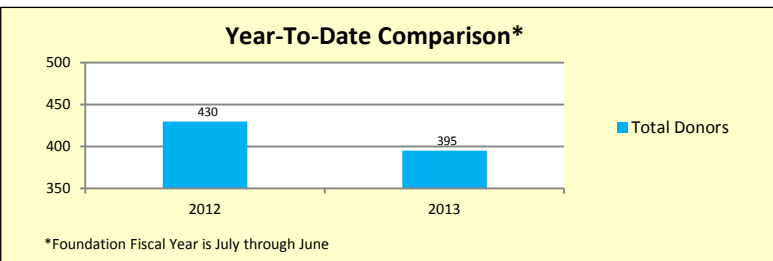
	October		
	2012	2013	% Change
Checkouts	643,237	597,812	-7.06%
eBook Downloads	46,219	48,913	5.83%
Total	689,456	646,725	-6.20%

CUSTOMERS



	October		
	2012	2013	% Change
Active Cardholders	273,323	265,385	-2.90%
New Cards	10,148	6,727	-33.71%
Checkout Transactions	107,927	102,770	-4.78%
Unique Users	48,226	46,761	-3.04%

PHILANTHROPY



	October		
	2012	2013	% Change
Foundation Donors	155	195	25.81%
New Foundation Donors	18	16	-11.11%
\$ Raised by Foundation	\$ 32,322	\$ 31,605	-2.22%
\$ Provided by Friends	\$ 2,006	\$ -	-100.00%

BRANCH CLOSURES

2012	
Snow Closures	1/17-1/23 (7 Days)
Bonney Lk	2/13-2/26 (13 Days)
Graham	3/21-4/5 (15 Days)
South Hill	4/9-5/6 (27 Days)
Tillicum	7/3-8/5 (33 Days)
Sumner	7/30-9/3 (35 Days)
Summit	9/17-9/30 (13 Days)
Steilacoom	10/17-11/14 (28 Days)
BkmbI Ended	11/11
Key Center	11/14-12/31 (47 Days)

2013	
Key Center	1/1-2/3 (34 Days)
Fife	9/24-25 (2 Days)

M E M O



Date: December 3, 2013

To: Chair Linda Ishem and members of the Board of Trustees

From: Neel Parikh, Executive Director

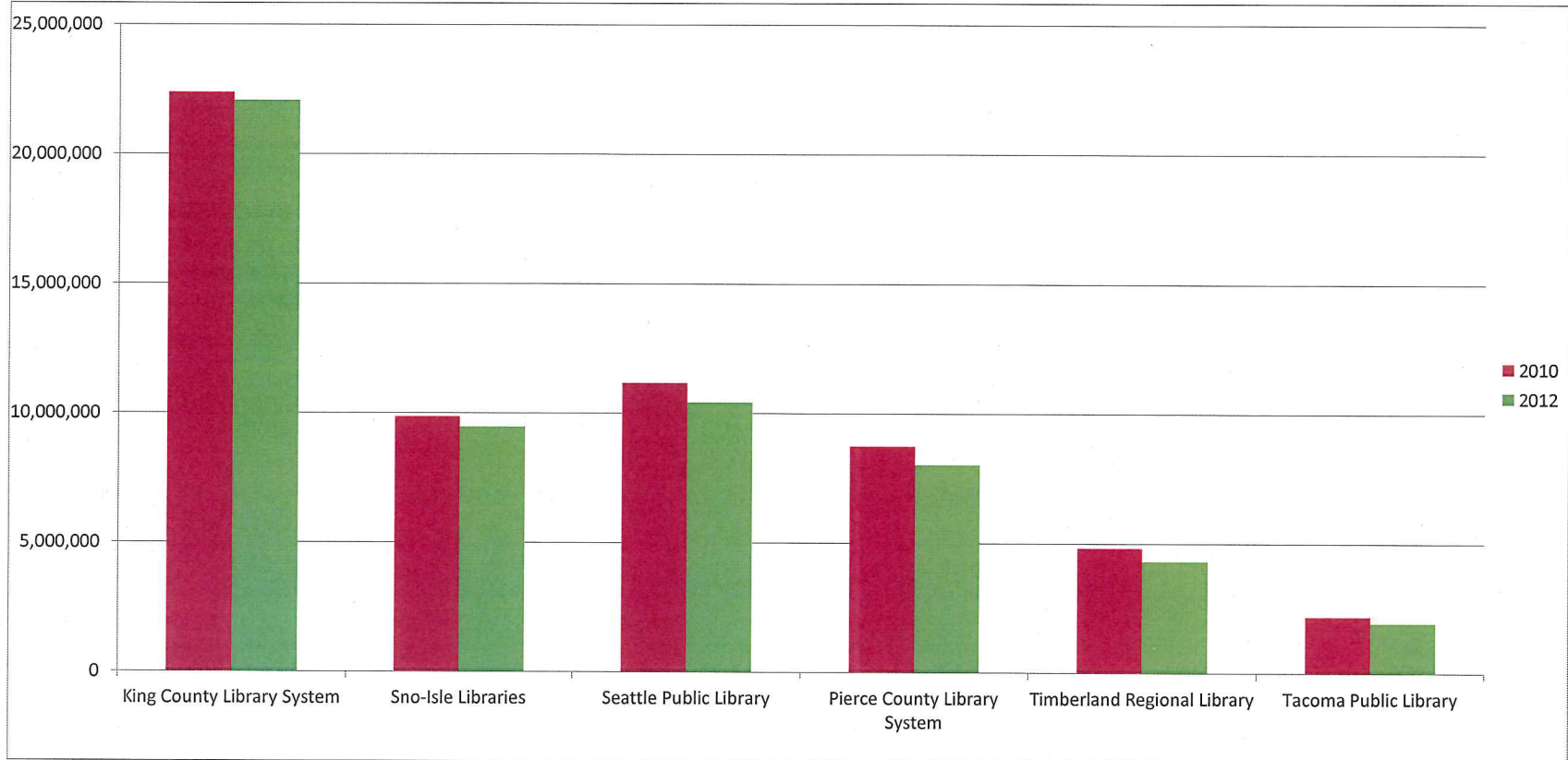
Subject: Statistical Trends in Libraries

During recent Board meetings, we have discussed the general downward trend in circulation and visits to the Library. Given that we are seeing a decline in usage, I thought it would be interesting to see what is happening in neighboring libraries in Washington as well as with like size libraries throughout the country. I have attached a report depicting the changes in annual circulation and visits between 2010 and 2012.

Annual Circulation - Washington Libraries

	2012 Service Area Population	2010	2012	% of Change	2012 Circulation per Capita
King County Library System	1,318,745	22,380,802	22,063,110	-1.42%	16.73
Sno-Isle Libraries	681,100	9,852,589	9,469,493	-3.89%	13.90
Seattle Public Library	614,000	11,163,292	10,427,742	-6.59%	16.98
Pierce County Library System	555,285	8,738,850	8,030,815	-8.10%	14.46
Timberland Regional Library	478,390	4,824,123	4,303,338	-10.80%	33.44
Tacoma Public Library	202,010	2,169,199	1,919,097	-11.53%	*0

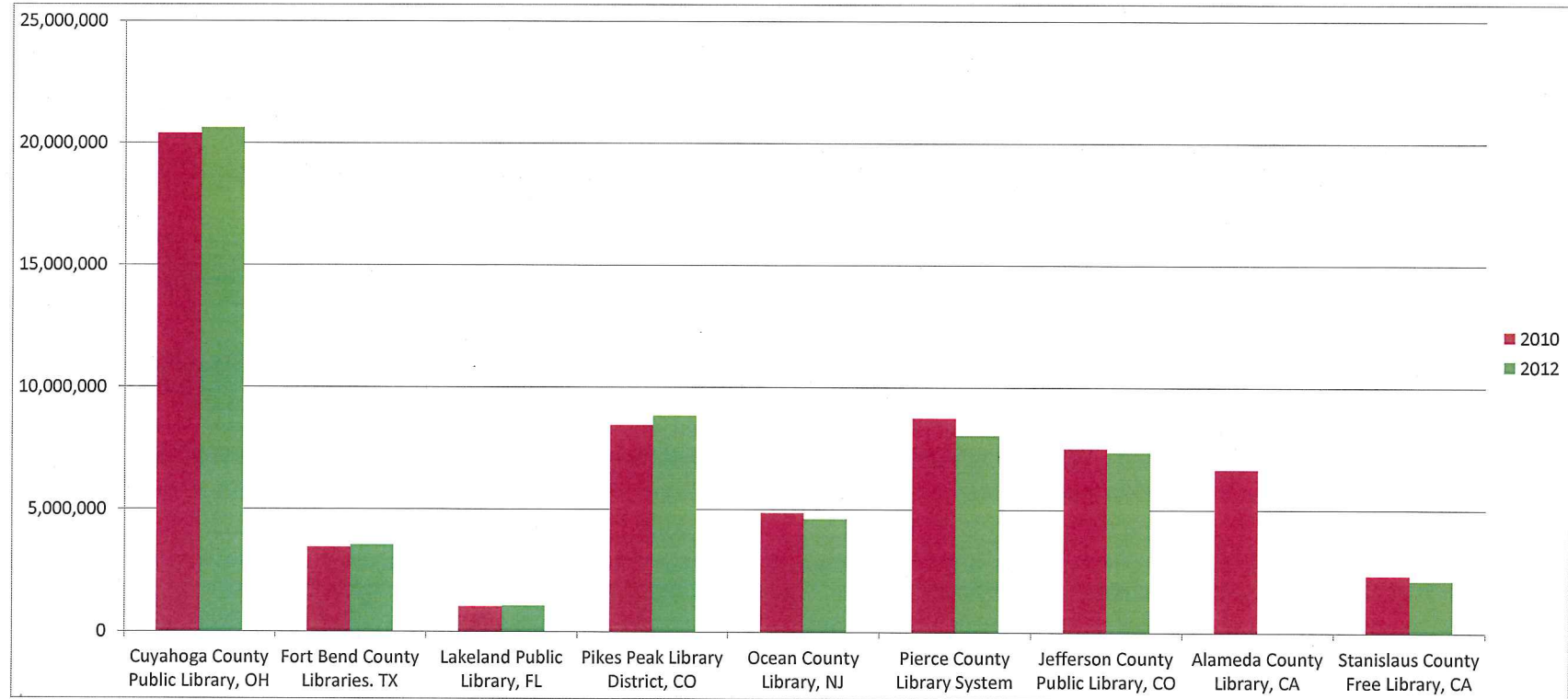
*0 = No Data Reported



Annual Circulation - National Libraries

	2012 Service Area Population	2010	2012	% of Change	2012 Circulation per Capita
Cuyahoga County Public Library, OH	616,527	20,389,443	20,613,810	1.10%	33.44
Fort Bend County Libraries, TX	606,953	3,437,765	3,533,327	2.78%	5.82
Lakeland Public Library, FL	606,888	1,022,237	1,049,771	2.69%	1.73
Pikes Peak Library District, CO	585,158	8,442,973	8,839,963	4.70%	15.11
Ocean County Library, NJ	575,397	4,855,690	4,616,846	-4.92%	8.02
Pierce County Library System	555,285	8,738,850	8,030,815	-8.10%	14.46
Jefferson County Public Library, CO	537,219	7,494,561	7,338,449	-2.08%	5.82
Alameda County Library, CA	535,588	6,646,243	*0	0.00%	*0
Stanislaus County Free Library, CA	519,940	2,325,930	2,101,936	-9.63%	4.04

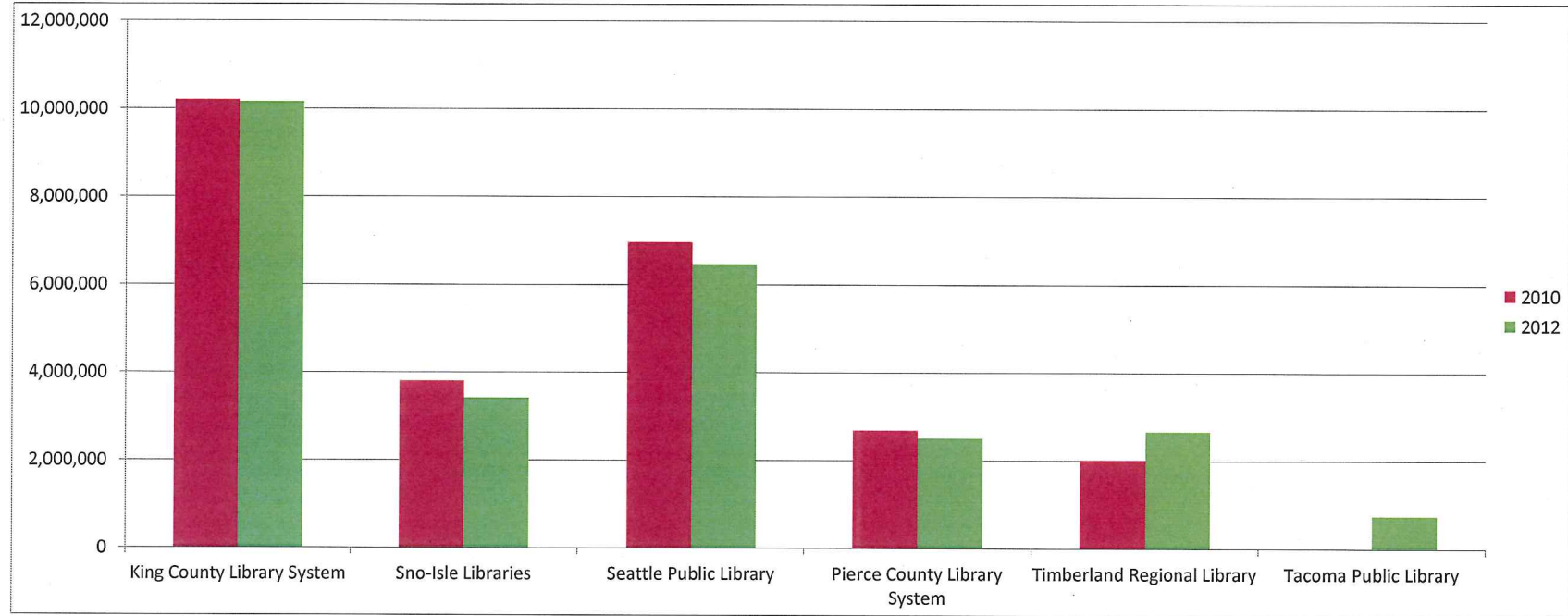
*0 = No Data Reported



Annual Visits - Washington Libraries

	2012 Service Area Population	2010	2012	% of Change	2012 Visits per Capita
King County Library System	1,318,745	10,199,550	10,156,339	-0.42%	7.70
Sno-Isle Libraries	681,100	3,799,298	3,414,610	-10.13%	5.01
Seattle Public Library	614,000	6,966,428	6,470,116	-7.12%	10.54
Pierce County Library System	555,285	2,682,141	2,507,596	-6.51%	4.52
Timberland Regional Library	478,390	2,018,565	2,654,292	31.49%	8.99
Tacoma Public Library	202,010	*0	743,388	0.00%	*0

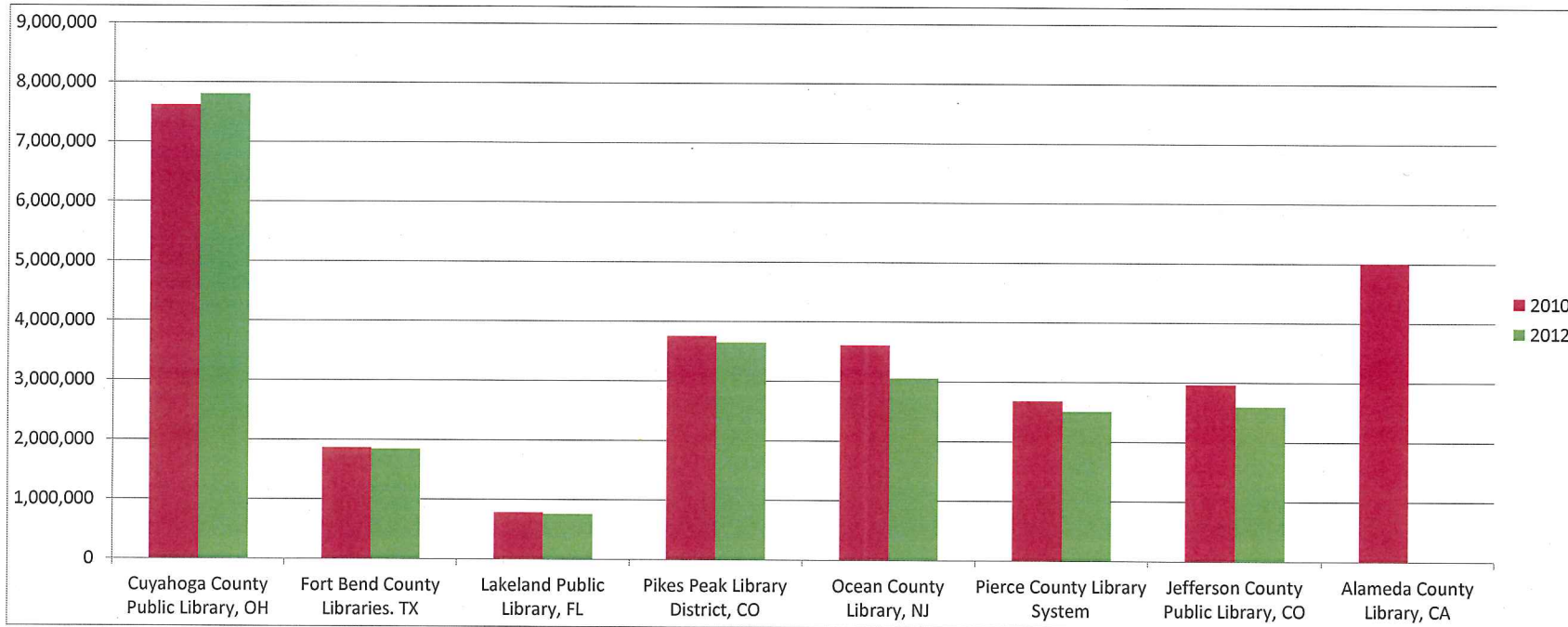
*0 = No Data Reported



Annual Visits - National Libraries

	2012 Service Area Population	2010	2012	% of Change	2012 Visits per Capita
Cuyahoga County Public Library, OH	616,527	7,619,075	7,799,499	2.37%	16.98
Fort Bend County Libraries, TX	606,953	1,863,472	1,841,892	-1.16%	16.98
Lakeland Public Library, FL	606,888	778,887	754,917	-3.08%	1.24
Pikes Peak Library District, CO	585,158	3,752,611	3,648,818	-2.77%	6.24
Ocean County Library, NJ	575,397	3,610,402	3,055,843	-15.36%	5.31
Pierce County Library System	555,285	2,682,141	2,507,596	-6.51%	4.52
Jefferson County Public Library, CO	537,219	2,960,459	2,593,133	-12.41%	4.83
Alameda County Library, CA	535,588	4,998,814	*0	0.00%	*0
Stanislaus County Free Library, CA	519,940	*0	*0	0.00%	*0

*0 = No Data Reported



Monthly Financial Reports November 2013

Pierce County revenue data was not available at the time this report as prepared.

Pierce County Library System
Statement of Financial Position
November 30, 2013
All Funds



	General Fund	Debt Service Fund	Capital Improvement Projects Fund
Assets			
Current Assets - Cash			
Cash	\$ 2,300,341	\$ 1	\$ 490,978
Investments	\$ 7,460,000	\$ 83,550	\$ 400,000
Total Cash	\$ 9,760,341	\$ 83,551	\$ 890,978
Total Current Assets	\$ 9,760,341	\$ 83,551	\$ 890,978
Liabilities and Fund Balance			
Current Liabilities			
Warrants Payable	\$ 49,504	\$ -	\$ 10,842
Sales Tax Payable	\$ 1,440	\$ -	\$ -
Payroll Taxes and Benefits Payable	\$ 97,624	\$ -	\$ -
Total Current Liabilities	\$ 148,568	\$ -	\$ 10,842
Fund Balance			
Reserve for Encumbrances	\$ 369,561	\$ -	\$ 296,738
Net Excess (Deficit)	\$ (159,042)	\$ 107	\$ (187,655)
Unreserved Fund Balance	\$ 9,401,254	\$ 83,444	\$ 771,054
Total Fund Balance	\$ 9,611,772	\$ 83,551	\$ 880,137
Total Liabilities and Fund Balance	\$ 9,760,341	\$ 83,551	\$ 890,978
Anticipated Property Tax Revenue	\$ 3,627,815	\$ 39	\$ -

Pierce County Library System
Comparative Statement of Financial Position
General Fund - Rolling Comparison
(as of the listed date of the reported month)

	HISTORICAL 11/30/2012	HISTORICAL 12/31/2012	HISTORICAL 1/31/2013	HISTORICAL 2/28/2013	HISTORICAL 3/31/2013	HISTORICAL 4/30/2013	HISTORICAL 5/31/2013	HISTORICAL 6/30/2013	HISTORICAL 7/31/2013	HISTORICAL 8/31/2013	HISTORICAL 9/30/2013	HISTORICAL 10/31/2013	CURRENT 11/30/2013
Assets													
Current Assets - Cash													
Cash	\$ 2,577,504	\$ 10,858,588	\$ 959,998	\$ 1,261,690	\$ 2,797,368	\$ 8,648,366	\$ 4,759,718	\$ 1,697,396	\$ 1,759,564	\$ 1,741,018	\$ 2,327,531	\$ 8,989,939	\$ 2,300,341
Investments	\$ 11,123,000	\$ -	\$ 7,110,000	\$ 5,300,000	\$ 3,860,000	\$ 3,323,000	\$ 8,681,493	\$ 9,800,000	\$ 7,850,000	\$ 5,900,000	\$ 4,400,000	\$ 2,800,000	\$ 7,460,000
Total Cash	\$ 13,700,504	\$ 10,858,588	\$ 8,069,998	\$ 6,561,690	\$ 6,657,368	\$ 11,971,366	\$ 13,441,211	\$ 11,497,396	\$ 9,609,564	\$ 7,641,018	\$ 6,727,531	\$ 11,789,939	\$ 9,760,341
Total Current Assets	\$ 13,700,504	\$ 10,858,588	\$ 8,069,998	\$ 6,561,690	\$ 6,657,368	\$ 11,971,366	\$ 13,441,211	\$ 11,497,396	\$ 9,609,564	\$ 7,641,018	\$ 6,727,531	\$ 11,789,939	\$ 9,760,341
Liabilities and Fund Balance													
Current Liabilities													
Warrants Payable	\$ 355,677	\$ 1,190,010	\$ 290,600	\$ 309,158	\$ 384,525	\$ 182,186	\$ 307,368	\$ 201,001	\$ 61,424	\$ 255,774	\$ 214,897	\$ 246,940	\$ 49,504
Sales Tax Payable	\$ 4,142	\$ 2,986	\$ 3,869	\$ 1,519	\$ 2,496	\$ 2,527	\$ 2,361	\$ 1,500	\$ 1,861	\$ 2,076	\$ 2,024	\$ 2,299	\$ 1,440
Payroll Taxes and Benefits Payable	\$ 76,155	\$ 79,154	\$ 59,580	\$ 98,196	\$ 114,830	\$ 91,874	\$ 99,447	\$ 117,325	\$ 118,009	\$ 95,641	\$ 115,866	\$ 85,954	\$ 97,624
Total Current Liabilities	\$ 435,974	\$ 1,272,150	\$ 354,048	\$ 408,872	\$ 501,851	\$ 276,587	\$ 409,176	\$ 319,826	\$ 181,293	\$ 353,490	\$ 332,788	\$ 335,193	\$ 148,568
Fund Balance													
Reserve for Encumbrances	\$ 223,152	\$ -	\$ 463,130	\$ 465,957	\$ 452,172	\$ 474,946	\$ 399,459	\$ 483,361	\$ 470,718	\$ 461,818	\$ 441,712	\$ 378,475	\$ 369,561
Net Excess (Deficit)	\$ 4,427,089	\$ 786,965	\$ (1,991,920)	\$ (3,492,470)	\$ (3,461,979)	\$ 2,054,493	\$ 3,231,322	\$ 1,292,956	\$ (443,701)	\$ (2,575,544)	\$ (3,448,222)	\$ 1,675,017	\$ (159,042)
Unreserved Fund Balance	\$ 8,614,289	\$ 8,799,473	\$ 9,244,740	\$ 9,179,330	\$ 9,165,324	\$ 9,165,341	\$ 9,401,254	\$ 9,401,254	\$ 9,401,254	\$ 9,401,254	\$ 9,401,254	\$ 9,401,254	\$ 9,401,254
Total Fund Balance	\$ 13,264,529	\$ 9,586,438	\$ 7,715,950	\$ 6,152,818	\$ 6,155,517	\$ 11,694,779	\$ 13,032,035	\$ 11,177,570	\$ 9,428,271	\$ 7,287,528	\$ 6,394,744	\$ 11,454,746	\$ 9,611,772
Total Liabilities and Fund Balance	\$ 13,700,504	\$ 10,858,588	\$ 8,069,998	\$ 6,561,690	\$ 6,657,368	\$ 11,971,366	\$ 13,441,211	\$ 11,497,396	\$ 9,609,564	\$ 7,641,018	\$ 6,727,531	\$ 11,789,939	\$ 9,760,341
Anticipated Property Tax Revenue	\$ 1,537,464	\$ 1,349,456	\$ 24,973,702	\$ 24,554,434	\$ 22,817,140	\$ 15,377,335	\$ 15,377,335	\$ 12,250,392	\$ 3,627,815	\$ 11,930,745	\$ 10,921,417	\$ 3,627,815	\$ 3,627,815

PIERCE COUNTY LIBRARY SYSTEM
Statement of Revenue and Expenditures
Year to Date through November 30, 2013
no pre-encumbrances

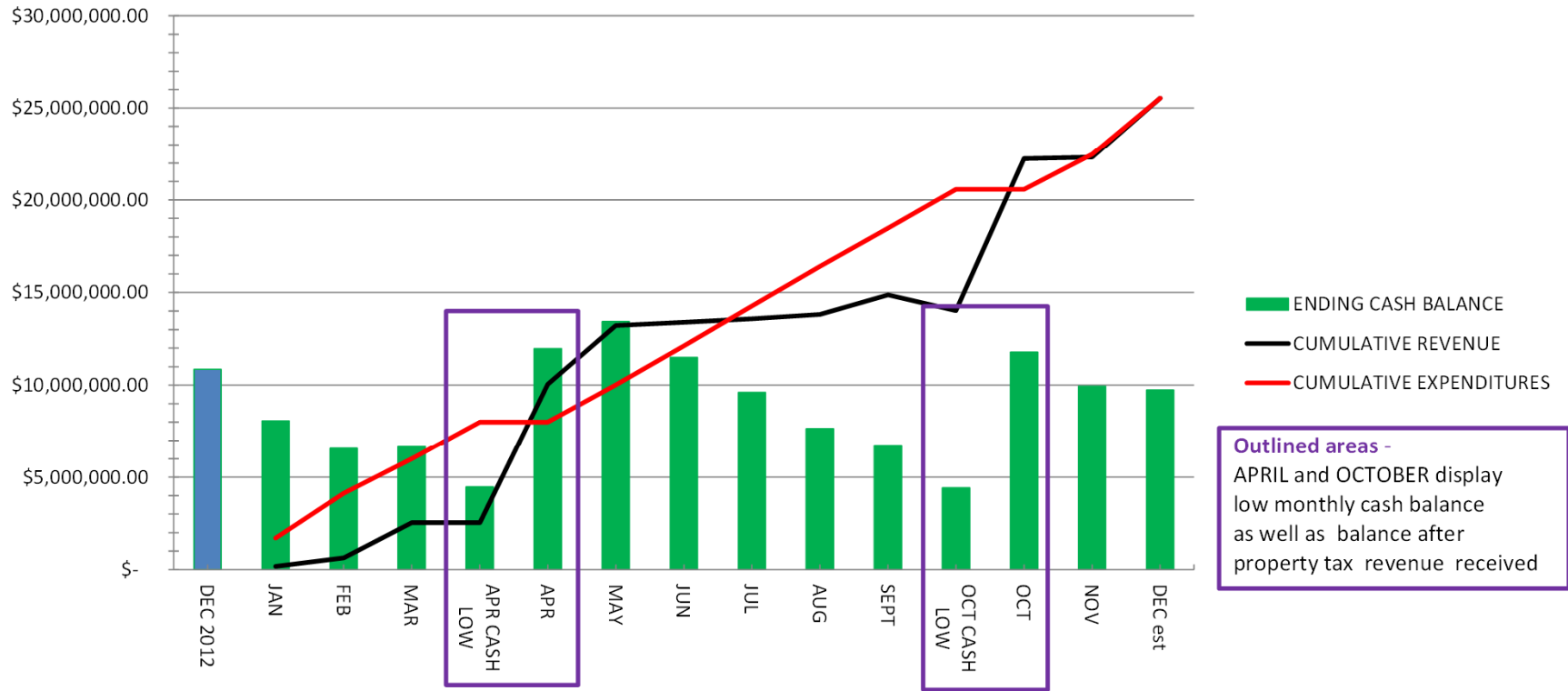
<u>General Fund</u>	<u>2013 Budget</u>	<u>Year To Date</u>	<u>Encumbrances</u>	<u>Budget Balance</u>	<u>% of Budget</u>
Revenue					
Property Tax/Investment Income & Other PC Revenue	\$ 24,614,170	\$ 21,467,363	\$ -	\$ 3,146,807	87%
Other Revenue	\$ 932,400	\$ 851,095	\$ -	\$ 81,305	91%
Total Revenue	\$ 25,546,570	\$ 22,318,459	\$ -	\$ 3,228,111	87%
Expenditures					
Personnel/Taxes and Benefits	\$ 18,285,836.00	\$ 16,623,553	\$ -	\$ 1,662,283	91%
Materials	\$ 3,304,075	\$ 2,687,270	\$ -	\$ 616,805	81%
Maintenance and Operations	\$ 3,460,970	\$ 2,797,117	\$ 369,561	\$ 294,292	91%
Transfers Out	\$ 495,689	\$ -	\$ -	\$ 495,689	0%
Total Expenditures	\$ 25,546,570	\$ 22,107,940	\$ 369,561	\$ 3,069,069	88%
Excess/(Deficit)		\$ 210,519			
(less encumbrances)		(369,561)			
Net Excess (Deficit)		\$ (159,042.20)			

<u>Debt Service Fund</u>	<u>2013 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	\$ -	\$ 107	\$ -	\$ (107)	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	0%
Total Revenue	\$ -	\$ 107	\$ -	\$ (107)	0%
Expenditures					
	\$ -	\$ -	\$ -	\$ -	0%
Excess/(Deficit)		\$ 107			

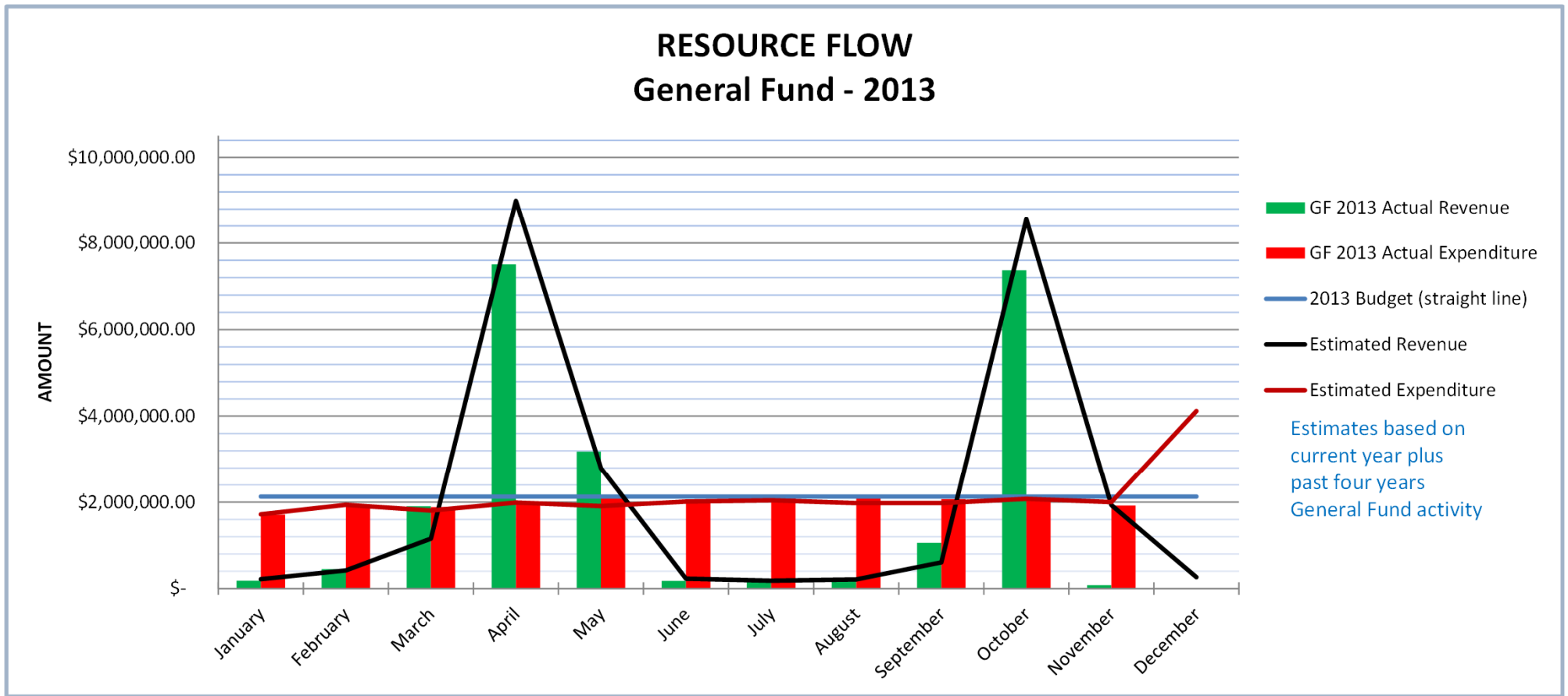
Capital Improvement Projects

<u>Fund</u>	<u>2013 Budget</u>	<u>Year To Date</u>	<u>Encumbrances</u>	<u>Budget Balance</u>	<u>% of Budget</u>
Revenue					
Use of Fund Balance	\$ 1,793,411	\$ 1,793,411	\$ -	\$ -	100%
Other Revenue	\$ -	\$ 98,811	\$ -	\$ (98,811)	0%
Transfers In	\$ 495,689	\$ -	\$ -	\$ 495,689	0%
Total Revenue	\$ 2,289,100	\$ 1,892,222	\$ -	\$ 396,878	83%
Expenditures					
Maintenance and Operations	\$ 2,289,100	\$ 1,783,139	\$ 296,738	\$ 209,223	91%
Total Expenditures	\$ 2,289,100	\$ 1,783,139	\$ 296,738	\$ 209,223	91%
Excess/(Deficit)		\$ 109,083			
(less encumbrances)		(296,738)			
Net Excess (Deficit)		\$ (187,655)			

CUMULATIVE GENERAL FUND REVENUE AND EXPENDITURE Including Cash Flow Projection 2013



Outlined areas -
 APRIL and OCTOBER display low monthly cash balance as well as balance after property tax revenue received



Pierce County Library System
 Board Report - Budget to Actual by Object
 Report as of: 11/30/2013

FUND: GENERAL FUND (01)

Object	2013 Budget	November Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
REVENUE ACCOUNTS						
29150 USE OF FUND BALANCE-BUDGET	762,126.00	0.00	0.00	0.00	762,126.00	0.0
31111 PROPERTY TAXES CURRENT	22,831,773.00	0.00	20,673,777.70	0.00	2,157,995.30	90.5
31112 PROPERTY TAXES DELINQUENT	913,271.00	0.00	718,608.55	0.00	194,662.45	78.7
31130 SALE OF TAX TITLE PROPERTY	3,000.00	0.00	3,440.99	0.00	(440.99)	114.7
31210 PRIVATE HARVEST TAX	70,000.00	0.00	34,360.11	0.00	35,639.89	49.1
31720 LEASEHOLD EXCISE TAX	20,000.00	0.00	23,357.86	0.00	(3,357.86)	116.8
TAXES:	24,600,170.00	0.00	21,453,545.21	0.00	3,146,624.79	87.2
33533 STATE FOREST FUNDS	4,000.00	0.00	1,869.67	0.00	2,130.33	46.7
33872 CONTRACTS FEES - CITIES	3,400.00	810.00	3,240.00	0.00	160.00	95.3
33890 GOVERNMENTAL GRANTS	0.00	0.00	5,200.20	0.00	(5,200.20)	0.0
34160 COPIER FEES	28,000.00	2,531.73	26,541.87	0.00	1,458.13	94.8
34161 GRAPHICS SERVICES CHARGES	4,400.00	282.25	5,717.66	0.00	(1,317.66)	129.9
34162 PRINTER FEES	70,000.00	6,583.08	69,198.81	0.00	801.19	98.9
34730 INTERLIBRARY LOAN FEES	0.00	0.00	157.36	0.00	(157.36)	0.0
35970 LIBRARY FINES	580,000.00	45,207.86	528,362.84	0.00	51,637.16	91.1
36110 INVESTMENT INCOME	10,000.00	0.00	8,886.26	0.00	1,113.74	88.9
36111 INTEREST - STATE FOREST FUND	0.00	0.00	0.47	0.00	(0.47)	0.0
36190 OTHER INTEREST EARNINGS	0.00	0.69	6.55	0.00	(6.55)	0.0
36200 KEY PEN HLTH DEPT FACILITY REV	0.00	0.00	419.12	0.00	(419.12)	0.0
36700 FOUNDATION DONATIONS	150,000.00	0.00	51,132.00	0.00	98,868.00	34.1
36710 FRIENDS' DONATIONS	0.00	0.00	2,762.11	0.00	(2,762.11)	0.0
36720 FRIENDS' REIMBURSEMENTS	12,000.00	9,287.58	20,798.16	0.00	(8,798.16)	173.3
36725 DONATIONS - OTHER	1,000.00	1,300.97	3,998.03	0.00	(2,998.03)	399.8
36910 SALE OF SCRAP AND SALVAGE	0.00	0.00	151.00	0.00	(151.00)	0.0
36920 BOOK SALE REVENUE	6,000.00	2.00	3,203.61	0.00	2,796.39	53.4
36990 MISCELLANEOUS REVENUE	30,000.00	1,691.01	51,040.99	0.00	(21,040.99)	170.1
36991 PAYMENT FOR LOST MATERIALS	17,000.00	963.33	14,040.46	0.00	2,959.54	82.6
36994 UNCLAIMED PROPERTY	0.00	5.00	184.38	0.00	(184.38)	0.0
36995 COLLECTION AGENCY REVENUE	0.00	59.35	713.33	0.00	(713.33)	0.0
36996 JURY DUTY REIMBURSEMENT	0.00	90.00	360.00	0.00	(360.00)	0.0
36997 PRIOR YEAR'S REFUNDS	1,600.00	0.00	3,838.99	0.00	(2,238.99)	239.9
36998 E RATE REIMBURSEMENT	6,000.00	0.00	12,936.29	0.00	(6,936.29)	215.6
36999 REBATES - PROCUREMENT CARD	19,500.00	6,844.45	28,665.31	0.00	(9,165.31)	147.0
CHARGES OTHER:	942,900.00	75,659.30	843,425.47	0.00	99,474.53	89.5
39510 SALE OF FIXED ASSETS	0.00	0.00	18,061.61	0.00	(18,061.61)	0.0
39520 INSURANCE RECOVERIES - CAPITAL	3,500.00	0.00	3,426.32	0.00	73.68	97.9
TOTAL FOR REVENUE ACCOUNTS	25,546,570.00	75,659.30	22,318,458.61	0.00	3,228,111.39	87.4
EXPENSE ACCOUNTS						
51100 SALARIES AND WAGES	13,310,332.00	1,085,275.95	11,919,008.25	0.00	1,391,323.75	89.5
51105 ADDITIONAL HOURS	240,200.00	29,731.04	261,181.31	0.00	(20,981.31)	108.7
51106 SHIFT DIFFERENTIAL	147,872.00	10,714.66	122,939.39	0.00	24,932.61	83.1
51107 SUBSTITUTE HOURS	316,350.00	27,123.68	274,692.65	0.00	41,657.35	86.8
51109 TUITION ASSISTANCE PROGRAM	3,000.00	0.00	1,410.35	0.00	1,589.65	47.0
51200 OVERTIME WAGES	7,100.00	396.29	4,291.20	0.00	2,808.80	60.4
51999 ADJ WAGE/SALARY TO MATCH PLAN	(259,227.00)	0.00	0.00	0.00	(259,227.00)	0.0
52001 INDUSTRIAL INSURANCE	165,787.00	14,264.09	151,447.28	0.00	14,339.72	91.4

Pierce County Library System
 Board Report - Budget to Actual by Object
 Report as of: 11/30/2013

FUND: GENERAL FUND (01)

Object	2013 Budget	November Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
EXPENSE ACCOUNTS						
52002 MEDICAL INSURANCE	2,077,991.00	148,011.46	1,780,651.94	0.00	297,339.06	85.7
52003 F.I.C.A.	1,085,861.00	86,101.73	944,996.27	0.00	140,864.73	87.0
52004 RETIREMENT	994,557.00	99,696.90	935,571.81	0.00	58,985.19	94.1
52005 DENTAL INSURANCE	217,822.00	16,814.69	185,852.67	0.00	31,969.33	85.3
52006 OTHER BENEFIT	10,620.00	720.00	8,040.00	0.00	2,580.00	75.7
52010 LIFE AND DISABILITY INSURANCE	24,185.00	1,848.63	21,292.96	0.00	2,892.04	88.0
52020 UNEMPLOYMENT COMPENSATION	20,000.00	4,942.00	11,819.30	0.00	8,180.70	59.1
52200 UNIFORMS	1,300.00	357.83	357.83	0.00	942.17	27.5
52999 ADJ BENEFITS TO MATCH PLAN	(77,914.00)	0.00	0.00	0.00	(77,914.00)	0.0
PERSONNEL	18,285,836.00	1,525,998.95	16,623,553.21	0.00	1,662,282.79	90.9
53100 OFFICE/OPERATING SUPPLIES	158,300.00	5,484.54	167,854.90	22,081.17	(31,636.07)	120.0
53101 CUSTODIAL SUPPLIES	56,100.00	4,487.38	53,062.33	0.00	3,037.67	94.6
53102 MAINTENANCE SUPPLIES	60,200.00	2,936.39	55,529.36	0.00	4,670.64	92.2
53103 AUDIOVISUAL PROCESSING SUP	30,000.00	13,157.18	37,913.29	48.73	(7,962.02)	126.5
53104 BOOK PROCESSING SUPPLIES	25,000.00	0.00	13,159.61	0.00	11,840.39	52.6
53200 FUEL	58,000.00	0.00	44,768.44	0.00	13,231.56	77.2
53401 ADULT MATERIALS	847,684.00	43,425.38	736,980.80	0.00	110,703.20	86.9
53402 SERIALS	0.00	0.00	1,369.18	0.00	(1,369.18)	0.0
53403 PERIODICALS	80,000.00	-9,175.31	62,810.90	0.00	17,189.10	78.5
53405 JUVENILE BOOKS	496,458.00	23,082.34	412,977.51	0.00	83,480.49	83.2
53406 PROFESSIONAL COLLECTION	20,000.00	169.80	17,451.41	0.00	2,548.59	87.3
53407 INTERNATIONAL COLLECTION	76,000.00	5,325.22	59,315.04	0.00	16,684.96	78.0
53408 AUDIOVISUAL MATERIALS - ADULT	816,000.00	21,497.49	781,203.37	0.00	34,796.63	95.7
53409 AUDIOVISUAL MATERIALS - JUV	102,040.00	5,344.16	74,703.95	0.00	27,336.05	73.2
53411 ELECTRONIC INFO SOURCES	170,355.00	7,196.00	27,107.26	0.00	143,247.74	15.9
53412 REFERENCE SERIALS	36,414.00	142.90	17,885.32	0.00	18,528.68	49.1
53413 ELECTRONIC SERVICES	244,124.00	0.00	85,883.12	0.00	158,240.88	35.2
53414 ELECTRONIC COLLECTION	255,000.00	121.63	249,051.19	0.00	5,948.81	97.7
53464 VENDOR PROCESSING SERVICES	153,000.00	5,690.19	149,091.88	0.00	3,908.12	97.4
53490 COLLECTION PROJECTS	6,000.00	0.00	5,155.64	0.00	844.36	85.9
53499 GIFTS - MATERIALS	1,000.00	197.16	6,283.05	0.00	(5,283.05)	628.3
53500 MINOR EQUIPMENT	8,300.00	0.00	5,484.11	0.00	2,815.89	66.1
53501 FURNISHINGS	60,000.00	13,635.92	45,121.51	9,558.67	5,319.82	91.1
53502 IT HARDWARE	296,200.00	75,241.64	261,499.11	17,754.53	16,946.36	94.3
53503 PRINTERS	20,000.00	0.00	6,380.55	0.00	13,619.45	31.9
53505 SOFTWARE	33,500.00	474.77	27,023.34	0.00	6,476.66	80.7
54100 PROFESSIONAL SERVICES	362,450.00	32,295.99	291,236.40	65,186.68	6,026.92	98.3
54101 LEGAL SERVICES	105,000.00	4,958.50	72,911.90	0.00	32,088.10	69.4
54102 COLLECTION AGENCY	30,000.00	1,503.60	19,444.37	0.00	10,555.63	64.8
54161 RESOURCE SHARING SERVICES	25,000.00	0.00	15,017.09	0.00	9,982.91	60.1
54162 BIBLIOGRAPHICS SERVICES	40,000.00	0.00	21,513.40	0.00	18,486.60	53.8
54163 PRINTING AND BINDING	2,000.00	1,819.00	2,639.67	0.00	(639.67)	132.0
54165 ILL LOST ITEM CHARGE	3,000.00	30.95	1,658.15	0.00	1,341.85	55.3
54200 POSTAGE	42,000.00	921.75	35,531.29	0.00	6,468.71	84.6
54201 TELEPHONE/DATA LINES	161,300.00	398.43	141,150.01	0.00	20,149.99	87.5
54300 TRAVEL	29,140.00	618.05	17,086.67	0.00	12,053.33	58.6
54301 MILEAGE REIMBURSEMENTS	31,050.00	3,543.21	31,387.54	0.00	(337.54)	101.1

Pierce County Library System
 Board Report - Budget to Actual by Object
 Report as of: 11/30/2013

FUND: GENERAL FUND (01)

Object	2013 Budget	November Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
EXPENSE ACCOUNTS						
54400 ADVERTISING	28,920.00	5,871.52	20,337.47	276.00	8,306.53	71.3
54501 RENTALS/LEASES - BUILDINGS	197,000.00	55.00	135,169.73	61,461.37	368.90	99.8
54502 RENTAL/LEASE - EQUIPMENT	32,000.00	484.54	26,400.82	4,022.22	1,576.96	95.1
54600 INSURANCE	189,500.00	0.00	4,901.00	0.00	184,599.00	2.6
54700 ELECTRICITY	220,000.00	14,146.35	210,587.70	0.00	9,412.30	95.7
54701 NATURAL GAS	17,000.00	45.76	7,645.00	0.00	9,355.00	45.0
54702 WATER	20,200.00	1,737.66	24,943.14	0.00	(4,743.14)	123.5
54703 SEWER	21,700.00	1,415.63	25,811.72	0.00	(4,111.72)	118.9
54704 REFUSE	22,500.00	465.08	22,727.10	0.00	(227.10)	101.0
54800 GENERAL REPAIRS/MAINTENANCE	204,300.00	15,577.22	193,541.27	15,950.25	(5,191.52)	102.5
54801 CONTRACTED MAINTENANCE	703,800.00	64,077.24	603,635.39	168,821.98	(68,657.37)	109.8
54803 MAINT. TELECOM EQUIPMENT	30,200.00	0.00	21,214.45	3,981.19	5,004.36	83.4
54805 VEHICLE REPAIR - MAJOR	0.00	0.00	8,406.65	0.00	(8,406.65)	0.0
54900 REGISTRATIONS	21,700.00	187.50	25,352.89	0.00	(3,652.89)	116.8
54901 DUES AND MEMBERSHIPS	31,320.00	3,958.00	9,133.00	418.00	21,769.00	30.5
54902 TAXES AND ASSESSMENTS	30,500.00	989.47	28,485.16	0.00	2,014.84	93.4
54903 LICENSES AND FEES	37,750.00	3,481.56	29,905.07	0.00	7,844.93	79.2
54904 MISCELLANEOUS	1,040.00	200.00	318.44	0.00	721.56	30.6
54905 EVENT REGISTRATION	0.00	0.00	1,192.15	0.00	(1,192.15)	0.0
54906 INTERNAL TRAINING	0.00	0.00	4,380.00	0.00	(4,380.00)	0.0
55100 INTERGOVERNMENTAL	15,000.00	9,268.35	10,940.35	0.00	4,059.65	72.9
56400 MACHINERY & EQUIPMENT	0.00	6,070.61	14,715.65	0.00	(14,715.65)	0.0
59700 TRANSFERS OUT	495,689.00	0.00	0.00	0.00	495,689.00	0.0
ALL OTHER EXPENSES	7,260,734.00	392,555.75	5,484,386.81	369,560.79	1,406,786.40	80.6
TOTAL FOR EXPENSE ACCOUNTS	25,546,570.00	1,918,554.70	22,107,940.02	369,560.79	3,069,069.19	88.0
NET SURPLUS / DEFICIT	0.00	(1,842,895.40)	210,518.59	(369,560.79)	159,042.20	0.0

FUND: DEBT SERVICE FUND (20)

Object	2013 Budget	November Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
REVENUE ACCOUNTS						
31112 PROPERTY TAXES DELINQUENT	0.00	0.00	0.16	0.00	(0.16)	0.0
TAXES:	0.00	0.00	0.16	0.00	(0.16)	0.0
36110 INVESTMENT INCOME	0.00	0.00	107.01	0.00	(107.01)	0.0
CHARGES OTHER:	0.00	0.00	107.01	0.00	(107.01)	0.0
TOTAL FOR REVENUE ACCOUNTS	0.00	0.00	107.17	0.00	(107.17)	0.0
NET SURPLUS / DEFICIT	0.00	0.00	107.17	0.00	(107.17)	0.0

FUND: CAPITAL IMPROVEMENT PROJECTS FUND (30)

Object	2013 Budget	November Actual	Year-To-Date Actual	Encumbrances	Balance	Expend %
REVENUE ACCOUNTS						
29150 USE OF FUND BALANCE-BUDGET	1,793,411.00	0.00	1,793,411.00	0.00	0.00	100.0
36110 INVESTMENT INCOME	0.00	0.00	1,910.77	0.00	(1,910.77)	0.0
36700 FOUNDATION DONATIONS	0.00	0.00	96,900.26	0.00	(96,900.26)	0.0
CHARGES OTHER:	1,793,411.00	0	1,892,222.03	0.00	(98,811.03)	105.5
39700 TRANSFERS IN	495,689.00	0.00	0.00	0.00	495,689.00	0.0
TOTAL FOR REVENUE ACCOUNTS	2,289,100.00	0.00	1,892,222.03	0.00	396,877.97	82.7
EXPENSE ACCOUNTS						
53100 OFFICE/OPERATING SUPPLIES	0.00	0.00	679.75	0.00	(679.75)	0.0
53102 MAINTENANCE SUPPLIES	0.00	0.00	397.28	0.00	(397.28)	0.0
53500 MINOR EQUIPMENT	2,500.00	0.00	3,952.57	0.00	(1,452.57)	158.1
53501 FURNISHINGS	0.00	0.00	34,672.79	3,883.70	(38,556.49)	0.0
53502 PC HARDWARE	0.00	0.00	20,303.68	0.00	(20,303.68)	0.0
53505 SOFTWARE	14,000.00	0.00	0.00	0.00	14,000.00	0.0
54100 PROFESSIONAL SERVICES	161,900.00	0.00	114,212.70	43,030.73	4,656.57	97.1
54101 LEGAL SERVICES	0.00	0.00	1,110.00	0.00	(1,110.00)	0.0
54400 ADVERTISING	0.00	0.00	45.00	0.00	(45.00)	0.0
54800 GENERAL REPAIRS/MAINTENANCE	10,000.00	0.00	745.01	0.00	9,254.99	7.5
54912 CONTINGENCY/RESERVE	67,000.00	0.00	0.00	0.00	67,000.00	0.0
56200 BUILDINGS & BLDG IMPROVEMENTS	510,000.00	0.00	357,775.08	11,798.75	140,426.17	72.5
56201 CONSTRUCTION	227,600.00	0.00	215,408.94	18,707.40	(6,516.34)	102.9
56202 ELECTRICAL	17,100.00	7,659.39	58,132.37	7,967.84	(49,000.21)	386.6
56203 FLOORING	0.00	0.00	24,350.15	0.00	(24,350.15)	0.0
56204 PAINTING AND WALL TREATMENTS	3,000.00	0.00	0.00	0.00	3,000.00	0.0
56400 MACHINERY & EQUIPMENT	66,000.00	0.00	48,993.15	0.00	17,006.85	74.2
56401 VEHICLES	160,000.00	0.00	72,119.76	62,134.22	25,746.02	83.9
56402 HVAC	1,050,000.00	230,685.18	830,240.94	149,215.20	70,543.86	93.3
TOTAL FOR EXPENSE ACCOUNTS	2,289,100.00	238,344.57	1,783,139.17	296,737.84	209,222.99	90.9
NET SURPLUS / DEFICIT	0.00	(238,344.57)	109,082.86	(296,737.84)	187,654.98	0.0



Date: November 20, 2013

To: Linda Ishem, Chair Board of Trustees, Board of Trustees, Neel Parikh, Executive Director

From: Judy T Nelson, Customer Experience Manager, Youth


Subject: Progress Report from First 5 FUNdamentals

In 2005, the State of Washington published a survey of kindergarten teachers across the state about students' readiness for kindergarten. The survey, called "Student Readiness for Kindergarten", was commissioned by the State Superintendent of Public Instruction, Dr Terry Bergeson at OSPI (the Office of Superintendent of Public Instruction). The primary key result of the survey was that statewide teachers reported only 44% of incoming students in 2004 were adequately prepared for kindergarten. When this report was released it prompted significant conversations around Pierce County about how to change those numbers. This report led to many significant changes in Washington State, most notably the formation of the Department of Early Learning and the initiation of WaKIDS, the kindergarten assessment tool. This also led to the formation of First 5 FUNdamentals, the Pierce County Early Learning Coalition.

The initial focus of First 5 FUNdamentals was to bring everyone interested and involved in early learning, either through service provision, training, material support or just plain concern about the issue, together to share information and build a plan. The agreed upon common goal from the inception of the coalition was to have every child in Pierce County ready to succeed when they started kindergarten.

Since that time the organization has grown to almost 50 diverse organizations across Pierce County, all with a common agenda. The Pierce County Library System has been an engaged partner since the inception of this coalition. I have served as co-chair of this organization along with Chris Rosenquist of Child Care Aware since 2008.

The attached progress report "Building a Stronger Foundation for Early Learning in Pierce County" describes the establishment of the coalition, what has been accomplished here in Pierce County over these past 6 years and outlines next steps.




Building a Stronger Foundation for Early Learning in Pierce County

A Progress Report from First 5 FUNdamentals



first **5FUN**
damentals™
of Pierce County

LIVE UNITED
United Way 
United Way of Pierce County

The Key to Transforming Educational Success and Workforce Readiness

We all want our schools to work. So let's be honest about what's really happening in our schools. That starts with a frank conversation about the children entering our Pierce County schools. Two separate surveys indicate thousands of them aren't prepared socially, emotionally, cognitively or in some cases physically. **When 25 percent or 45 percent or even 60 percent of our early-grade classes in Pierce County are filled with kids that are not ready to succeed in school, all of our children, including those better prepared, suffer long-term consequences. That has to change if we expect anything else to change. Period.**

When a transformation occurs and children start entering our schools far more ready than they do now, then the research is very clear. Children are highly likely to have higher rates of:

- success in school,
- further education or training,
- workforce preparedness,
- and reduction in negative social costs.

Multiple research studies show that children who show up to school healthy and ready to learn at age 5 are more likely to¹:

- read at grade level by third grade (another critical marker);
- show better behavior (meaning entire classrooms are more manageable);
- and have better transitions to both middle school and high school.

This in turn leads to greater high school graduation rates, higher rates of entrance to and completion of college or other training, access to better jobs and greater engagement in civic life.

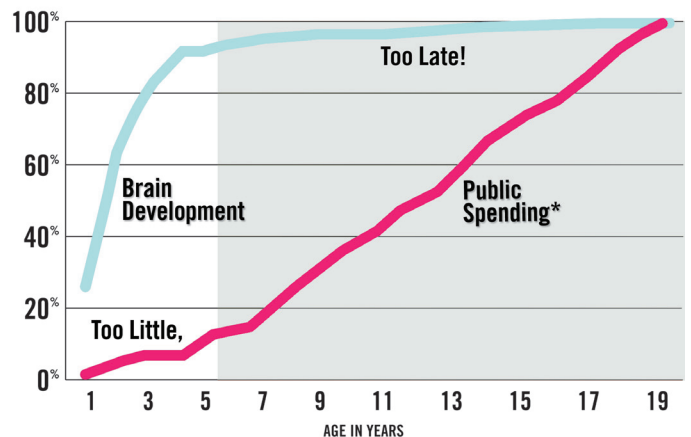


Starting strong at a very young age, younger than you might imagine, creates the foundation and sets the stage for later success in school and in life.

“By age 5, it is possible to predict, with depressing accuracy, who will complete high school and college and who won’t.”

David Brooks, “The Biggest Issue”
New York Times, July 28, 2008

Research shows that 75 to 85 percent of brain development occurs by age five². Interactions and opportunities experienced by babies and small children during their first five years powerfully impact (either positively or negatively) their development and academic trajectory.

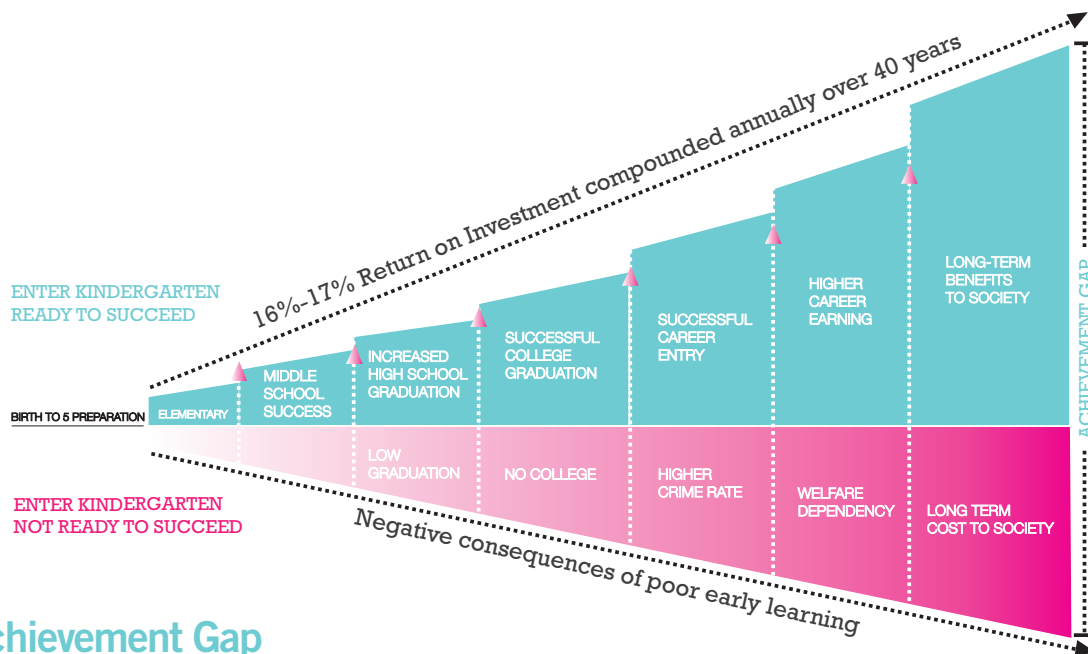


*Portion of total public investment in children being spent during indicated years in children's lives.
SOURCE: The RAND Corporation

¹Source: National Research Council and Institute of Medicine, From Neurons to Neighborhoods: The Science of Early Childhood Development (2000); Heckman & Masterov, The Productivity Argument for Investing in Young Children (2004); Grunewald & Rolnick, Early Childhood Development: Economic Development with a High Public Return (2003)

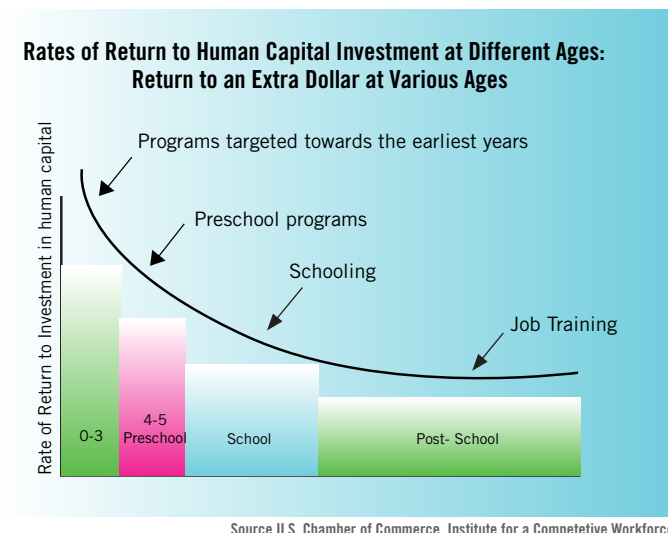
²Source: Early Learning Left Out: An Examination of Public Investments in Education and Development by Child Age, report by Voices for America's Children and the Child and Family Policy Center (Feb. 2004)





The Achievement Gap

As the above chart illustrates, the public return on investment (ROI) for this type of early investment is quite substantial. In fact, the chart reflects research by the Minneapolis Federal Reserve, who found that the ROI over a 40-year period was 16 to 17 percent per year. That's an investment any investor would make if the ROI was coming back directly to them. Yet as a society, we rarely even consider it. That's a mistake and a huge one. The chart below, from the U.S. Chamber of Commerce, reinforces this.



There has been little focus on what we have now learned is critical development time with parents or caregivers before children reach school. Our typical focus across the country has been on what happens in a child's development after they reach school age. As a result, we have collectively and unwittingly perpetuated a negative generational cycle and continue to pay higher costs downstream.

“Access to high quality early education and learning opportunities is integral to helping today’s children prepare for the highly competitive, fast-paced global economy.”

National Association of Manufacturers

Those higher costs include high rates of illiteracy, high dropout rates, overall academic failure, poor workforce preparation, higher rates of alcoholism and drug abuse, juvenile detention, teen pregnancies and so on. For example, 70 percent of our incarcerated criminals are functionally illiterate. **In short, to build a stronger foundation we have to reach and assist very young children and their families before those children reach school age.**



First 5 FUNdamentals Selected as Official Early Learning Regional Coalition

First 5 FUNdamentals has been named one of Washington State's Early Learning Regional Coalitions. This distinction recognizes the local strength of the coalition and the value of its work over the last several years. It also provides a direct pipeline for communication around policy and funding issues to and from the Washington State Department of Early Learning (DEL).

As an official Early Learning Regional Coalition, First 5 benefits from its relationship with the DEL through funding support, alignment with the larger aims of the statewide Early Learning Plan and peer learning with other Regional Coalitions. It also enhances Pierce County's ability to provide input and advocacy to give state attention to unique local issues by participating in the Early Learning Advisory Council. The Council is a group whose members are appointed by the governor to oversee the state's early learning work at the systems level.

Results for Kids: Better Today

So what's better today than it was five years ago as a result of the investments made by community partners? We are happy to say, plenty, as a result of the work of these First 5 partners:

Arts & Culture

Children's Museum of Tacoma

Community Action

Pierce County Association for the Education of Young Children
Tacoma City Association of Colored Women Clubs, Inc

County Government

Pierce County Community Connections
Washington Strengthening Families Collective

Early Learning

Child Care Aware of Tacoma/Pierce County
Child Care Aware of Washington
Department of Early Learning

Healthcare

MultiCare/Mary Bridge Children's Hospital and Health Center
Tacoma-Pierce County Health Department

Higher Education

Bates Technical College
Clover Park Technical College
Pierce College
Tacoma Community College

Housing

Tacoma Housing Authority

K-12 Education

Bethel School District
Clover Park School District
Franklin Pierce School District
Puget Sound Educational Services District
Tacoma School District

Library

Pierce County Library System
Puyallup Public Library
Tacoma Public Library

Media

KBTC Public Television
WayOut Kids

Military

Joint Base Lewis-McChord Child, Youth and School Services
US Army – New Parent Support Program

Oral Health

Lindquist Dental Clinic for Children

Special Needs

A Step Ahead in Pierce County

Tribal

Puyallup Tribe of Indians

Youth & Family Services

Alliance for Youth of Pierce County
Boys & Girls Clubs of South Puget Sound
Children's Home Society of Washington
Exceptional Families Network
Franklin Pierce Youth First
HopeSparks Family Services
Kids at Hope
Metro Parks Foundation
Metropolitan Development Council
YMCA of Pierce and Kitsap Counties

Cross-sector Conveners

Foundation for Tacoma Students
United Way of Pierce County

Let's start with the bottom line goal

We've improved the readiness of our children! In 2007, a study involving the perceptions of kindergarten teachers by the Office of the Superintendent of Public Instruction revealed that of teachers assessed, only 40 to 45 percent of the students entering our targeted schools (those with the highest rates of distressed families) were ready for school socially, emotionally, cognitively and physically. That means students who would be classified as ready were outnumbered by those not ready! Imagine a teacher trying to be successful in those circumstances. Have you ever tried getting correct answers out of a computer, no matter how good the hardware, software or the computer technician, with 60 percent of your entering data incorrect? You get the point. Fortunately, we have changed the above numbers.

In 2013, a new kindergarten assessment tool called the WaKIDS was used for the first time across the state to measure kindergarten readiness. That data showed that in Pierce County, the number of students classified as ready in the same schools that were measured in 2007 is now closer to 60 percent. While 60 percent ready is far from perfect and First 5 cannot claim sole responsibility for impacting every dynamic, we appear to be moving in the right direction.

Here are a few examples of program success from our First 5 coalition partners:

- **Increasing Child Care Quality for Kids.** Child Care Aware of Tacoma-Pierce County is leading the region in a state-wide effort called Early Achievers, an innovative quality rating improvement system for child care providers designed to develop consistent high-quality care in licensed child care settings. Child care staff learn about brain development, what children need to be ready for kindergarten and how to engage with all children and families in culturally sensitive ways. They also get coached on specific skills in their planning and working with children and families. Once in the program, participants get a rank that can be shared publicly with families (similar to a hotel ranking for travelers). **Since Early Achievers started in 2011, over 100 Pierce County child care providers—caring for over 2,700 children—have enrolled in the program. The goal is to have all of the 500+ licensed child care providers in the county receive Early Achievers training and rankings.**

Why Work to Improve Child Care Quality?

Over 14,000 of Pierce County's children spend at least one day a week in a child care setting. While once seen as merely babysitting, we now know that child care providers are key partners in our children's social, emotional, physical and cognitive development. More than just keeping little ones safe and happy, we need child care providers throughout our county skillfully nurturing our children's growth at all ages and stages of early learning.

- **Developmental Skills in Families.** Since 2008, 14 mobile Play to Learn sites, many in our targeted high-needs communities, were developed by the Children's Museum of Tacoma. This was done in cooperation with the Pierce County

Library, A Step Ahead (for special needs children) and Joint Base Lewis-McChord services for military families. **Over the past five years, over 50,000 parents, caregivers and their young children took advantage of free, fun early learning experiences through these community-based Play to Learn sites. Results are impressive: 91 percent of caregivers reported that they were spending more time with their children because of Play to Learn.**

Why is Play Important?

From puzzles to blocks to peek-a-boo, serious learning happens when children engage in play. As child development experts know, such activities are how children build their early reasoning, communication and other critical skills.

- **Improving Reading Scores.** Local PBS television station KBTC worked with seven other community organizations, many fellow First 5 partners, to increase math and literacy skills for children of low-income families through their Ready to Learn initiative. Since its launch in 2011, this highly collaborative program has reached over 10,000 children throughout the county. Interactive PBS KIDS media content, including games and videos to support learning across a range of technologies, has been shown nationally to help improve literacy rates of users by up to 30 percent¹. Through a special partnership formed at First 5, Ready to Learn materials were used at the McCarver Special Housing Program, a partnership developed to support education and housing needs of at-risk children and families in the Hilltop area. By the end of the 2012 school year, reading scores for K - 2nd grade students in the McCarver program were up by nearly 30 percent, consistent with national results.²
- **Increasing Access to Education for Child Care Providers.** As a direct result of conversations fostered by the First 5 coalition, local technical and community colleges are now coordinating their approaches to offering child care providers Early Childhood Development (ECD) classes and certification.
 - They developed a collaborative brochure describing educational options for ECD students.
 - They streamlined the credit transfer process between two and four-year colleges for early childhood education students.

¹Source: CPB/PBS Transmedia Suites Pilot Summary Report (2011)

²Source: KBTC Ready to Learn Initiative Summary Report (2012)

- **Increasing Nurturing Skills in At-Risk Homes.** Thanks to funding from the Gates Foundation, the Tacoma-Pierce County Health Department partnered with other First 5 agency members to offer Promoting First Relationships (PFR). PFR is a home visiting and assessment program that helps parents at risk of abusing or neglecting their children to get high-quality coaching and support to learn the right ways to engage with their young children, handle conflict and encourage learning and development. While the graduation rate for this kind of program is historically low, Promoting First Relationships showed a very good 70 percent graduation rate from the program, improving the relationships and environments for 300 families with young children.

Why is Home Visiting Important?

Home visits have been proven to be part of the best practice to help parents understand how they are their children's first teachers. It's a valuable time to help coach parents in important skills as well as identify any additional needs the family may have.

- **Making the transition to kindergarten easier for kids.** First 5, with the Puget Sound Educational Service District, developed a grassroots effort called Linkages in each Pierce County school district. This program is designed to link child care providers with local kindergarten teachers to build relationships and understanding about what's needed to prepare children for kindergarten. Member agencies helped to facilitate advisory groups throughout Pierce County and developed a toolkit that explained how to start a Linkages group in their own community. First 5 made direct connections to the child care community and hosted a county-wide gathering of teachers and child care providers one to two times per year. **These inaugural gatherings allowed participants to talk with each other about ways to better align their activities to help children prepare for the transition to kindergarten. As a result, four school districts—Tacoma, Franklin Pierce, Bethel and Sumner—have all developed protocols for child care/kindergarten connections based on the Linkages model.** Relationships developed during Linkages paved the way for important progress in our Pierce County early learning system. We are now ahead of the game with a new state-wide linking project, starting in 2014-2015, where relationships between child care providers and kindergarten

teachers are required by the Office of Superintendent of Public Instruction to be formalized, systematized and measured as ways to support children's kindergarten success.

- **Increasing Oral Health for Children.** Work among First 5 coalition partners resulted in designing and implementing a collaborative oral health program through Children's Museum of Tacoma, Child Care Aware, Bates Technical College, Tacoma-Pierce County Health Department and the Pierce County Library System. Services included providing over 3,500 oral health goody bags to children at various partner sites. **This creative collaboration has so far resulted in over 2,400 childcare providers learning how to teach tooth brushing as part of their early childhood education courses, a monthly Oral Health story time for families at 11 library branches and visits from the Tooth Fairy to over 200 additional children served through a technical college childcare program.**

Why is Oral Health Important?

Dental problems are among the leading reasons for young children, often from distressed families without dental insurance, to miss school.

- **Nearly \$800,000 in additional public and private funds were secured to support the continued development of the Pierce County early learning system as a result of the initial Legacy Partners investments.** The vision and commitment of the Legacy Partners allowed First 5 FUNdamentals to attract new public and private funders, such as the Washington State Department of Early Learning, Washington Dental Service Foundation, Thrive by Five Washington and the Foundation for Early Learning.

Pierce County is well-positioned to lead in Early Childhood Development

First 5 FUNdamentals (First 5) began nearly six years ago as a loose coalition of 18 diverse Pierce County organizations concerned about seeing distressed families and children who were not ready for kindergarten. They also knew the research indicated the long-term negative impact on those individual children, our schools, on our workforce and economy. Collectively, five partners signed a collaborative agreement pledging to work in an aligned and complementary fashion. Then they developed a business plan to begin addressing the issues related to early childhood readiness for school, with a focus on the parent as first, best and most important teacher. Their agreed common goal was to have every child ready to succeed when they started kindergarten.

Today, this diverse Pierce County-wide coalition has grown to nearly 50 organizations. Its members serve a full spectrum of a young child's social,

emotional, physical and cognitive development needs, most often working with and through the parent. They've enjoyed impressive collective success in their work to date, some of which is outlined in this document.

First 5 is now preparing to scale up its efforts to reach more children and families throughout Pierce County. This powerful coalition expects to help prepare generations of Pierce County's children to be kindergarten-ready and create a strong foundation for a successful life. Parent engagement will be a major strategy.

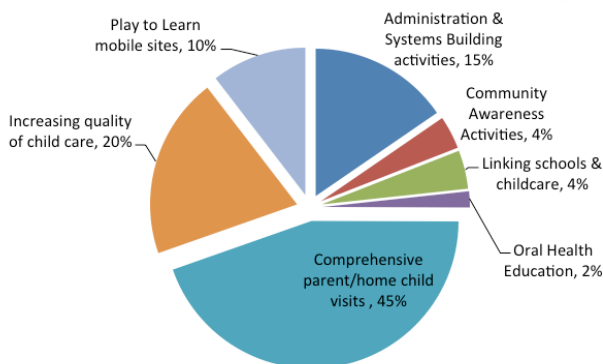
First 5's decision to use the formal collective impact model is worth our attention. It is designed to codify a large-scale effort to further transform the entire system of early learning in Pierce County. There are currently about 30 communities around the U.S. working to transform their local education

systems using this same formal collective impact model.

These collective impact communities are seeing remarkable successes in moving the needle on school readiness, reading proficiency and high school graduation rates. Pierce County can be among them.

Within the next few years, with community and business support, we expect to see new levels of innovation, learning and collaboration among nonprofit agencies, caregivers, parents and schools. This will ultimately lead to the supports needed to ensure that our children are ready to succeed on the day they start school, and therefore be far more likely to succeed in school, work and life. **To reiterate, this is a research finding, not just a hope.**

First 5 FUNdamentals Expenditures, 2008-2012



A \$5 million investment over the last five years has resulted in a variety of innovative and highly effective, direct services to families. Behind the scenes, a robust early learning system of childcare providers and essential community services for children has been built.

Looking Ahead

With a strong foundation to build on, state-level support and a vibrant group of committed member organizations, First 5 is ready to take its work of early learning systems change to scale in Pierce County.

In 2014, there will be an increased focus on efforts to support parent-child engagement and high-quality childcare. New investments will support much-needed communications, convenings and data management for our collaborative system-building work, as well as funding for innovative collaborative programming related to these goals:

- High-quality professional development opportunities
- Outreach to military families to allow easy access to parenting tips, resources and materials

- Research-based parent/child assessment and support programs
- Parent-child engagement activities

Sustained investment will strengthen our collective work with kids and families so that we are all aligned around the same goals of kindergarten readiness, child-parent engagement and high quality childcare. A sustained investment will also support outreach to a greater number of neighborhoods and communities. The ultimate goal is to touch every preschool teacher, caregiver and parent in a meaningful way, regardless of income or education, to substantially grow their capacity to nurture the children in their care.

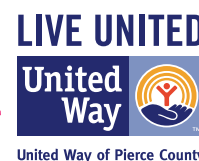
“In the Bethel School District, we recognize the critical impact of early childhood development on academic success. We are excited to encourage a network of community providers which is focused on creating an aligned system of support for the development of social, emotional, physical and cognitive potential of our youngest learners.”

- Brenda Rogers, Bethel School District Board Member,
United Way of Pierce County Board of Directors



United Way's Role

As an active major partner with First 5, United Way of Pierce County is committed to spreading awareness about the promise of Early Childhood Development and its remarkable return on investment. We are helping to identify and support the high-leverage practices that increase kindergarten readiness now and build a strong foundation for children to achieve success in school, in the workforce and in life. We are advocates and we are fund developers for this vital effort to Change the Story in Pierce County. We hope you will join us in helping to Change the Story for our children.





Date: December 2, 2013

To: Linda Ishem, Chair Board of Trustees, Board of Trustees, Neel Parikh, Executive Director

From: Linda Farmer, APR, Marketing and Community Relations Director

Subject: Microsoft IT Academy Marketing Update

As of Dec. 2, 2013, 220 people had enrolled in the Microsoft IT Academy through PCLS. PCLS joined the statewide rollout on Nov. 13, 2013, led by the Washington State Library and Microsoft. Activities included two major press conferences (Seattle/Spokane) and requests for media coverage across the state. The bulk of PCLS's enrollments have come via the web. The branch with the most in-person sign-ups is UP with 15. A roundup of additional PCLS activities and results to date:

PCLS Marketing

- Press release
- Home page photo ad; home page icon button; pages within public website
- Facebook cover photo and posts
- Twitter activity
- Story in "Your Library" e-newsletter
- Listing in "Happenings" e-news
- Posters to the branches (produced by Microsoft—no cost to us)
- Bookmarks to the branches

Results as of Dec. 2, 2013

- 2,559 unique page views for all Microsoft IT Academy web pages
- 220 enrollments
- Media coverage:
 - Puyallup Herald Feature
 - Mentions in Lakewood/JBLM Patch, Suburban Times, BE Daily

Sampling of Future Marketing & Activities

- "Intro to Microsoft IT Academy" classes to be held at five branches starting in January 2014
- Outreach to city webmasters for inclusion in jobs/library sections (see [City of Grandview, WA](#))
- Message to key leaders
- Branded, targeted HTML email marketing

M E M O

Date: December 1, 2013

To: Chair Linda Ishem and members of the Board of Trustees

From: Jennifer Patterson, Customer Experience Manager

Subject: Fife Vandalism

On Sunday, November 17, 2013 at 6:25am, a bundle of sparklers (sometimes referred to as a sparkler bomb) was set off at the Fife Pierce County Library. Fife police officers responded to the branch within minutes; Sonitrol contacted the Library's Facilities Operations Supervisor and he arrived soon after. The sparkler bomb was detonated at the SE corner of the building and damaged the exterior wood and metal siding and two windows (photos included on page two). There was no damage to the interior of the building. We are working with our insurance carrier regarding damages.

Fife police officers did a thorough investigation and collected evidence from the scene. Facilities staff cleaned up broken glass from the area and boarded the broken window. The Fife branch is closed on Sundays and no one was in the building at the time of the incident. Two meeting room groups who had reserved the meeting room for use on that Sunday were contacted and informed that they would not be able to use the meeting room that day. The branch opened as regularly scheduled on Monday, November 18th.

The investigation by the Fife Police Department is still underway and they will keep the Library updated as they have additional information. Two bids for the repairs have been received and we are awaiting a third bid. Once all three bids are received, they will be reviewed with the insurance company and the repairs will be scheduled. Quotations for installing and maintaining a security camera in the Fife parking lot are being solicited and evaluated.



M E M O

Date: December 3, 2013

To: Linda Ishem and members of the Board of Trustees

From: David Durante, Customer Experience Manager

Subject: Mobile App & Responsive Technology

At the end of 2012 the Virtual Services team, in partnership with the Marketing and Community Relations Department, began a process of modernizing our public website. The first step was a refresh of the look and feel of the website. This added some functionality such as a floating bar for feedback, donations, and social media. Additionally, we added the Google Translate to allow customers to translate our page into multiple languages as well as some slight graphical changes.

October 1st, 2013 we once again made some slight changes to the public website. The most noticeable were some graphical changes such as the consolidation of several advertising spaces into one large rotating slider, the use of graphical buttons for quick links, and the placement of a field to search our catalog. These graphical changes were necessary for us to be able to add responsive technology onto our website. This responsive technology allows our customers to view our site on any sized device – it adjusts to whatever size device you’re using. A big thanks to MCR for working with us to develop this unified experience for our customers, we couldn’t have done it without their help.

These changes over the last year have allowed us to package our services into a mobile app for our customers. On December 3, 2013 the Virtual Services team submitted a mobile app to the Google and Apple marketplaces for customers to download to their smartphones. We were able to do this using the AppsBuilder program. This piece of software and the time of our great Virtual Services Librarian – Patrick McVicker and Sr. IT Technician – Alice Knox, allowed the Library to achieve this for less than \$50 per month. Previously we had worked with vendors, like Boopsie, and had been quoted a \$15,000+ per year price tag.

I’d like to take the time to acknowledge the great work of Patrick and Alice during this process, without their expertise and skill we would not have been able to make these changes. They are great assets to the Library and without them we could not provide the level of service that our customers have come to expect from us.

Thank you.

M E M O

Date: November 25, 2013
To: Chair Linda Ishem and members of the Board of Trustees
From: Georgia Lomax, Deputy Director
Subject: AWC HIPPA Policies and Procedures Requirement

At the November 13, 2013 Board of Trustees meeting, a question was raised regarding the Association of Washington Cities (AWC) Interlocal Agreement, Article 10.7. This section pertained to a formal action of the Participating Employer's legislative body to approve policies and procedures necessary to secure Protected Health Information and the Health Insurance Portability and Accountability Act ("HIPPA") privacy and security rules.

Upon inquiry, AWC informed the Library that this portion of the Agreement is covered by AWC's policy on the topic. Additionally, the participating insurance providers will send the Library their Business Associate Agreements to sign, which will further cover the HIPPA Protected Health Information requirement.

No further action is required on the Library's part regarding Article 10.7.



Libraries Unlimited Professional Guides for Young Adult Librarians Series



Teen Games Rule!

A Librarian's Guide to
Platforms and Programs

Julie Scordato and Ellen Forsyth, Editors



TEEN SUMMER CHALLENGE AT PIERCE COUNTY LIBRARY

*Alexander Byrne, Patrick McVicker, and Jami Schwarzwaldler,
with Ellen Forsyth*

Pierce County, Washington, has a population of 549,632. The library's service area covers most of the county, so there are wealthy and poorer communities situated right next to each other, with a branch library usually somewhere close by. Similarly, there is a diverse racial and language mix for the service area; and no one ethnic or minority group is really disproportionately bigger than all the others.

A summer game is a game played over summer, and its name borrows library terminology from a summer reading program. In the context described in this chapter, it is a program, managed by a public library, running for a fixed time, usually over summer to keep people engaged with libraries and reading when they are on holidays.

WHY HAVE A SUMMER GAME?

The rationale for the summer game concept came from a disappointing performance in previous attempts at teen summer reading programming. The library system used to offer a reading log for the teens, like the ones for the children's summer reading program. The aim was to check off your reading, turn your log in, get a prize, and to keep going if you liked. Over time, the program expanded outward to allow teens to write down activities that they were doing on the reading log (estimated each activity taking about an hour or so), hand in the

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log, receive a prize, and keep going if they wanted to, or as additional entries toward a Grand Prize drawing. That increased participation a little bit, but library staff still were not seeing a large volume of activities across the library system such as increased use of the library, or significant involvement by teens in the program.

When designing the games, the Grand Master Committee (responsible for the staff planning and executing the game) felt that the current program lacked interactivity between teens and their communities, teens and staff at the library (the most voracious readers were often the ones whom staff rarely saw in the library), and teens with each other. Library staff set out to make a program that would make those interactions possible, and that could keep teens' interest by pushing activities at them that they were interested in doing. Doing it online as a game was the easiest way to get all the things they wanted. Plus, well-designed games are cool.

The Grand Master Committee was specifically formed to run and manage the program. Each year half of the department works on kids summer reading, and the other half works on the summer program for teens. When the change was made to the Teen Summer Challenge in 2012, everyone took part and worked on this project. A new committee with three new members has been appointed in 2013. Meredith Hale, Patrick McVicker, and Jami Schwarzwaldler will continue to be on the Teen Summer Challenge Committee.

Because Pierce County covers such a big physical and socioeconomic range, they needed to balance the activities so that a player who isn't as mobile or without options would go out, do things, and still be able to finish each of the categories. Planning for this took some fine tuning. There were some suggestions that got re-tweaked to try and maintain that balance.

As part of these changes, the library staff wanted to see whether rewards systems could be integrated into the summer reading program as well as to deliver more online services as a way of engaging with teens. This work with engaging teenagers online is a kind of test about where the library can go in the future with online service delivery to the whole community. Library staff were looking at different influences and were interested in game design as one strategy.

The Teen Summer Challenge started in the Virtual Services Department. Staff at Pierce County Library had seen games in other libraries,

such as Ann Arbor District Library (with the Ann Arbor District Library Summer Game¹) and Find the Future at New York Public Library² as well as various online games, and the gamification done by Zynga³ in different platforms.

GAMERDNA PROFILES AND DEVELOPING GAMES

For the game development at Pierce County Library GamerDNA profiles were used. The GamerDNA profiles⁴ have four main reasons that motivate people to play, and the Pierce County Library staff wanted to design a game that appealed to people with each of the four profiles, increasing the inclusiveness of the game and the diversity of the players.

One of the profiles is "considered killer" where the whole game is competition based. Such players will create a competition even if there is none actually. The leader board and points system were included to give this style of player a competitive edge, and the enjoyment they are seeking from a game.

Another GamerDNA profile is "achiever" which is used for someone who wants to collect as many achievements or badges as possible. This profile is present in a lot of games such as World of Warcraft as it increases engagement for this style of player.⁵ They may play for longer and play differently to obtain an achievement. Badges appeal to this kind of player. The real world badges in the Pierce County Library game are a way of showing achievements, and of appealing to people who play for the reward of achievements.

The "social gamer" in the GamerDNA profile is someone for whom the interaction is key and the motivation is playing with friends or family. The in-game feature about reporting activities is to appeal to this kind of player. In the Teen Summer Challenge, players can make new connections, so deliberately be social with other people within the game. There are a few groups of players who progressed through the game this way, making connections with other people along the way.

The other group in the GamerDNA profile is "explorer" and the elements that appeal to these players are exploring different locations whether real or imaginary.

ENCOURAGING TEENS TO TRY NEW LIBRARY THINGS

Inspiration is critical for teens learning new skills, so part of the game design was to try to identify the activities or sparks that will instill a passion in them, and explore this further. The library staff aim at helping the teens gain new experiences, which may be able to lead to a further education and career choices in the future. Part of the game also involves encouraging the teens to try as many possibilities as possible, to increase the likelihood of their finding ideas and areas of interest that they could become passionate about. (See 40 Developmental Assets from the Search Institute⁶ and their related Sparks ideas.⁷)

With the Teen Summer Challenge, teens engage deeply with each other, and with library staff. They engage in the game through posting their activity, so the interactivity in the game is critical. They use hashtags for some activities. Learning to use hashtags is a new skill for some teens. Hashtags are a way of adding subjects, using a controlled language. They are often used on Twitter and in other social media. Library staff have been pleased to see teens engaging with each other actively on site. It is a public site so anyone can see the online discussions.

Each activity was assigned a hashtag by the staff creating the program, but teens were also able to make their own hashtags. For example, one of the activities created by staff involved imagining a new animal species. Teens wrote posts describing attributes, appearance, abilities, diet, and anything else that would help paint a picture of the animal in our minds. They were also encouraged to draw and post a picture of the animal to accompany their description. When teens completed this activity they were required to include the hashtag #newspecies.⁸

Eight staff monitored the site for behavior and privacy issues. For example, two teens used their library card number as their username so that was changed, because these were not good usernames for privacy and security reasons. Only one user had to have their account deleted, and this was due to the user's repeated bad behavior online, even after warnings.

Each staff member is assigned a different category, so they monitor the different tasks, and thus the use is monitored. The teens have responded well to the challenges, and are being mentored by the library staff to be spurred on to the new skills. There has been a lot of enthusiasm by the players and the library staff.

In the game, participants read about an activity, go and do the activity, and then report back about the activity online. Some examples of

the activities include teens reading for a specific number of hours. After reading for 5, 15, and 30 hours they posted the titles of the books they had been reading, with details of how long they spent reading. Teens also wrote reviews of the books they read, and shared them with the community. Many teens made comments about what their peers were reading and reviewing.

For a sufficiently detailed report, teens received a badge for level one. Upon completing the second level, they receive a badge (which is actually posted to the teen). The teens who amass enough points on the leader board to be in the top 30 players of activities had an opportunity to win an iPad.

GAME DEVELOPMENT AND DESIGN

Staff member Patrick McVicker, who has extensive experience developing websites using the Wordpress platform, handled the technical design for the games. He focused on creating a unique experience, so that it would be a special experience for the players.

The overall design and development of the Teen Summer Challenge were kept within the Grand Master Committee that ran the program, building expertise, experience, and skill. Patrick worked with this committee closely to reflect their plans for the game. We chose Wordpress as the platform because of its community-oriented development. It is a popular and flexible program that can be used for many applications, from very small to very large. It features a very large developer base—building themes and plug-ins. It is a robust platform to work with and we can obtain a lot of value from the product. You will need someone with technical expertise to be able to do some of the tweaks; however, it is an accessible program for a lot of people. Once they determined the platform, the team decided how to deliver some of their gamification ideas.

Buddypress is a social media platform that can be put in a Wordpress platform. There is also an achievements app, which is a plug-in for Wordpress that works with Buddypress. This combination allows you to put together different awards so that events coded into the system can be captured once a certain threshold is met. The site mechanically captures the event trigger. The other element worth noting is the awards system that is managed by the staff.

After Wordpress and Buddypress, the Achievements app was tested on staff. It was tweaked from across Wordpress. A beta version was

offered to staff for about a month, giving them the opportunity to tweak the program; and staff were given incentives for their participation. This beta version proved critical, as staff provided feedback that led to significant adaptations and improvements.

PARTICIPATION

The teen challenge is interactive, which represents a significant shift from the previous teen summer reading program. It allows the teens to explore the challenges in the way they want to. This also means that staff must manually give the awards. There are 40 different badges or awards, and about 30 of those are manually given, which means staff have taken time to evaluate and manage.

The system at Pierce County Library allows some flexibility in how much the players participate. This feature has been popular with the players, who appreciate the freedom in how they express themselves, and how they report this back, as they can use text, video, photography, and so on. However, it does take more time for the staff. So far, staff members have been able to manage the current reporting method based on the number of participants, but other solutions are being explored for next year.

Running Teen Summer Challenge engages people in a virtual branch for the library, who may discover how the virtual engagement can be as exciting as coming to the library. Since the library has limited mobile services, it is looking to expand these connections in the future. Questions still need to be answered on how to provide services for the locals who commute daily to Seattle to work, and so have little time to engage with library programs, but use library services. The library staff are investigating ways to include scavenger hunts online, as a way of teaching people about databases, how to use the library, and other aspects of the library.

PLAYERS AND EVALUATION

Participants ranged in age from 12- to 18-year-olds. Over 600 teens (as of August 4, 2012) registered for the program. About half of them had something to get them on the leader board. It was a 10-week program, which started on June 20 and finished on September 2. This was the first year we offered this program.

The evaluation for the program tracks how many registered accounts we have, and with over 600 accounts, there are already about 300 more participants than for the previous summer reading program for teens. The staff are also looking at the quality of posting and content. This will help them define the tasks for the rest of the summer, and for the planning for next year. Staff are also checking whether the iPad is incentive enough for participating.

There is a tiered expectation for participation. For the first tier of material, a lot of the tasks can be done in a few sentences because of the nature of the quests. Second and third rank teens have to do more complex tasks, and need to give longer and more complex responses. Some people respond well with their writing; others need more encouragement. Multimedia responses were possible for some things as well. These responses included photographs, images, and URL links, in addition to posting summaries of the activities they did. As the challenge went on, more and more videos were used as part of the responses.

The teens who participate come from a wide range of schools in the area, including home-schooled students.

A range of analytics helped us evaluate the teen summer challenge. The details for the first year of the teen summer challenge shows that there were 712 accounts created, of which 15 were staff or volunteers, 10 were duplicates, and 66 were spammers. This left 621 accounts of real participants. Of these, 302 accounts performed an action that obtained points during that year. Others may have participated a bit, but didn't do anything that had point values, like profile completeness or avatar pictures. Participants needed to complete approximately 46.27% of the possible teen summer challenge badges to obtain enough points to be in the drawing for the iPad; and about half the participants did this.

The badges, by category, as awarded were as follows:

Animals:

Fuzzy Friend (Apprentice): 99
 Animal Husband (Journeyman): 60
 Doctor Do-Lots (Master): 35

History and Mysteries:

Steampunk (Apprentice): 84
 Private Investigator (Journeyman): 46
 Cryptographer (Master): 23

Music and Dance:

I'm With the Band (Apprentice): 62
 Live On Stage! (Journeyman): 34
 Human Beatbox (Master): 6

Plants and Gardening:

Naturalist (Apprentice): 52
 Green Thumb (Journeyman): 29
 Chlorophylliac (Master): 10

Reading:

Reading for Fun and Profit (Apprentice): 138
 Bookworm (Journeyman): 71
 Bibliophile (Master): 36

Science and Technology:

Stargazer (Apprentice): 46
 Hello, World! (Journeyman): 19
 Shiny! (Master): 3

Sports and Games:

Welcome to the Show (Apprentice): 52
 Free Agent (Journeyman): 28
 Hall of Famer (Master): 11

Visual Arts:

I Can Haz Art (Apprentice): 32
 Artistic I (Journeyman): 21
 Visual Medium (Master): 14

Other:

Armchair Critic (submit one review): 99
 Distinguished Reviewer (submit five reviews): 46
 The Great Outdoors (five activity posts outside): 39
 At Your Library (five activity posts at a library): 21
 Challenge All-Star (All Journeyman Badges): 11
 Program Hopper (attend teen program at branch): 14

Each successive level cuts out, or loses, about half of the previous participants from Apprentice to Journeyman. The Journeyman-Master losses should ideally be about half again, and sometimes it was. Some areas, notably Music and Science, had bigger gaps and that may have

been because many younger teens were participating, and the tasks were targeted at slightly older teens.

The website traffic between June 23 and September 2 (while the challenge was running) shows that the Teen Summer Challenge page received 123,000 page views. The third most popular page, after the Pierce County Library homepage and the Teen Summer Challenge, was the Overdrive audiobooks and eBooks page with 37,000 hits. These hits demonstrate the high interest in the Teen Summer Challenge.

The library staff did an online survey of the 10 participants at the top of the leader board for the Teen Summer Challenge. They received a high rate of responses to the e-mailed survey. When the participants were asked which was the most fun or rewarding badge for them, the comments included:

- "The most fun badge was probably the reading badges for me, because reading is my favorite thing to do!"
- "I loved doing the visual arts one where I got to show off my art work on the final badge for it."
- "I really liked earning the Cryptographer badge. I got to write a short mystery, and writing is right up my alley. It was nice to get the cogs in my brain working again to churn out a new short story."
- "I liked the detective challenge the most because of the #thriller activity."
- "I loved the art based challenges and the reading ones."
- "The science and technology badge was fun to get because I'm a geek:D"
- "Cryptographer."

Comments about what was the hardest badge to get included the following:

- "The hardest badge was probably the Science and Technology master badge (Shiny) because I had a hard time finding instructions for making a rocket without PVC pipe (I think that's what it was called, but I'm not sure)."
- "The hardest was probably doing the final sports badge and trying to get a game together."
- "The hardest challenge, I'd have to say, was Hello, World! mostly because one of the parts of the challenge I chose was

to make a small animation using a special program. It took me a few hours to figure out the basics and to finally produce a very badly done and pun-filled animation of Thor and Loki. Nonetheless, it was still fun, and I got to bring out my inner Avengers fan."

- "I thought the science and visual art challenges were the hardest."
- "Sports was hardest since I'm not all that athletic."
- "The visual arts badge was the hardest to get for me."
- "Bibliophile."

The participants were also asked if there was anything they had never done before, that that they tried because of the Teen Summer Challenge:

- "I had never done Code Academy before and that was really fun."
- "I did the bottle rocket experiment for the science and technology I did it because the other option seemed to difficult and I didn't understand how I could have done it. I would love to have known how, but the tools I guess I needed, I didn't have."
- "I learned how to play the clarinet. I learned to because of the music challenge. I also read biographies [sic] I would not have read if it were not for the challenge."
- "I showed people my art, which I guess isn't really something to be considered new, but it is since I virtually never let anyone see it without being totally anonymous."
- "I tried computer programming through the code academy in the science and technology section."

These comments from participants illustrate the enthusiasm of teens for the challenge and demonstrate that they learned new things, by choice, over summer in their own time.

FOR THE FUTURE

From running the teen challenge this year, staff have learned a lot about how to approach it next year; and they learned even more about the possibilities within the game. The library has shared their

experiences with the Wordpress community. This community is excited about the program. Patrick has been talking with the lead developers for Achievements app and BuddyPress system, so the improvements may result in free improvements for other people who want to run similar games. Perhaps best of all, the teen challenge has been done with no extra staff and no extra money.

A future development would include the automatic awarding of badges when certain achievements are gained, like what happens on GetGlue. The staff would like to streamline a few processes to make some elements easier to use for teens, but that can be done in year two of the game. Staff have been engaged because a beta was run for staff in April, so they could learn about the game and offer input, as well as try it out for themselves. There are a few other changes planned for the future, such as how the comments display, making it clearer for people commenting. The staff are currently deciding how to move this change forward. Will it be a year round game, or will it be a summer program? Will the teen be involved in modifications? At this stage it is too early to say, but enthusiasm is high.

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6. 40 Development Assets for Adolescents, Search Institute, <http://www.search-institute.org/content/40-developmental-assets-adolescents-ages-12-18> website accessed October 28, 2012.
7. [Sparks], Search Institute, <http://www.search-institute.org/sparks> website accessed October 28, 2012.
8. Activity for #newspecies, Teen Summer Challenge, Pierce County Library System, <http://teensummerchallenge.org/activity/tag/newspecies> website accessed October 28, 2012.



**Pierce County
Library Foundation**

**Pierce County Library Foundation
Board of Directors Annual Meeting
October 22, 2013**

President Michael Gordon called to order the regular meeting of the Pierce County Library Foundation Board of Directors on Tuesday, October 22, 2013 at 7:38 a.m. at the Processing and Administration Center.

Attendance 72% Present: Jack Conway, Joan Cooley, Kathryn O. Galbraith, Caireen Gordon, Michael Gordon, Kim Heggerness, Keri Kennard, Janice Ludwig, Craig Richmond, Tim Sherry, Adam Small, Stacy Topping, Karen Triplett, Shelia Winston, Mary Ann Woodruff. Absent: Cyndi Chaney, Larry Faulk, Doug Whitton. Excused: Molly Stuen

Staff Members: Lynne Hoffman, Foundation Director; Julie Kramer, Development Associate; Neel Parikh, Executive Director; Georgia Lomax, Deputy Director.

Approval of Minutes: Kathryn O. Galbraith moved and Joan Cooley seconded the motion to approve the minutes of the September 24, 2013. It passed unanimously.

Finance Report: Approximately \$390,000 is in the Key Bank checking account and around \$216,000 is designated for distribution to the Library. The statement of revenue and expenses reflects that the Foundation is ahead in total revenues and under budget in operating expenses. The board was asked if they would like to have a representative from The Greater Tacoma Community Foundation come in and explain how they manage the Foundation's funds. Mary Ann Woodruff moved and Joan Cooley seconded the motion to approve the September 2013 financial reports. It passed unanimously.

Development Report: The Development Report reflects annual giving donations slightly ahead of last year. Grant funding is at 83% of goal. The Foundation has raised 49% toward its goal of \$235,000 for Early Learning and Senior Outreach programs. The annual giving letter asked for emails addresses from donors to receive monthly updates from the Foundation. Norcliffe Foundation awarded \$12,000 to the outreach to schools program for vans and Puyallup Tribe of Indians awarded \$10,000 for early learning block play program.

Board Retreat: The board retreat is scheduled for November 22 from 10am to 4pm at the Pierce County Administrative Center. The theme for the retreat is *Putting your Passion to Work*. Joe Lawless will be the facilitator. He has an MBA from UWT, worked as a fundraiser for Mary Bridge Children's Hospital for over 15 years, has managed annual funds and capital campaigns, and is currently an executive director in the UW business school.

Corporate Giving: Co-chairs Adam Small and Kari Kennard discussed the tri-fold brochure that can be used in discussions with potential sponsors. He asked that board members think about businesses/ organizations that they know and come to the retreat with names of potential organizations or businesses that can be approached about sponsorships. Kari added that people will donate if they see the value in the organization. Board members can introduce business contact to the library programs that the Foundation supports.

Annual Giving: Co-chairs Kathryn O. Galbraith and Joan Cooley explained that the Annual Giving committee is responsible for reaching out to a broad base of individual donors. The committee will be looking at ways to expand the circle of donors and keep current donors continually supporting the Foundation.

Leadership Giving: Janice Ludwig is the Chair of the Leadership Giving committee. It takes cultivation and nurturing to build leadership donors. Meeting leadership donors at events like A Literary Evening is important in developing relationships with donors. Board members are encouraged to attend those events. An example of a letter mailed to potential leadership donors was distributed.

Library Director's Report: Neel Parikh announced that Linda Farmer is the new Marketing and Communications Director.

Seccession planning is under way. Discussions involve envisioning the future of the library and understanding the current direction of the library. With the help of a consultant, top level management and the customer experience team were surveyed internally. Then eight community leaders were asked to participate. The Library is learning valuable information from the process. For example, the economy is constrained and unpredictable, making outside money (raised by the Foundation) important; technology is deconstructing industries at a rapid pace and forces constant changes; relationships and partnerships need to be built with other organizations/businesses; and the Library needs to continuously articulate its relevance to the community.

The meeting adjourned at 8:42 a.m. Committees broke out into separate meetings.

The next regular board meeting is scheduled for Tuesday December 3, at 7:30 a.m.

Pierce County Library Foundation
Board Retreat
November 22, 2013

Facilitator: Joe Lawless

Board Attending: Cindy Chaney, Jack Conway, Larry Faulk, Kathryn O. Galbraith, Caireen Gordon, Michael Gordon, Kim Heggerness, Kari Kennard, Linda Ishem, Janice Ludwig, Kathryn McCarthy, Jill Purdy, Craig Richmond, Stacy Topping, Karen Triplett, Tim Sherry, Molly Stuen, Shelia Winston, MaryAnn Woodfuff

Staff Attending: David Durante, Linda Farmer, Lynne Hoffman, Julie Kramer, Georgia Lomax, Judy Nelson, Neel Parikh

Notes

Why are you on the board? Words describing what is most meaningful about the library?

- Access
- Diversity
- Smell and sound
- Sense of place
- Early learning programs
- Innovation
- Outreach
- Education
- Youth
- Elderly
- Access to books
- Stories
- Programs
- Community/society
- Staff
- Funding
- Making a difference

Why do people give?

- Personal experiences
- They want to make a difference
- They want to do something active about a problem or take a stand on a particular issue
- Giving is good thing to do.
- Personal connections
- Sharing experiences
- Connecting with emotions
- Because somebody they know asked
- Thank you phone calls
- They are motivated by personal recognition and benefits Seeing a video
- Testimonials
- Motto

How is a culture of philanthropy created?

- Stories
- Quantifying how dollars make a difference
- Agency tours
- Social media – Utube/facebook
- The board understands the mission
- The committee structure
- Bold asks
- Playfulness

Here are other suggestions for building a culture of philanthropy in your organization:

- Performance Evaluations: Include development goals in annual performance evaluations for non-development staff;
- Finance and Development: Have your Director of Development sit on the board's Finance Committee;
- Development Plan: Share the goals and strategies of your annual development plan with all staff;
- Board Accountability: Include an amount the board is responsible for raising in your development budget;
- Program Planning: Have members of your development staff participate in program planning activities so that your investors' (donors and funders) voices are included in the process;
- 100% Board Giving: Ask that every member of your board consider your organization one of their top philanthropic priorities;
- Staff Giving: Conduct an annual campaign amongst your staff members, with your Executive Director and Director of Development leading the way.
- Stewardship: Steward your internal donors – ensure that your board and staff members know first-hand how much impact their financial gifts make.

Links getting a prospective donor closer to the Foundation

- Identification
- Cultivation
- Asking
- Stewardship
- Friend-Raising

Scenarios – Need notes from other tables....

- Talking to someone at the grocery store/coffee shop
 - After telling them you're involved with the Library Foundation, you can...
 - Follow-up later
 - Offer to send a newsletter
 - Add them to your email list
 - Give them a card for a card
 - Call/email Lynne with contact information and discuss next steps
- Wants to get someone involved and on the board
 - Appreciate that they are busy but allow them to make the decision
 - Invite to Pierce County READS
 - Ask to use their home for an event
 - Arrange a tour
 - Arrange a face to face with a staff member
 - Call/email Lynne with contact information and discuss next steps
- Talking to a donor at a stewardship event

- After sharing your thoughts about the speaker
 - Ask “Why/when did you start giving?”
 - Introduce to staff
 - Identify yourself as someone who is on the board
- Call/email Lynne with contact information and discuss next steps
- Talking to someone who already gives to the Foundation
 - After saying thank you
 - Ask, “Why did you make your first gift?”
 - Offer a tour
 - Call/email Lynne with contact information and discuss next steps

Other ideas:

- Viral video
- St Judes
- Obama’s email campaign

Why do people give?

1. Someone I know asked me to give, and I wanted to help them
2. I felt emotionally moved by someone's story
3. I want to feel I'm not powerless in the face of need and can help (this is especially true during disasters)
4. I want to feel I'm changing someone's life
5. I feel a sense of closeness to a community or group
6. I need a tax deduction
7. I want to memorialize someone (who is struggling or died of a disease, for example)
8. I was raised to give to charity - it's tradition in my family
9. I want to be "hip," and supporting this charity (i.e., wearing a yellow wrist band) is in style
10. It makes me feel connected to other people and builds my social network
11. I want to have a good image for myself/my company
12. I want to leave a legacy that perpetuates me, my ideals or my cause
13. I feel fortunate (or guilty) and want to give something back to others
14. I give for religious reasons - God wants me to share my affluence
15. I want to be seen as a leader/role model

LOCAL 3787

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Upcoming
Membership
Meeting Dates:

November 22nd—
at PAC

January 24, 2014—
at PAC

The Organizer

AUTUMN 2013

Temporary Insanity

The State of the Local, by Elise Deguisseppi

In the years leading up to the housing bust of 2008, Pierce County, like much of the nation, was awash in new home construction and overvalued properties. Mortgages were easy to obtain—and credit-worthiness was apparently optional.

Adding to this bubbly revenue stream, PCLS won a levy lid lift election in September 2006, which resulted in additional taxpayer money flowing into the Library. Based on public surveys, PCLS's "Levy Promises" to voters included more materials, expanded youth services and technology, and additional staffing.

PCLS's 2006 hiring fair resulted in scores of new clerical, professional and administrative staff. The Administration also committed to sustaining the Levy Promises within PCLS's operating budget. Public computers increased from 95 in 2006 to 391 in 2012. Open hours increased from 737 in 2006 to 973 in 2013. (<http://www.piercecountylibrary.org/about-us/re-authorized-levy/>)

PCLS's Administration's commitment to sustaining its 2006 promises despite the revenue impacts of the Great Recession has resulted in a transformed service model and substantial impacts on staff. I've covered the topic of the 2009 staff reorganization and its casualties (layoffs, demotions, classification eliminations and increased workloads) in previous columns. Staff cuts in Branch Services, along with self check-out machines, single-desk service points and a "Red Box"-like model for DVD check-out, have significantly altered customer service at PCLS.

Over the bust years since 2008, the Library's Administration has plumbed many areas in its drive to balance each year's budget with less revenue, while ostensibly offering its customers the same commitments made during the levy campaign. The materials budget cut (about \$1 million in 2013) will be sustained in the 2014 budget. The A-Team has turned its attention to PAC staffing. (Cuts through attrition and unfilled vacancies at PAC can be invisible to branch staff.)

In 2012, the Library reserved the right, citing its revenue shortfall, to evaluate every vacant position to decide whether to fill it. The Admin informed the Union's officers that vacant positions might be posted and filled as temporary assignments, in order to eliminate the need to lay off regular staff at year's end.

At first, given the Library's revenue quandaries, the premise seemed preferable to layoffs, which can result in bumping that has lasting, unintended and often unforeseeable impacts on individual Union members and our workforce as a whole.

However, the Library's prolonged practice of re-jiggering our regular jobs into so called temporary positions, from Library Pages to SBAs, from IT Techs to SLTs and more—has continued throughout 2013.

Our Collective Bargaining Agreement permits the use of temporary positions only for short term, bona fide "special projects" or for staffing positions during regular employees' approved leaves. Last August, when the Union's E-Board requested and evaluated information about the Library's use of employees in so-called Temporary Positions, we found that more than 25 positions had been filled as Temporary as a result of *vacancies in regular jobs*.

Furthermore, the Union holds that Library has been misinterpreting the CBA in regard to regular, Union-represented employees who are working in temporary assignments. These dues-paying Union members should be receiving all the benefits that they're entitled to under the CBA, including those that accrue for members working temporary assignments in jobs of 20 hours or more per week.

As your President, I am committed to ensuring that these misinterpretations of our CBA stop and never reoccur. Please watch for transfer opportunities as these positions revert back to the Bargaining Unit jobs they should have been all along. If you have questions, concerns or information regarding this "temporary insanity" please contact me or another Local 3787 Officer or Steward.

Grievance or Gripe?

By Yuri Button

So you think you may have a grievance. How do you determine if this is a problem that requires Union intervention? First off, the official definition of a grievance, according to AFSCME:

Grievance: A procedure described in the contract to remedy work-related problems such as abuse of employee rights or contract violations.

That is pretty vague, right? So let's look at the Collective Bargaining Agreement.

Article 33.1 states:

Definition - Grievances are defined as disputes arising between the Library and an employee (grievant) covered by this Agreement or between the Library and the Union which concerns the interpretation, application, or claim of breach or violation of this Agreement.

So this tells us that a grievance involves contract language. Think about your issue. Can you point out an article/section of the contract that may have been violated? If you can, what do you do next?

Talk to your Shop Steward or an E-Board member. We are here to represent you. But, you must be proactive if you feel that you have a legitimate issue that needs addressing. Union leadership cannot help if we do not know about it. If we can tackle an issue before it becomes a problem, so much the better for both parties involved.

The Association for Union Democracy has an excellent pamphlet* called "Your Job, Your Rights" that you may want to read. You can find it at <http://archive.uniondemocracy.org/Legal/yourjobyourrights.htm>

Elections!!!

Local 3787 will be holding Elections on November 22nd.

The two-year terms of President and Secretary are up for election, as is the three-year term of Trustee. You must be present to be elected and you may nominate yourself or another person *with their permission*. You also must have been a member in good standing for six months. If you are interested, please contact a

Council 2 to Locals: No Basic or Advanced Steward Training in 2014

By Elise Deguisseppi

Citing poor attendance and the costs of offering trainings in hotels around the state, Council 2's president, Chris Dugovich, informed the Council's Executive Board at their October meeting that no Steward trainings would be scheduled in 2014. Mr. Dugovich indicated that Council 2 would be responsive to scheduling trainings on an as-needed basis.

Our Local 3787 E-Board will take this as a challenge for 2014. Our approach will be multifaceted. We will survey current Stewards to inventory their previous training and future needs. Options include creating our own training for current Stewards and Officers, and partnering with area libraries such as Timberland Regional Library to guarantee attendance at trainings. I also plan to ask Council 2 leadership to create modules on the C2 website for Stewards. Podcasts could address and provide refreshers on many basic training needs, such as investigating a grievance.

Please watch for further information on this front, and contact me with your comments, suggestions and questions.

Council 2 Scholarships

The Washington State Council of County & City Employees offers the following scholarships, which are awarded yearly:

- One \$5,000 yearly four-year award (\$20,000 total) to a child who is a dependent or under legal guardianship of a local union member in good standing of the WSCCCE;
- Six \$5,000 scholarship awards to children who are a dependent or under legal guardianship of a local union member in good standing of the WSCCCE;
- Six \$2,000 scholarship awards to children who are a dependent or under legal guardianship of a local union member in good standing of the WSCCCE; and
- Ten \$2,150 awards to children who are a dependent or under legal guardianship of a local union member in good standing of the WSCCCE. *These represent the funds raised at the 2012 golf tournament.*
- Three \$1,000 continuing education awards, to members in good standing of a local affiliated with the WSCCCE.

Application information will be forthcoming in 2014.



2013 AFSCME Family Scholarship program

The AFSCME Family Scholarship program is offering 10 scholarships of \$2,000 each for children of full dues-paying AFSCME members.

The scholarships will be renewed for \$2,000 each year for a maximum of four years, provided the student remains enrolled in a full-time degree program at an accredited institution. The scholarship may be used for any field of study.

To be eligible the student must:

- Be a graduating high school senior whose parent, legal guardian or financially responsible grandparent is a full dues-paying AFSCME member;
- At the time the scholarship is awarded, be enrolled in a full-time degree program either at an accredited four-year institution or at a two-year institution that will transfer credits to a four-year institution; and
- Have taken the SAT or the ACT.

Applications must be postmarked by December 31, 2013.

For detailed information on the application process and to download an application, please visit afscme.org/family. If you have problems downloading the application or have questions regarding the application process, please contact Sonté DuCote at (202) 429-1079 or sducote@afscme.org.

Coming in 2014: Improved Health Plans, Lower Out-of-Pocket Costs

By Elise Deguisseppi

Brothers and Sisters, as a member of the Library's team charged with evaluating health benefits options for eligible employees for 2014, I have good news. The Library has joined the Association of Washington Cities Benefit Trust, and the four plans we've selected will provide improved coverage and lower out-of-pocket costs for the year ahead. Our team met in four sessions, then bargained the plans in two additional Labor/Management sessions. (PCLS's agreement with its previous broker, Alliant, has been terminated.)

Open enrollment will begin on November 4th, and detailed information about plan options will be provided by Staff Experience online and at site meetings around PCLS. Here are some salient details.

- We will retain the traditional Group Health HMO plan for the many staff members who like it. Good news: your 2014 co-pays will decrease to \$10.
- We have selected the AWC HealthFirst PPO plan. It features the Regence Blue Shield provider network, \$10 co-pays, no employee deductible, and no coinsurance (out of pocket expense) for care from preferred providers.
- Two High Deductible plans will be offered. One is a PPO Regence plan, and the other is a Group Health HMO plan. While the deductible for each of these plans is \$1500, the Library will contribute the full cost of the deductible for each enrolled eligible member, because PCLS's premium costs for HD plans is significantly lower than the PPO plans. The net effect for 2014 is that no enrolled employee will face out-of-pocket costs for deductibles for their own coverage.
- WDS and Willamette will continue as our dental provider options. Plans differ slightly from current plans.
- Because in 2014, AWC offers only family vision coverage (via VSP), benefited employees will be able to utilize vision benefits for spouses and children. **Note: this is likely a one-year-only benefit, because AWC will offer employee-only coverage in 2015.**
- A range of options exist for covering family members at the employee's expense. Some costs will be a bit higher for family members (e.g., the HealthFirst plan and Willamette Dental) but the coverage is improved. Research your options!
- Remember that under the Affordable Care Act, new rules apply. Adult children 26 and under can be covered at employee expense. Co-pays apply toward deductibles. An array of preventive care is fully covered without co-pays
- Here are some links to help you as you begin researching the best options for you.
 - ◆ Information about our four plan options is here: <http://www.awcnet.org/HealthBenefits/Benefitplansmaterials.aspx>. Create a guest account and check the preferred provider network for specific health care providers and Specialties. Options are:
 - * Regence BlueShield: AWC HealthFirst® Plan
 - * Regence BlueShield: AWC HDHP HSA Qualified (High Deductible Plan)
 - * Group Health Cooperative: Association of Washington Cities (\$10 Co-pay Plan)
 - * Group Health Cooperative: Association of Washington Cities (High Deductible Plan)
 - ◆ <https://www.myregence.com>
 - ◆ If you work less than 20 hours, visit the Health Care Exchange <https://www.wahealthplanfinder.org> to research new health care options.

What are my Weingarten Rights? And why are they so important?

By Aisha Womack

In 1975 the US Supreme Court ruled on the case of the National Labor Relations Board v. J. Weingarten, Inc. (a Texas-based supermarket chain, later acquired by Safeway). The Supreme Court found and upheld the NLRB's decision that employees have the right to union representation at investigatory interviews. These rights are now known as the Weingarten Rights.

During an investigatory interview, the Supreme Court ruled that the following rules apply:

Rule #1: The employee must make a request for Union representation before or during the interview. The employee cannot be punished for making this request.

Rule #2: After the employee has made the request, the employer has three options to choose from:

- grant the request and delay questioning until Union representation has arrived and has had the opportunity to speak privately with the employee;
- deny the employee's request and end the interview immediately; or
- give the employee the choice between continuing the interview without representation or ending the interview.

Rule #3: If the employer denies the request for representation and continues to ask questions, the employer has committed an unfair labor practice, and the employee has a right to refuse to answer further questions. The employer may not discipline the employee for refusing to answer.

Union workers have the right to have a union representative with them at any time they are being questioned — if they believe the questions could result in disciplinary action. When called in, ask what the meeting is about. If you are unsure or still believe it could lead to discipline, protect yourself and request a union representative also be present.

LOCAL 3787 OFFICERS AND TRUSTEES

President – Elise Deguseppi, PAC

Vice-President – Yuri Button, LWD

Secretary – Aisha Womack, UP

Treasurer – Michelle Angell, LWD

Chief Shop Steward – Patti Cox, STL

Council 2 Staff Representative – Dylan Carlson

Trustees –

Steve Holmes, PAC

Cynthia Parido, SH

Irene Poshtkouhi, DPT/TIL

Shop Stewards

DPT/TIL - Irene Poshtkouhi

FIF - Meghan Mitchell

GIG - Tamara Saarinen & Terri May

LWD - Yuri Button & Michelle Angell

ORT - Susan Rigley

OUT - Cat Taylor

PAC - Steve Holmes, Cathy O'Donnell, and
Mark Sitala

PKS - Annabel Guimont

SH - Dianne Ellis & Cynthia Parido

SMT - Dana Brownfield

STL - Patti Cox

UP - Malia Tui & Aisha Womack

2014 BUDGET

PUBLIC

HEARING

M E M O

Date: December 5, 2013

To: Chair Linda Ishem and Members of the Board

From: Neel Parikh, Executive Director

Subject: Public Hearing: 2014 Budget

This Board meeting is the second public hearing for the 2014 budget. The Board will open discussion of the budget with a public hearing. After presentation of the budget and any comments from the public, the public hearing will be closed.

Following are the formal motions and steps to be taken:

Opening the Public Hearing:

“I move that in accordance with RCW 85.44.120, the public hearing be opened for consideration of increases in property tax revenues, regarding 2013 property tax levies for collection in 2014.” The motion is seconded and passed.

Public Comment:

After presentation of the 2014 budget, the chair must ask if there was anyone in the audience who would like to comment on the budget. If there is no response or when public comments have ended, the public hearing is then closed.

Closing the Public Hearing:

“I move to close the public hearing on the 2014 budget of estimated revenue and expenditures.” The motion is seconded and passed.

M E M O



Date: December 6, 2013

To: Chair Linda Ishem and Members of the Board of Trustees

From: Clifford Jo, Finance & Business Director

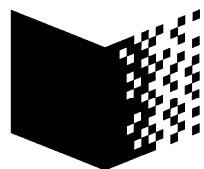
Subject: 2014 Budget Narrative—Second Draft

Attached is the 2014 budget narrative document in second draft form. This version incorporates all budget decisions made thus far. The final narrative, published in January, will include final revisions to the strategy framework section, department pages, 2013 community arts (poetry, drawings and art, and photography), and refreshed pictures.

We are interested in any feedback you can provide to make this document more helpful.

Annual
2014 Budget

Second Reading
December 11, 2013



Pierce County
Library System

INFORMATION ■ IMAGINATION

Figure 0-1: GFOA Distinguished Budget Presentation Award



PIERCE COUNTY LIBRARY SYSTEM

BOARD OF TRUSTEES

Linda Ishem, Chair
Allen P. Rose, Vice Chair
Donna Albers
Rob Allen
J.J. McCament

BUDGET PREPARED BY DIRECTOR'S TEAM

Neel Parikh
Executive Director

Clifford Jo
Finance & Business Director

Georgia Lomax
Deputy Director

Sally Porter Smith
Customer Experience Director

WITH ASSISTANCE FROM

ADMINISTRATIVE TEAM

Lisa Bitney
Reading & Materials Director

Linda Farmer
Marketing & Community
Relations Director

(Vacant)
Staff Experience Director

OPERATIONS TEAM

Lorie Erickson
Facilities Director

Lynne Hoffman
Development Director

Dale Hough
Finance Manager

(Vacant)
Digital Experience Director

CUSTOMER EXPERIENCE TEAM

David Durante
Customer Experience Manager

Judy Nelson
Customer Experience Manager

Jennifer Patterson
Customer Experience Manager

Jaime Prothro
Customer Experience Manager

AND

Petra McBride
Executive Assistant to the Director

Library Locations/Hours of Operations/Phone

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

The document is available online at the Library's website:

<http://www.piercecountylibrary.org>

To obtain copies of this document, please contact:

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

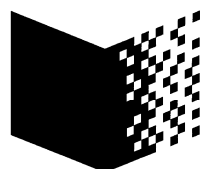
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We hope you enjoy the poetry, art, and photography from our community; they reflect creativity, tenderness, smarts, family... the thoughts and dreams of children.

Part 1 Introducing the 2014 Budget



Pierce County
Library System

INFORMATION ■ IMAGINATION

Budget Messages



Picture replaced prior to publication

REPLACED IN DECEMBER

Board of Trustees Message

Dear Pierce County Residents:

Thank you again for your interest and support in your Pierce County Library System. We are committed to meeting your needs and the needs of your family and neighbors by delivering vital library services. In our efforts to serve you we also balance our responsibility to invest your tax dollars in priority and valued services.

2013 marks the fourth year the economic downturn has negatively impacted the Library System's budget. Due primarily to a reduction in revenues from property taxes, we addressed a \$3 million shortfall to balance our 2013 budget. Based upon public opinions—input from nearly 1,000 residents—managers determined the top priority services. Managers took a very thoughtful approach to discern the Library's products that bring communities the most value: reading, early learning, helping students succeed in school, providing customer service, offering an online library, and learning.

2013 also marks stopping our 65-year run of bookmobile service. This was a difficult, yet important decision. Managers clearly showed how we could no longer run the aging and costly service. Next year staff will continue to serve children in schools that most recently checked out books and movies from the bookmobile.

As your public library system, we are committed to bringing you the world of information and imagination, we are part of the solution to helping you and other residents navigate these difficult times. We offer easy, affordable access to books, movies, and music; resources to prepare children to read; help kids with homework; teach people computer skills; and help people get jobs.

In preparing and approving this budget we strove to balance the diverse and often competing demands from the hundreds of thousands of people in our service area. We believe this budget reflects our good stewardship of public funds, while minimizing adverse effects to services the public has identified as most important.

Your Board of Trustees approved the budget with attention to prudent fiscal management for the coming year. We also approved this budget with a look at financial forecasts, which primarily show continued budget shortfalls.

We applaud and thank our talented staff who greet and serve you 973 hours a week through 18 locations, as well as deliver online library service 24/7. Also, we thank you for your support and partnership. We welcome you to continue to learn and enjoy at your Pierce County Library.

Sincerely,

Linda Ishem
Chair, Pierce County Library System Board of Trustees



Library Board of Trustee
and Chair Linda Ishem

Library Director's Message

Pierce County Library System customers and taxpayers are the driving force for budget decisions. The Library System continues its commitment to operate the Library in the best interest of the public and deliver the value that they deserve. The 2013 budget reflects the long-term interests of the taxpayers.

2014 marks the first year that property values have increased in our taxing district since 2009. Since 2009, Library revenues have decreased by \$3.1 million, and the Library has reduced operating expenditures by \$6.4 million. 2014 property values have increased by 2.94%, contributing to a revenue increase of 3.70%. However, this increase in revenue does not offset increases for maintenance and operations, personnel, benefits, retirement and wages, in addition to the impact of budgeting \$807,000 in cash in order to balance the 2013 budget. As a result, the 2014 budget shortfall is \$1.1 million or 4.1% reduction in the operating budget.



Neel Parikh, Executive Director
South Puget Sound Woman of Influence

Approximately 96% of the Library's budget is derived from taxes on residential and commercial property. From 2010 to 2013, the value of assessed property in the Library's service area declined by \$11.4 billion or -29.1%. In 2014, the average home assessed value is \$221,000 and homeowners will pay approximately \$110.50 in property taxes for library services.

Washington State law sets the tax or mill rate for library districts at up to 50 cents for every \$1,000 of assessed property value. This rate is among the lowest of all taxing districts, e.g., fire, counties, cities. Property taxes account for 96% of the Library's budget. Library districts have no additional taxing authority.

It is the Library's goal to come out of the economic downturn stronger and ready to sustain operations in light of increasing demands and in anticipation of minimal growth in future years. Based on these assumptions it is clear that the Library needs to continue to manage its operations and services cost effectively and continue to innovate as technology changes, while as much as possible maintaining the strength of our core services. Budget decisions must

reflect the long-term interests of the taxpayers and maintain their confidence in the decisions and services of the Library.

In the past three years, the Library has been focused on ensuring that library operations are organized to meet contemporary needs, respond to changes in technology and continue to serve the customer. The

Library has systematically evaluated each department's staffing and services in order to reorganize or streamline operations to provide better service for our customers and operate more cost effectively. The first such reorganization took place in 2010, when the Customer Experience department reconfigured branch staffing and services to reflect the impact of changing customer demands and the capabilities of new technologies, such as express checkout. The Staff Experience department totally reorganized in 2011. At the end of 2012, Library management was restructured to flatten the organization and more effectively manage decision making. The

Branch Services department created a new management team which strengthened support and collaboration for Branch Services and key service initiatives: youth, adult and virtual services. Also in 2012, the Library commissioned a study of the Information Technology department in order to determine the capabilities of that department and begin to identify tactics needed to move technology forward in the future. As a result of that study, the Library embarked on a technology planning process, which will guide future development and should result in the examination of the effectiveness of the IT department structure.

During 2013, an analysis of the Finance department and was completed, and an analysis of the Reading and Materials department began, both resulting in staffing change. The Facilities department underwent management changes and operations were completely overhauled.

Budget Priorities

Priorities for the 2014 budget are consistent with those implemented in 2012. The central goal is to maintain Library services and aspects of the 2006 levy promises as much as possible. Priorities are:

1. **Maintain Core Services Voters Called in for the 2006 Levy:**
 - a. Access: Provide access to staff, resources and materials, services and facilities. Maintain current building open hours.
 - b. Books and Materials: Provide a quality collection to support reading, listening and viewing experiences.
 - c. Children and Teens: Support youth in reading and building skills to succeed in school and for the future.
 - d. Service and Technology: Offer up-to-date technology and excellent customer service.
2. **Good Stewardship of Taxpayers' Money:** Use sound judgment expending taxpayers' money, including:
 - a. Implement operational and workflow efficiency.
 - b. Rigorously evaluate services.
 - c. Spend money to save money. Focus on expenditures that will reduce long-term operational costs.
 - d. Examine return on investment and cost benefits.
3. **Provide Up-To-Date and Future-Oriented Service:** Keep the Library contemporary by innovating and providing services and resources customers expect. "Pierce County Library 2030: A Facilities Master Plan for Library Services and Buildings" created a solid framework for changes in methods in delivering services, organization of buildings, and public access.
4. **Building a Customer Base for the Future:** Customer focus is a major priority. The Library will continue to improve service for new customers, provide services valued by the community, and expand engagement with communities.

As much as possible, the Library will make reductions that have a limited impact to the public. We continually, critically examine services to ensure they are meeting the current needs of communities, eliminating or revising services that are underutilized or no longer effectively meeting people's needs and developing services that are wanted and needed.

Notable Budget Changes

The 2014 budget maintains services and at the same time supports innovation and new services to meet customer needs. See for a summary of 2014 innovations and new services to meet customer needs. This budget also reflects some increases in expenses and reduction strategies.

Facilities: The system is experiencing the impact of aging buildings. Over the past few years costs for contracted maintenance for general repairs have increased. The 2014 budget includes expenditures to replace worn furnishings and degraded floors, upgrades to bathrooms in seven branches, seal coat and re-stripe parking lots and replace entry doors at two branches. Also, the condominium fees for the University Place Library were determined to be \$137,570 annually. This is a significant increase. Additionally, this year a project to install energy efficient lighting using power rebates will begin.

Department Efficiencies Analysis: In 2013, the Library engaged a consultant to evaluate the Finance department. As a result of the consultant's report, the Library will reorganize the workload in the Finance department and eliminate one position.

The Reading and Materials department has also experienced many changes. In 2013, a consultant was hired to study the department in order to ensure it is operating efficiency to deliver results in the current digital environment. This budget includes preliminary changes in the department based on recent workflow analysis, changing some of the current staffing patterns and converting the cataloging specialist to a librarian-level position. The materials budget was reduced by \$1 million in 2013. The Library continues to evaluate the impact of this reduction on our customers. The 2014 materials budget was reduced by \$20,000 and the budget allocations will be assessed in order to increase our offering of e-books and other digital collections.

Digital Services: In 2013, a technology plan was completed, analyzing and investigating anticipated technology needs and opportunities in the future. The plan will be implemented by a new Administrative

Team-level Digital Experience Director, combining the current Virtual Services and Information Technology departments. Money in the capital improvements budget has been designated for plan implementation.

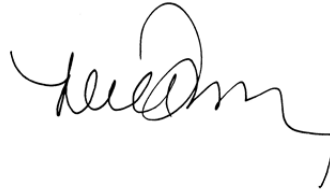
Foundation—Minding the Gap: Anticipating the continued revenue decline, the Library Foundation provided \$75,000 in additional revenue intended to help to continue programs such as Early Learning and Senior Outreach and to support the materials collection. This strategy was developed by the Board to help support and mind the gap between our revenues and operating expenses.

Cash Reserves: In addition, for the third year, this budget includes use of cash reserves. Rather than reducing services and laying off more staff, \$128,000 in cash reserves is budgeted to help balance the budget. This will only be used if necessary. It is Pierce County Library System's Board of Trustees' policy to maintain at least sufficient funds to operate the Library during the first four months of every year, prior to the Library receiving its first of two annual deposits of tax revenue. Since the cost to operate the Library has reduced, the need for cash has also reduced. The Board has agreed to judicious use of the cash reserves in this current situation.

It is estimated that revenue will increase in 2015, but the Library will need to reduce the budget for 2014, based upon preliminary estimates of tax revenues. This budget anticipates continued economic challenges and the necessity for the Library to deliver the best product to customers and taxpayers within the available dollars. At the same time, the Library must also continue to deliver service that responds to changing communities. The Library is committed to providing the services our customers value, want and need, maintaining aging buildings, and planning for capital needs.

I am confident that Pierce County Library System will deliver on its promises to meet community needs and continue to keep the people it serves and its taxpayers at the center of budget decisions.

Respectfully submitted,



Neel Parikh
Executive Director

Budget in a Page

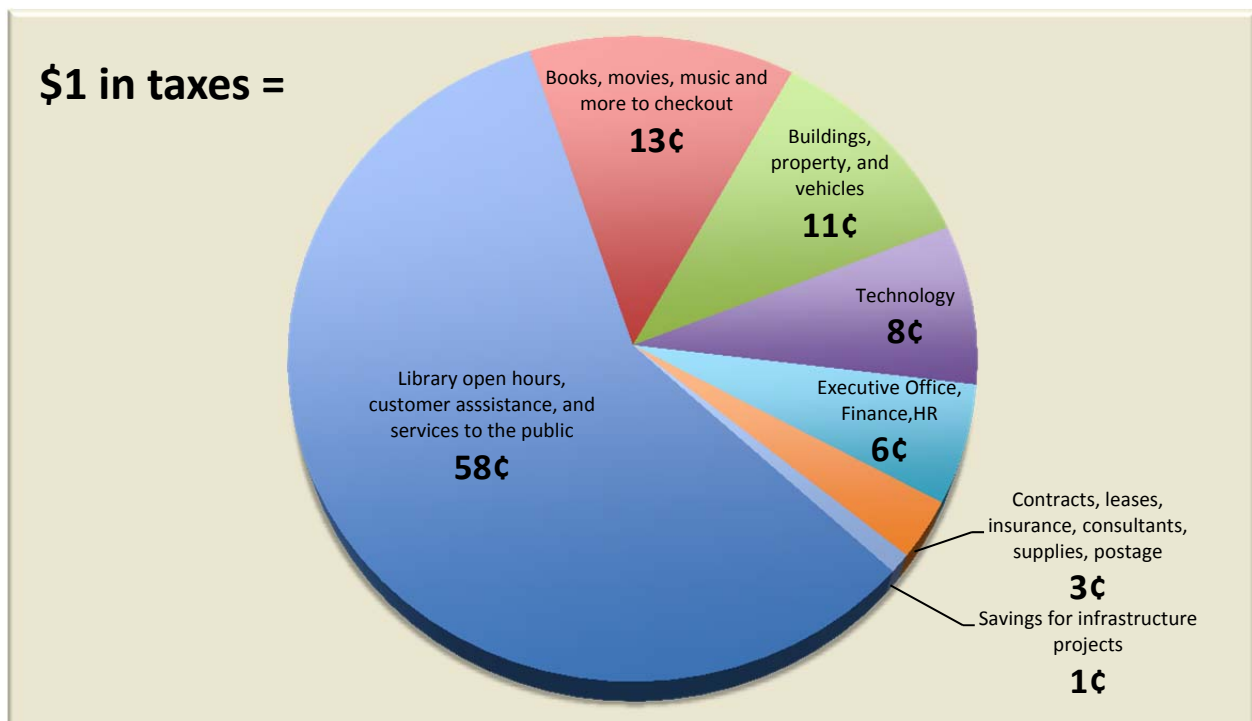
The 2014 budget is hereby submitted. It is *the Library's story of commitment to the community and costs to provide services.*

After three years of property value declines, property values increased by 2.94% with a corresponding year-to-year budgeted revenue increase of 3.7%. The Library's mill rate, the rate used to levy taxes on properties, remained at its statutory limit of 50 cents per \$1,000 assessed property value and will stay there for years. After implementing \$1.1 million in reductions, the Library will use \$127,663 of cash reserves to mitigate service impacts. The budget is presented as balanced by fiscal management policy: source of all revenues and use of fund balances equals expenditures.

The fiscal challenge remains. Sustain services, improve, innovate and perform to Library Priorities during times of revenue constraints and increasing costs. The Library expects its leadership and staff to address challenges and remain strong in their focus on public service; their actions and ideas are presented throughout the document, particularly in the Operating Lean and Library Departments chapters.

	2012 ACTUALS	2013 FINAL (12/12)	2014 BUDGET (12/11)
OPERATING BUDGET			
New Revenues	\$ 27,509,605	\$ 24,616,725	\$ 25,526,372
Use of Fund Balance	0	807,172	127,663
Total Available Funds	27,509,605	25,423,927	26,654,035
Less:			
Operating costs	25,908,077	24,931,592	25,398,771
Set-asides & Transfers	814,563	492,335	255,264
Total Expenditures	26,722,640	25,423,927	26,654,035
Net of Revs & Exps	\$ 786,965	\$ 0	\$ 0
CAPITAL IMPROVEMENT BUDGET			
New Revenues	\$ 498,548	\$ 0	\$ 160,000
Transfers from General Fund	814,563	492,335	255,114
Use of Fund Balance	686,269	1,139,665	808,886
Total Available Funds	1,999,380	1,632,000	1,224,000
Less:			
Capital project costs	1,999,380	1,632,000	1,224,000
Net of Revs & Exps	\$ 0	\$ 0	\$ 0
DEBT SERVICE FUND			
Revenues	\$ 111	\$ 0	\$ 0
Expenditures	0	0	0
Net of Revs & Exps	\$ 111	\$ 0	\$ 0
2014 Combined Fund Balances (Cash Reserves)			
General, Capital Improvement, and Debt Service Funds			
Begin Balances, Jan 1	\$ 13,790,985	\$ 13,412,097	\$ 11,468,260
Net of all revs, exps, transfers	(378,888)	(1,943,837)	(936,549)
End Balances, Dec 31	\$ 13,412,097	\$ 11,468,260	\$ 10,531,711

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



The Library: Organized to Serve the Community



Picture replaced prior to publication

The Organization of the Pierce County Library System

In September 2011, the Library reorganized its management structure to deliver improved service to all parts of the organization and to its customers and communities. Five key management teams support the work of the organization, ensure accountability, tend to the organizational culture and “live” the Leadership Descriptors (see page 122). The new organizational structure creates, manages, communicates, collaborates, and delivers an excellent customer experience: to best serve Library customers, its communities, and the staff.

Administrative Team

Shares a common understanding of the whole system, holds the vision of the future, and shapes the organizational culture. The Administrative Team *drives strategy and sets high-level system goals*.

Director’s Team

Focuses the organization, ensuring that it is headed in the right direction; implements strategically important activities. Focuses on operational and tactical concerns. The Director’s Team *drives execution and removes barriers*.

Operations Team

Coordinates effective operations. Managers have budgetary authority. The Operations Team is *tactical and ensures organizational goals are implemented and results achieved*.

Leadership Team

Management structure for the entire organization that provides a venue for customer-supplier partnerships to work at a system-view level. The Leadership Team *shares customer feedback and information, discusses system-wide management and operational concerns, and mobilizes messaging*.

Customer Experience Team

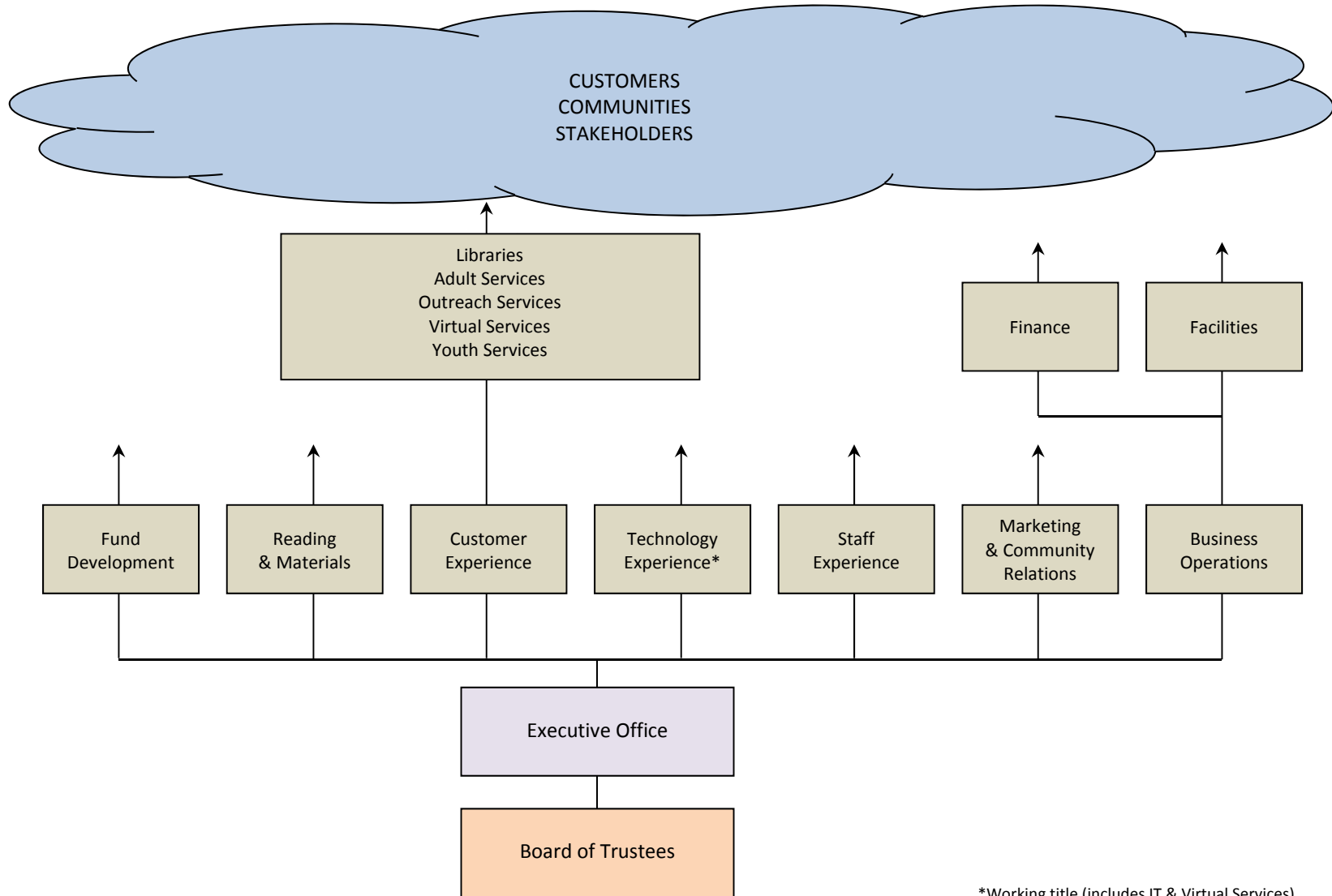
Delivers a valued customer experience through branch, community, and virtual operations. The Customer Experience Team *brings to the table the voice of the customer*.

The figure below depicts these management teams in context. On the following two pages are two organization charts: Operations Team and Leadership Team.

Figure 1-2: Management Teams

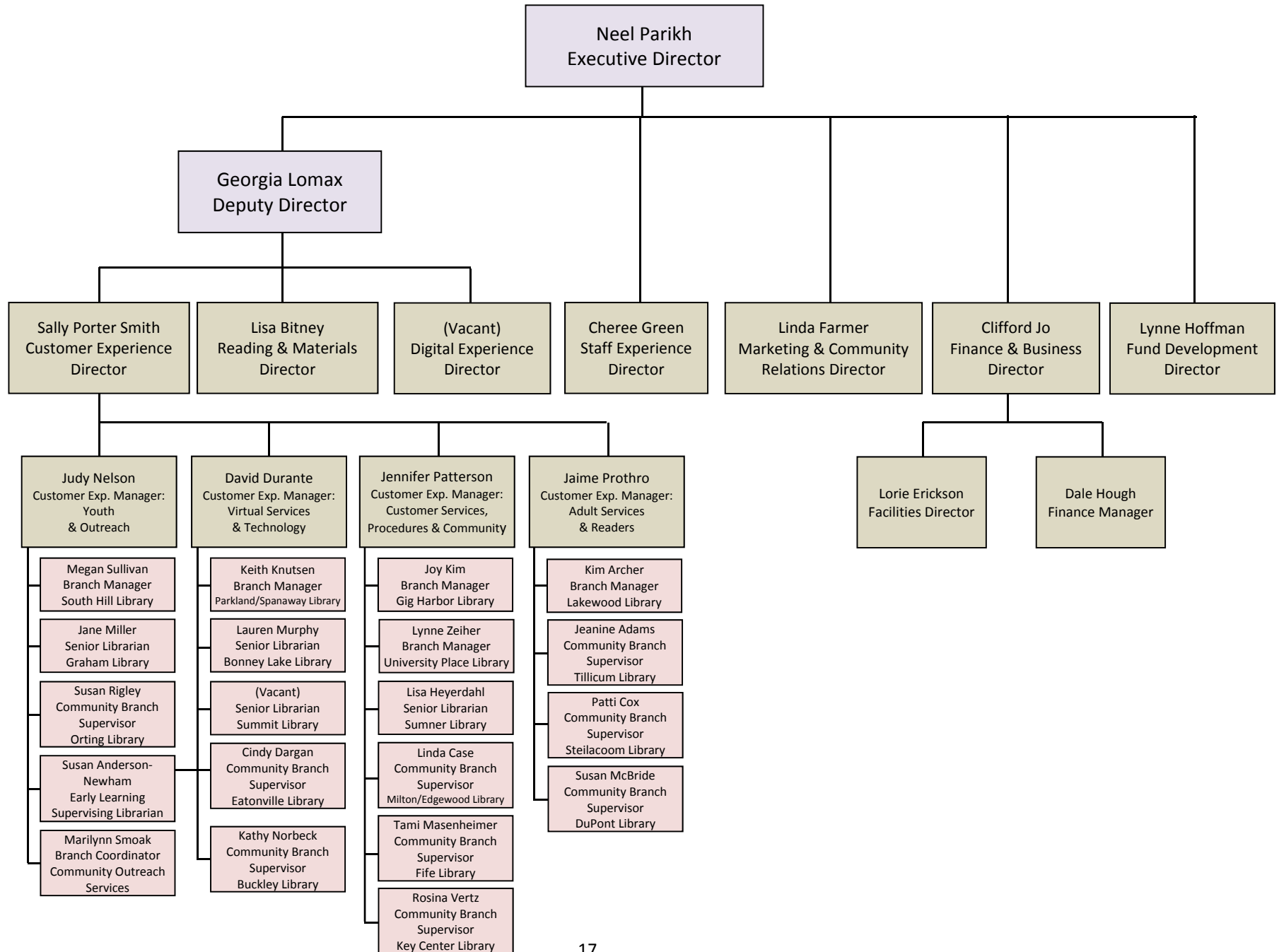


Figure 1-3: 2014 Organizational Chart-Operations View



*Working title (includes IT & Virtual Services)

Figure 1-4: 2013 Organizational Chart-Leadership View



Mission / Vision / Values

The Library operates by the following mission, vision, and values.

MISSION

To bring the world of information and imagination to all people of our community

VISION

We are the community's choice for the discovery and exchange of information and ideas:
Reading • Learning • Exploring

VALUES

We value...

- Customer service excellence
- Freedom of expression and free flow of ideas
- The diversity of people we serve, their opinions, capabilities, needs and interests
- The power and worth of words and images
- Equitable access to all library resources and services
- Responsible stewardship of public funds
- Creative solutions by solving problems in innovative ways
- Our diverse, skilled, and knowledgeable employees working in a safe and stimulating environment

Library Priorities

Table 1-1: Library Priorities (2012 - 2014)

2012 LIBRARY PRIORITIES	2013 LIBRARY PRIORITIES	2014 LIBRARY PRIORITIES
Levy Promises: develop and maintain services based on the goals established in the levy voters approved in 2006.	Maintain core services voters called for in the 2006 levy: maintain library services and aspects of the levy promises as much as possible.	Maintain core services voters called for in the 2006 levy: maintain library services and aspects of the levy promises as much as possible.
Good stewardship of taxpayer’s dollar: Use sound judgment in expending the taxpayer’s dollar.	Good stewardship of the taxpayers dollar: Use sound judgment in expending the taxpayers dollar.	Good stewardship of the taxpayers dollar: Use sound judgment in expending the taxpayers dollar.
Provide up to date and future-oriented services: keep the Library contemporary, innovating, and providing services and resources customers expect.	Provide up to date and future-oriented service: Keep the library contemporary, innovating and providing services and resources customers expect	Provide up to date and future-oriented service: Keep the library contemporary, innovating and providing services and resources customers expect
Build a customer base for the future: customer focus is a major priority of the Library	Build a customer base for the Future: customer focus is a major priority of the library	Build a customer base for the Future: customer focus is a major priority of the library

The priorities from 2013 to 2014 remain unchanged. The Library recognizes that multiple years of significant revenue decline challenges the degree to which the Levy Promises can be kept past its original intent of six years, which ended 2012.

The 2014 Library priorities are further articulated in the Executive Director’s budget message (see page 10).

Finance



Picture replaced prior to publication

Fiscal Principle, Policy, and Practices

Pierce County Library employs key financial policies and practices in guiding its budget decisions for current and future fiscal years. Many of these are stated in the Library's fiscal management policy, which is by design a long-term fiscal management policy enacted by the Board of Trustees. It and other major policies are summarized as follows:

Guiding Principle

The guiding principle of the Pierce County Library System during times of harsh economic conditions is not to diminish its product. Budget decisions relate to providing the best mix of cost-conscious services to the community without sacrificing value. Its product is determined by asking the community to tell the Library what is value and needed.

Fiscal Management Policy

It is the policy of the Pierce County Library System ("Library") Board of Trustees to 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

1. Current year 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 reserves is a fiscal resource to stabilize long-term library sustainability. Cash reserves will not be used as a substitute for budget reductions to meet economic challenges.
3. 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.
4. 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. To pay for qualified capital projects, a Capital Improvement Fund is established and funded appropriately by and through the General Fund.
6. For purposes of managing the Library's finances, additional fund types may be implemented.
7. Capital Improvement Fund revenues may be supplemented by unanticipated revenues or unanticipated savings in expenditures in the General Fund.
8. The Board approves a budget for revenues and expenditures in each fund, annually or any substantial modifications throughout the year.
9. 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.

Responsibilities

The Board of Trustees expects the Library to:

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 fund balance that ensures short-term debt, excluding inter-fund loans, is not used to pay for operations. This may require cash of at least three to four months of operations available in the fund balance during certain times in a fiscal year.
5. Develop and manage fiscal practices and strategies so that cash reserves do not fall below twenty percent (20%) of the following year's anticipated revenues.
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.

Proven Practices

1. The Library uses a thoughtful and purposeful budget method that is communicated to Library staff, customers, and the community. Through surveys and formal budget hearings, the public is invited to present its thoughts on services, budget, and fiscal matters.
2. To the best extent possible and available, the Library uses objective methods and estimators to establish projections. Such methods are confirmed and documented.
3. The Library uses long-term cash flow charts to determine revenues and expenditures in future years to give the Library an understanding of future fiscal realities that may need to be addressed today.
4. The Library reserves cash in the form of restricted funds for intra-year cash flow management so that bills can be paid without borrowing from external sources. The Library may set aside other restricted uses of cash, for example the set-aside for paying costs for a future levy lid-lift.
5. During years of revenue growth, the Library increases cash reserves to cover the additional costs it may incur. During years of revenue decline, the Library may decrease cash reserves because less is needed to cover operational costs.
6. The Library reviews all revenue projections, including property taxes, other public sources, fines/fees, investment income, Foundation donations, and other sources of revenues. Only those revenues that can be reasonably projected for receipt are budgeted. Other revenues that are received throughout the year may be recognized during the mid-year budget process, or simply recorded and reported as unbudgeted actuals.
7. The Library actively searches for and achieves operational efficiencies without sacrificing—if

not improving—services to the customer and community.

8. The Library will only use cash reserves to cover budget shortfalls when after all possible reductions have been attained, the remaining option is to either use cash reserves or enact further painful reductions.
9. The Library presents and has approved an annual balanced operating budget; revenues and expenditures must match. If new revenues are less than expenditures by the time the budget is presented for final passage, cash reserves may be used to cover the shortfall.
10. Debt will not be used to cover operational shortfalls irrespective of revenue shortfalls.
11. The Library assesses capital facility needs, such as repairs and improvements, for at least 5 years into the future. Facility needs are based on when the buildings were constructed, when major repairs and replacements were made, the current condition of the facilities, and future estimated needs.
12. The Library uses a mid-year budget process to make necessary changes and corrections to the current budget. It recognizes changes that occurred during the first six months of the fiscal year, estimates for the remaining half of the year, and makes adjustments to prepare for the following fiscal year's budget or begin planning for long-term fiscal realities.
13. The Library may transfer some or all unanticipated revenues or savings to the Capital Improvement Fund to pay for current or future capital projects. The need for transferring money to the Capital Improvement Fund is balanced with the need for cash reserves.
14. The Library invests its available funds with the Pierce County investment pool.

Budget Recognition

In 2013 the Library submitted the budget document to the Government Finance Officers Association (GFOA) for review in comparison to best practices. In September 2013, the GFOA issued the Distinguished Budget Presentation Award to Pierce County Library System for the 2013 fiscal year budget. This is the second consecutive year of receiving this award. The emblem is depicted on page 2 of this document.

Budget Planning Process

The budget planning process begins with establishing executive priorities, gathering and evaluating measures, and applying strategic management to the Library's goals and objectives. Provided in this section is a brief summary of the budget planning process and the major methods and elements incorporated.

Executive Priorities

Continuously, the Executive Director assesses the realities of the external world, the needs of the community and customers, as well as directions of library activities nationwide and regionally. In July, shortly after the mid-year budget concludes, the Executive Director sets the priorities for the upcoming fiscal year. These priorities are communicated with the Administrative Team and fed into the strategic management process (Balanced Scorecard), and then to the Operations Team with instructions to craft their budgets accordingly. The priorities for 2014 are:

1. Maintain core services
2. Good stewardship of the taxpayers dollar
3. Provide up to date and future-oriented service
4. Build a customer base for the future

Priorities slightly changed from the previous year.

Performance Measures

The Library gathers performance measures and evaluates progress. The data is culled from multiple areas of Library performance. Examples include how many items have been checked out, customer visits to the libraries, and website hits. The data snapshot is crucial to understanding the year's services and other factors, based on current priorities and strategies. The Library keeps system-wide and departmental measures. Performance measures are checked against the strategic management process and are also discussed with the Administrative Team and the Operations Team. Continuing in 2014, the Library is using an important tool, Civic Technologies' Community Connect system, to analyze information related to the Library's communities and make service-related decisions.

Long Range Approach

The Library's budgeting and decision-making process always considers the future, not just 2 years out, but 5 to 10 years out. Board of Trustees and Executive Management are committed to making the optimal decisions related to ensuring future fiscal sustainability and meeting current Executive Priorities. Throughout the year, as data becomes available, current, next year, five year, and as applicable ten year projections are created and analyzed, leading to actions that must be taken immediately to ensure the Library remains focused on its mission in the now and future, without decimating services because of lack of effective planning. The chapter on cash flow analysis (see page 111) in this document shows the thinking behind this process. The Library recognizes that strategic goals and fiscal realities intertwine; it is exemplified in making clear priorities for the Library, and then exacting a conservative approach to budgeting and an aggressive pursuit of efficiencies. The Director's Team is relentless in requiring Managers to implement efficiencies and objectively show evidence for the funds needed to operate. Some of the efficiencies are provided in this document under in the Operational Changes for Efficiency, Savings, and Improvement chapter (see page 54).

Strategic Management

The Library employs the strategic management process called the Balanced Scorecard along with other strategic tools. These use a system-wide strategy and departments have corresponding internal strategies that are designed to support the system-wide version.

Operations Team Planning

Managers use the priorities and measures to develop their departmental goals and objectives (supported by budget proposals) and major projects funded in either the operating budget or capital budget.

Executive Review

The Director's Team interviews Managers and listen to proposals. Feedback is provided; sometimes decisions are made during this stage of the process. See the following section for detailed information regarding the Director's Team's approach.

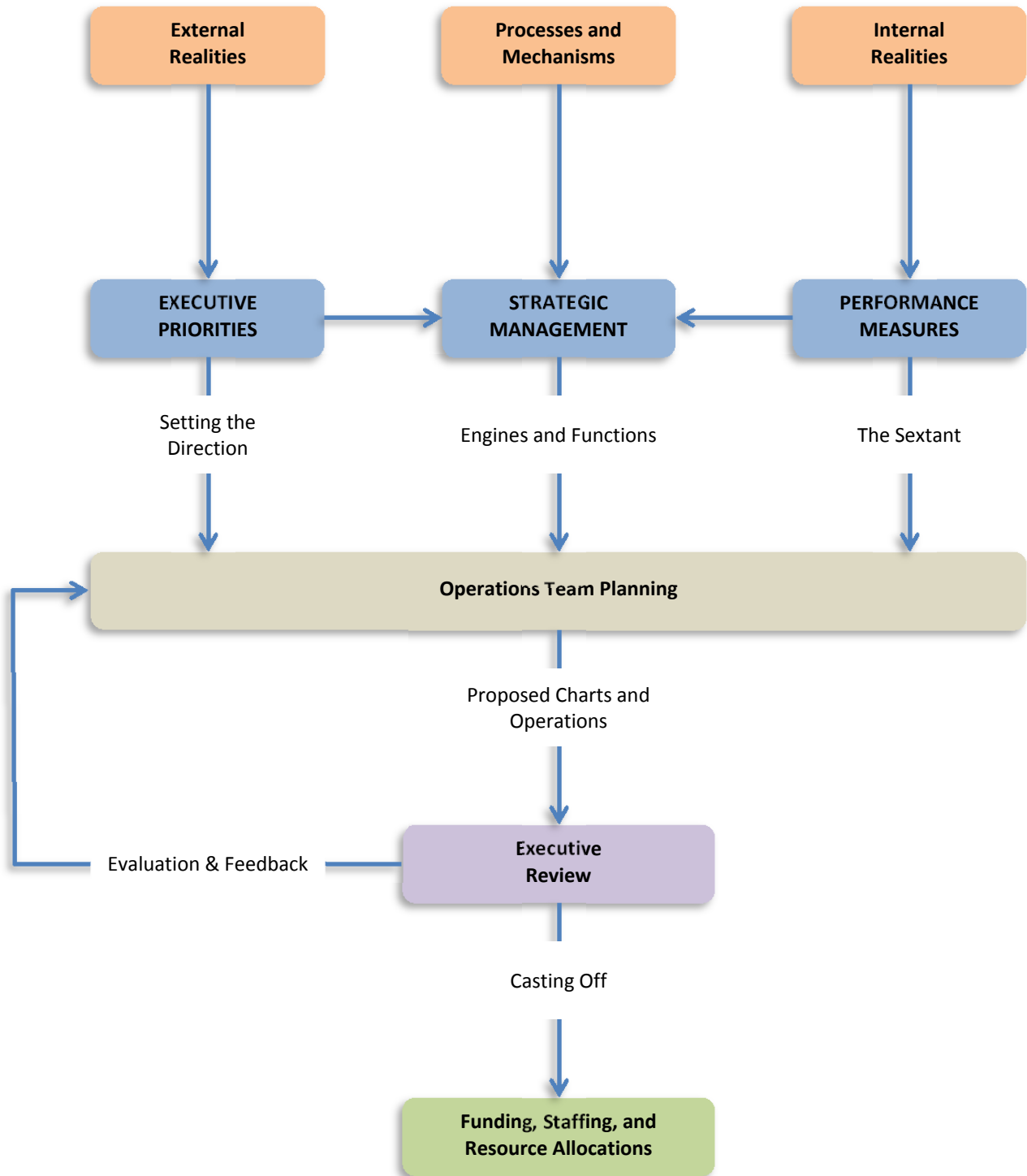
The Budget

Three budgets are created: the preliminary balanced budget, first public reading, and final public reading budgets. Each are presented with discussions held

during Board meetings. The public is invited to participate during November and December hearings.

Below is a visual depiction of the budget planning process. Setting sail is the metaphor used to describe the process in a more approachable way.

Figure 1-5: “Setting Sail”—The Budget Planning Process



Budget Method and Sequence

Pierce County Library's 2014 budget was developed for maintaining services from the Executive Director's four priorities, including services created by the voter-approved 2006 levy lid-lift. Managers followed a process that required maintaining services while submitting proposals for a 10% departmental budget reduction, looking for efficiencies, and considering how their budgets incorporated the Library's priorities.

Director's Team's Approach

The Director's Team does not approach departmental budgets using traditional budgeting assumptions (i.e., next year = current year + inflator).

Instead, it applies proven techniques from activity-based budgeting. This ensures that:

- Budgeting is linked to Library priorities and strategy.
- The current year's inefficiencies and operating assumptions do not automatically carry forward into the next fiscal year without scrutiny.
- Continuous improvements are required of Managers, including workload distribution—how to get the same work performed with less labor, or freeing up labor to perform emergent work.
- Managers focus on identifying and eliminating root causes of inefficiencies, workload, and high costs of procurement or services.

To these ends, Managers justify current funding levels; there were no automatic increases made to any maintenance and operations line items. Managers succeeded in submitting across-the-board reductions of 10%; however, the Director's Team carefully evaluated all reduction proposals; some were not implemented, as they would have greatly affected services.

Budget Method

The 2014 budget was developed by applying the following method:

1. The Administrative Team discussed service priorities, fiscal realities, and developed strategies.
2. Managers began conducting extensive budget studies in January 2013 to narrow the major

recommendations that would address most of the 2014 budget problem.

3. Managers were advised to plan and budget for 2014 services during the 2013 mid-year budget process.
4. Projected revenues were calculated in July 2013, from initial indicators of property value assessments.
5. The Director's Team updated the Library's five-year cash flow driver.
6. Managers were given the Executive Director's guidance on how to create their budgets in light of major budget reductions.
7. Managers developed and submitted operating budgets. Certain line items were called out for sub-itemization and analysis.
8. Managers collaborated to create and present capital projects, using an improved process.
9. Managers presented their budget proposals to the Director's Team.
10. Second drafts of departmental budgets were calculated and adjustments were made.
11. The Library received Pierce County's preliminary tax certification, which contained revenue calculations for 2014.
12. The Director's Team reviewed the compiled list of reductions and additions and calculated a draft budget that was unbalanced. The Implicit Price Deflator was received. As it was over 1%, it did not affect revenues.
13. The Director's Team finalized an implementation of \$1.1 million in reductions.
14. The (unbalanced) 2014 draft budget (operating and capital) was presented at the October 2013 Board of Trustees meeting. The Board was amenable for the Library to propose use of cash reserves/fund balance to cover the remaining \$127,663 gap, in lieu of further significant reductions that would affect services.
15. The 2014 draft balanced budget was presented at the November 2013 Board of Trustees meeting for public hearing and first reading. The public was invited to comment.
16. The Director's Team made adjustments to departmental budgets, as needed.

17. The 2014 final budget was presented at the December 2013 Board of Trustees meeting for public hearing and second reading and final passage. The public was invited to comment on the final budget.
18. If Pierce County submits amended property tax certifications at the end of December 2013, the Library will recognize those during the following summer’s mid-year budget process. It will not amend the budget approved during the December 2013 Board of Trustees meeting. (The Pierce County Treasurer Assessor provided one amended certificate, which was submitted.)
19. The 2014 budget book was published in February 2014, and made available to the public via the website.

balance the Operating Budget, the Capital Improvement Budget, and Fund Balances/Cash Reserves. Changes in any one area will impact the others. Because the Library tightly manages current and future cash flow (given moving projections), the selection of budget proposals and funding requests are ranked, and then decided upon with the explicit understanding that calculations for the final budget must preserve the integrity of the three areas as established in proven practices (see page 22) . See figure below.

The overall budget method ensured that Library management strategize and plan for service priorities for 2014. Two forms of budget calendars are provided in the next two pages: one showing the Gantt chart of summary-level budget activities, and the other a flow chart of key milestones and budget activities.

The Director’s Team’s principle objective during the final weeks of the budget process is to tactically

Figure 1-6: Conceptual Triad of Budget Elements

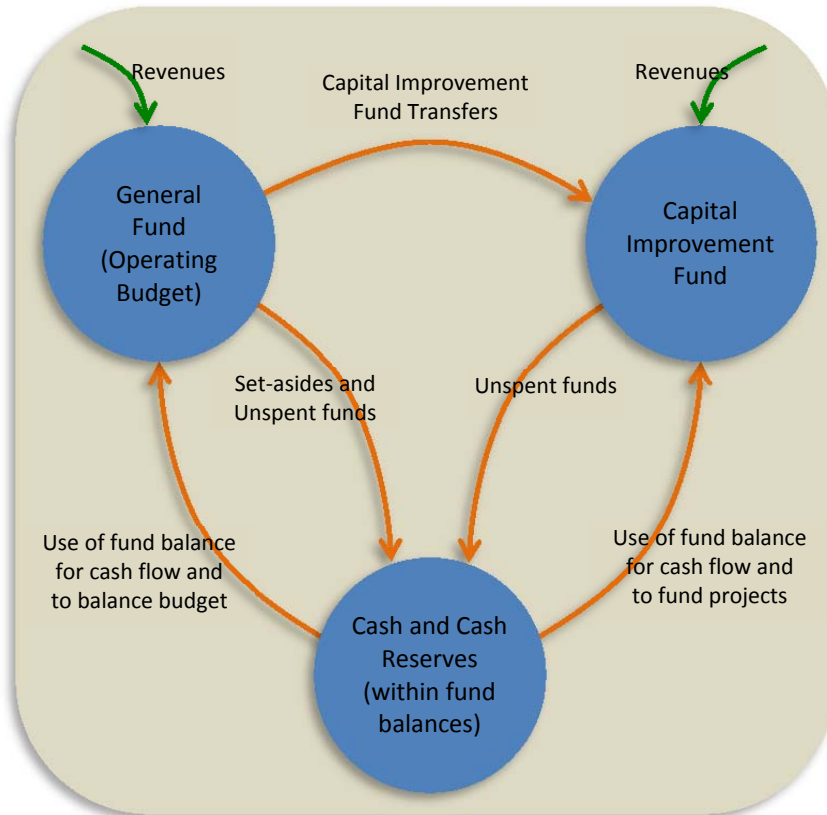
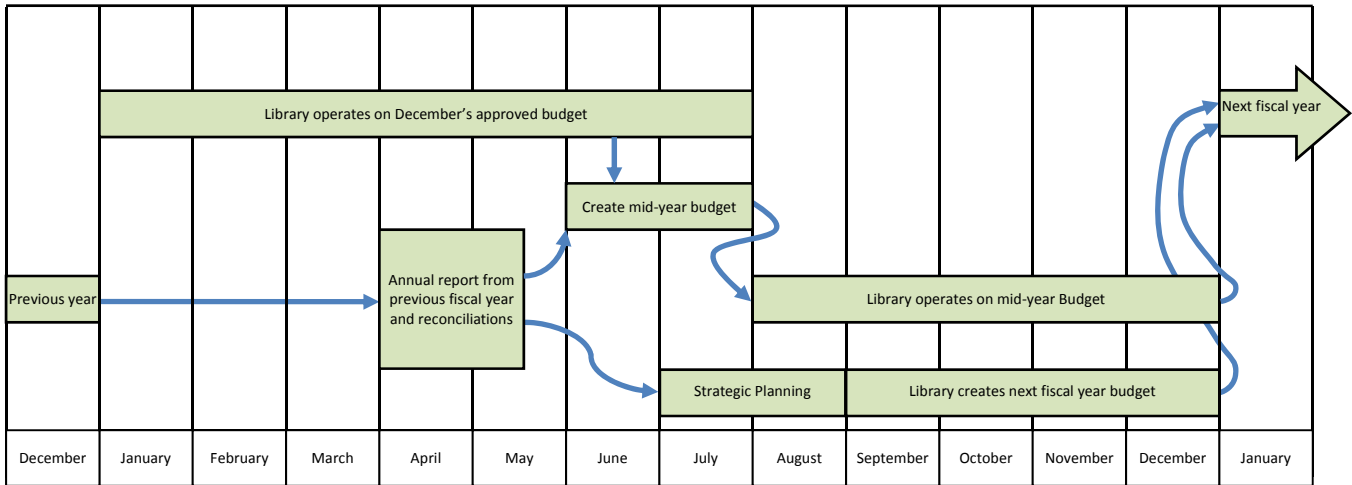


Figure 1-7: Budget Process Summary

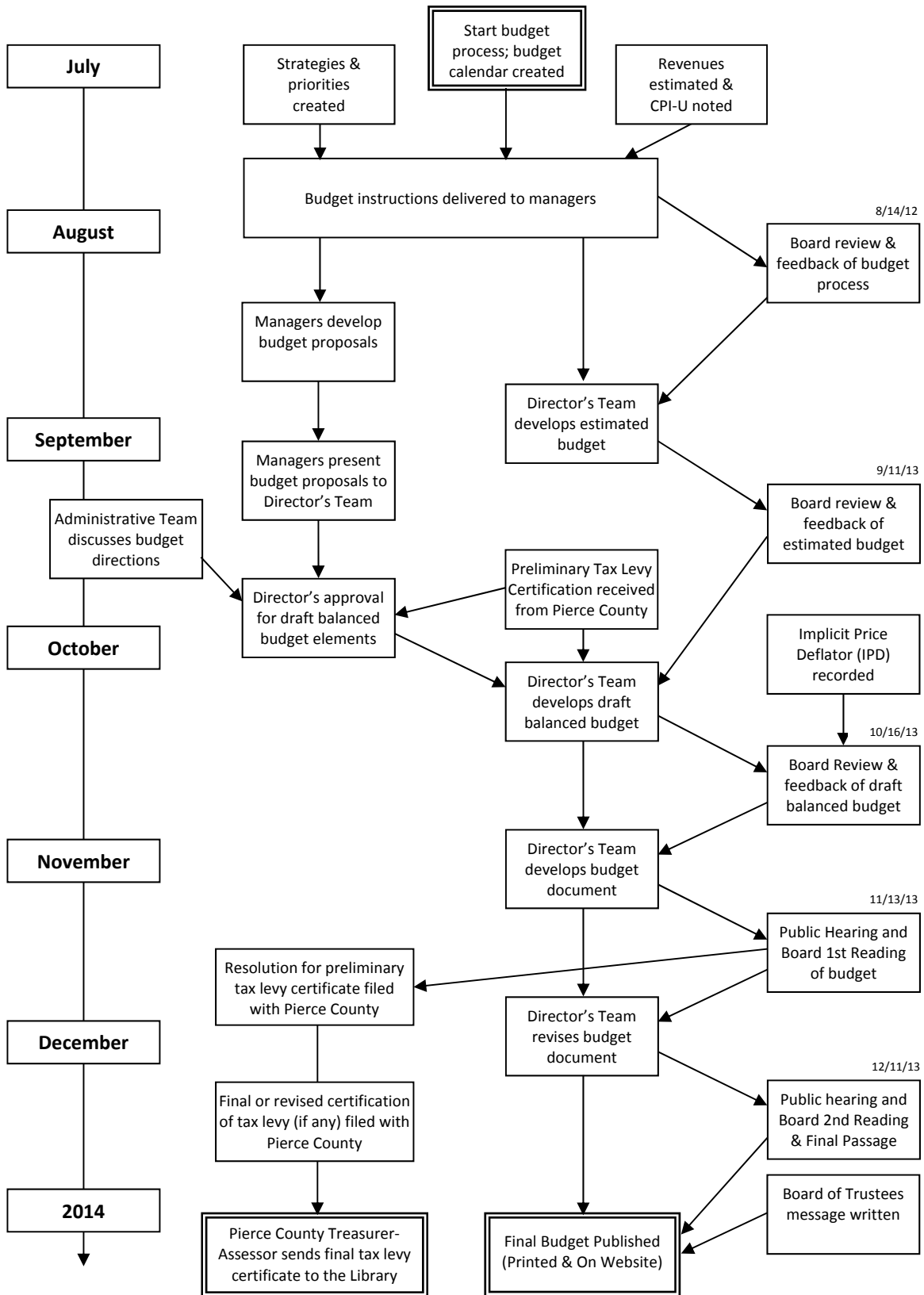


The above chart shows the general flow of budget-planning tasks, alongside implementations of budgets.



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Figure 1-8: Budget Process & General Timeline



2014 Combined Funds Budget

Table 1-2: Combined Funds Budget (Expenditures)

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/10)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
General Fund (Operating)	\$ 26,722,639.85	\$ 25,423,927	\$ 25,654,035	0.91%
Capital Improvement Fund	1,999,379.50	1,632,000	1,224,000	-0.25%
Debt Service (minor fund—unbudgeted)	0	0	0	0.00%
TOTAL FUNDS BUDGET	<u>\$ 28,722,019.35</u>	<u>\$ 27,055,927</u>	<u>\$ 26,878,035</u>	<u>-0.01%</u>

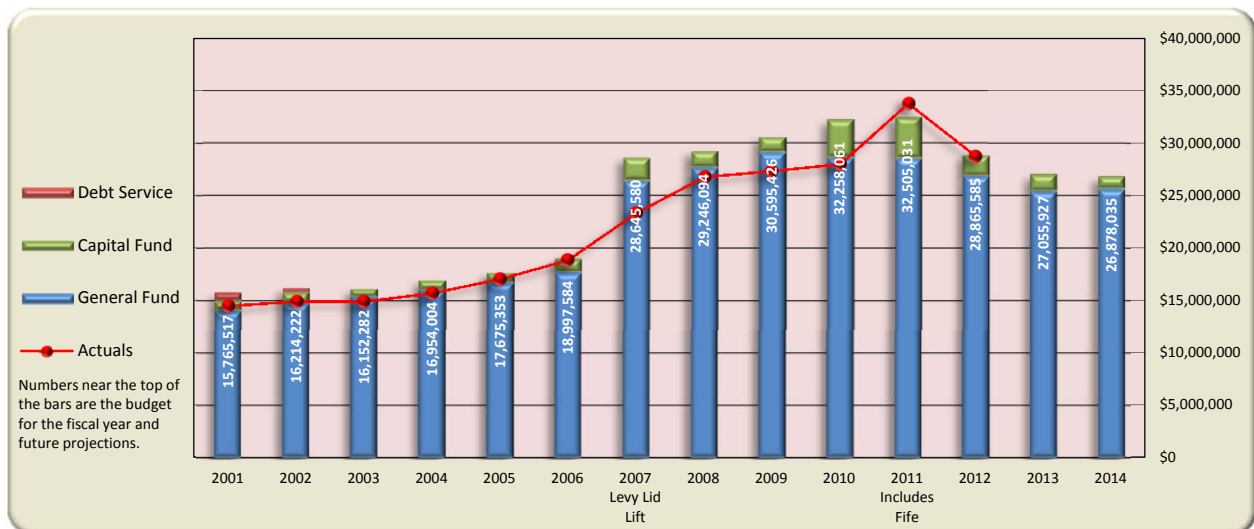
For 2014, the combined funds budget is \$26,878,035. Note that the Debt Service Fund remains unused because the Library carries no debt. Unlike the operating budget, the capital budget varies greatly from year to year, depending on capital improvements approved by the Board of Trustees. See table and chart below for the historical combined budget.

Each year, the Library plans the operating and capital budgets with an eye towards its mission, priorities, Balanced Scorecard, and fiscal responsibility. The 2014 budget continues that excellence by creating a budget that promotes service priorities while staying within current fiscal realities.

Table 1-3: Combined Funds Budget (2010 - 2014 Expenditures)

	2010 <u>FINAL (12/09)</u>	2011 <u>FINAL (12/10)</u>	2012 <u>FINAL (12/11)</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>
General Fund (Operating)	\$ 28,634,961	\$ 28,564,891	\$ 26,869,885	\$ 25,423,927	\$ 25,654,035
Capital Improvement Fund	3,623,100	3,940,140	1,995,700	1,632,000	1,224,000
Debt Service Fund	0	0	0	0	0
TOTAL	<u>\$ 32,258,061</u>	<u>\$ 32,505,031</u>	<u>\$ 28,865,585</u>	<u>\$ 27,055,927</u>	<u>\$ 26,878,035</u>

Figure 1-9: Combined Funds Budget & Actuals



Financial Administration of the Budget

Provided in this chapter is a brief overview of the financial administration of Pierce County Library System.

Accounting method

The Library is authorized by the Washington State Auditor to use the “Cash Basis” accounting method for all Library funds. This means all transactions are accounted for when they are either received or paid. The specific accounting method applied in the Library is the Washington State Budget, Accounting and Reporting System (BARS). The Library does not report using General Accepted Accounting Principles (GAAP).

Fiscal year

The Library operates on a calendar fiscal year, from January 1 through December 31. The Library employs a “13th month” for its fiscal year to account for payments and receipts that occur between January and December, but not yet processed as of December 31. The 13th month includes January of the following fiscal year but may extend into February as needed. The Washington State Auditor stipulates that all items purchased be received on the premises by December 31, invoices received and approved for payment within the first two weeks of January, and payments made by the end of January.

Funds

The Library uses three funds, two of which are major (a major fund is defined as a fund whose budget of revenues and expenditures are approved by the Board of Trustees by resolution; a minor fund has no budget of revenues and expenditures—it is inactive for all intents and purposes).

- **General Fund (for the operating budget):** The general fund—a major fund—is used for receiving nearly all revenues that come to the Library. All ongoing operations, such as salaries, benefits, payments and purchases for supplies, equipment and services, training, utilities, fees, etc., are paid out of the general fund.

The General Fund is distinct from the operating budget, as the latter does not record Board approved unbudgeted fund-to-fund transfers. These transfers are generally performed after the annual report is issued in May and unanticipated revenues and savings from the

prior year are recorded, then some portion moved to the Capital Improvement Fund, per the Fiscal Management policy.

- **Capital Improvement Fund (for capital projects):** The Capital Improvement Fund—a major fund—is a separate fund used to receive transfers of funds from the general fund and other one-time revenues, such as special purpose grant monies and donations. Expenditures out of the Capital Improvement Fund pay for such projects as improvements to buildings, major improvements to services, major equipment purchases that are not routine. Salaries and wages are generally not paid out of the Capital Improvement Fund.
- **Debt Service Fund:** The debt service fund—a minor fund—is used to receive any bond/debt related revenues and payments. At this time, Debt Service Fund is not considered a major fund because the Library carries no debt and is making no payments.

Each fund may contain restricted and unrestricted uses, and these are clearly identified in their description within this budget document. All funds are reported to the Washington State Auditor in the Library’s annual report. All funds are audited. Beginning in 2011, the Washington State Auditor requires reporting of restricted and unrestricted funds, and this budget document will be used to identify those elements in the annual report.

Because the Library is a special purpose taxing district (junior taxing district, having similar taxing authority to firefighting districts) with its own taxing authority, funds are appropriated differently than how a city appropriates funds to a city library. When the Library certifies the property tax levy, the Pierce County Assessor-Treasurer approves the final property tax that is levied on property owners.

The Board of Trustees is authorized to create other funds as needed. See the table below for departments authorized to use each type of fund.

Table 1-4: Department Use of Funds

<u>DEPARTMENT</u>	<u>2014 GENERAL FUND</u>	<u>2014 CAPITAL IMPROVEMENT FUND</u>	<u>2014 DEBT SERVICE FUND</u>
Executive Office	✓	✓	
Customer Experience	✓	✓	
Materials and Reading	✓	✓	
Finance	✓	✓	✓
Information Technology	✓	✓	
Facilities Management.....	✓	✓	
Marketing & Community Relations.....	✓	✓	
Fund Development	✓		
Staff Experience	✓		

Fund Balance

All Library funds (General, Capital Improvement, Debt Service) have the simple definition of the existing fund balance from December 31 of the previous year as reported to the State Auditor, plus the net of new revenues and actual expenditures of the current year (the Library has historically recorded an annual credit in the General Fund, but it fluctuated considerably for the Capital Improvement Fund), debit/credit any adjustments at the end of the current year, minus use of fund balance to pay for expenses (in particular, operating and capital).

Treasury and Banking

Washington State law appoints the Pierce County Assessor-Treasurer to act as the official treasurer for the Library. Revenues from property taxes and other public sources (such as Private Harvest Tax) are held and released by the Pierce County Assessor-Treasurer. Expenses are redeemed by the treasurer. The Library is authorized to create and manage bank accounts as needed to conduct business. Bank accounts are used for payroll processing, receipt of branch fines and fees revenue, and other electronic transfers to agencies, such as the IRS and Washington State Department of Retirement System. However, all transactions must eventually be recorded with the treasurer. The Pierce County Assessor-Treasurer also acts as the investment pool for available Library funds.

Budgeting

The Library budgets all funds according to the “cash basis” budgeting method and such budgets are reported to the Pierce County Assessor-Treasurer Office and to the Washington State Auditor. Therefore,

the Library uses the same basis of accounting for both budgeting and annual reports. Due to the timing of final budget approval and reporting, compared to the fiscal year annual report (five months apart), only estimates are given for ending and starting fund balances based on the most accurate information available at the end of November and prior to the final budget approval in December. The Library uses the mid-year budget process conducted between June and July to reconcile the actual fund balances with the originally approved budget estimates (mid-year budgets are not reported to the Washington State Auditor). Prior to receipts of property tax revenues in April and in October, the Library uses existing fund balances—which are unbudgeted but allocated as restricted funds—to cover payments as needed.

It’s not uncommon to have capital projects with multi-year contracts or schedules. In such cases, the Library “rolls over” the contracts from year to year and every attempt is made to be accurate during the budget process to predict the balance of contracts that need to be rolled over. With some exceptions, the Library encourages its managers to have all contract encumbrances satisfied by December 31. Remaining contract values are reopened for the current fiscal year. All encumbrances are zeroed out prior to the annual report.

Grants and restricted donations at times span fiscal years. Grant and donation revenues generally are not rolled over from year to year, and any balance of such revenue release into the ending year fund balance. When this happens, the balances of grant funds and restricted donations are estimated and their purpose is budgeted as expenditures irrespective of source of revenue. Wherever possible, the Library makes all efforts to receive grant and donation revenues closest to the time of procurement and payment.

Budget Amendments

The operating budget is only amended during the mid-year budget process. Outside of the mid-year, the Library's practice is not to transfer funds to/from departments or among line items, even if the bottom line remains the same. During the mid-year budget process, Managers review priorities, changes, and assess budgetary needs through the end of the year. Fiscal year revenues are adjusted accordingly based upon receipts and current estimates. A balanced budget is proposed to the Board of Trustees in the July Board meeting, during which the Board considers and takes motion. Bottom line mid-year savings are clearly identified and sometimes allocated, but otherwise flow to the general fund balance at year-end. The capital improvement budget may be amended throughout the year due to the nature of capital projects and capital needs, including emergency purchases. Library management periodically provides revised capital budgets to the Board of Trustees, of which the Board considers and takes motion.

Annual Reports

Every year, the Library reports to the Washington State Auditor its prior year's annual fiscal results. Reports include a statement of revenues and expenditures, broken down by fund, a statement of cash, and other information as required by law. Notes are provided. All annual reports submitted to the State Auditor are available online at www.sao.wa.gov. The Library provides a comprehensive report to the Board of Trustees during the May Board meeting.

Audits

The Washington State Auditor conducts a biennial audit of the Library's accountability and finances using the Governmental Auditing Standards (GASB), and conducts a "cash basis" audit. Typical audit areas include:

- Open Public Meetings Act and reporting
- Cash receipting
- Internal control
- Agreements and contracts
- Public Work projects
- Purchasing
- Banking activities

- General accounting, financial handling, and financial statements
- Compliance with applicable Washington State laws and regulations
- Other areas of auditing interest by auditors, management, and Board members

Auditors begin in October of every other year and conclude their work two to three months later. One or more Board of Trustee members are asked to participate in both the audit's entrance and exit interviews with Library management and state auditors.

The latest audit for the 2011-2012 fiscal years concluded with its exit interview on December 5, 2013. Auditors reported that:

- There were no uncorrected misstatements in the audited financial statements.
- There were no material misstatements in the financial statements corrected by management during the audit.
- No significant deficiencies in internal control over financial reporting were identified.
- No instances of noncompliance were identified that could have a direct and material effect on the determination of financial statement amounts.

The audit concluded with an unqualified opinion, a clean audit with no findings and no letters.

This concluded the 16th consecutive clean audit spanning three decades (there were single-year audits). The next audit for 2013-2014 will commence in late 2015.

Pierce County Library audit reports are available online at www.sao.wa.gov.

Financial System

Tyler Technologies' "Eden" products are used to manage the Library's finances, accounting, human resources, and other administrative tasks. Eden was implemented in 2007. No major changes occurred to the system in 2013 and none are planned for in 2014.

The auditor requires Eden records be reconciled with all bank accounts and with the Pierce County Assessor Treasurer' system.

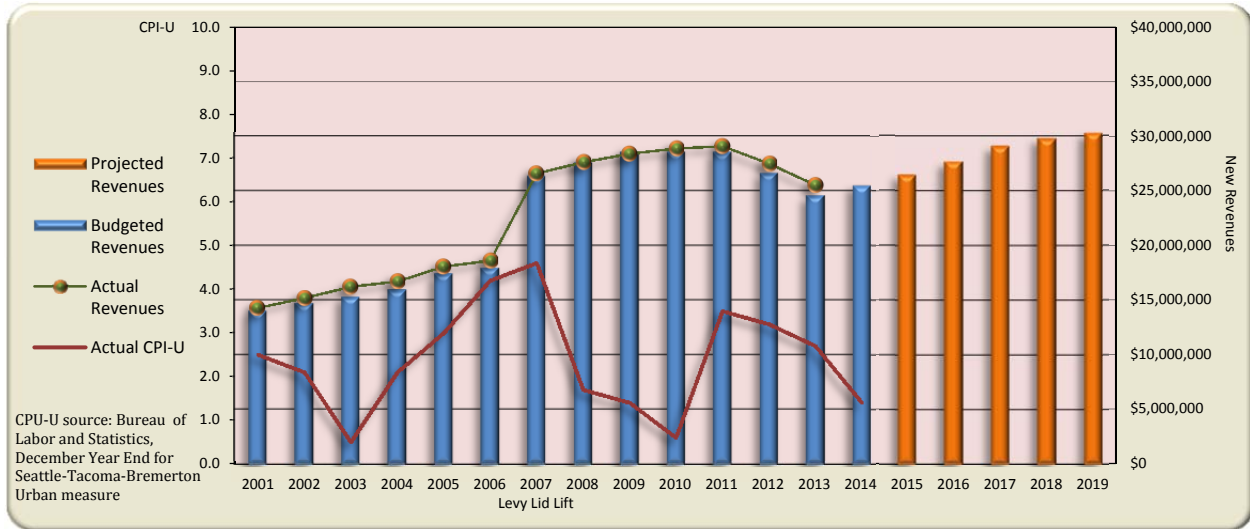
Strategic Planning & the Balanced Scorecard



Picture replaced prior to publication

Strategies to Meet Fiscal Challenges

Figure 1-10: Revenues vs. Consumer Price index-Urban (CPI-U)



Fiscal Reality

The above chart shows budgeted new revenues, projected new revenues, actual new revenues (green line), and the Consumer Price Index Urban (CPI-U, red-line). The fiscal challenge facing the Library is that revenues may be increasing (or are flat) during the next five years, while cost increases do not abate. At the end of 2013, the CPI-U from December 2012 to December 2013 was X.X% for the Library’s region. Actual revenues received were slightly higher than budgeted revenues because the Library maintains a conservative and responsible practice of not overestimating revenues.

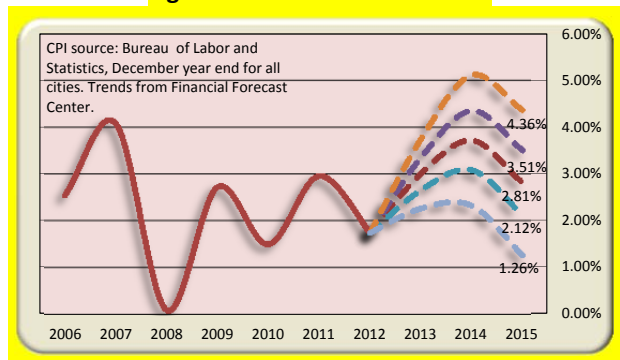
Long-Term Outlook—2015 and Beyond

It is generally believed that the current fiscal reality is the new reality and is permanent. Growth in property values will not return to levels seen in the 1990s and 2000s. To determine future property values, the Library used the Case-Shiller index for all of Pierce County (Case-Shiller data is purchased from Moody’s Analytics). The Library originally projected that after 2017, property values in Pierce County will increase nominally at up to a 2% per year rate. However, the Library is using the Case-Shiller data for projections and is creating trend analysis to match this data with actual property value assessments. The County Assessor’s preliminary property value increase showed a 2.94% increase, which compares favorably to the

Case-Shiller data for Pierce County at 3.13% increase. Cash-Shiller data suggests future property value increases of around 4% to 5% per year. Given the continuing concern of the economy and the housing market, the increase may or may not continue. At the end of 2014 we will know how accurate the Case-Shiller data continues to compare to the Treasurer-Assessor’s levy certificate.

The all-cities (national) Consumer Price Index (CPI) is expected to increase by 9.54% between December 2013 and December 2016. Per the chart below, the national CPI is expected to rise for 2014 and is estimated between 2.26% and 3.35% with 80% forecast accuracy. In 2015, the range is between 1.26% and 4.36% with 80% forecast accuracy.

Figure 1-11: National CPI Trend



Note: Regional CPI for Seattle-Bremerton-Tacoma is not the same as the national CPI; the regional CPI can

greatly vary from the national CPI. However, over time the trend is similar. Because forecasts for the regional area are not available, the national version is used to generally understand where consumer prices, and therefore library costs, are headed. Some of our contracts are out of state, for example, so costs around the nation will affect our costs differently than local suppliers.

The national housing price index is forecasted to grow by an average of 13.4% per year (source: Financial Forecast Center). Regionally in Pierce County, this is likely a high forecast because Pierce County housing values have been hit particularly hard compared to the rest of the nation. The Library is reviewing the data from Case-Shiller to more accurately predict housing values in the Library’s taxing district.

This financial information has a long-term effect on the Library and its partners: revenues will be flat and expenses will increase.

Strategies for Addressing Fiscal Challenges

Many strategies are discussed in this document, including efficiencies, cost control, and techniques for budgeting closer to actual costs (e.g., personnel). Other efficiencies were attained to prepare us for 2015. Each year is studied carefully and costs weighed to balance between reductions and services. Strategies include:

- Increasing non-property-based tax revenues.
- Reviewing the salaries planning budget and comparing it to actual project costs to thoughtfully factor in personnel turnover, such as unfilled positions.
- Analyzing and proposing cash reserves for closing the gap to balance the budget after all efforts were taken to reduce costs, and any further cost reductions would reduce services and affect customers.
- Implementing efficiencies.
- Evaluating return on investments, especially in the Capital Improvement Fund, to ensure that the projects implemented are the projects with clear benefits, quantifiable in terms of savings or reductions in recurring costs, or promoting and communicating clear customer service improvements in accordance with Library priorities.
- Reducing the capital improvement fund transfer from the general fund.
- Conducting studies (outlined below).

Strategic Studies

A key strategy for 2014 is conducting broad-based studies of library operations. Examples of these studies are:

- Implementing improvements to data gathering and analysis, so that managers can efficiently and effectively monitor key elements of their operations and make changes quicker.
- Surveying our customers to understand what they value and what is less important.
- Conducting a Technology Planning Process to determine what technology services that are needed for the next two years.
- Analyzing staffing and operations to further cost savings.
- Assessing ongoing facility conditions and future capital needs.

Balancing the 2014 Budget

A major task for the 2014 budget was to address the \$1.1 million budget reduction. Revenues came in higher than in 2013 which made up for operating costs that exceeded revenues, and expenditures were projected to add \$1.1 million to the budget problem. The Library addressed this \$1.1 million reduction by...

• Reducing the materials budget.....	\$ 20,000
• Using cash reserves.....	127,000
• Reducing the capital transfer to 1%.....	255,000
• Maintaining the adjustment to personnel....	583,000
costs to match projected actuals at 3%	
• Net of all other changes.....	115,000
TOTAL.....	\$1,100,000

General Library Strategies

See the next section regarding the Balanced Scorecard.

REPLACED PRIOR TO PUBLICATION

Strategic Framework Using the Balanced Scorecard

THIS SECTION WILL BE WHOLLY REPLACED IN 2013 USING THE NEW STRATEGIC FRAMEWORK. IT IS PROVIDED ONLY AS A REFERENCE.

“...the Balanced Scorecard is a philosophy of management – strategy – the way in which you manage your library. By using the language of measurement to describe your strategy and to guide your day-to-day actions, your chances of successfully executing your mission are dramatically enhanced.”

--David P. Norton, September 2004

The Pierce County Library System’s vision is to be “the community’s choice for the discovery and exchange of information and ideas.” To make wise choices and to focus limited resources in the areas most critical to success and excellent service, PCLS chose in 2005 to implement the Balanced Scorecard as its strategic management and measurement tool. This tool helps the Library determine how it will know when it has achieved a goal or its actions and choices have made a difference. It allows the Library to measure, evaluate and visibly demonstrate how well it is doing.

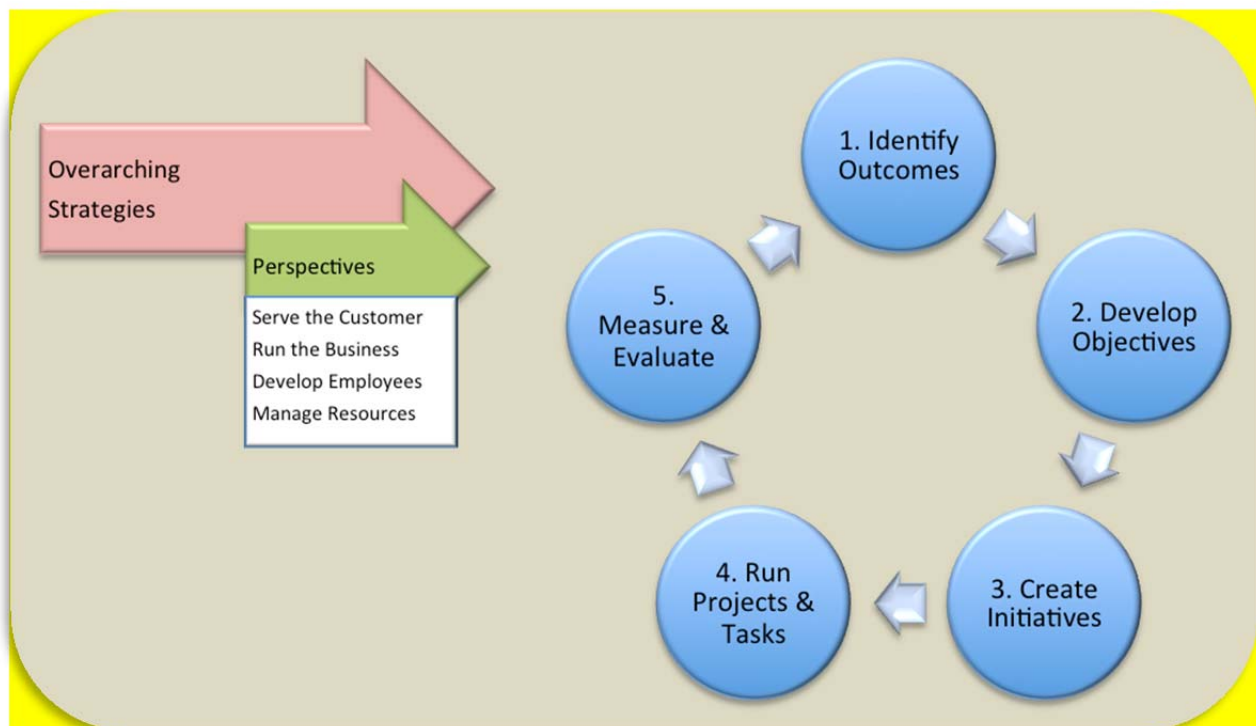
The Balanced Scorecard was developed at Harvard University and has been in use since the 1990s in the for-profit sector as well as by government agencies, including the State of Washington. Many libraries now use this planning, reporting and decision-making tool.

The Balanced Scorecard considers all areas of operation when making choices in what to do and how to allocate resources. The Library examines four perspectives (notations in parenthesis are the standard terminology used in the Balanced Scorecard):

- Customer (Serve the Customer)
- Internal Processes (Run the Business)
- Learning, Innovation and Growth (Develop Employees)
- Financial (Manage Resources)

Pierce County Library is now entering its 7th year in using this system. The Library’s system-wide Balanced Scorecard has been a part of the budget process since inception and has been documented in the budget each year. It played a key role in crafting the Levy Promises. See the figure below for the Library’s Balanced Scorecard process.

Figure 1-12: Pierce County Library's Balanced Scorecard Process



Overarching Strategies

By regularly assessing strengths and weaknesses within these four perspectives and applying the Library's functional strategies, four system-wide strategies emerged and have been in place since 2006:

- Remove access barriers
- Extend service to target populations
- Meet changing marketplace needs
- Serve the customer well

These have been in existence since 2005, and have changed little. Note that the Library Priorities are similar.

Intended Outcomes

To guide the development of objectives, the Library inserted a step into the Balanced Scorecard: establish outcomes by applying elements from the outcome-based evaluation process. The Library views outcomes as general statements about the Library's effect. Objectives are set as actions to accomplish outcomes.

Objectives and Initiatives

Management develops objectives and initiatives for service and action. These apply to the four perspectives listed below. Initiatives for the system can be multi-year implementations. Many initiatives are designed and implemented to change the culture of the organization. Examples of initiatives are listed below.

Measurements

A key area of the Balanced Scorecard is measuring the Library's multitude of data and measures. The Library has always maintained a plethora of measurements to drive or report its performance; they've been part of the Library's decision-making process prior to the Balanced Scorecard.

Staff identify methods to measure success and set targets to measure progress. Progress is then documented and reported to the Board of Trustees, the public and staff, quarterly and annually.

In 2011 the Library purchased software that will assist in capturing, storing, and reporting accurate operational and performance data, choose objective metrics from among this data, and then set and

monitor goals for improvements for the system and its departments. The new software will reduce the time it takes to manage and organize the data.

Customer Perspective: Serve the Customer

In 2009, the Library developed an innovative approach in customer service. The "Experience Model" is built on the latest studies regarding customer experience. The Library employs three key aspects to its Experience Model, all in the customer's voice, to provide an excellent customer experience when using the Library:

1. Help me get started
2. Get me unstuck
3. Keep me interested

In service delivery and budget crafting, The Experience Model drives a variety of important decisions. An example of a recent decision made was to implement the concept of "Reference Triage" by changing the work of the Adult Services Librarians (previously known as Reference Librarians). Instead of the librarians focusing on all three aspects of the Experience Model, over a hundred non-librarian employees were trained to help answer many questions to help customers get started and unstuck. Librarians were then able to focus on complex aspects of library service, including keeping customers interested, engaging in the community, and drawing in new faces.

Learn, Innovation & Growth Perspective: Develop Employees

The Balanced Scorecard starts with organizational readiness: "How will we sustain our ability to change and improve in order to achieve our vision?" In a world of rapid and constant change the Library must be in a continuous learning mode to adapt quickly to changing needs, to interests and demands of the public, and to how work is performed. The ability of staff to creatively approach work processes, to adapt to change and innovate is critical as the economy changes the environment in which we work and provide service. An example of "The Learning Culture" was the Library's concept of implementing Learning Plans for all employees. This initiative began in 2010 and the first round of learning plans was laid down in early 2011. Each learning plan is designed specifically for an employee with the guidance of his or her supervisor/manager. Goals for learning are discussed, established, documented, and monitored in the context of organizational needs.

Financial Perspective: Manage Resources

As evidenced throughout the budget document, the Library faces considerable fiscal challenges in current and coming years. Having projected this reality several years ago, the Library greatly emphasized the need to implement efficiencies and cost savings in its operations without affecting services, if not improving service delivery. See the Efficiencies discussion below for examples of this Balanced Scorecard Perspective in motion. Finally, given that tax revenues are decreasing, the Library has committed to increasing non-tax revenues. An example of this is the Foundation’s commitment to increase its fund raising activities by \$20,000. This commitment is reflected in the 2012 budget.

Internal Processes Perspective: Run the Business

This perspective goes hand in hand with the other three perspectives; it specifies how we do things. Process modernization and technology are heavy aspects to the Library’s implementation of this perspective. The Executive Director’s 2012 four priorities speak highly to this. Organizational skills, such as project management, project portfolio management and other techniques are a key part to improve the effectiveness and make predictable the outcome of tasks and projects. The Library invested in developing project management skills by creating its Project Toolbox (crafted after the Project Management Institute’s Book of Knowledge) two years ago, and then trained its managers in multiple project management in 2011. As important, part of improving internal customer focus was to implement improved management coaching skills. To this end, throughout 2011 the Library invested in coaching workshops and training, and the Library is committed to applying these skills in 2012 for staff to provide better service among each other.

Diagrams & Visuals

The following pages show graphical figures of the Library’s Balanced Scorecard.

Update

In 2012 the Library will be updating its Balanced Scorecard to reflect progress and current directions and service needs.

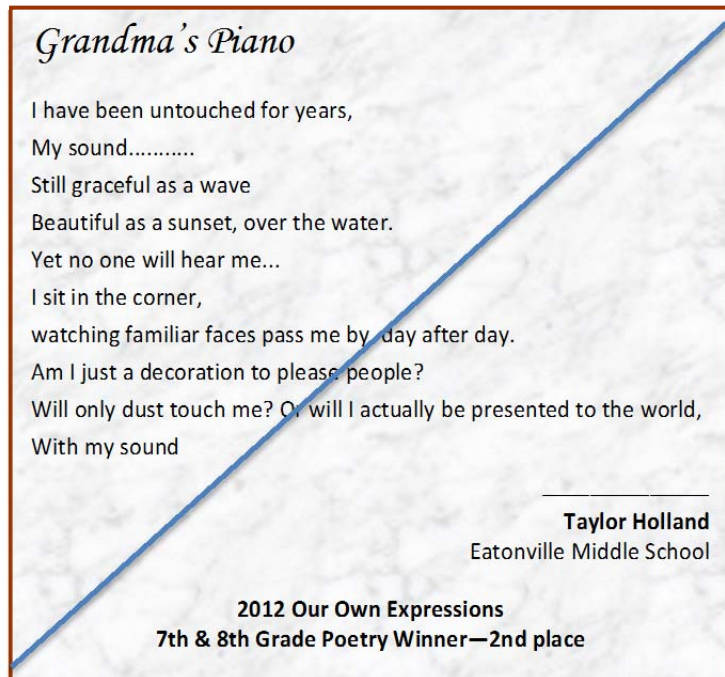


Figure 1-13: New Strategic Framework

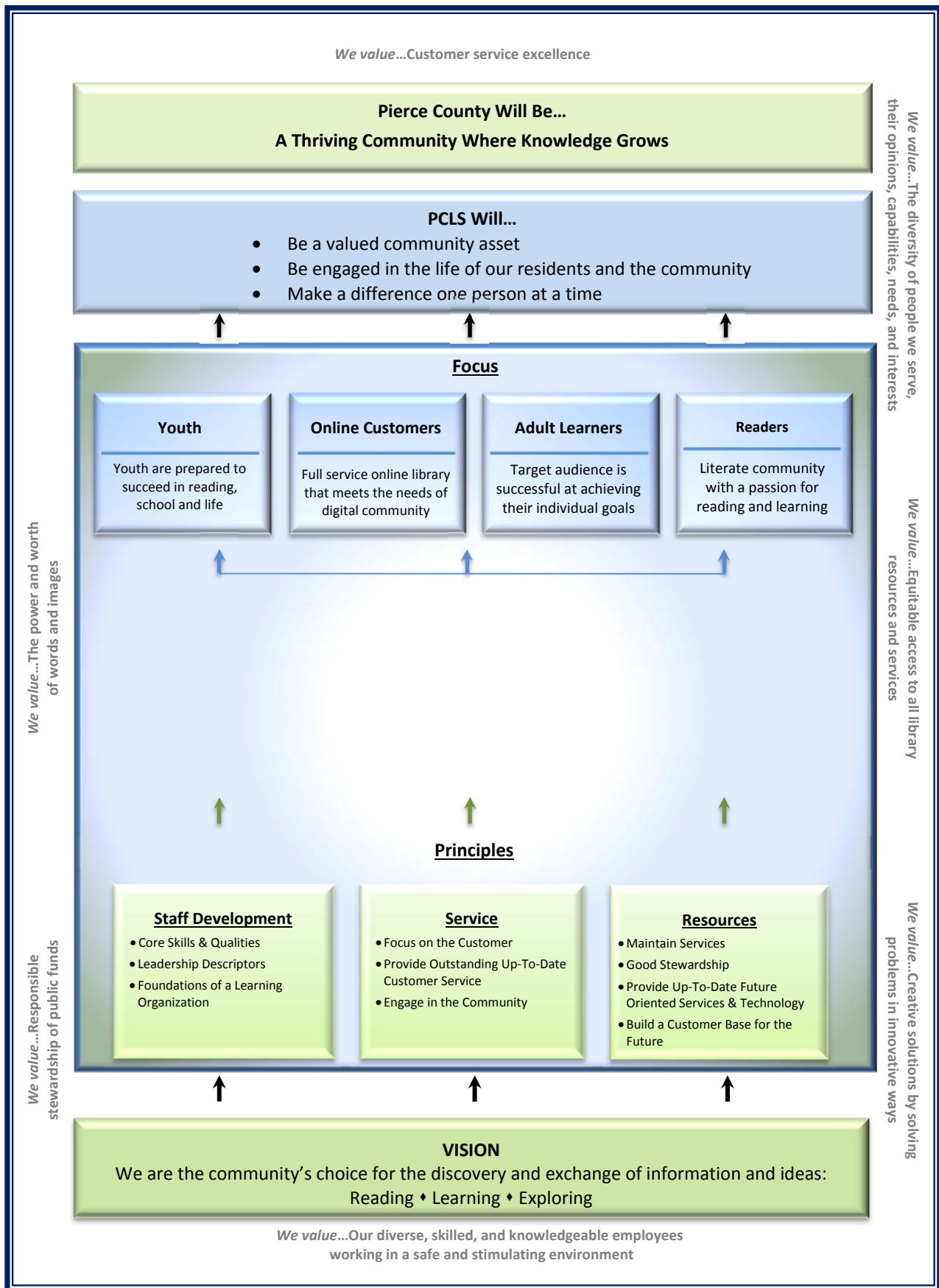
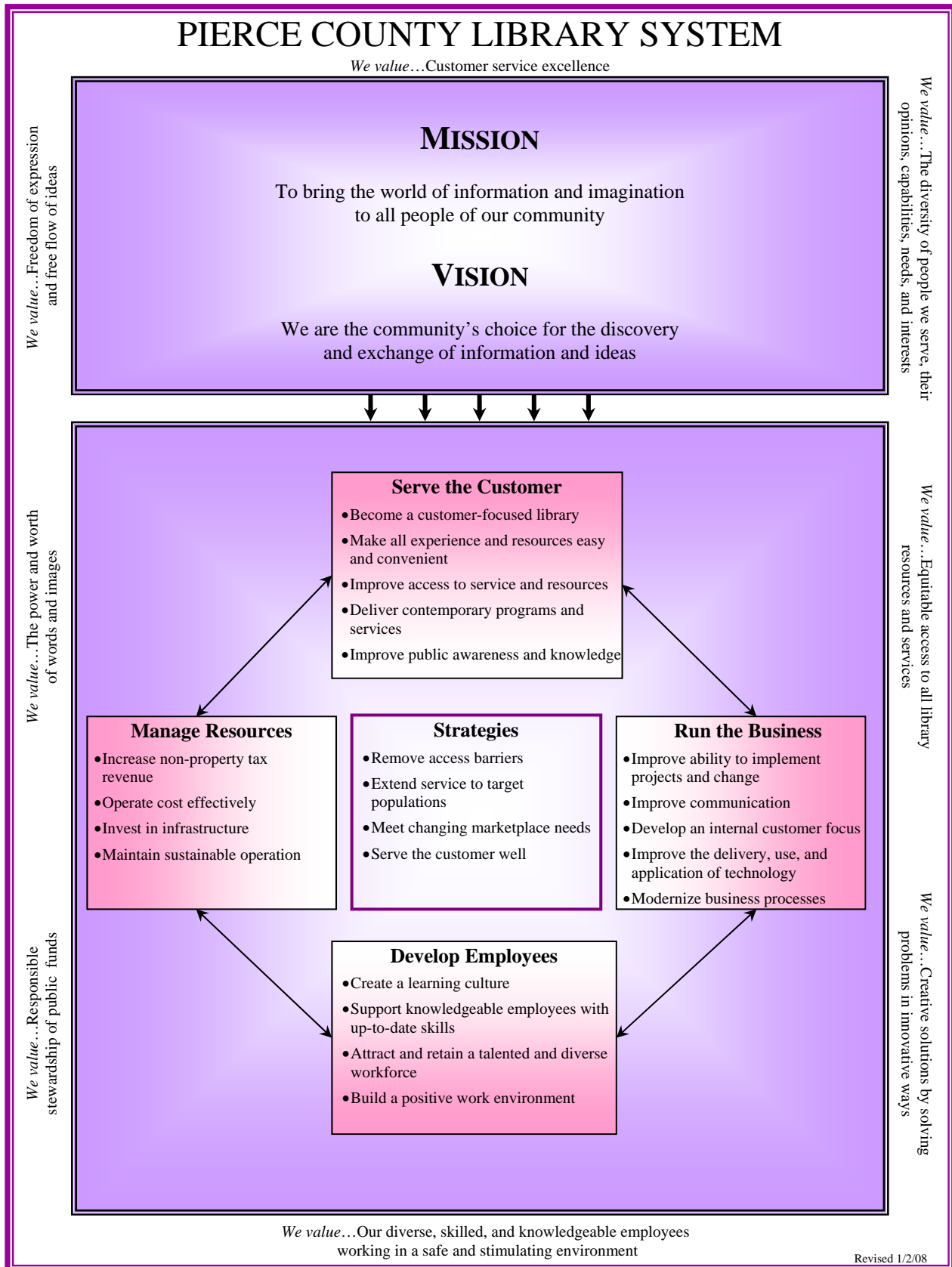


Figure 1-14: Original Balanced Scorecard



We value...Freedom of expression and free flow of ideas

We value...The power and worth of words and images

We value...Responsible stewardship of public funds

We value...The diversity of people we serve, their opinions, capabilities, needs, and interests

We value...Equitable access to all library resources and services

We value...Creative solutions by solving problems in innovative ways

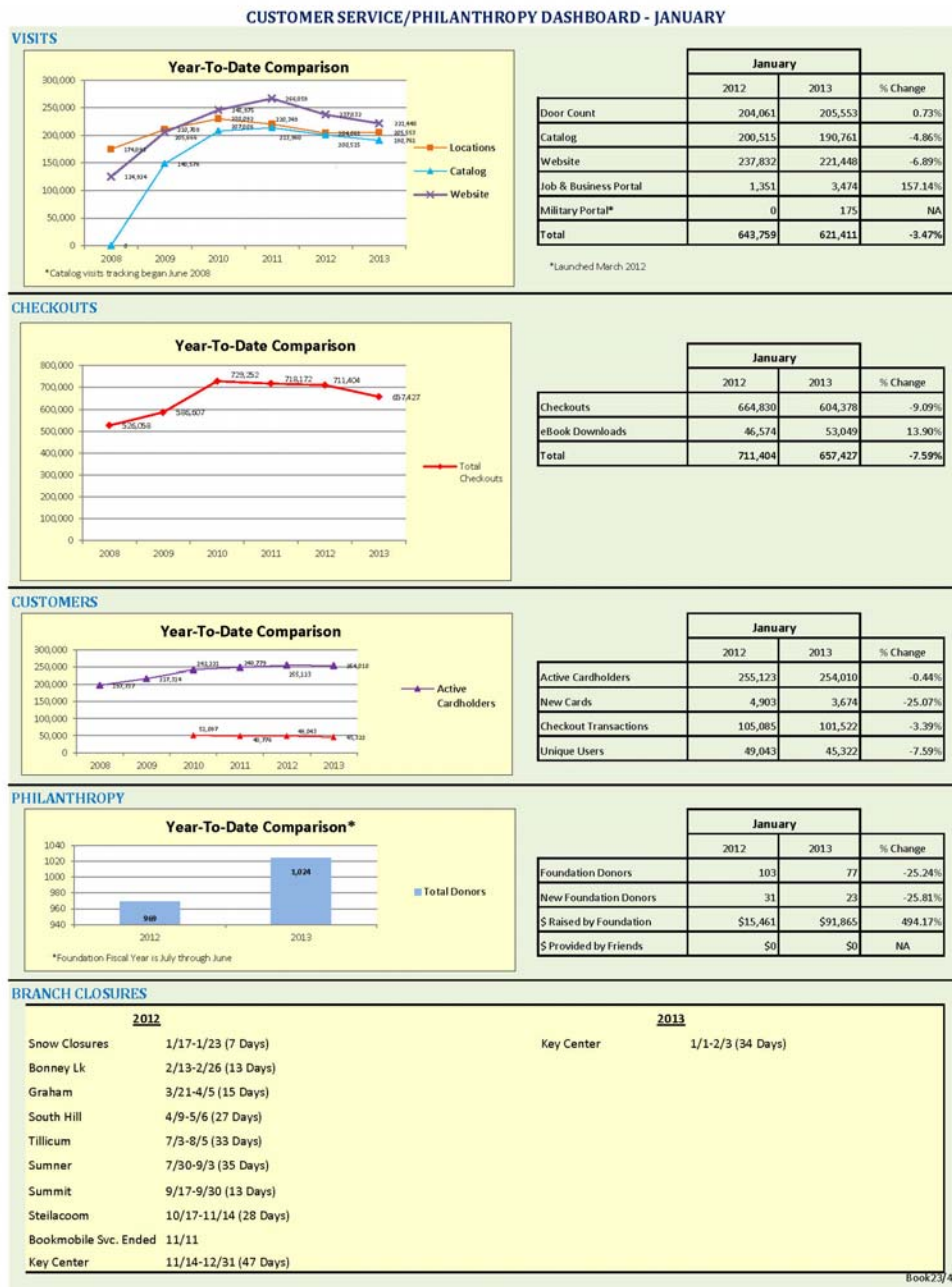
REPLACED PRIOR TO PUBLICATION

Figure 1-15: Outcomes, Objectives, and Measures

REPLACED IN 2014 WITH NEW SYSTEM

The Library is halfway through replacing its existing measurement system with a new system that is data-driven. Civic Technology’s Community Connect system and a suite of Counting Opinions systems are being used to enter, store, and manage library and related data. These data-driving systems help the Library see wide-ranging demographic information regarding our community and services. Along with the release of the New Strategic Framework, processes to create and measure outcomes and objectives will be designed. A Board of Trustees dashboard was delivered in December 2012 and is updated and delivered each month. An example is provided below. Similar dashboards will be created for departments and the Library as a system.

Figure 1-16: Performance Dashboard Given to Board of Trustees



The calendar below shows the combined tasks that occur during a fiscal year, juxtaposing strategic tasks, formal tasks, and administrative tasks.

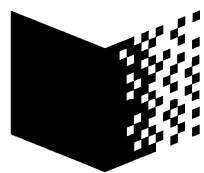
Table 1-5: Strategic & Budget Planning Process

Month	Strategic Tasks	Board Tasks (PKT / MTG)	Fiscal & HR Tasks
JANUARY	NEW STRATEGIC FRAMEWORK IMPLEMENTATION		<ul style="list-style-type: none"> · (JANUARY 1) Fiscal year begins · Previous fiscal year closed
FEBRUARY		<ul style="list-style-type: none"> · Published budget document 	<ul style="list-style-type: none"> · Finance Department finishes out previous fiscal year
MARCH			<ul style="list-style-type: none"> · First estimate of ending fiscal year performance
APRIL			<ul style="list-style-type: none"> · Final corrections made to previous fiscal year · Draft annual report created and distributed to Communications Department
MAY		<ul style="list-style-type: none"> · Previous fiscal year report · Review previous fiscal year report 	<ul style="list-style-type: none"> · Final annual report sent to State Auditor
JUNE		<ul style="list-style-type: none"> · Mid-year budget, CIP, and cash flow 	<ul style="list-style-type: none"> · Mid-year budget process begins; budget papers sent out · Preliminary assessment of property tax assessments announced by County; mill rate estimated · Mid-year budget papers received; budget created; decisions made
JULY		<ul style="list-style-type: none"> · Mid-year budget, CIP, cash flow, budget & CIP resolutions · (ACT) Approve mid-year budgets 	<ul style="list-style-type: none"> · June-June CPI-U from BLS available; Union informed · Mid-year budget entered into financial system · Next fiscal year's budget calendar created
AUGUST		<ul style="list-style-type: none"> · CPI-U information, next fiscal year budget calendar · Board reviews budget calendar 	<ul style="list-style-type: none"> · Benefit information received from providers · Fiscal year budget process begins; budget papers sent out with instructions · Estimated budget created
SEPTEMBER		<ul style="list-style-type: none"> · Estimated budget · Board reviews estimated budget; discuss budget priorities 	<ul style="list-style-type: none"> · Every three years (2009, 2012, 2015): Labor Contract negotiations commence with intent to end 12/31 · Managers submit budget proposals · Managers present to budget panel · Budget panel makes budget decisions · Preliminary certificate of property tax levy received · Balanced budget, CIP, cash flow created
OCTOBER		<ul style="list-style-type: none"> · Balanced budget, CIP, cash flow, Director's message · Board reviews balanced budget, CIP, cash flow; provides feedback 	<ul style="list-style-type: none"> · Budget decisions made; second draft of budget created; budget document draft begun · Certificate of property tax levy received · Budget document reviewed by budget team & amended · Benefit package created and sent to staff
NOVEMBER		<ul style="list-style-type: none"> · Second versions of balanced budget, CIP, cash flow, and budget document · (ACT) Board conducts first public hearing of budget; provides feedback; Board reviews and approves motion to certify property taxes to be levied for the following year 	<ul style="list-style-type: none"> · Benefit enrollment month · (NOVEMBER 30) Deadline to file tax levy resolution/budget certification to County · Deadline to file IPD/tax increase resolution · Third draft of budget created; budget document completed
DECEMBER		<ul style="list-style-type: none"> · Final versions of balanced budget, CIP, cash flow, and budget document · (ACT) Board conducts second public hearing of budget; Board adopts resolutions to adopt fiscal year budget and CIP; Board approves motion to certify property taxes to be levied for the following year; final fiscal year transfer to CIP · (ACT) Board may conduct special meeting(s) to approve budget changes 	<ul style="list-style-type: none"> · Managers notified to complete current year transactions by mid-January (equip received by end of December) · County may send revised levy certificate; Library recommends Board to act on it (or not) if material; if so, schedule a special Board meeting to approve revised budget and certificate; revised certificates sent to County · Budget entered into financial system; budget document in final draft form · Benefit enrollments processed · (DECEMBER 31) Fiscal year ends

LEGEND

PKT = Board packet materials CIP = Capital Improvement Plan MTG = Board of Trustees meeting
 IPD = Implicit Price Deflator ACT = Action required CPI-U = Consumer Price Index-Urban AT = Administrative Team

Part 2 Library Services



Pierce County
Library System

INFORMATION ■ IMAGINATION

2014 Services



Picture replaced prior to publication

Message from the Deputy Director

May you live in interesting times. The past five years have certainly been that for members of our community, as well as for the Library and its staff and services.

Throughout the recession, Pierce County Library has worked to maintain and provide services and resources valued by the community, to preserve open hours and to provide friendly, knowledgeable staff members who deliver great experiences to customers each day, despite reducing operating expenses by \$6.4 million over the course of the recession. While we're not quite out of it yet, 2014 is looking better despite having to close a \$1.1 million shortfall.

PCLS will come out of the recession stronger than before and ready for new challenges, having examined its structure, services, talents and vision for the future. During the recession, the Library focused on core services, as defined by residents, and moved forward when possible in areas where the community needed us, such as job support, student success, and serving soldiers and military families. We've used this time to build connections in the community and to listen to what is needed now and in the future.

Here's a quick look at what to expect at the Pierce County Library in 2014:

Readers

With support from a \$150,000 Paul G. Allen Family Foundation grant, readers will be able to participate in a new **online reading activity** that offers a fun way to customize their reading and to explore library resources and services. Beginning in spring, readers will earn badges and prizes as they read, use library services, connect with other readers and discover ways to take reading beyond the pages of the book.

According to the Institute on Aging, "boredom and depression can lead to forgetfulness", and the American

Academy of Family Physicians points to inactivity as one of the reasons many elderly fail to thrive. Vulnerable seniors can stay engaged by listening to books on tape or CD, reading, watching movies and listening to music.

In 2014, a new van purchased with the support of a \$75,321 Gary E. Milgard Family Foundation grant, will ensure residents of **senior care facilities** receive personalized reading recommendations from skilled librarians who are familiar with their interests and preferences. Staff will personally deliver these books, providing a service that contributes to quality of life for the elderly and provides mental stimulation to keep them engaged. Staff will transport bestselling books, large print books, audiobooks, movies, music, eReaders, DVD players and more to seniors living in 29 care facilities.



Georgia Lomax, Deputy Director

Learners

To be competitive in the 21st century job market, employees and job seekers must have essential computing skills, as well as the ability to adapt and upgrade those skills in a rapidly changing, technology-intensive environment.

The Library will provide free access to **Microsoft IT Academy**, which offers self-paced, self-directed online classes with hands-on practice to help learners improve their computer skills and become more proficient with Microsoft applications. Courses range from basic digital literacy and building proficiency with Microsoft software, to web development and .NET.

Pierce County has 76,096 foreign-born residents but only 53% of them have become U.S. citizens. In 2014, PCLS will partner with Tacoma Community House to offer two **citizenship classes** each quarter to refugees and immigrants. The 10-week courses will be held at the Lakewood and University Place libraries, which were selected because of the percentage of foreign-born residents living in the area and using the library. The goal

Open Hours

The Library will continue to offer 973 open hours each week through 18 locations, as well as 24/7 access to resources, including downloadable books and music, through the webpage and online branch at www.piercecountylibrary.org.

is to prepare 266 students over the next two years to successfully pass the naturalization test and become citizens who are better equipped to integrate and more fully participate in the success of the community.

Youth

The Library believes that supporting STEM (science, technology, engineering and math) skills is a critical piece of its education mission.

Children in kindergarten through third grade in 29 elementary schools will build science and learning skills through the new **Science to Go** program, thanks to a generous Paul G. Allen Family Foundation/Faye G. Allen Library Program grant. The new literacy program will give a library card to every child and help approximately 10,000 school-age children narrow the STEM gap while broadening their reading skills.

Research shows that students who read at home are more likely to perform stronger on tests of reading comprehension and writing. Students who read are also more likely to become lifelong learners and leaders. With this in mind, in 2013 the Library partnered with the Franklin Pierce School District to put a library card in the hand of every Bethel student. Those **students** have borrowed more than 30,000 books.

In 2014, the program will expand to the Bethel and White River school districts where we will again partner to provide students with a free Pierce County Library card. With the card, students will have access to important study and research resources from their home computers or mobile devices, including free real-time online homework help from live tutors, research databases, free magazines, encyclopedias and SAT and other test preparation help.

Digital Customers

Customers with both **Android and Apple devices** will be able to access the Library catalog, resources and staff through **apps** for their smart devices.

The Library's **website** will use responsive technology to automatically adjust for the best viewing experience regardless of the size of device being used. The addition of Google Translate will allow customers to translate the website into multiple languages.

Over the past 18 months, the Library has explored the current state of PCLS **technology and digital services**, gathered staff and customer observations and opinions, and identified what is needed for the Library to deliver future-oriented and valuable technology and online services to the community.

A new department will combine the work of the current Information Technology and Virtual Services departments, which will identify and prioritize projects to be accomplished in 2014 and 2015.

Collection

During 2013, libraries made progress working with **ebook** publishers to increase the downloadable books available for libraries to purchase, although the prices continue to be extremely high (The copy of Hunger Games: Catching Fire that you buy for \$9.99 costs the Library \$85.)

Facilities

The Pierce County Library Foundation will launch a community fund raising effort to upgrade and enhance the library experience for readers at the **South Hill Library**. If fully funded, the project will include a reimagined reading and internet area, practical improvements for teens and tweens and an attractive

Friends of the Library book sale display in the lobby so busy South Hill residents can drop in, charge up, check out and go!

It may not be as exciting as having the new bestseller waiting for you to pick up, or a new reader's lounge at South Hill, but keeping facilities in good condition, comfortable and welcoming is an ongoing job. The **restrooms** at Parkland/Spanaway, South Hill, Graham, Summit, Key Center and Lakewood have been identified as in need of TLC and upgrading, and will get the attention they deserve this year.

Readers appreciate good **lighting** when browsing the latest magazine, or working on a job application, and the Library loves to save money, so we will be installing energy efficient lighting at Graham, Key Center and Lakewood and submitting for rebates to offset the costs.

Impacts from budget shortfall

(To be added in late December).

Helpful, Knowledgeable Staff

As we enter 2014, the Library is staffed by 348 talented individuals who are committed to supporting you as you pursue your interests, further your education, explore ideas and engage your imagination.

Conclusion

Pierce County's readers, learners, digital customers, students and youth will find plenty to explore in 2014. We hope that this year you will visit the Library at a branch, online or at activities in your local community. We'll be sure there are plenty of books, movies and music waiting for you, along with knowledgeable staff ready and eager to help you find an answer, a good book, or help in you with whatever you need as you read, learn and explore.

Sincerely,

A handwritten signature in black ink that reads "Georgia Lomax". The signature is written in a cursive style with a large, prominent "G" and "L".

Georgia Lomax
Deputy Director

REPLACED IN JANUARY

System Measures: 2008 – 2013

In 2007, the Library's mill rate was raised to 48 cents per \$1,000 assessed property value when voters approved a levy reauthorization request. With those added funds, the Library promised that it would:

1. Increase open hours to expand access to staff, books and resources, and facilities;
2. Add books and other materials to support reading and life-long learning;
3. Increase services for youth to support reading and building skills to succeed in school and prepare for the future; and
4. Improve customer service and technology to ensure services and technology is convenient, fast and up-to-date.

The Library continues to monitor statistics related to the levy promises, as well as to understand how its services and resources are being used so that it can adjust services to best meet the community's needs.. The following tables show the Library's performance in areas related to Levy promises. During 2013 the Library will be evaluating and revising its measurements.

Table 2-1: System Measures Overview

Measureable		2007	2008	2009	2010	2011	2012
Service Area ¹ Population		509,000	522,000	534,000	554,000	560,000	555,000
Mill Rate Levy (per \$1,000 Assessed Value)		48¢	44.25¢	44.33	46.95	50.00	50.00
Operating	Per Capita	\$44.91	\$49.29	\$44.72	\$50.83	\$51.56	\$47.63
Expenditures	Total	\$22,854,133	\$25,730,288	\$24,775,015	\$27,142,643	\$28,564,891	\$26,432,186
Open Hours		918	918	918	926	973	973

Notes:

1. Because population data is reported in the middle of the calendar year, the Library uses the previous year's reported population for purposes of benchmarks and comparisons. Beginning 2010, this number includes the Fife service area.

Invisible

No one looked, no one saw, no one seemed to see.
 No one listened, no one heard, no one seemed to hear.
 With tear stained cheeks he sat alone. He felt displaced and scared.
 Still no one noticed, no one came, no one even cared.

With shoulders drooping, eyes downcast, his legs didn't seem to move,
 But rather stayed glued to his chair; the place he lived, but feared.
 He was below "they" were above. He felt shamed and unwanted.
 Others stood and walked away leaving him behind and haunted.

At three feet tall he couldn't meet the gaze of people's eyes,
 So gathered strength with all his might and wheeled himself around.
 A war rose up within his soul. A fight for being "normal."
 With one deep breath, he could not stand, but screamed "Invisible!"

Noelle Oppenhuizen
Covenant High School

2012 Our Own Expressions
11th & 12th Grade Poetry Winner—1st place

Levy Goal 1: Expand Open Hours

...*INCREASING OPEN HOURS* expanded access to library staff, books, resources and buildings for communities.

Table 2-2: Library Use Statistics

Measureable		2007	2008	2009	2010	2011	2012
Visits to Libraries (Door counts)	Per Capita	3.86	4.37	4.92	4.84	4.71	4.52
	Total	1,966,837	2,280,289	2,624,887	2,682,141	2,631,464	2,507,764
Active Cardholders	New	41,476	51,135	54,634	50,566	55,775	55,495
	Total	193,234	212,831	240,629	244,650	250,290	251,034
	% of Population	37.9%	41%	45%	44%	45%	45%
Unique Customers ¹	Total	104,710	115,778	149,806	124,771	126,820	155,869

Notes:

1. Does not include customers that download Library materials, such as e-books.

Soon after the Levy Lid-Lift passed, the following objectives (and more) were achieved for Levy Goal 1:

- Add Sunday services to 9 libraries.
- Add full Monday services to 11 libraries.
- Extend Thursday evening services to 6 libraries.
- Extend hours for Monday through Saturday services to 3 libraries.



Picture replaced prior to publication

Levy Goal 2: Add Books and Other Materials

...CONNECTING CUSTOMERS with good reading and the information they need is at the heart of Library services. Goals were as follows:

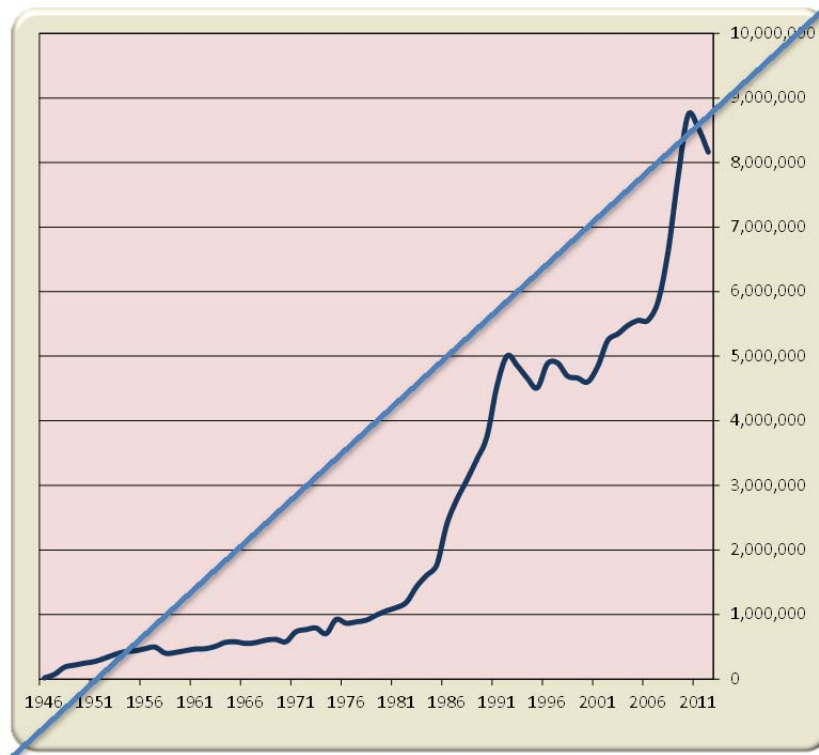
Table 2-3: Materials Statistics

Measureable		2007	2008	2009	2010	2011	2012
Materials Expenditures	Per Capita	\$8.49	\$7.85	\$8.42	\$8.23	\$8.24	\$7.47
	Total	\$4,320,675	\$4,398,545	\$4,495,037	\$4,556,650	\$4,614,145	\$4,146,795
Items Checkout	Per Capita	11.50	12.65	14.73	15.8	15.2	14.7
	Total	5,869,805	6,603,498	7,865,324	8,762,736	8,534,808	8,161,990
Downloadable Checkout	Total	14,774	29,943	55,310	107,053	268,990	539,582
Checkouts Per Customer	Average	56.0	57.0	52.5	70.2	67.3	52.4
Catalog Visits	Total	200,089	815,445	2,031,062	2,391,263	1,618,938	2,207,068

The following are some objectives part of the Levy Goal 2 promise, and were achieved after the election:

- Add more copies of popular materials to reduce wait time for books.
- Add a wider variety of books, movies, music, and other materials.
- Add downloadable audio books, music, and movies.
- Create and provide “Books Plus To Go” of popular, current books at all libraries.

Figure 2-1: Annual Circulation History: 1946 - 2012



Note on circulation chart: Since Pierce County Library System began serving residents in 1946 people have been checking out more and more books, then music, then movies, and beginning in 2006, e-books. From 1946 until 1981 growth was slow and reached 1 million checkouts system-wide in 1981. During the next 10 years the Library showed steady growth, marking 5 million checkouts by 1991, as cities annexed to the Library System, the Library opened new locations, and voters passed a \$28.9 million bond in 1986 for 12 construction projects. Checkouts remained mostly steady during the next 10 years. Then, in 2006 voters passed a reauthorized levy to maintain and expand services, and checkouts soared for the next five years, reaching a high in 2010 of 8.7 million checkouts.

Levy Goal 3: Increase Services for Youth

...SUPPORTING CHILDREN AND STUDENT reading and building skills for succeeding in school, and preparing them for the future.

Table 2-4: Youth Services Statistics

Measureable		2007	2008	2009	2010	2011	2012
Live Homework Uses	Total	3,707	11,262	11,132	14,321	11,581	7,303
Children/Teen Items Checkout	Total	2,121,503	2,504,464	2,762,714	2,136,459	2,265,353	2,185,356
Children Events/Classes	Total	2,012	3,157	3,411	2,972	2,749	2,548
	# Attending	60,442	90,219	99,367	88,488	90,225	82,265

The following are some objectives part of the Levy Goal 3 promise, and were achieved after the election:

- Significantly increased the number of youth services librarians and availability at libraries to support reading and homework research.
- Added more programs and training to help parents and caregivers support and prepare preschool children for success in school.
- Added more service to schools, including class visits and book talks.
- Add the successful Teen Summer Reading Program.
- Added an online homework help system to connect kids with online tutors.



Picture replaced prior to publication

Levy Goal 4: Improve Customer Service and Technology

...LIBRARY SERVICES AND TECHNOLOGY are convenient, fast and reflect customer preferences for contemporary library service and delivery.

Table 2-5: Service and Technology Statistics

Measureable		2007	2008	2009	2010	2011	2012
Public Computers	Total	175	239	241	384	527	567
	Per 1,000 Capita	0.34	0.46	0.45	0.69	0.94	1.02
Web Visits	Total	728,399	1,673,954	2,556,007	2,955,758	2,880,420	2,644,376
Computer Classes	Total	16	551	175	381	380	379
	# Attending	44	803	749	1,780	1,800	1,919
Reference/Research Questions Answered	Per Capita	0.55	0.58	0.51 ¹	0.45	0.45	0.26
	Total	278,915	300,875	267,352 ¹	249,177 ²	250,000 ²	146,318 ²
Database Uses	Total	52,448	89,418	139,776	912,762	900,000	539,224

Notes:

1. In 2010, the Library phased in a new method for counting reference/research questions people ask.
2. Does not include statistics from Outreach or the IT Help Desk.

The following are some objectives part of the Levy Goal 4 promise, and were achieved after the election:

- Provide WiFi connectivity in all libraries and meeting rooms.
- Significantly increase the number of Internet access computers available to the public (see the table above, showing a 5-fold increase).
- Increase the number of Express Checkout stations at libraries.
- Increase network bandwidth.

Brass Knuckles

Cold, cruel and hard.
 The brass knuckles glinting in the lamplight. Merciless,
 heartless...
 The brass knuckles standing out against black pinstripe.
 Unsympathetic, harsh, horrid...
 The brass knuckles whizzing through the
 inky shadow, toward the helpless hands
 raised in prayer.
 Red, warm and stony.
 The brass knuckles dripping in the cool night,
 staining the bricks below.
 Polished, gleaming, hungry.
 They will wait in the pocket until tomorrow,
 when again they will glint in the lamplight,
 cold, cruel and hard.

Penny Mae Rhines
 Home School

2012 Our Own Expressions
 7th & 8th Grade Poetry Winner—3rd place

Operating Lean



Picture replaced prior to publication

Operational Changes for Efficiency, Savings, and Improvement

Pierce County Library is building an organizational culture and staff that learns, adapts, looks forward, and continually improves processes, services and themselves. An organization and staff with these skills are better prepared and able to adapt and evolve, and have the resiliency and judgment to work well in a fast paced and changing environment. The Library recruits, hires, trains and coaches to ensure it has staff with qualities that will help the organization grow and reach its goals, and offer services its community and customers value.

These skills, combined with constant attention to finding and implementing efficiencies, changes and improvements, allow the Library to save and reallocate resources (especially staff time and money), and build capacity. Finding ways to do work faster, or to do less work to achieve the desired result, frees time and resources to be used on the activities, tasks and services that best support the Library's service to the community.

To provide the best service with the existing level of staffing, it is critical that each individual spends as much of their time working at the highest value level in their job. Reducing routine tasks and focusing efforts on activities that require skill, knowledge and especially interaction with customers or community, is a priority as the Library works to spend its finite allotment of time, money and resources on the right work and the right services.

A number of approaches are used to make operational changes for efficiency, savings and improvement:

- *Stop* what is no longer important, necessary or valued by the customer
- *Automate* or use technology and time saving tools
- *Work* differently to improve on how things are done
- *Empower* customers to help themselves
- *Renegotiate* better terms for similar or improved service
- *Generate* revenue to supplement tax-provided funding

As the Library developed the 2014 budget, knowing that a \$1.1 million reduction was necessary, managers developed ideas on cutting costs and saving time. Many were implemented during the year. The tables in

the following pages provide a selection of operational changes implemented in 2013.



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Table 2-6: Efficiencies—Stop

EFFECTIVE DATE	ACTION/CHANGE	RESULTS/BENEFITS	DEPARTMENT(S)	SAVINGS	
				2013	2014
8/2013	Reduced manual certification by signature on all documents to just the cover sheet of batched documents	<ul style="list-style-type: none"> Finance Director no longer signs every transaction – just the cover sheet for a batch of transactions saving time 	Finance All		
8/2013	Reduced manual certification by signature from all documents to cover sheet of batched documents	<ul style="list-style-type: none"> Finance Director no longer signs every transaction – just the cover sheet for a batch of transactions saving time 	Finance All		
5/2013	Finance Manager stopped being primary PCARD purchaser – transitioned responsibilities to Senior Finance Spec and other Finance staff	<ul style="list-style-type: none"> Finance Manager no longer is responsible for day to day credit card purchases and transaction management 	Finance/All		
4/2013	Eliminated Payroll Specialist Substitute position	<ul style="list-style-type: none"> Caused a need for more internal cross training of existing staff. Eliminated position – less money 	Finance		
1/2013	Stopped putting Juvenile Patrons in Collection status	<ul style="list-style-type: none"> Few patrons being sent to collections results in less collection service fees being assessed. 	Finance		
8/2013	Closed two Branch Bank Accounts and moved them to other existing banks – Branches use one of two banks rather than one of four.	<ul style="list-style-type: none"> Few choices = less confusion Less bank fees Less time spent on reconciliation and reporting Better online access to the remaining banks 	Finance Customer Experience		
1/1/14	Eliminated Finance Assistant Position .80 FTE – effective 1/1/14	<ul style="list-style-type: none"> Re-distribute tasks to remaining tasks. Able to make this change because of increased efficiencies made over the years. 	Finance		
11/2013	ASN (One Click) receiving	<ul style="list-style-type: none"> Receive entire box of materials by scanning a barcode instead of scanning each individual item in the box. 	Reading and Materials		
11/2013	Polaris accepts RDA tags.	<ul style="list-style-type: none"> No longer have to strip RDA tags when cataloging. Saves 5 – 7 clicks per record. 	Reading and Materials		

Stop—Continued on next page

Stop—Continued from previous page

EFFECTIVE DATE	ACTION/CHANGE	RESULTS/BENEFITS	DEPARTMENT(S)	SAVINGS	
				2013	2014
6/2013	Recalls are now paper free	<ul style="list-style-type: none"> When we need to recall an item, we now make a note in the item record. We are able to access that note from any computer and no longer need to fill out paper flags. 	Reading and Materials		
1/2013	Cross training staff	<ul style="list-style-type: none"> More knowledgeable staff. Fewer errors. Greater understanding of R&M process as a whole. 	Reading and Materials		
3/2013	Library Hotline no longer being scanned and emailed	<ul style="list-style-type: none"> Staff time reduced every week by providing a link to Library Hotline, eliminating the need to scan the document 	Reading and Materials		
6-9/2013	Stopped irrigation of lawns	<ul style="list-style-type: none"> Reduce water consumption 	Facilities		
7/30/2013	Stopped sending Annual Report postcard in the mail (Stopped sending full AR in 2012)	<ul style="list-style-type: none"> Saved printing and postage 	Fund Development Marketing and Community Relations		
7/30/2013	Stopped processing gifts through KeyBank by using Blackbaud	<ul style="list-style-type: none"> Saved bank fees and charges 	Fund Development		

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Table 2-7: Efficiencies—Automate

EFFECTIVE DATE	ACTION/CHANGE	RESULTS/BENEFITS	DEPARTMENT(S)	SAVINGS	
				2013	2014
1/1/14	Move basic Mileage payments from AP to PY and include in direct deposit	<ul style="list-style-type: none"> • Reduce warrants printed (400 +/-) • Eliminate the need for reconciling these warrants separately • Eliminate the need to file lost warrant affidavits/unclaimed property because when payments are direct deposited they are immediately cashed/reconciled. 	Finance All		
8/1/13	Changed Online timesheet – reduced form to one page plus other enhancements to the timesheet	<ul style="list-style-type: none"> • Only one page/screen to complete to submit time. (instead of two) • Resulted in less confusion and fewer errors in timesheet entry hence payroll • Total of each hour type (regular hours, holiday, vacation, etc.) is automatically displayed at top of form 	All		
8/1/13	Changed Online timesheet – reduced form to one page plus other enhancements to the timesheet	<ul style="list-style-type: none"> • Only one page/screen to complete to submit time. (instead of two) • Resulted in less confusion and fewer errors in timesheet entry hence payroll • Total of each hour type (regular hours, holiday, vacation, etc.) is automatically displayed at top of form 	All		
8/1/13	Changed Online timesheet – reduced form to one page plus other enhancements to the timesheet	<ul style="list-style-type: none"> • Only one page/screen to complete to submit time. (instead of two) • Resulted in less confusion and fewer errors in timesheet entry hence payroll • Total of each hour type (regular hours, holiday, vacation, etc.) is automatically displayed at top of form 	All		

Table 2-8: Efficiencies—Work Differently

EFFECTIVE DATE	ACTION/CHANGE	RESULTS/BENEFITS	DEPARTMENT(S)	SAVINGS	
				2013	2014
8/2013	Consolidate all payroll duties into PY Administrator job functions – from combined PY and AP	<ul style="list-style-type: none"> • More efficient and timely completion of payroll process • Improved payroll process 	Finance		
5/2013	Moved Purchasing card administration from Senior Finance Specialist to Finance Manager	<ul style="list-style-type: none"> • Placed program authority at proper level of responsibility 	Finance All		
7/2013	Lighting Audit	<ul style="list-style-type: none"> • Implement lighting changes in 4 branches in 2014 	Facilities		
3/2013	Implement use of Handheld AMMS devices	<ul style="list-style-type: none"> • Improve work order turnaround • Reduce number of branch generated work orders 	Facilities		
12/2013	Replace PAC HVAC	<ul style="list-style-type: none"> • Improve energy efficiency • Tacoma Power incentive program savings: \$79,000 	Facilities		
1/2013	Custodial equipment repair	<ul style="list-style-type: none"> • Hired maintenance staff with ability to perform minor equipment repair/maintenance. We can now do most repairs in-house. 	Facilities		
9/2013	Purchased 2 hybrid vehicles	<ul style="list-style-type: none"> • Fuel savings 	Facilities		
11/2013	Car wash waste recovery system. Designed a custom recovery insert tank to allow PCLS to continue to wash vehicles on site to meet EPA.	<ul style="list-style-type: none"> • Continue to wash vehicles on site versus car wash 	Facilities		
2013	Recycle office chairs, tables, workstations	<ul style="list-style-type: none"> • Recycle/reuse office furniture when possible to save buying new: SE, IT, Storage rooms 	Facilities, Branch Services		
1/2013	Powder coat existing shelving for re-use at Key Center	<ul style="list-style-type: none"> • Re-use existing shelving 	Facilities		
7/2013	Co-mingled recycle program in the branches	<ul style="list-style-type: none"> • Encouraged and increased recycling 	Facilities		
6/30/2014	Consider using outside source for processing mail appeals in 2014	<ul style="list-style-type: none"> • Reduced Development and MCR staff time • Reduced processing charges (TBD) 	Fund Development Marketing and Community Relations		

Work Differently—Continued on next page

Work Differently—Continued from previous page

EFFECTIVE DATE	ACTION/CHANGE	RESULTS/BENEFITS	DEPARTMENT(S)	SAVINGS	
				2013	2014
7/2013	Moved some duties performed from opening to closing shifts	<ul style="list-style-type: none"> Faster turnaround on IP items More efficient scheduling of duties 	Customer Experience		
2013	Implemented use of free Team Box project management software	<ul style="list-style-type: none"> Streamlined, organized and efficient project management 	Customer Experience		
2013	Changed to printing crate labels 12 per sheet instead of 9 per sheet.	<ul style="list-style-type: none"> Reduced the number of sheets required 	Customer Experience		
2013	Labeled Readalongs with author's last name on a large label and shelved them in order	<ul style="list-style-type: none"> Saves time when pulling them for holds More convenient for customers 	Customer Experience		
2013	Relabeled the JPBs with author last name, items which previously had only a J on the spine	<ul style="list-style-type: none"> Maintaining the books more efficient for customers and staff 	Customer Experience		
9/2013	Reworked procedures for processing new books to align with those used for Lucky Day items	<ul style="list-style-type: none"> Practices are more consistent Reduces confusion Saves 15 to 30 minutes of librarian-level staff time per week 	Customer Experience		
5/2013	Interfiled J paperback fiction with hardbacks	<ul style="list-style-type: none"> Made shelf checks in this area easier 	Customer Experience		

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Table 2-9: Efficiencies—Empower

EFFECTIVE DATE	ACTION/CHANGE	RESULTS/BENEFITS	DEPARTMENT(S)	SAVINGS	
				2013	2014
8/2013	Moved review/tracking of new invoices and purchase documents from Finance Manager to Finance Staff	<ul style="list-style-type: none"> • Freed up at least 5 hours per week for FM office by Finance Staff (10 months) 	Finance		
8/2013	Trained SE staff to access certain employee information using Eden; formerly accessed information w/assistance of FINANCE staff	<ul style="list-style-type: none"> • Self-service data gathering by staff. No longer need to contact Finance Manager or Payroll Admin to gather info. 	Finance Staff Experience		

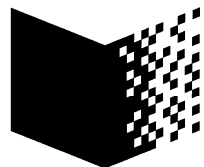
Table 2-10: Efficiencies—Renegotiate

EFFECTIVE DATE	ACTION/CHANGE	RESULTS/BENEFITS	DEPARTMENT(S)	SAVINGS	
				2013	2014
4/2013	Bid HVAC maintenance contract	<ul style="list-style-type: none"> • Improved service, lower overall costs 	Facilities		

Table 2-11: Efficiencies—Generate Revenue

EFFECTIVE DATE	ACTION/CHANGE	RESULTS/BENEFITS	DEPARTMENT(S)	SAVINGS	
				2013	2014
1/1/13	Continued focus on paying more invoices w/PCARD	<ul style="list-style-type: none"> • PCLS realizes about a 1% rebate on every dollar spent using a PCARD – We are estimating an 11% increase in savings over 2012 	Finance All		
6/30/2014	Made Dev. Assoc. position primarily a grant writing	<ul style="list-style-type: none"> • Increased revenue from grants 	Fund Development		
6/30/2014	More emphasis on Leadership Giving	<ul style="list-style-type: none"> • More donors at \$500+ @ More gifts at \$500+ 	Fund Development		
6/30/2014	Addition of another capital fundraising project	<ul style="list-style-type: none"> • More gifts at the Leadership Giving level than w/o a capital project 	Fund Development		

Part 3 General Fund



Pierce County
Library System

INFORMATION ■ IMAGINATION

2014 Operating Budget Summary

Table 3-1: 2014 Operating Budget Summary

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
FUND BALANCE				
Use of Fund Balance (cash reserves)	\$ 0.00	\$ 807,172	\$ 127,663	-84.18%
TOTAL USE OF FUND BALANCE	0.00	807,172	127,663	-84.18%
REVENUES				
Taxes	\$ 26,275,125.31	\$ 23,701,755	\$ 24,515,872	3.43%
Intergovernmental.....	16,055.22	0	0	0.00%
Charges for Services.....	101,822.79	85,000	85,000	0.00%
Fines	591,199.49	615,000	615,000	0.00%
Other ¹	525,402.07	215,000	310,500	44.42%
TOTAL NEW REVENUES	27,509,604.88	24,616,725	25,526,372	3.70%
TOTAL AVAILABLE FUNDS	27,509,604.88	25,423,927	25,654,035	0.91%
EXPENDITURES				
Personnel.....	\$ 17,846,418.91	\$ 18,544,997	\$ 18,837,686	1.58%
Maintenance & Operations	3,820,659.10	3,089,520	3,284,010	6.30%
Materials	4,240,998.84	3,297,075	3,277,075	-0.61%
SUBTOTAL	25,908,076.85	24,931,592	25,398,771	1.87%
SET-ASIDES & TRANSFERS				
ELECTION SET-ASIDE	\$ 0.00 ¹	\$ 0	\$ 0	0.00%
CONTINGENCY	0.00 ¹	0	0	0.00%
TRANSFERS TO CAPITAL IMPROVEMENT FUND.....	814,563.00	492,335	255,264	-48.15%
MID-YEAR SAVINGS CAP. IMP. FUND TRANSFER	0	0	0	0.00%
SUBTOTAL	814,563.00	492,335	255,264	-48.15%
TOTAL EXPENDITURES	26,722,639.85	25,423,927	25,654,035	0.91%
NET OF REVENUES & EXPENDITURES	<u>\$ 786,965.03</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.00%</u>

Notes:

- The Election Set-Aside and Contingency budget items are by design budgeted but not spent; the unused funds flow into the General Fund. Beginning with the 2011 budget, the Library identifies these items explicitly in the General Fund.

The summarized version of the 2014 operating budget is presented in the above table as a balanced budget where expenditures match new revenues and use of fund balance.

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

Revenues



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Summary of Revenues and Revenue Assumptions

Table 3-2: Summary of all Revenues

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/11)</u>	2014 <u>BUDGET (12/12)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
Taxes	\$ 26,275,125.31	\$ 23,701,755	\$ 24,515,872	3.43%
Intergovernmental.....	16,055.22	0	0	0.00%
Charges for Services.....	101,822.79	85,000	85,000	0.00%
Fines	591,199.49	615,000	615,000	0.00%
Other ¹	525,402.07	215,000	310,500	44.42%
TOTAL NEW REVENUES	<u>\$ 27,509,604.88</u>	<u>\$ 24,616,725</u>	<u>\$ 25,526,372</u>	<u>3.70%</u>

Notes:

1. Includes Foundation donations.

Revenue Projections

The 2014 budget was developed based on revenue projections for 2014–2018. Because 96.04% of the Library’s budget is derived from property tax and state law strictly regulates property tax collections, it is essential for the Library to project revenues in advance to plan spending for the current budget in light of budgets expected in future years.

Revenue projections were developed in the context of two assumptions:

1. 50¢ per \$1,000 assessed property valuation will remain the levy limit for the taxing district.
2. Revenue will increase or remain flat for the foreseeable years, by an average of 4% until the Library’s revenue restores to its last highest limit established in 2010.

By law, the Library may collect up to 50¢ for every \$1,000 of assessed property value. The Library district’s property tax rate is based on property values. The 2013 property values increased by 2.94% for 2014 tax collection. When developing future year projections, the Library projected that property values would continue to increase between 2015 and 2018.

The 2.94% increase for tax collections in 2014 is better than the Library previously projected (a decline). The Library continues to refine revenue projections for 2015–2018. The Library projects property values are set to increase for 2015 by around 4%. It is unclear whether property value increases will remain stable.

The mill rate (also known as millage) is calculated after a district’s property taxes have been assessed according to state laws. The mill rate works in inverse: it is driven up when property values decrease, or down when property values increase. However, at no time may the district collect more than 50¢ for every \$1,000 of assessed property value. The 8.52% decline in property values for 2011 collection drove the mill rate up from 46.95¢ to 50¢. The increase in values by 2.94% in 2014 does keep the Library above the 50¢ mill rate. As a result, the Library can only collect the 50¢ applied to the assessed value. The overall property tax revenue collections from 2013 to 2014 will actually increase by over \$700,000 (calculated using the 2013 final certificate issued in January 2013, differenced to the 2014 preliminary certificate issued in September 2013). Based on projections for increased property values, the overall revenue for the Library is expected to increase in 2015 by \$980,000 and will likely increase through 2018.

In spite of projected increases in assessed property value, the Library will remain at its full taxing authority for until around 2017 or 2018. When the Library is at its full taxing authority, it does not receive revenue from new construction and it is therefore projected that for the next several years the Library will not be eligible for revenue from property taxes on new construction.

These projections are updated several times a year after the preliminary assessed values by the County are made available (using the Case-Shiller data). Because the Library relies on property taxes to fund most of its operations, changes in the non-property tax revenues, while important, don’t make significant impact to the bottom line. For example, should investment income

decrease by \$10,000, its impact is overshadowed when property taxes decrease by \$2 million. The Director’s Team takes all of these into consideration.

Revenue Assumptions

With exception to the Foundation, budgets for donations, gifts, or grants vary greatly from year to year and cannot be predicted with precision. Therefore these are reflected in year-end actuals and in any mid-year budget adjustments. This is one of the first steps to ensuring a conservative revenue approach.

The Government Finance Officers Association (GFOA) Best Practices recommends analyzing revenue trends and forecasts. Although it doesn’t specify how many prior years to report, for discussing 2014 revenues the starting point is set generally at or after 2002 (some begin 2001), when state law was changed to provide only 1% increase in property taxes over the previous year.

On the next page is a table showing budgeted revenues from 2009 through 2014. It provides a six-year listing of revenues, consistent with the promise to maintain the Levy Lid-Lift goals for six years. After 7 years, the Library will strive to maintain the Levy Lid-Lift promises/goals, while taking into consideration fiscal realities. A chart on the next page is also

provided to show the comparison of budget, actuals, and projections of revenues (2001 – 2019).

For 2014, total new revenues are budgeted to increase by \$906,617 from 2013, a 3.70% increase. This is due to a mill rate of 50.00¢ per \$1,000 of assessed property value, continuing 2013’s 50¢ per \$1,000. While the statutory limit of 50.00¢ per \$1,000 of assessed property value is in place, when district-wide property values increase the Library’s property-tax revenue will also increase.

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

Due to the cyclical nature of revenue receipts versus the regularity of expenditures, there will be temporary shortfalls in the available operating budget (generally in April and October). To fund these shortfalls, the General Fund Balance and if necessary, an inter-fund loan from the Capital Improvement Fund will be used to finance these shortfalls. More information on this is discussed in the Cash Flow Analysis chapter (page 111).

The pie chart below shows the breakdown of 2014 revenues by category. The Library’s majority of revenues from property taxes stay steady between 95% and 97%. For 2014 the proportion is 96.04%.

Figure 3-1: Source of Revenues

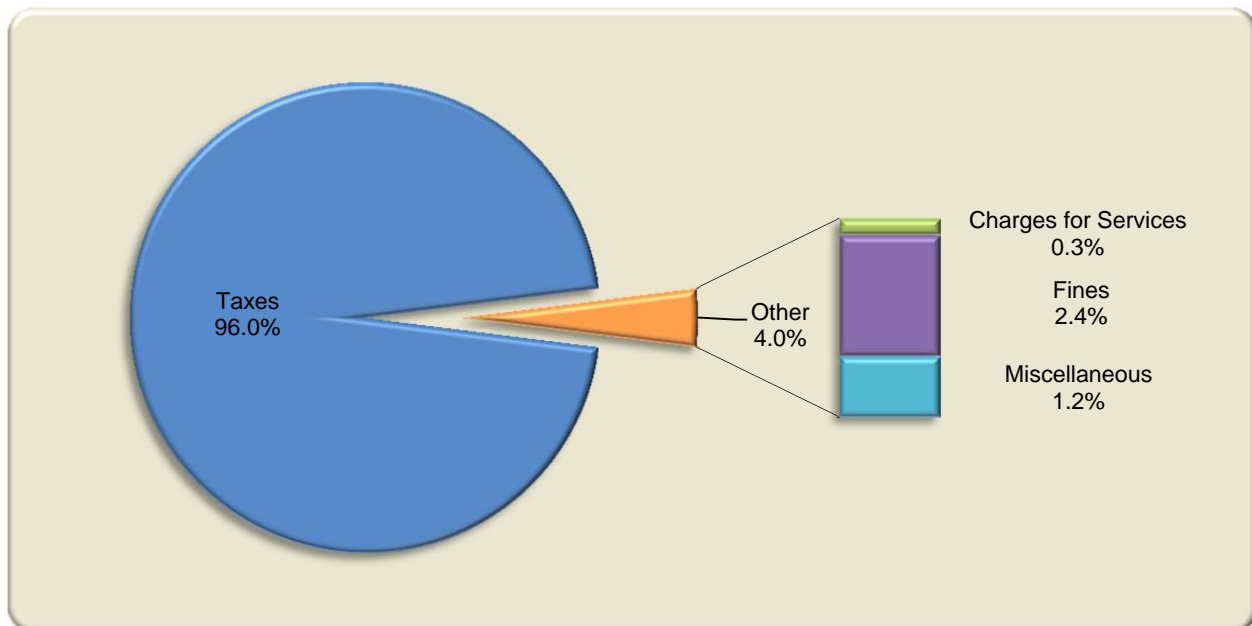
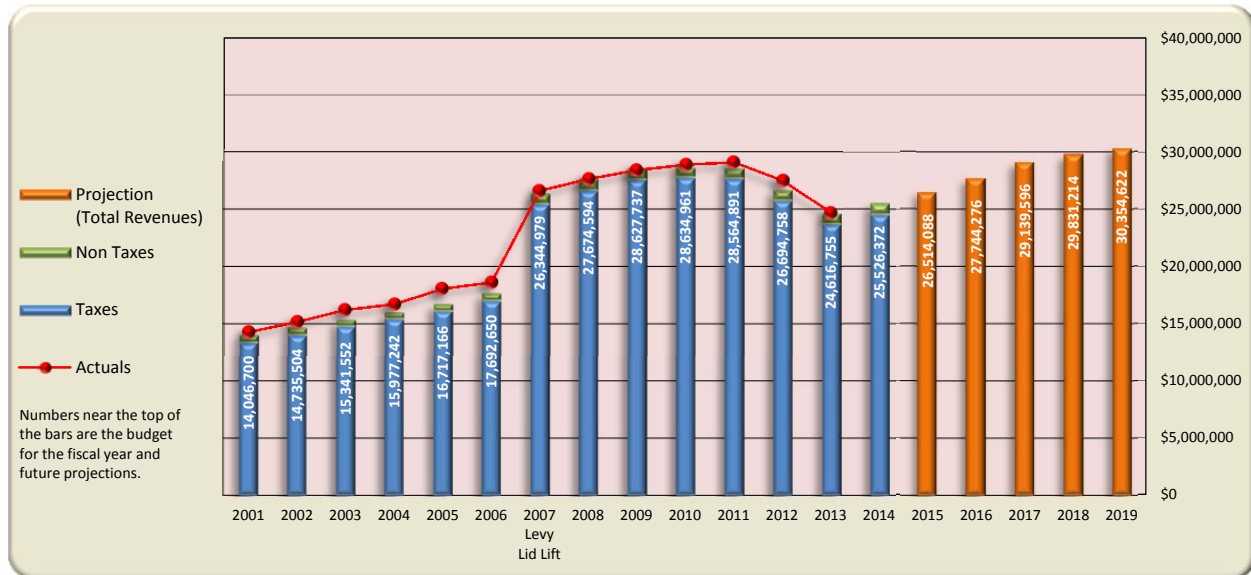


Table 3-3: 2009-14 General Fund Revenue (Final Budgets—Board Approved in December)

	2009	2010	2011	2012	2013	2014	% CHANGE
	FINAL	FINAL	FINAL	FINAL	FINAL	BUDGET	2013 TO 2014
TAX REVENUES							
31111 Property Taxes Current	\$ 26,440,367	\$ 26,655,732	\$ 26,535,472	\$ 24,708,421	\$ 22,724,764	\$ 23,502,762	3.42%
31112 Property Taxes Delinquent	1,057,615	1,066,229	1,061,419	988,337	908,991	940,110	3.42%
31130 Sale of Tax Title Property	3,000	3,000	3,000	3,000	3,000	3,000	0.00%
31210 Private Harvest Tax	50,000	50,000	50,000	50,000	50,000	50,000	0.00%
31720 Leasehold Excise Tax	10,000	10,000	10,000	10,000	15,000	20,000	33.33%
SUBTOTAL	27,560,982	27,784,961	27,659,891	25,759,758	23,701,755	24,515,872	3.43%
		223,979 (0.81%)	-125,070 (-0.45%)	-1,870,133 (-6.55%)	-2,058,003 (-7.98)	814,117 (3.43%)	
NON-TAX REVENUES							
33300 Indirect Federal Grants	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 0	\$ 0	0.00%
34160 Copier Fees	25,000	25,000	25,000	25,000	25,000	25,000	0.00%
34162 Printer Fees	40,000	40,000	45,000	45,000	60,000	60,000	0.00%
34710 Meeting Room Fees	0						
34720 Library Use Fees	3,000	0					
35970 Library Fines	600,000	555,000	605,000	615,000	615,000	615,000	0.00%
36110 Investment Income	200,000	25,000	25,000	25,000	10,000	10,000	0.00%
36700 Foundation Donations	123,755	130,000	130,000	150,000	150,000	225,500	50.33%
36920 Book Sale Revenue	40,000	40,000	40,000	40,000	20,000	20,000	0.00%
36991 Payment for Lost Materials	25,000	25,000	25,000	25,000	25,000	25,000	0.00%
36692 Fee for Lost Library Cards	5,000	5,000	5,000	0			
36699 Rebates – Procurement Card	0	0	0	5,000	10,000	15,000	50.00%
39510 Sale of Fixed Assets						15,000	new
SUBTOTAL	1,066,755	850,000	905,000	935,000	915,000	1,010,500	10.44%
TOTAL REVENUES	\$ 28,627,737	\$ 28,634,961	\$ 28,564,891	\$ 26,694,758	\$ 24,616,725	\$ 25,526,372	3.70%

Figure 3-2: Taxes & Non Taxes, Historical & Projections



Property Taxes and Other Taxes

Taxes
\$ 24,515,872

Table 3-4: 2014 Tax Revenues

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
31111 Property Taxes Current	\$ 25,308,387.32	\$ 22,724,764	\$ 23,502,762	3.42%
31112 Property Taxes Delinquent.....	878,791.41	908,991	940,110	3.42%
31130 Sale of Tax Title Property	50.63	3,000	3,000	0.00%
31210 Private Harvest Tax	70,351.79	50,000	50,000	0.00%
31720 Leasehold Excise Tax	17,544.16	15,000	20,000	33.33%
TOTAL TAXES	<u>\$ 26,275,125.31</u>	<u>\$ 23,701,755</u>	<u>\$ 24,515,872</u>	<u>3.43%</u>

Local property taxes constitute 96.04% of total 2014 revenues. The breakdown of these taxes is provided in the above table.

and December. Final assessments made in late 2012 affected values by +0.43%.

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

A history of the tax base is provided as follows:

<u>For Year</u>	<u>Property Tax Base</u>	<u>%Change</u>
2014	\$ 48,964,088,146	2.94%
2013	47,566,193,799	-8.82% ¹
2012	52,166,456,544	-6.79%
2011	55,964,407,888	-5.11%
2010	58,984,142,315	-5.00%
2009	62,085,405,469	3.34%
2008	60,077,557,821	13.37%
2007	52,990,993,065	25.02%
2006	42,385,528,523	20.00%
2005	35,306,548,741	9.25%
2004	32,318,475,182	6.39%
2003	30,377,319,365	3.84%
2002	29,255,137,258	8.25%
2001	27,025,182,627	-

Notes:

The -8.82% is based on the final certificate issued in January 2013 over the final certificate issued in January 2012. The preliminary certificate for 2013 actually noted an -9.25% decrease in property values, which was used for all 2013 budget decisions. The reason for the difference is that the preliminary certificate does not include final assessments made between September

This base includes the growth in assessed valuation (AV) of existing property in Pierce County and all new construction. For the 2014 fiscal year, the estimated tax base to levy is assessed at nearly \$49 billion, which represents a 2.94% increase from the previous year's assessed valuation. (On November 3, 2009, during general elections, Fife residents overwhelmingly approved a measure to annex to the library system. These revenues began receipt in 2011.)

Revenue Increases

State law allows the Library to increase its revenues by up to 1% over the previous year, so long as it does not exceed the 50¢ per \$1,000 calculation, also set in state law. Voters restored the levy rate for 2007 to 48¢. In October 2013 the Implicit Price Deflator (IPD, another limiter) was recorded at 1.314%. If the IPD is less than 1%, to collect 1% more than the previous year the Board would need to override the IPD rule. Because the IPD is positive, no Board action is required to override it. Regardless, because of the 50¢ limitation, the IPD is not a factor.

Figure 3-3: 2014 Tax Levy Calculation—Preliminary Certificate



Pierce County

Mike Lonergan, Assessor-Treasurer

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

TAX LEVY LIMIT 2013 FOR 2014		RURAL LIBRARY > 10,000
REGULAR TAX LEVY LIMIT:		2010
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).	664,868,196	0.500000000000
		332,434.10
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).	742,903,418	742,903,418
		0.00
		0.500000000000
		0.00
D. REGULAR PROPERTY TAX LIMIT (A + B + C)	28,638,707.28	
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.	28,638,707.28	48,964,088,146
		0.584892078315
F. Annexed area's current assessed value including new construction and improvements times rate found in E above.	0.00	0.584892078315
		0.00
G. NEW LEVY LIMIT FOR ANNEXATION (D + F)	28,638,707.28	
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)	28,638,707.28	0.00
		28,638,707.28
I. TOTAL ALLOWABLE LEVY AS CONTROLLED BY THE LEVY LIMIT (D,G,or H)	28,638,707.28	
J. Amount of levy under statutory rate limitation.	48,964,088,146	0.500000000000
		24,482,044.07
K. LESSER OF I OR J	24,482,044.07	

New Construction

New construction varies year to year, depending on property improvements generated by construction (such as new homes, apartments, etc.). For every \$1,000 of new construction, the Library may levy at its current levy rate (50¢ for 2014). State law does not apply the 1% limit for revenues received from new construction. New construction can have a significant effect on revenues, as the values can contribute between 2% and 4% of revenue growth. However, when the Library is at its statutory limit of 50 cents per \$1,000 assessed valuation, no revenues from new construction can be collected. Below is a breakdown that shows new construction values:

For Year	New Construction	PCLS Revenue	% of Budget
2014	\$ 664,868,196	\$ 0	0.00%
2013	688,832,368	0	0.00%
2012	447,391,586	0	0.00%
2011	508,485,021	0	0.00%
2010	759,965,065	408,506	1.43%
2009	1,494,356,425	660,926	2.31%
2008	1,789,938,371	859,170	3.10%
2007 ¹	1,769,575,840	709,401	0.00%
2006	1,519,842,131	696,437	4.09%
2005	1,092,187,309	519,261	3.22%
2004	841,593,691	420,797	2.63%
2003	1,026,298,566	513,149	3.34%
2002	875,103,366	437,552	2.97%

Notes:

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

Calculation of Mill Rate ("Millage")

The district's property value is used to calculate the levy rate of assessment (mill rate) of individual properties and the amount the Library will receive for

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

For Year	Calculated Mill Rate
2014	\$ 0.5000
2013	0.5000
2012	0.5000
2011	0.5000
2010	0.4695
2009	0.4437
2008	0.4425
2007	0.4800 ¹
2006	0.4002
2005	0.4560
2004	0.4766
2003	0.4862
2002	0.4814

Notes:

1. Voter approved.

See projected mill rate chart below for future years. The Library estimates that the mill rate will remain at 50 cents per \$1,000 assessed value to at least 2019. This will change depending on circumstances, such as permits issued, houses built, major developments, etc.

Final Revenue Calculation for Property Taxes

Property Taxes Current \$ 23,502,762
Property Taxes Delinquent \$ 940,110

For budget purposes the Library applies a 96% collection rate on current property taxes and 4% of the forecasted collection of current taxes as delinquent taxes to be collected. The delinquency collection rate is based on previous years' experience. For 2014, this ratio remains the same, reflecting that property owners generally pay taxes on time.

Table 3-5: Mill Rate Projections (2014 - 2018)

Year	Mill Rate		Assessed Value		Base Property Taxes				New Construction	
	Actual	Projected	\$ Value	Change	Actuals	Projection	Difference	Change	Actuals	Projection
2010	0.4695		58,984,142,315	-5.00%	27,766,388		216,834	0.79%	399,308	
2011	0.5000		55,964,407,888	-8.52%	27,982,204		215,816	0.78%	15,923	
2012	0.5000		52,166,456,544	-6.79%	26,083,228		(1,898,976)	-6.79%	-	-
2013	0.5000		47,566,193,799	-8.82%	23,783,097		(2,300,131)	-8.82%	-	-
2014	0.5000		48,964,088,146	2.94%		24,482,044	698,947	2.94%	-	-
2015		0.5000	50,922,651,672	4.00%		25,461,326	979,282	4.00%	-	-
2016		0.5000	53,366,938,952	4.80%		26,683,469	1,222,144	4.80%	-	-
2017		0.5000	56,142,019,778	5.20%		28,071,010	1,387,540	5.20%	-	-
2018		0.4868	59,061,404,806	5.20%		28,753,720	682,710	2.43%	-	402,000

Private Harvest Tax:\$ 50,000

Once a major source of revenues, private harvest tax steadily declined between 1998 and 2003, had a resurgence in 2004 (see following table) through 2007, and then dropped to less than half in 2008. In 2013 the Library is projected to receive approximately the same as 2012. This source of revenue is not in the Library’s control.

<u>Year</u>	<u>Private Harvest Revenue</u>
2014 (estimated).....	\$ 50,000
2013 (projected)	50,000
2012	70,352
2011	71,846
2010	35,710
2009	74,516
2008	66,671
2007	168,198
2006	133,861
2005	125,977
2004	109,022
2003	43,110
2002	78,420

Other Taxes (summarized):\$ 23,000

Other tax collections include sale of title property and leasehold excise taxes. They are not in the Library’s control, and are not discussed in this section due to their low amounts.



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Non-Tax Revenues

Intergovernmental

\$ 0

Table 3-6: 2014 Intergovernmental Revenues

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
33000 Indirect Federal Grants	\$ 0.00	\$ 0	\$ 0	0.00%
33533 State Forest Funds	5,315.22			
33872 Contract Fees-Cities	3,240.00			
33890 Governmental Service Fees.....	7,500.00			
TOTAL INTERGOVERNMENTAL	\$ <u>10,740.00</u>	\$ <u>0</u>	\$ <u>0</u>	<u>0.00%</u>

The Library receives certain revenues from other governmental entities, such as from grants and contracts. Because these revenues are not predictable, the Library budgets conservatively.

Indirect Federal Grants..... \$ 0
Indirect Federal Grants are pass-through grants, and come typically through the Washington State Library, which has several grant-related programs. The Library

applies for these grants throughout the year. For 2013, the Library anticipates no revenues from indirect federal grants.

Other Intergovernmental (summarized) \$ 0
The Library does not budget for the other line items; they are instead recognized during the mid-year budget process.

Charges for Services

\$ 85,000

Table 3-7: 2014 Charges for Services

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
34160 Copier Fees	\$ 25,594.64	\$ 25,000	\$ 25,000	0.00%
34161 Graphics Services Charge	9,244.22			
34162 Printer Fees	66,774.31	60,000	60,000	0.00%
34730 Interlibrary Loan Fees	209.62			
TOTAL CHARGES FOR SERVICES	\$ <u>101,822.79</u>	\$ <u>85,000</u>	\$ <u>85,000</u>	<u>0.00%</u>

Library charges for services include revenue from photocopying, customers printing in the libraries, non-resident fees, and fees for interlibrary loans.

Photocopy Fees.....\$ 25,000
All libraries provide photocopiers for public use. The fee of 10¢ per copy will remain for 2014.

Printer Fees\$ 60,000
All libraries offer laser printers for customers to print from the computers. 10¢ per page is charged. With the

Vend-to-Print system installed in late 2013, we expect printer revenue to increase.

Other Charges for Services (summarized) \$ 0
Graphics Services Charges is used for the receipt of Foundation funding for Summer Reading program but is generally not budgeted. Interlibrary Loan Fees are fees that are charged between libraries for loaning each other books. The Library does not budget these categories but they are recognized during the mid-year budget process.

Library Fines
\$ 615,000

Table 3-8: 2014 Fines

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
35970 Library Fines.....	\$ 591,199.49	\$ 615,000	\$ 615,000	0.00%
TOTAL FINES	\$ 591,199.49	\$ 615,000	\$ 615,000	0.00%

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

Library Fines\$ 615,000

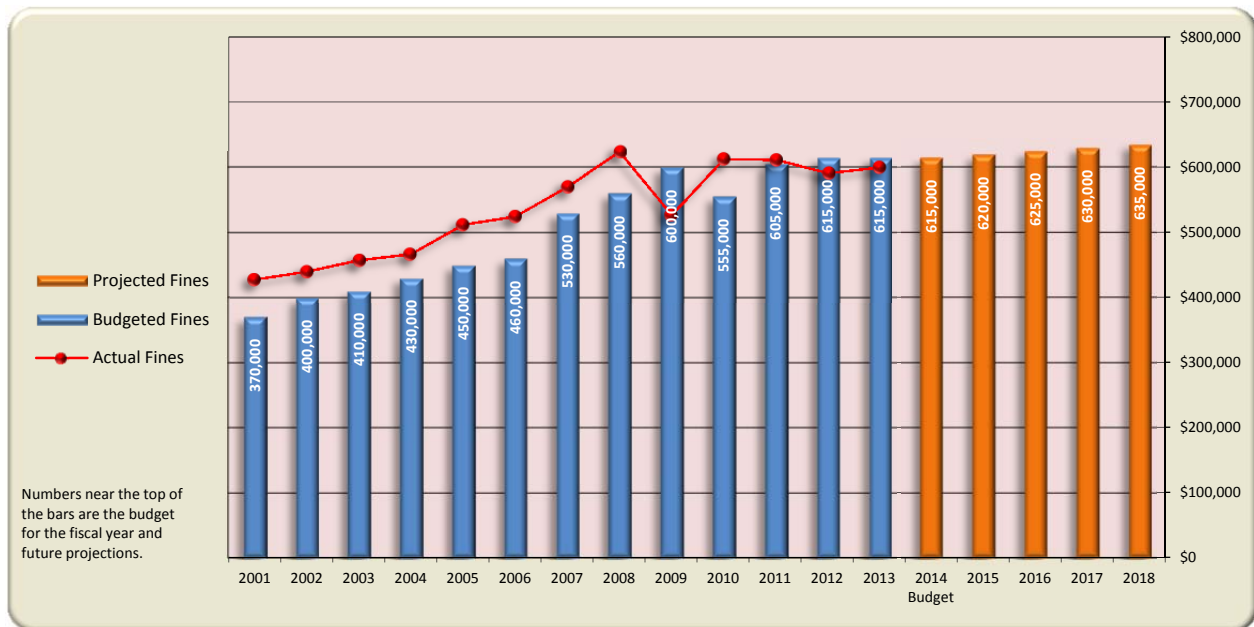
All materials returned after the due dates are considered late and subject to fines. The daily fine for any item, whether book, DVD or other physical item is 15¢. There are no fines associated with e-books as they are automatically deleted from the customer’s e-book reader at the end of the loan period (3 weeks).

The Library has a reasonably consistent trend of increases in this category (see Figure 16). In 2008, the Library reduced the fines for DVDs, but this did not considerably affect revenues. Also in 2008 the Library

began offering customers the convenience of paying their fees online using their credit/debit cards. When this service was offered, there was no offsetting decrease noted in the total of collections in the libraries.

To great success and to recognize the economic hardships our community was suffering, in October 2009 the Library offered a one-week Fine Amnesty Week that forgave all fines should the customer return overdue books during that week. Per the graph below, note the dip in budget for 2010; this was made on the assumption that Fine Amnesty Week would have an impact in 2010. It did not (as the red line shows); therefore the budget was restored in 2011.

Figure 3-4: Library Fines Budget & Actuals



Other Revenues
\$ 310,500

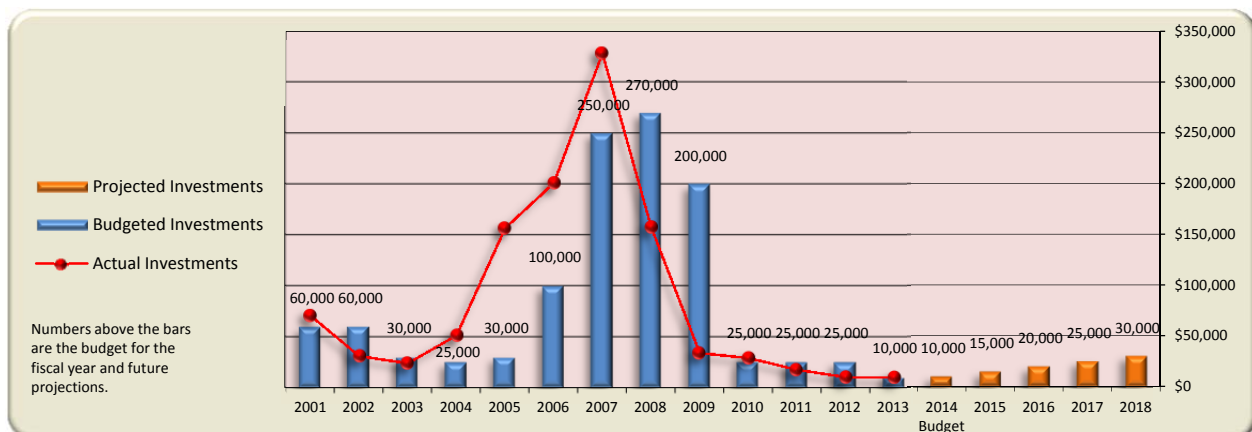
Table 3-9: 2014 Other Revenues

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
36110 Investment Income	\$ 10,393.16	\$ 10,000	\$ 10,000	0.00%
36111 Interest – State Forest Fund.....	1.92			
36190 Other Interest Earnings.....	7.16			
36200 Key Peninsula Lease	1,774.59			
36700 Foundation Donations	126,237.10	150,000	225,500	50.33%
36710 Friends' Donations				
36720 Friend’s Reimbursement.....	31,881.02			
36725 Donations – Other.....	6,362.13			
36910 Sale of Scrap and Salvage.....	1,504.08			
36920 Book Sale Revenue.....	14,069.54	20,000	20,000	0.00%
36990 Miscellaneous Revenue	59,689.51			
36991 Payment for Lost Materials.....	14,814.61	25,000	25,000	0.00%
36994 Unclaimed Property	172.99			
36995 Collection Agency Revenue.....	1,384.72			
36996 Jury Duty Reimbursement.....	191.00			
36997 Prior Year’s Refunds.....	44,855.73			
36998 ERate Reimbursement	160,451.03			
36999 Rebates – Procurement Card	26,098.88	10,000	15,000	50.00%
39510 Sale of Fixed Assets	15,283.90		15,000	new
39520 Insurance Recoveries – Capital Assets	10,229.00			
TOTAL OTHER REVENUES	\$ 525,402.07	\$ 215,000	\$ 310,500	44.42%

Other revenues include interest earned on investments and other revenues. Revenues from scrap sales of assets, Friends donations, and collection agencies are not budgeted because they cannot be reasonably predicted, but will be recorded in actuals or in mid-year budget adjustments. Sales of Fixed Assets is now budgeted.

Investment Income \$ 10,000
On a weekly basis, the Library invests any substantial amounts of excess cash available after calculating the immediate expenditure needs. This line item was significantly reduced in 2012 to reflect significantly low interest rates, which continue in 2014. See chart below.

Figure 3-5: Investment Budget & Actuals



Foundation Donations.....\$ 225,500

Foundation Donations are budgeted based on funding commitments approved by the Foundation Board in the summer of 2013. The Foundation is committed to raising more for 2014.

Book Sale Revenue.....\$ 20,000

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

Payment for Lost Materials\$ 25,000

This includes payments made by customers for their lost/damaged materials. This category was budgeted the same for 2013.

Rebates—Procurement Card\$ 15,000

The Library will budget rebates from use of purchase/credit cards. When paying invoices, the Library makes every attempt to pay using US Bank purchase cards. When the balance is paid within 30 days, the Library receives 1% “cash back” rebates.

Sale of Fixed Assets.....\$ 15,000

Beginning in 2014, the Library will begin budgeting Washington State’s sales of fixed assets that are passed onto the Library. Although the Library has no control over these revenues, there is enough of a track record to begin recognizing this for the annual budget (instead of mid-year).

All Other Revenues (summarized) \$ 0

This includes all other revenues not identified above, such as refunds, lost/damaged materials revenue, insurance settlements, jury duty fees received, etc. These items are recorded during the mid-year process as actuals.



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Total Budgeted Revenues

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

Table 3-10: 2014 General Fund Revenues (all combined)

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
TAX REVENUES				
31111 Property Taxes Current	\$ 25,308,387.32	\$ 22,724,764	\$ 23,502,762	3.42%
31112 Property Taxes Delinquent.....	878,791.41	908,991	940,110	3.42%
31130 Sale of Tax Title Property	50.63	3,000	3,000	0.00%
31210 Private Harvest Tax	70,351.79	50,000	50,000	0.00%
31720 Leasehold Excise Tax.....	17,544.16	15,000	20,000	33.33%
SUBTOTAL	<u>\$ 26,275,125.31</u>	<u>\$ 23,701,755</u>	<u>\$ 24,515,872</u>	<u>3.43%</u>
NON-TAX REVENUES				
33000 Indirect Federal Grants	\$ 0.00	\$ 0	\$ 0	0.00%
33533 State Forest Funds	5,315.22			
33872 Contract Fees-Cities	3,240.00			
33890 Governmental Service Fees.....	7,500.00			
34160 Copier Fees	25,594.64	25,000	25,000	0.00%
34161 Graphics Services Charge	9,244.22			
34162 Printer Fees	66,774.31	60,000	60,000	0.00%
34730 Interlibrary Loan Fees	209.62			
35970 Library Fines	591,199.49	615,000	615,000	0.00%
36110 Investment Income	10,393.16	10,000	10,000	0.00%
36111 Interest – State Forest Fund.....	1.92			
36190 Other Interest Earnings.....	7.16			
36200 Key Peninsula Lease	1,774.59			
36700 Foundation Donations	126,237.10	150,000	225,500	50.33%
36720 Friend’s Reimbursement.....	31,881.02			
36725 Donations – Other.....	6,362.13			
36910 Sale of Scrap and Salvage.....	1,504.08			
36920 Book Sale Revenue.....	14,069.54	20,000	20,000	0.00%
36990 Miscellaneous Revenue	59,689.51			
36991 Payment for Lost Materials.....	14,814.61	25,000	25,000	0.00%
36994 Unclaimed Property	172.99			
36995 Collection Agency Revenue.....	1,384.72			
36996 Jury Duty Reimbursement.....	191.00			
36997 Prior Year’s Refunds.....	44,855.73			
36998 ERate Reimbursement	160,451.03			
36999 Rebates – Procurement Card	26,098.88	10,000	15,000	50.00%
39510 Sale of Fixed Assets	15,283.90		15,000	new
39520 Insurance Recoveries – Capital Assets	10,229.00			
SUBTOTAL	<u>1,234,479.57</u>	<u>915,000</u>	<u>1,010,500</u>	<u>10.44%</u>
TOTAL REVENUES	<u>\$ 27,509,604.88</u>	<u>\$ 24,616,755</u>	<u>\$ 25,526,372</u>	<u>3.70%</u>

Expenditures



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Summary of Expenditures and Assumptions

Table 3-11: 2013 Operating Expenditure Summary

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
EXPENDITURES				
Personnel	\$ 17,846,418.91	\$ 18,544,997	\$ 18,837,686	1.58%
Maintenance & Operations	3,820,659.10	3,089,520	3,284,010	6.30%
Materials	4,240,998.84	3,297,075	3,277,075	-0.61%
SUBTOTAL	25,908,076.85	24,931,592	25,398,771	1.87%
SET-ASIDES & TRANSFERS				
ELECTION SET-ASIDE	\$ 0.00 ¹	\$ 0	\$ 0	0.00%
CONTINGENCY	0.00 ¹	0	0	0.00%
TRANSFERS TO CAPITAL IMPROVEMENT FUND	814,563.00	492,335	255,264	-48.15%
MID-YEAR SAVINGS CAP. IMP. FUND TRANSFER	0	0	0	0.00%
SUBTOTAL	814,563.00	492,335	255,264	-48.15%
TOTAL EXPENDITURES	\$ 26,722,639.85	\$ 25,423,927	\$ 25,654,035	0.91%

Notes:

- The Election Set-Aside and Contingency budget items are by design budgeted but not spent; the unused funds flow into the General Fund. Beginning with the 2011 budget, the Library identifies these items explicitly in the General Fund.

For the 2014 budget process, Managers were given budget worksheets for developing their budgets and were expected to recommend efficiencies and reductions while maintaining service priorities and levy promises. Managers had leeway to fund personnel and purchases based on what are necessary to sustain successful departments. All Managers were required to submit proposals to reduce their budgets. Managers met with the Director's Team to present their proposed budgets.

The operating budget consists of three major areas of operating expenditures that usually account for over 95% (see table below) of total expenditures. Between 2005 and 2009, retirement rates increased by 278%; however, in 2010, the Washington State Department

of Retirement Services (DRS) dropped the Library's contribution. In 2011 the rates began to escalate again and are projected to exceed 10% by 2015. (See Benefits, under Personnel section, below.)

Traditionally the Library has allocated 16% of revenue for materials (books, music, movies, magazines, downloadable materials, etc.). Though a good method in the past, with ongoing revenue decreases, in 2012 the Library conducted a comprehensive evaluation of the materials budget, studying how it could best support what customers want. Through research on current use, customer demand and a review of related statistics and data, the Library identified how to reduce the budget by about \$1 million, while still providing a vibrant collection. 2014 maintains 2013's budget.

Table 3-12: Allocation of Budgeted Costs (2007 - 2014)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Personnel	62.8%	69.3%	69.6%	64.2%	67.1%	69.6%	72.9%	73.4%
Maintenance & Operations	11.0%	11.4%	11.4%	10.7%	12.6%	11.4%	12.2%	12.8%
Materials (books, DVDs, etc)	16.0%	16.1%	15.8%	16.1%	16.1%	16.0%	13.0%	12.8%
TOTAL OPER. EXPENDITURES	89.8%	96.8%	96.8%	91.0%	95.8%	97.0%	98.1%	99.0%

Table 3-13: 2014 Expenditures—BARS Summary Level

	2012 ACTUALS	2013 FINAL (12/12)	2014 BUDGET (12/11)	% CHANGE 2013 FINAL TO 2014
PERSONNEL				
5.11.xx Salaries & Wages.....	\$ 13,412,687.97	\$ 14,374,660	\$ 14,402,641	0.19%
5.12.xx Overtime Wages	9,099.32	7,500	5,800	-22.67%
5.2x.xx Employee Benefits	4,424,631.62	4,736,394	5,011,854	5.82%
SUBTOTAL	17,846,418.91	19,118,554	19,420,295	1.58%
5.19.99 ¹ Reduction in salaries planning budget	0	(573,557)	(582,609)	-1.58%
&5.29.99 to match projections (3%)				
SUBTOTAL	17,846,418.91	18,544,997	18,837,686	1.58%
MAINTENANCE & OPERATIONS				
5.31.xx Supplies.....	382,556.37	278,300	307,700	10.56%
5.32.xx Fuel	56,300.81	58,000	40,750	-29.74%
5.35.xx Small Tools and Minor Equipment.....	538,420.94	315,000	294,800	-6.41%
5.41.xx Professional Services.....	557,632.76	384,900	375,200	-2.52%
5.42.xx Communications	377,305.01	203,300	199,300	-1.97%
5.43.xx Travel	59,275.88	59,650	59,450	-0.34%
5.44.xx Advertising.....	23,906.52	28,920	29,000	0.28%
5.45.xx Operating Rentals/Leases	128,642.33	223,100	401,300	79.87%
5.46.xx Insurance	186,440.27	189,500	189,500	0.00%
5.47.xx Utilities.....	390,790.20	314,500	305,200	-2.96%
5.48.xx Repair and Maintenance.....	993,973.34	898,500	938,500	4.45%
5.49.00 Registrations & Tuition Assistance.....	32,077.48	21,700	23,250	7.14%
5.49.0x Miscellaneous	92,494.05	99,150	119,060	20.08%
5.51.xx Intergovernmental.....	843.14	15,000	1,000	-93.33%
5.82.xx Interest Expense	0.00	0	0	0.00%
SUBTOTAL	3,820,659.10	3,089,520	3,284,010	6.30%
MATERIALS				
5.34.xx Materials.....	4,240,998.84	3,297,075	3,277,075	-0.61%
SET-ASIDES & TRANSFERS				
5.49.12 CONTINGENCY	0.00 ²	0	0	0.00%
5.97.00 TRANSFERS TO CAPITAL IMPROVE. FUND.....	814,563.00	492,335	255,264	-48.15%
MID-YEAR SAVINGS CIP TRANSFER	0.00	0	0	0.00%
SUBTOTAL	814,563.00	492,335	255,264	-48.15%
TOTAL EXPENDITURES	\$ 26,722,639.85	\$ 25,423,927	\$ 26,236,644	0.92%

Notes:

1. Due to the personnel line item coding requirements of BARS for 5.19.xx for Salaries & Wages and 5.29.xx for Benefits, Coding for the -2% reduction must be split between 5.19.xx and 5.29.xx, hence 5.19.99 and 5.29.99.
2. The Contingency budget item is by design budgeted but not spent; the unused funds flow into the General Fund. Beginning with the 2011 budget, the Library identifies this item explicitly in the General Fund.

Personnel

\$ 18,837,686

Table 3-14: 2014 Personnel Detail

	2012 ACTUALS	2013 FINAL (12/12)	2014 BUDGET (12/11)	% CHANGE 2013 FINAL TO 2014
51110 Salaries & Wages.....	\$12,739,804.70	\$ 13,681,285	\$ 13,709,535	0.21%
51105 Additional Hours	234,073.57	230,600	247,100	7.16%
51106 Shift Differential.....	134,392.53	160,175	161,206	0.64%
51107 Substitute Hours	299,156.68	299,600	284,500	-5.04%
51109 Tuition Assistance Program.....	5,260.49	3,000	300	-90.00%
51200 Overtime Wages	9,099.32	7,500	5,800	-22.67%
52001 Industrial Insurance	168,221.05	167,861	165,707	-1.28%
52002 Medical Insurance.....	2,058,848.44	2,139,809	2,268,400	6.01%
52003 FICA.....	990,180.20	1,094,384	1,102,241	0.72%
52004 Retirement.....	907,639.63	1,039,773	1,167,555	12.29%
52005 Dental Insurance.....	214,822.02	227,556	241,326	6.05%
52003 Other Benefit	15,738.02	9,580	9,580	0.00%
52010 Life and Disability Insurance	14,374.54	25,631	25,245	-1.51%
52020 Unemployment Compensation	54,807.72	30,500	30,500	0.00%
52200 Uniforms	0.00	1,300	1,300	0.00%
SUBTOTAL PERSONNEL	17,846,418.91	19,118,554	19,420,295	1.58%
51999 ¹ Reductions in salaries planning	0	(573,557)	(582,609)	-1.58%
& 52999 budget to match projections (3%)				
TOTAL PERSONNEL	\$ 17,846,418.91	\$ 18,544,997	\$ 18,837,686	1.58%

Notes:

1. Due to the personnel line item coding requirements of BARS for 51xxx for Salaries & Wages and 52xxx for Benefits, Coding for the -2% reduction must be split between 51xxx and 52xxx, hence 51999 and 52999.

Personnel costs account for over 73% of expenditures and pay for staffing the Library to meet its mission and goals. The total change for 2014 from 2013 is 1.58%. The Library is reducing the bottom line personnel budget by 3% (\$582,609) to account for the realities of personnel changes through the year. While the Library budgets by position, when retirements, resignations, or terminations occur, filling the vacancies takes time and incoming employees are hired generally at lower salary steps than the departed employees. Therefore, by applying an adjustment to the personnel budget to match projections, the Library can reduce its budget without causing further layoffs. A study of budget to actual for the past 10 years (2002-2011) shows that on average actuals came in 5% less than budget. In 2013 the Library applied a 3% reduction. For 2014 an adjustment of 3% is maintained. The Library will be monitoring this through 2014 and may make adjustments in the mid-year process.

Managers used the mid-year budget of the current fiscal year to construct personnel costs for the 2014 fiscal year.

Salaries and Wages \$ 13,709,835
Staffing includes all full and part-time personnel located in all locations. Salaries and Wages include \$300 for Tuition Assistance.

Additional Hours \$ 247,100
Additional hours are used to pay part-time regular staff to cover illness, vacations, and other staffing needs.

Substitute Hours \$ 284,500
Substitute hours are used to pay individuals who are “on-call” and have no regularly assigned hours to cover illness, vacations, and other staffing needs.

Shift Differential\$ 161,206
 Union employees who work Sunday hours are paid at 1.5 times their regular non-Sunday wages. The amount is estimated each year.

Overtime \$ 5,800
 Overtime costs are established by Managers for emergency or unusual situations that require an hourly employee to work beyond the 40-hour workweek. Library management keeps overtime costs low and reduced it for 2014.

Benefits\$ 5,011,854
 Benefits as a category include medical and dental costs, retirement, payroll taxes, and unemployment insurance. In October 2013, the Library evaluated a search for potentially new healthcare plans, and decided to leave the Employees Healthcare Coalition of Washington (EHCWa) and contract with the Association of Washington Cities (AWC). The costs for the plans were slightly lower than 2013 rates.

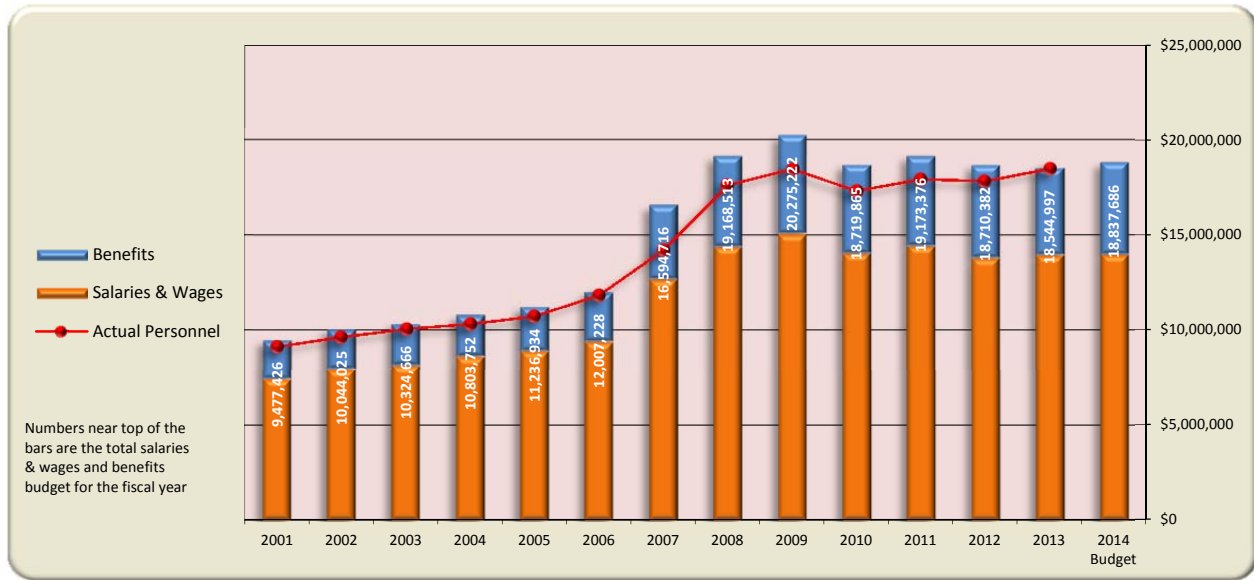
State Actuary’s Office expected analysis (10.41% for 2015-17). Rates can and have had a major impact on the Library’s budget. The following shows historic and projected contribution rates:

July 2016 - June 2017: 10.41%
July 2015 - June 2016: 10.41%
July 2014 - June 2015: 9.210%
July 2013 - June 2014: 9.210%
July 2012 - June 2013: 7.250%
July 2011 - June 2012: 7.250%
July 2010 - June 2011: 5.310%
July 2009 - June 2010: 8.310%
July 2008 - June 2009: 8.310%
July 2007 - June 2008: 5.940%
July 2006 - June 2007: 3.065%
July 2005 - June 2006: 2.195%

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

The 2013 Legislature passed retirement rates for 2013 and 2014. Therefore the Library will budget at the

Figure 3-6: Personnel Budget & Actuals



Library Staffing

Table 3-15: Budgeted Library Staffing

DEPARTMENT FTE STAFFING ¹	2012 FINAL (12/11)	2013 FINAL (12/12)	2014 FINAL (12/11)	2014 FTEs w/ MLS/MLIS ²
Executive Office	4.80	5.00	5.00	2.00
Customer Experience ³	189.79	182.31	183.91	46.13
Reading & Materials	27.60	26.70	26.00	7.00
Technology Experience ⁴	12.25	12.00	12.20	
Business Operations				
Finance	7.25	6.75	6.00	
Facilities Management	19.20	19.21	20.93	
Marketing & Community Relations	6.50	6.10	5.85	
Fund Development	2.80	2.50	2.75	
Staff Experience	4.25	4.75	4.00	
TOTAL FTE COUNT	<u>274.44</u>	<u>265.32</u>	<u>266.64</u>	<u>55.13</u>
Change in personnel by FTE from previous year	-5.08	-8.12	1.32	+0.83
	-1.82%	-3.32%	0.50%	1.53%

Notes:

1. See chapter on department narratives for a breakdown of budgets by department.
2. MLS or MLIS: Masters of Library Science or Library Information Science graduate degree, a requirement to hold the title "Librarian".
3. Customer Experience includes Community Outreach, Virtual Services and Adult Services, and Youth Services.
4. Formerly, Information Technology. Reorganized department will have Virtual Services moved to it during 2014.

The Library maintains a workforce of fulltime and regular part-time employees with regularly assigned hours that calculate into fulltime equivalent (FTEs) employees, where 1 FTE equates to 40 hours per workweek and may be spread over one or more employees. The Library also maintains a substitute, on-call workforce with no regularly assigned hours (similar to schools). FTEs are found in the above table and in the chapter on department narratives (see page 126).

end of the year as needed to meet necessary budget reductions. Several positions were eliminated when bookmobile service was ended in November 2012.

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

Changes in Overall Staffing (2012-2014)

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

In 2013 the Library faced its largest budget reduction to date at \$3 million. As part of its planning strategy, the Library filled most vacancies during 2012 as temporary positions that could be eliminated at the

Maintenance & Operations

\$ 3,284,010

Table 3-16: 2014 Maintenance & Operations Detail

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
53100 Office/Operating Supplies	\$ 228,261.86	\$ 152,300	\$ 155,400	2.04%
53101 Custodial Supplies	56,400.01	41,000	52,100	27.07%
53102 Maintenance Supplies	51,282.84	40,000	60,200	50.50%
53103 A/V Processing Supplies	31,882.75	25,000	20,000	-20.00%
53104 Book Processing Supplies	14,728.91	20,000	20,000	0.00%
53200 Fuel.....	56,300.81	58,000	40,750	-29.74%
53500 Minor Equipment	22,212.63	15,300	6,500	-57.52%
53501 Furnishings	86,214.46	50,000	35,000	-30.00%
53502 PC Hardware.....	352,758.85	196,200	216,300	10.24%
53503 Printers.....	2,719.62	20,000	20,000	0.00%
53505 Software	74,515.38	33,500	17,000	-48.25%
54100 Professional Services	330,866.22	251,500	256,200	1.87%
54101 Legal Services	140,183.60	30,000	30,000	0.00%
54102 Collection Agency	31,170.50	33,400	24,000	-28.14%
54161 Resource Sharing Services.....	18,958.91	25,000	22,000	-12.00%
54162 Bibliographics Services	29,754.52	40,000	38,000	-5.00%
54163 Printing and Binding	4,670.39	2,000	2,000	0.00%
54165 Inter Library Loan Lost Item Charges.....	2,028.62	3,000	3,000	0.00%
54200 Postage.....	45,253.28	42,000	38,000	-9.52%
54201 Data Lines.....	332,051.73	161,300	161,300	0.00%
54300 Travel.....	27,937.23	28,600	29,200	2.10%
54301 Mileage Reimbursements.....	31,338.65	31,050	30,250	-2.58%
54400 Advertising	23,906.52	28,920	29,000	0.28%
54501 Rentals/Leases - Buildings	89,406.02	195,300	377,700	93.39%
54502 Rentals/Leases - Equipment	39,236.31	27,800	23,600	-15.11%
54600 Insurance	186,440.27	189,500	189,500	0.00%
54700 Electricity.....	276,330.33	229,000	220,000	-3.93%
54701 Natural Gas.....	18,762.78	17,500	15,000	-14.29%
54702 Water	34,023.32	24,500	26,000	6.12%
54703 Sewer.....	31,491.70	21,000	21,700	3.33%
54704 Refuse.....	30,182.07	22,500	22,500	0.00%
54800 General Repairs/Maintenance	315,386.41	204,300	198,300	-2.94%
54801 Contracted Maintenance.....	645,326.52	659,200	709,200	7.58%
54803 Maint. Telecomm Equipment.....	33,260.41	35,000	31,000	-11.43%
54900 Registrations.....	25,980.48	21,700	23,250	7.14%
54901 Dues and Memberships.....	36,375.00	31,200	34,620	10.96%
54902 Taxes and Assessments	27,951.49	30,500	30,500	0.00%
54903 Licenses and Fees	26,528.89	36,550	53,150	45.42%
54904 Miscellaneous.....	1,638.67	900	790	-12.22%
54905 Event Registration	1,122.00			
54906 Internal Training	4,975.00			
55100 Intergovernmental	843.14	15,000	1,000	-93.33%
Total Maintenance & Operations	\$ 3,820,659.10	\$ 3,089,520	\$ 3,284,010	6.30%

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

Supplies\$ 307,700

The Supplies category includes office and operating supplies, custodial supplies, maintenance supplies, materials processing supplies, audiovisual and book processing supplies, supplies for the Summer Reading Program, and audio/visual replacement parts. The amount budgeted is 10.6% more than budgeted last year, due to the increased need for maintaining facilities.

Fuel\$ 40,750

Fuel consists of charges for gasoline, diesel, and propane. It decreased -29.7% due to replacing old gas consuming vehicles with hybrid models.

Smalls Tools & Minor Equipment.....\$ 294,800

Minor equipment includes furniture, computers, printers, scanners, and software. This category decreased by 6.4%. Some furnishing projects were funded in the Capital Improvement Plan instead of the Operating Budget.

Professional Services.....\$ 375,200

This category includes services provided by a private business or agency. In addition to the services of attorneys, accountants, and consultants, it includes software consultants, interpreters, trainers, maintenance-related services, etc. This decreased by -2.5% due mostly to reductions in collection agency fees.

Communications\$ 199,300

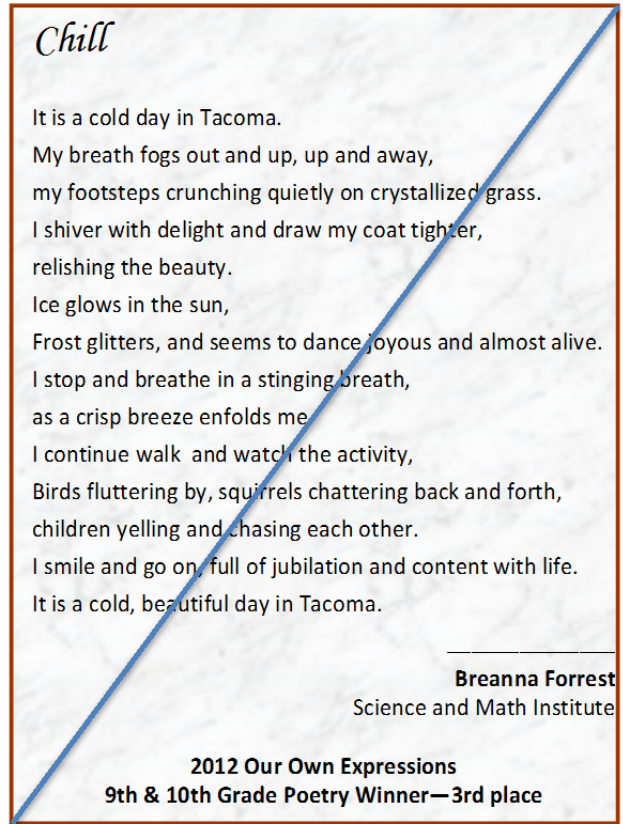
Communications include all Library mailings (postage, Federal Express, UPS, courier services); voice communication service (monthly service and long distance, TDD, and cellular); costs associated with the high speed network lines connecting all Library computers together and to the Internet; leased telephone lines used in support of Internet access; and costs associated with having landline phone lines for security alarm monitoring. Communications decreased by -2.0%.

The Library annually applies for E-rate reimbursements for network connectivity costs, including Internet services. The Library receives reimbursement for about 50% of connectivity costs from the Federal E-rate program either as direct reimbursement or applied to

telecommunication provider’s monthly statements. E-rate reimbursements are projected to be similar to 2013.

Travel\$ 59,450

This includes reimbursement to employees and Board of Trustees for use of personal automobiles on Library business and travel expenses associated with attendance at training and continuing education events, conferences, and seminars. The budget is -0.3% less.



Advertising\$ 29,000

This includes newspaper advertising for library activities, advertising employee and Board of Trustees vacancies, requests for bids, and other marketing. The amount budgeted increased nominally by 0.3%.

Operating Rentals/Leases\$ 401,300

This includes leases of the remaining fleet of copy machines, and leases for the DuPont Library and Milton/Edgewood Library. The amount budgeted decreased by 79.9% due to adding in payments for shared City of University Place and Pierce County Library condominium agreement costs.

Insurance\$ 189,500

This includes all insurance for the Library’s real and personal property, vehicles, fidelity, errors and

omissions, employment practices, umbrella plan, commercial crime, cybercrime, differences in conditions, earthquake and underground storage tanks. This increased by 3% due to claims record and renewals of certain insurance policies.

Utilities\$ 305,200

Utilities include electricity, natural gas, water, sewer, and refuse collection for all Library facilities. In 2003, the Facilities Management Department implemented significant energy conservation projects throughout the system, which continue to result in dramatic year-to-year offsets of significant rate increases. The amount budgeted is -3.0% less for 2014. This is due to much higher efficiency rated equipment installed in 2013 for Processing and Administrative Center.

Repair & Maintenance\$ 938,500

This category includes commercial repair of the Library’s office equipment; fees for the maintenance and service contracts for the Polaris Integrated Library System (ILS) software and related hardware; telecommunications system, personal computer and peripheral maintenance, elevator service, heating, ventilation and air conditioning preventive maintenance; and unscheduled commercial repairs, septic tank cleaning, and pest control. The budget increased by 4.4% due to covering maintenance costs for more media bank towers and a Polaris site license.

Training\$ 23,250

Training includes non-travel costs for attendance at classes, seminars, and conferences. The training budget is 7.1% more due to a PLA conference in 2014.

Intergovernmental..... \$ 1,000

This category includes costs associated with fees paid to other governmental agencies. The amount budgeted is -93.3% less due to no audit in 2014. The amount budgeted is to pay for expenses incurred in 2013 to finish the 2011-12 audit.

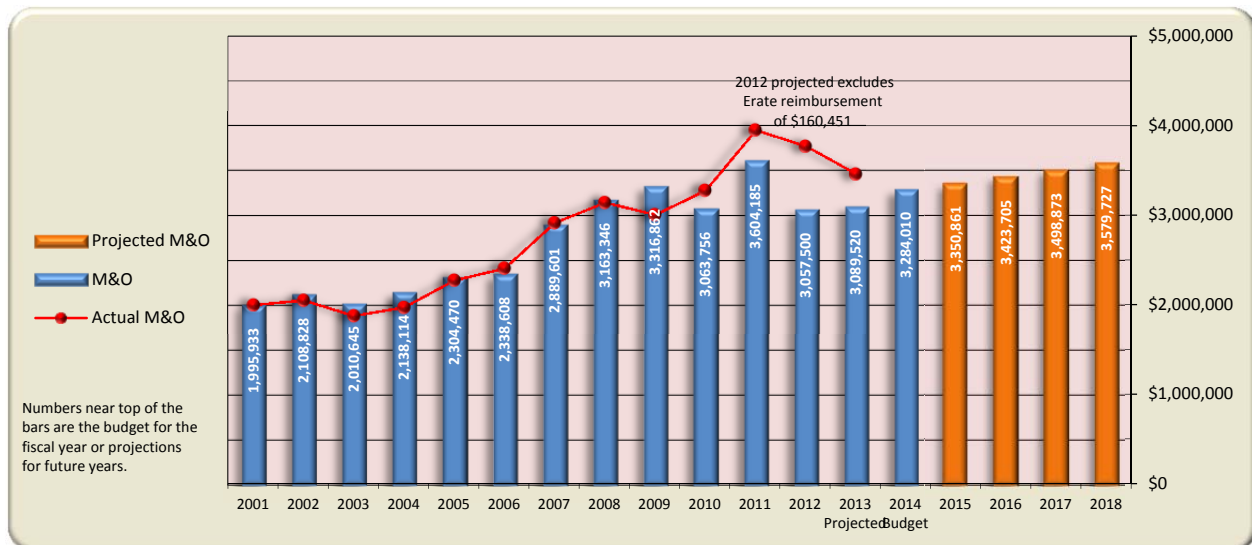
Interest Expense \$ 0

To cover cash shortfalls, when cash on hand is less than expenditure needs due to cyclical nature of revenue collection, the Library borrows from the Capital Improvement Fund. When interfund loans are made, the Library is required to pay interest to the Capital Improvement Fund. The interest anticipated for 2014 continues to be low, if any, due to having enough in the ending fund balance to fund the majority of the shortfall.

Miscellaneous.....\$ 119,060

This category includes memberships in ALA, WLA, and PNLA, and dues for local Chambers of Commerce and other groups; sales tax payable on photocopies/printers and graphics sales, use tax on out-of-state purchases, and sewer assessments/surface water management fees. It also includes fees for driving records requests, bad debt expenses/bank fees, and charges associated with the collection of fines, and other charges at the branches. This category increased by 20.1% due to costs of bank and ePay fees.

Figure 3-7: Maintenance & Operations Budget & Actuals



Books, Movies, Music, and Downloadables (Materials)

\$ 3,277,075

Table 3-17: 2014 Materials Detail

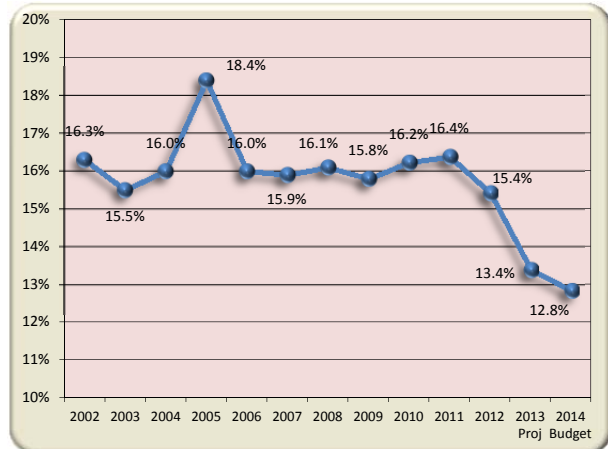
	2012 ACTUALS	2013 FINAL (12/12)	2014 BUDGET (12/11)	% CHANGE 2013 FINAL TO 2014
53401 Adult Materials	\$ 891,743.06	\$ 847,684	\$ 827,684	-2.36%
53402 Serials.....	16,266.22	0	0	0.00%
53403 Periodicals.....	47,149.39	80,000	80,000	0.00%
53405 Juvenile Books.....	590,541.07	496,458	496,458	0.00%
53406 Professional Collection.....	22,664.95	20,000	20,000	0.00%
53407 International Collection	89,050.65	76,000	76,000	0.00%
53408 Audiovisual Materials - Adult.....	1,166,634.06	816,000	816,000	0.00%
53409 Audiovisual Materials - Juvenile.....	99,940.19	102,040	102,040	0.00%
53411 Electronic Info Sources.....	401,052.24	170,355	170,355	0.00%
53412 Reference Serials.....	28,000.39	36,414	36,414	0.00%
53413 Electronic Services	215,847.32	244,124	244,124	0.00%
53414 Electronic Collection	403,683.49	255,000	255,000	0.00%
53464 Vendor Processing Services	231,854.93	153,000	153,000	0.00%
53490 Collection Projects	33,863.84	0	0	0.00%
53499 Gifts - Materials.....	2,707.04	0	0	0.00%
TOTAL MATERIALS	\$ 4,240,998.84	\$ 3,297,075	\$ 3,277,075	-0.61%

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

In 2012, the Library conducted a comprehensive study of the Materials it buys, how much it spend on each and how the items purchased are used. The study looked at each branch holistically, balancing the need for books, computers, gathering spaces, quiet reading corners and meeting rooms.

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

Figure 3-8: Materials Budget History (2002 - 2014)



The 2014 Materials budget is 12.8% of new revenues. Figure above shows the historical funding of Materials as a percentage of each year’s new revenues. “New Revenues” excludes calculating a portion of the \$127,663 use of cash reserves into the materials budget. The spike in the 2005 Materials budget is due to a carrying forward of unexpected 2004 unexpended funds (the catalog system replacement project delayed purchasing and receipt of materials).

Figure below shows PCLS’s Materials budget per capita, which is an effective measure of our focus on our collection. The figure at right gives a comparison of our budget along with that of other local libraries. We are 3rd out of the 13 regional libraries for the second year in a row. It’s a great spot for us. The 2014 materials expenditure per capita is estimated to be \$5.94 per capita.

Figure 3-9: Materials Expenditures Per Capita History (Actuals 2002 - 2012)

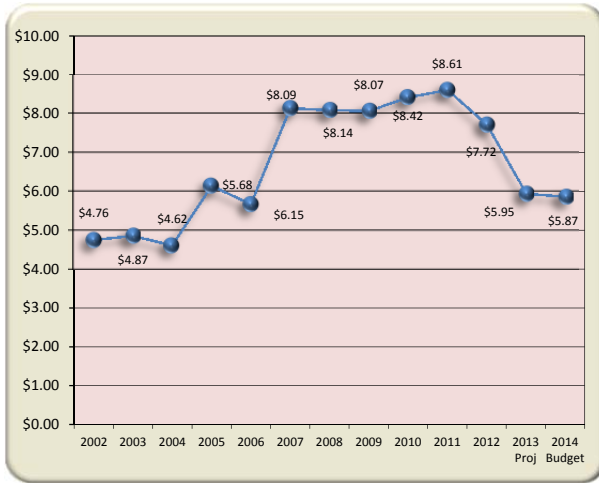
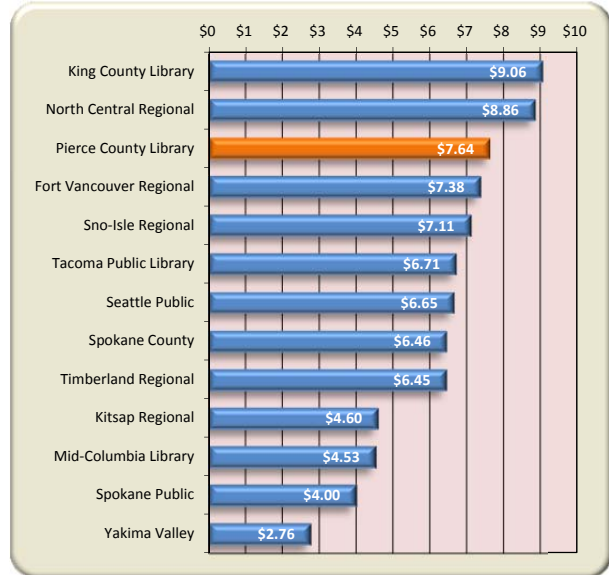


Figure 3-10: Materials Expenditures Per Capita Comparison (2012)



Source: Washington State Library



Picture replaced prior to publication

Other Set-Asides & Transfers

\$ 255,264

Table 3-18: 2014 Other Expenditures, Set-Asides, and Transfers

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
ELECTION SET-ASIDE	\$ 0.00 ¹	\$ 0	\$ 0	0.00%
CONTINGENCY	0.00 ¹	0	0	0.00%
TRANSFERS TO CAPITAL IMPROVEMENT FUND	814,563.00	492,335	255,264	-48.15%
MID-YEAR SAVINGS CAP. IMP. FUND TRANSFER	0.00	0	0	0.0%
TOTAL SET-ASIDES & TRANSFERS	<u>\$ 814,563.00</u>	<u>\$ 492,335</u>	<u>\$ 255,264</u>	<u>-48.15%</u>

Notes:

- The Election Set-Aside and Contingency budget items are by design budgeted but not spent; the unused funds flow into the General Fund. Since the 2011 budget, the Library identifies these items explicitly in the General Fund.

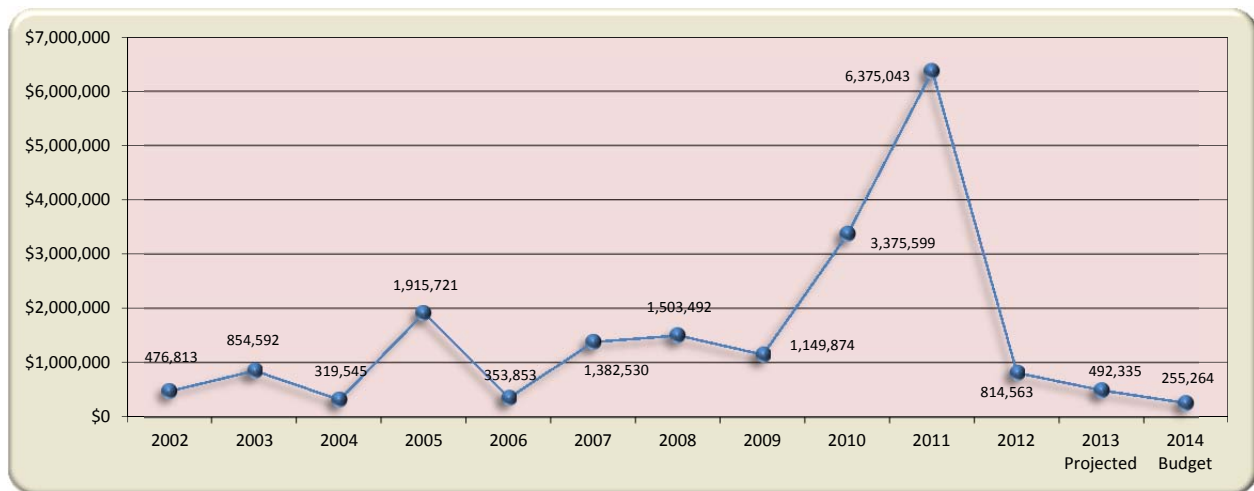
Election Set-Aside \$ 0
 From 2007 to 2011, the Library set aside between \$60,000 and \$80,000 annually towards the next levy lid-lift. The goal was to achieve \$360,000 to conduct a potential levy lid-lift election within the next five to six years. Costs for the election include ballot preparations, postage, professional services, office supplies, etc. The set-aside goal was met in 2011; thus no more needs to be set-aside. It is reserved in the general fund balance.

flow shortfalls. For 2014, this means that enough restricted funds are available to plan for paying April 2014's bills. The Library's goal is to maintain at least 2% cash-to-revenues in the unrestricted fund balance, and this line item will be used when restricted funds need to be replenished.

Contingency..... \$ 0
 The Library uses contingency as a floating variable to calculate cash-solvency to pay April's bills two fiscal years ahead. Having set-aside enough in unrestricted reserves, and given that the Library's budget is decreasing, no cash needs to be set-aside to cover cash

Transfers to Capital Improvement Fund..... \$ 255,264
 Some funding for the Capital Improvement Plan comes from transferring funds out of the operating budget. In summer 2012, the Library conducted an extended study of capital improvement needs for the next 10 years. As a result of the study and the need to reduce the overall budget, for 2014 the Capital transfer was further reduced from 2% to 1% of revenues to pay for anticipated capital improvement projects. Below shows capital transfers since 2002.

Figure 3-11: Capital Improvement Fund Transfer History (Actuals 2002 - 2012)



General Fund Balance



Picture replaced prior to publication

General Fund Balance

Table 3-19: 2014 General Fund Balance Summary

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
Beginning Fund Balance, January 1	\$ 9,763,236.64	\$ 10,600,972	\$ 9,900,000¹	-6.61%
Less: RESERVE COMMITMENTS				
Operational needs for first 4 months (calculated).....	7,369,276.00	6,905,139	6,967,636	0.91%
Reserve for future election	360,000.00	360,000	360,000	0.00%
TOTAL RESERVE COMMITMENTS	7,729,276.00	7,265,139	7,327,636	0.86%
Available unrestricted funds at beginning of year	2,033,960.64	3,335,833	2,572,364	-22.89%
INFLOWS				
Set aside from operating budget for min. of 2% goal	0.00	0	0	0.00%
Other inflows	0.00	0	0	0.00%
TOTAL OF INFLOWS	0.00	0	0	0.00%
OUTFLOWS				
Use of cash reserves to balance budget	0.00	807,172	127,663	-84.18%
Transfers to CIF from previous year-end results.....	0.00	0	TBD	.....
Transfers to CIF from 2012 Mid-Year Savings.....	0.00	.....	.....	.....
Transfers to CIF from 2014 Mid-Year Savings.....	.....	.....	TBD	.....
TOTAL OF OUTFLOWS	0.00	807,172	127,663	-84.18%
Net unrestricted fund balance at end of year	2,033,960.94	2,528,661	2,444,701	-3.32%
% of following year revenues	8.21%	9.91%	9.22%	-6.96%
Add: UNUSED/REPLENISHED RESERVE COMMITMENTS				
Operational needs for first 4 months (replenished)	7,729,276.00	6,905,139	6,967,636	0.91%
Reserve for future election	360,000.00	360,000	360,000	0.00%
TOTAL UNUSED RESERVE COMMITMENTS	7,729,276.00	7,265,139	7,327,636	0.86%
Subtotal Fund Balance at end of year	9,763,236.94	9,793,800	9,772,337	-0.22%
RESULTS OF FISCAL YEAR OPERATIONS				
Use of fund balance to cover shortfall (for operations).....	0	807,172	127,633	-84.18%
New revenues	27,509,604.88	24,616,755	25,526,372	3.70%
Less Expenditures and budgeted transfers.....	26,722,639.85	25,423,927	25,654,035	0.91%
NET OF OPERATIONS.....	786,965.03	0	0	0.00%
Add: Estimated difference between budget & actuals ²	NA	EST: 106,200	TBD	0.00%
Warrants & sales tax payable, benefit accruals, adj	50,770.xx	TBD	TBD	0.00%
Ending Fund Balance, December 31	\$ 10,600,972.xx	\$ 9,900,000¹	\$ 9,772,337	-1.29%

Notes:

- The 2013 year-end fund balance is estimated; numbers are finalized with the annual report in April 2014.
- The estimated difference between budget & actuals is an adjustment calculated by the difference between final budget of revenues and expenditures as approved in December and the projected actual of revenues and expenditures received and incurred throughout the year. The difference is used to calculate the 2014 beginning fund balance. This estimated difference was calculated as of the end of December 2013.

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

By default, all sources of unexpended revenues are released into the General Fund at year-end, unless the Board takes action to identify and approve use of fund balance.

GFOA Statement on General Fund Balance

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

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

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

— GFOA, October 2009

This has been consistent with the Library’s practice since Washington State Initiative 747 was passed by voters in 2002. The Library’s fund balance is a critical resource for paying bills during normal intra-year shortfalls, and has used it in long-term forecasting.

GFOA recommends a Fund Reserve policy (which was incorporated into the Board’s Fiscal Management Policy) to address one or more of the following 5 factors:

1. Predictability of revenues and the volatility of expenditures—higher levels may be needed if

there are unpredictable fluctuations in revenues or expenditures are volatile.

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

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

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

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

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

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

The Library requires approximately 4 months of fund reserves to pay its bills until the large property tax revenues are received in early May and early November. The fund is replenished and automatically restored, and then recalculated for the following fiscal year.

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

The Library set aside commitments:

- \$360,000 to conduct a future election, should conditions warrant.

The Library’s Fiscal Management Policy and its directives on usage and planning of cash reserves conform to GFOA’s most recent statement on fund

balance. The Library has been practicing to this most recent update since 2002.

Beginning Fund Balance
\$ 9,900,000

The fund balance is estimated at \$9.9 million. The actual amount is reconciled and released in the annual April annual report.

Reserve Commitments
\$ 7,327,636

Operational needs for first 4 months..... \$ 6,967,636
The Library calculates that approximately \$7 million will be needed for cash flow to operate until the large influx of tax revenues come in late April. Some revenue, for example fines and some property taxes arrive between January and April, therefore the calculation is not 33% of expenditures.

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

Reserve for future election.....\$ 360,000
Building up the set aside for a future election was met in 2011. This amount will remain unspent and is reserved in the fund balance until the Library asks voters to restore revenues. In cash flow, it is excluded from operational needs and therefore is never used. Within an aggregate of cash available, it is invested.

Inflows
\$ 0

Set aside from operating budget \$ 0
The unreserved fund balance for 2014 is estimated to be 9.2%, which satisfies the minimum requirement of 2% of following year revenues. There is no need to build up the unreserved fund balance by use of the Contingency line item.

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

Outflows
\$ 127,663

Use of cash reserves (fund balance).....\$ 127,663
To close the revenue shortfall for the 2014 budget, the Library made significant reductions in most areas. Managers proposed further reductions in personnel to balance the budget. Upon discussing with the Board of Trustees during the November 2013 Board of Trustees

meeting, the Library will use some cash reserves in lieu of layoffs.

Transfers to CIF from previous year-end results.... TBD
The amount of unanticipated revenues and savings to be transferred to the Capital Improvement Fund from the General Fund will be determined in April 2014.

Transfers to CIF from 201X mid-year savings\$ TBD
Any funds available due to savings in 2013 may be identified and transferred in 2014. The last time this occurred was in 2011.

Bottom Line Adjustments

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

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

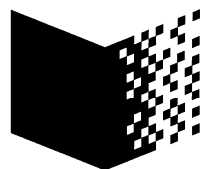
Ending Fund Balance
\$ 9,772,337

Net effect on general fund balance..... (\$ 127,663)
The reduction is due to use of fund balance to balance the budget.

Conclusion

The General Fund ending fund balance—at 9.22%—is greater than the 2% practice prescribed by the Board of Trustees. However, given considerable anticipated shortcomings in revenues, a fund balance greater than minimum 2% will help the Library mitigate shortfalls in future revenues. The Board of Trustees is very concerned about future cash flow, and encourages the Library to set aside cash as much as possible to ensure that the Library does not diminish its product, even during times of significant economic stress.

Part 4 Other Funds



Pierce County
Library System

INFORMATION ■ IMAGINATION

Capital Improvement Fund



Picture replaced prior to publication

2014 Capital Improvement Budget Summary

Table 4-1: 2014 Capital Improvement Budget Summary

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
FUNDING SOURCES				
Use of fund balance	\$ 686,268.50	\$ 1,139,665	\$ 808,886	-29.02%
Transfers from General Fund	814,563.00	492,335	255,114	-48.18%
New revenues	498,548.00	0	160,000	New
TOTAL FUNDING SOURCES	1,313,111.00	1,632,000	1,224,000	-25.00%
EXPENDITURES				
Total project expenditures.....	1,999,379.50	1,632,000	1,224,000	-18.22%
TOTAL EXPENDITURES	1,999,379.50	1,632,000	1,224,000	-18.22%
NET OF FUNDING SOURCES & EXPENDITURES	<u>\$ 0.00</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.00%</u>

Notes:

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

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

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

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

2014 Strategy

The Library revised its strategy for the capital improvement plan. These strategies reframe Library priorities for the Capital Improvement Projects. The strategies focus on:

1. Preserve our facilities as an asset (stewardship)

Our facilities are the principle venues with which we serve our customers. The Library will carefully evaluate major maintenance and improvements required to provide a welcoming and highly functional environment necessary to provide effective service. Five year plans will incorporate a data-driven approach.

2. Efficiency: Spend to save (efficient operations)

The Library invests taxpayer funding in projects whose return on investment exceeds the capital costs. These projects are carefully studied to understand the long-term impact on saving costs while funding Library operations.

3. Stay Relevant and up-to-date (customer focus)

The Library has and continues to face difficult economic times. However, it's imperative to stay relevant to the customer by ensuring that through surveys, trends, and an understanding

of available data, capital projects are designed and implemented with an eye to the future.

Strategies are noted in the detailed section of Capital Projects for each 2014 capital project.

5 Year Capital Planning

The Library produces an annual 5-year capital plan. Considerable work was done to project realistic needs from 2015–2018.

Managers submitted estimates according to when the projects would occur, whether they were multiyear projects, and more detailed funding breakdowns. The Library does not automatically carry forward Capital Improvement funding of a project from one fiscal year to the next. Instead, Managers resubmit projects for appropriate funding, including ones that have started or are currently moving.

The Capital Improvement Plan and its corresponding budget is reviewed mid-year and revised as needs and funding dictate.

Recurring vs. Non-recurring Capital Projects

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

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

Planning Before Project Execution

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



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Capital Projects Funding Sources

Table 4-2: Summary of Funding Sources

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
FUND BALANCE				
Use of fund balance	\$ 686,268.50	\$ 1,139,665	\$ 808,886	-29.02%
TRANSFERS				
Budgeted GF transfer from operating budget	814,563.00	492,335	255,114	-48.18%
GF transfers from prior fiscal year savings ¹	0.00	TBD	TBD	
Transfers from 2012 Mid-Year Savings	0.00			
TOTAL TRANSFERS	814,563.00	492,335	255,114	-48.18%
NEW REVENUES				
New revenues	498,548.00	0	160,000	New%
TOTAL FUNDING SOURCES	\$ 1,313,111.00	\$ 1,632,000	\$ 1,224,000	-25.00%

Funding Sources

\$ 1,224,000

for addressing cash shortfall; therefore, transfers and budgets are planned and coordinated carefully.

Funding for capital projects comes from three sources:

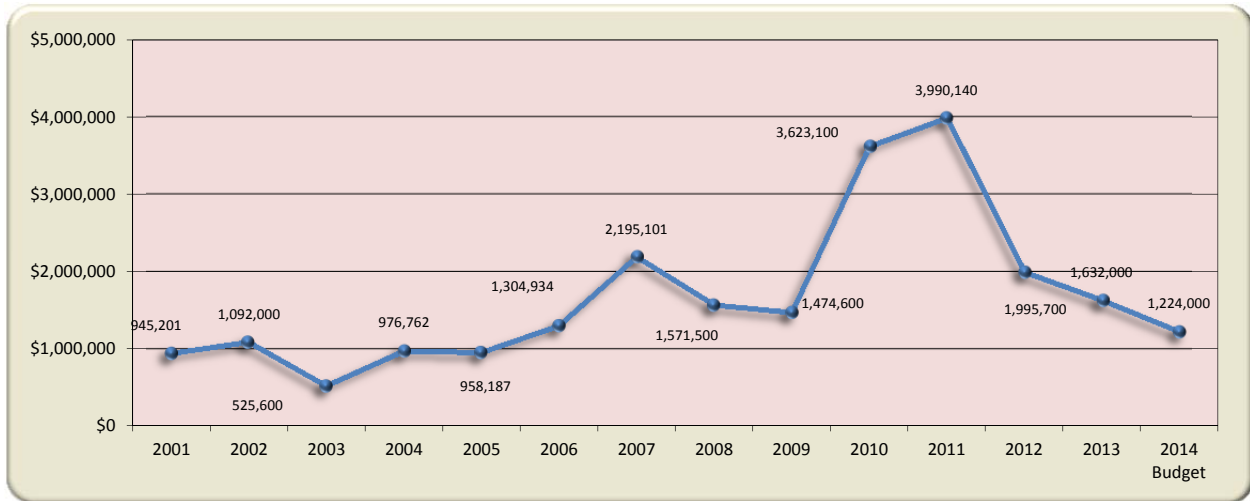
1. Fund balance of the Capital Improvement Fund.
2. Funds transferred from the General Fund:
 - a. Minimum 1% (down from 2% in 2013) of General Fund revenues. More may be transferred due to needs.
 - b. Funds transferred from the General Fund due to unanticipated revenues and savings, backfilling funding for projects.
3. New revenues (e.g., fund raising, investment).

Shortfalls are an Ongoing Concern

Capital Improvement budgets fluctuated as shown in the chart below. The average Capital Improvement budget for 2002 through 2014 is \$1,735,663.

An ongoing concern is that the Capital Improvement Fund be funded adequately for ongoing improvements. These budgets are multiyear budgets, so not all funds are spent during the budgeted year. At times, projects are cancelled as circumstances warrant. The Capital Improvement Fund has an important role

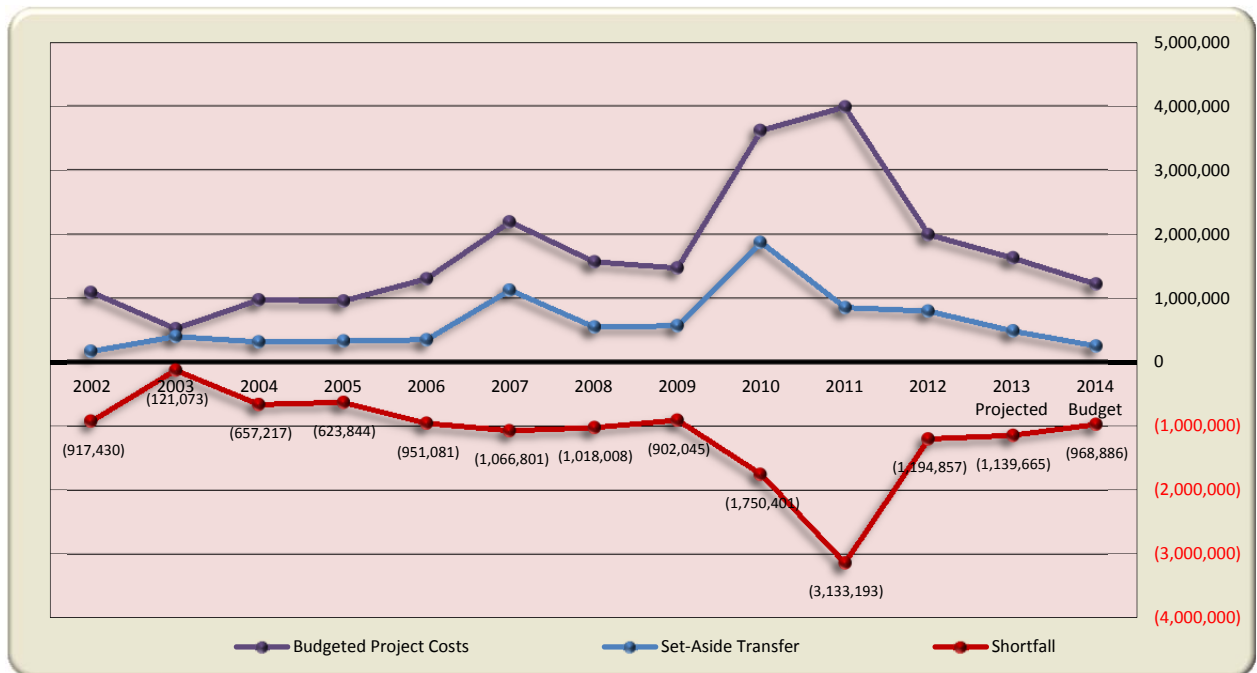
Figure 4-1: Capital Project Budget History (Excludes Carry Forwards)



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

for the yearly capital projects, the operating budget would be impacted considerably, and substantial reductions could be necessary. Due to severe budget shortfalls, the Library reduced the transfer back to 2% for 2013 and to 1% in 2014.

Figure 4-2: Capital Improvement Fund Shortfalls (Budgeted Project Costs Compared to Set-Asides)



At the end of 2013, it is estimated that the Capital Improvement Fund balance will be approximately \$2 million. Adding monies to be received in 2014 transfers from the Operating Budget, the total available funding is approximately \$2.4 million.

Budgeted General Fund Transfer\$ 255,114

The budgeted transfer from the General Fund was reduced from 2% to 1% of General Fund New Revenues. This calculation excludes any use of General Fund balance to balance the operating budget.

Use of fund balance\$ 808,886

The Capital Improvement budget uses its Capital Improvement Fund cash balance to pay for projects that exceed new revenues. For 2014, the Library is expecting to budget some funds from the Capital Improvement fund balance. After factoring in the annual transfer, about 33% of the Capital Improvement Fund balance will be needed to fund 2014 projects. This assumes no mid-year transfer occurs.

Transfers from prior fiscal year savings.....\$ TBD

As per the Library’s Fiscal Management policy, the Library may consider transferring additional revenues from the General Fund, such as unanticipated savings and revenues from previous fiscal years. The identification of these funds occurs typically during April, after which the Library reports the previous fiscal year results.

New revenues\$ 160,000

The Library anticipates some new revenues. Energy rebates are expected to be provided for the PAC HVAC project that culminated in 2013. Also, the Library anticipates a reimbursement for warranty carpet repairs to be done at the South Hill Library. Other new revenues may come in the form of interest on fund balance, albeit very small due to continuation of extremely low interest rates.



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Capital Improvement Plan—Project Expenditures

2014 Capital Improvement Plan Projects

\$ 1,224,000

Table 4-3: Capital Budget Summary—Project Expenditures

<u>Capital Project Categories</u>	2014 <u>BUDGET</u>	2015 <u>ESTIMATED</u>	2016 <u>ESTIMATED</u>	2017 <u>ESTIMATED</u>	2018 <u>ESTIMATED</u>
Commitments	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Service improvement projects.....	275,000	50,000	50,000		
Major maintenance	533,000	198,000	52,000	226,000	
Vehicles.....	10,000	45,000	120,000	10,000	10,000
Equipment and technology.....	250,000	250,000			
SUBTOTAL	1,188,000	663,000	342,000	356,000	130,000
Contingency (by exec approval).....	36,000	25,000	25,000	25,000	25,000
TOTAL CAPITAL PROJECT BUDGET	\$ 1,224,000	\$ 688,000	\$ 367,000	\$ 381,000	\$ 155,000

Notes:

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

Commitments

\$ 120,000

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

Strategies..... (Relevance)

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

Service Improvement Projects

\$ 275,000

Restroom Upgrades (PKS,SH,GH,SMT,KC,LWD,PAC) ..\$ 210,000

Strategies..... (Preserve, Relevance)

The public restrooms are in severe need of an upgrade/restoration in many of the branches. Areas requiring upgrade include tile floors, paint, partition walls, toilets, urinals, sinks, and counter tops. Finishes in these restrooms are original to when the buildings opened in the early 1990’s and are showing significant signs of wear and tear due to heavy usage.

Replace Aging Furnishings\$ 50,000

Strategies..... (Preserve, Relevance)

The Library needs to replace furnishings at many locations. These are original furnishings from when the

buildings were opened in the early 1990s and includes public computer stations, lounge seating, tables and chairs. The project will be conducted over a three year period.

UP Teen Area Acoustical Treatments.....\$ 15,000

Strategies..... (Relevance)

Acoustical panels will be added to the walls and ceiling in the Teen area to help mitigate noise which is generated in the Teen area and carries over to surrounding areas of the Library including the quiet reading and magazine areas.

Automated Materials Handling (AMH) Sys..... \$ 0

Strategies..... (Efficiency)

In 2014, staff will research and conduct an initial feasibility study of AMH and its application within PCLS. If feasible, a team will prepare a proposal for a consultant in the field to conduct a full feasibility study with options for implementing automated materials handling. A budget request would be created from this study.

Major Maintenance

\$ 533,000

HVAC Replacement/Upgrades (LWD,TIL)\$ 45,000

Strategies.....(Preserve, Efficiency)

Roof Replacement (KC,STL)\$ 151,000
Strategies..... (Preserve)
 The roofs of the Key Center and Steilacoom libraries must be replaced. Key Center roof was installed in 2001 and is in need of replacement. Steilacoom’s was installed in 1995 and is the original room.

Exterior Painting (KC) \$ 7,000
Strategies..... (Preserve)
 While the Key Center’s roof is being replaced, the exterior of the building needs repainting.

Interior Painting (PKS).....\$ 40,000
Strategies..... (Preserve)
 The interior of the Parkland/Spanaway Library is in need of painting.

Carpeting (SH).....\$ 81,000
Strategies..... (Preserve)
 The South Hill Library carpeting is failing prematurely. The manufacturer’s warranty appears to apply and we will be submitting replacement costs for replacement.

Lighting Energy Efficiencies (GH,PAC,KC,LWD) \$ 78,000
Strategies.....(Efficiency)
 The Library will be installing significant efficiency-rated lighting units at these locations and will submit for rebates.

Replace Exterior Doors (LWD,BLK)..... \$26,000
Strategies..... (Preserve)
 The main exterior doors at the Lakewood Library are in need of replacing. The Bonney Lake Library staff door will be replaced.

Sealcoat All Parking Lots (2014)..... \$50,000
Strategies..... (Preserve)
 Parking lots in all locations need to be sealed to protect the function and aesthetic for customers and staff to use.

Rekey All Doors (all locations) \$55,000
Strategies..... (Preserve)
 With the staff turnover through the years as well as lost keys never found, the Library needs to replace all locks in the system to ensure that equipment and facilities are secure.

Vehicles
 \$ 170,000

Vehicle (contingency for repairs)\$ 10,000
Strategies..... (Preserve)
 A contingency is set aside for major repairs to vehicles. Due to the end of bookmobile service, this has been

reduced. *This is a recurring project, but used only as needed.*

Equipment and Technology
 \$ 250,000

Technology Plan (2014)\$ 250,000
 The Technology Plan has concluded in December 2013 and will begin implementation over the next two years. **Specific projects will be identified in December 2013 or early 2014.**

Contingency
 \$ 36,000

The Library frequently needs to purchase capital-related items and services during the year. Prior to 2009, unless projects were emergencies, management had to wait until Board meetings to recommend and have approved small and large projects alike. To provide more timely improvements for the public and to make reporting more efficient, the Board approved a Capital Improvement contingency fund from which the Executive Director or Deputy Director may approve purchases without the need for specific Board approval. Management will review this need periodically and may make adjustments.

Future Anticipated Major Projects (2015 – 2018)

Technology Plan (2015)\$ 250,000
 Year Two of implementation.

Other 2015 Projects\$ 438,000
 Projects include carpets, painting, parking lot repairs, KC sign replacement and replacing one passenger car. UP Payment and contingency are included.

Other 2016 Projects\$ 367,000
 Projects include the final year of parking lot repairs, and replacing two vehicles. UP Payment and contingency are included.

Other 2017 Projects\$ 381,000
 The Library anticipates one roof replacement and carpet replacement. UP Payment and contingency are included. AMH systems may be included once the full costs are established.

Other 2018 Projects\$ 155,000
 The Library anticipates no major projects at this time, other than the payment to UP, a contingency for vehicle repairs, and a contingency for overall CIP needs. UP Payment and contingency are included. AMH systems may be included once the full costs are established.

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

Table 4-4: 5-Year Capital Improvement Projects (2014 - 2018)

	2014 BUDGET	2015 ESTIMATED	2016 ESTIMATED	2017 ESTIMATED	2018 ESTIMATED
COMMITMENTS					
University Place 5,000 sq ft expansion (10 yr)	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
TOTAL COMMITMENTS	120,000	120,000	120,000	120,000	120,000
SERVICE IMPROVEMENT PROJECTS					
Restroom upgrades (PKS,SH,GH,SMT,KC,LWD,PAC)	210,000				
Replace aging furnishings	50,000	50,000	50,000		
UP Teen area acoustical treatments	15,000				
Automatic Materials Handling (AMH) systems		TBD		TBD	TBD
MAJOR MAINTENANCE					
HVAC replacement/upgrades (LWD, TIL)	45,000				
Roof replacement (KC, STL)	151,000				
Roof replacements (BLK)				200,000	
Interior painting (PKS)	40,000				
Interior painting (GHM)		20,000			
Exterior painting (KC)	7,000				
Carpet replacement (SH)	81,000				
Carpet replacement (GIG)		110,000			
Carpet replacement (TIL)				26,000	
Lighting energy efficiencies (GH, PAC, KC, LWD)	78,000				
Replace exterior doors (LWD entry, BLK staff)	26,000				
Sealcoat all parking lots	50,000	48,000	52,000		
Rekey of all building doors	55,000				
KC sign replacement		20,000			
TOTAL MAJOR MAINTENANCE	533,000	198,000	52,000	226,000	0
VEHICLES					
Vehicle repair contingency	10,000	10,000	10,000	10,000	10,000
Replace Passenger car #1 with Hybrid car		35,000			
Replace Maintenance van #1			30,000		
Sprinter replacement			80,000		
TOTAL VEHICLES	10,000	45,000	120,000	10,000	10,000
EQUIPMENT AND TECHNOLOGY					
Technology Plan implementation	250,000	250,000			
TOTAL EQUIPMENT AND TECHNOLOGY	250,000	250,000			
SUBTOTAL	1,188,000	663,000	342,000	356,000	130,000
Contingency (by exec approval)	36,000	25,000	25,000	25,000	25,000
TOTAL CAPITAL PROJECT BUDGET	\$ 1,224,000	\$ 688,000	\$ 367,000	\$ 381,000	\$ 155,000

Notes:

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

Capital Improvement Fund Balance

Table 4-5: 2013 Capital Improvement Fund Balance Summary

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
Beginning Fund Balance, January 1	\$ 2,095,867.00	\$ 3,258,147	\$ 2,000,000²	X-%
INFLOWS				
Budgeted GF transfer from operating budget	514,563.00	492,335	255,114	-48.18%
GF transfers from prior fiscal year savings ¹	0.00	TBD	TBD	
Transfers from 2012 Mid-Year Savings	0.00			
TOTAL INFLOWS	814,563.00	492,335	255,114	-48.18%
Available funds during fiscal project year	2,910,430.00	3,750,482	2,255,114	X%
OUTFLOWS				
Use of inflows to fund projects.....	814,563.00	492,335	255,114	-48.18%
Use of fund balance to cover shortfall.....	686,268.50	1,139,665	808,886	-4.62%
TOTAL OUTFLOWS	1,500,831.50	1,632,000	1,224,000	-25.00%
Subtotal Fund Balance at end of year	2,759,598.50	2,118,482	1,031,114	%
RESULTS OF FISCAL YEAR PROJECTS				
Use of inflows to fund projects.....	814,563.00	492,335	255,114	-48.18%
Use of fund balance to cover shortfall.....	686,268.50	1,139,665	808,886	-29.02%
New revenues.....	498,548.00	0	160,000	New%
Less: Expenditures	1,999,379.50	1,632,000	1,224,000	-25.00%
TOTAL RESULTS OF FISCAL YEAR PROJECTS	0.00	0	0	0.00%
Add: Estimated difference between budget & actuals ³	NA	(118,482)	TBD	0.00%
Add: Warrants & sales tax payable, adj	TBD	TBD	TBD	0.00%
Ending Fund Balance, December 31	\$ 3,258,146.50	\$ 2,000,000²	\$ 1,191,114	-x%

Notes:

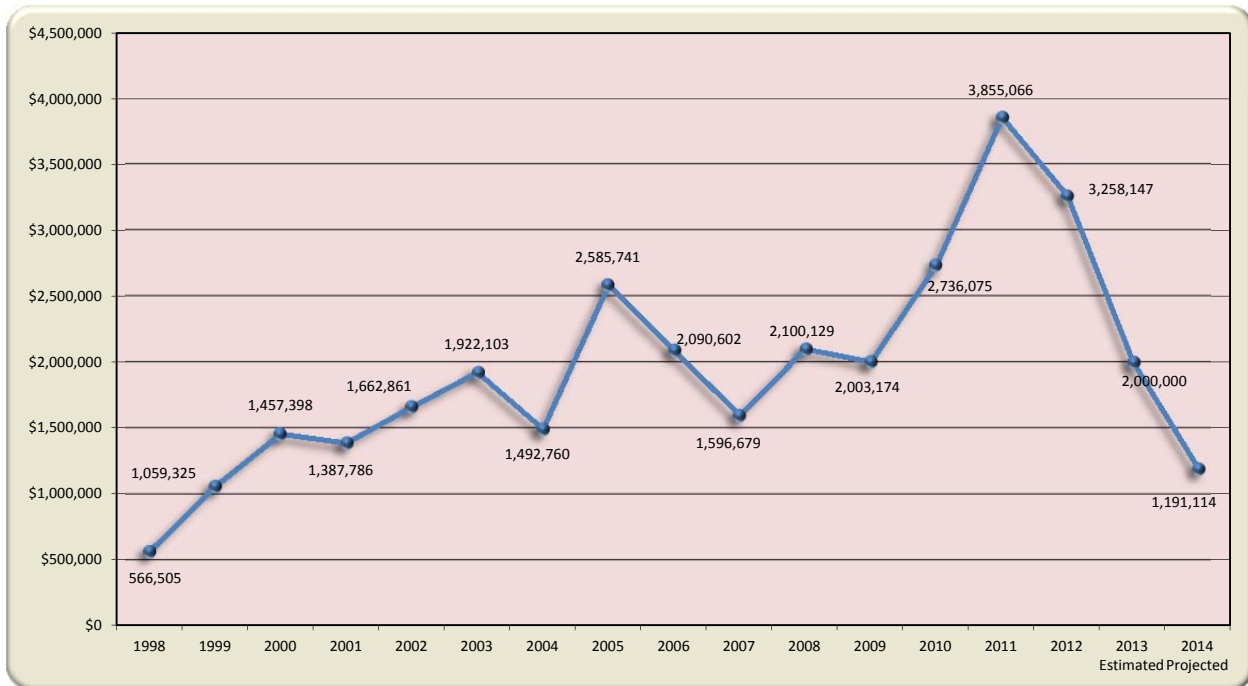
1. Transfers due to prior fiscal year savings occur as a Board-approved fund-to-fund transfer from the General Fund and the Capital Improvement Fund, generally without effect on the current operating budget. Because prior fiscal year savings in the General Fund already occur by the time the budget is finalized, but are unknown by the time the fiscal year begins, they are not recorded against the operating budget; however, depending on timing, they may be estimated in the Capital Improvement Fund budget.
2. The 2013 year-end fund balance is estimated; numbers are finalized with the annual report in April 2014.
3. The estimated difference between budget & actuals is an adjustment calculated by the difference between final budget of revenues and expenditures as approved in December and the projected actual of revenues and expenditures received and incurred throughout the year. The difference is used to calculate the 2014 beginning fund balance. This estimated difference was calculated at the end of November 2013.

Discussion

As with the General Fund, the Capital Improvement Fund balance is also an important factor in cash flow. However, the Capital Improvement Fund balance is susceptible to large fluctuations. Since 1995, the Library has improved the Capital Improvement Fund balance, which is used as a source to borrow funds when the General Fund

balance is low. Capital project expenditures can reduce the fund's balance very quickly; the amount budgeted for transfer has nearly always been significantly less than the budgeted project expenditures. The Library backfills the Capital Improvement Fund balance based on unanticipated revenues and savings from prior year operations. Below is a chart showing the history of the Capital Improvement Fund's ending fund balance.

Figure 4-3: Capital Improvement Fund Ending Fund Balance



Unusual Longing

Living in Florida, I've never seen the stuff—
 Supposed to tingle tongues and numb fingers, I'm told.
 Well, I guess I've noticed the white dots printed
 On billboards and newspaper ads when I run to the mart in December.
 Never in real life though, with my own two eyes I've never held it.

I want to, really.
 Melt between my fingers, I've asked.
 Crunch beneath me feet, I've prayed.
 I will make a ball to hurl at Ginger and Jose.
 I will lie down and be covered, suffocated.
 I will never be bothered by the cold.

I promise.

None of my family has seen it. None of them have ever even left here.
 No desire I suppose, but I'll tell you, I've got some desire.
 At home, I'm teased for this "useless" dreaming of mine.
 My brothers say I'm just stupid,
 That I spend too much time with my thoughts.
 They tell me I should be stronger to help Mama and the girls.
 But I am not like them, any of them. I want other things, better things.

I want out of this place. I want the snow.

Hailey Maher
 Bellarmine Preparatory

2012 Our Own Expressions
 9th & 10th Grade Poetry Winner—1st place

Bonds, Debt, and Debt Service Fund



Picture replaced prior to publication

Bonds, Debt, and Debt Service Fund

Bonds & Debt

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

Unrestricted General Tax Obligation Bonds (UGTO): Bonds may be issued as a measure to voters in the taxing district and require 60% approval. Such bonds would generally be used for large-scale projects such as district-wide library construction. The Library's maximum legal debt capacity is one half of one percent of the Library District's assessed valuation, and in the simplest form may be levied up to 30 years. As of 2013, typical bond rates would be between 5% and 6%.

Library District assessed value:	\$ 48,964,088,146
Legal GO bond capacity:	x 0.005000
Maximum GO bond capacity:	\$ 244,820,441
<u>Current outstanding bonds:</u>	<u>- \$ 0</u>
Available bonding capacity:	\$ 244,820,441

The Library therefore may issue general obligation bonds of up to \$236,716,294. For the property owner with average property value of \$215,000, a 20-year simple bond issued would cost around \$85 per year. Other factors affecting the cost to a property owner depend on the structure of the bond, bond rates, maturity dates, bond sales, changes in property values, and changes in the district-wide property value.

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

Library District assessed value:	\$ 48,964,088,146
Legal Councilmanic bond capacity:	x 0.001000
Maximum Councilmanic capacity:	\$ 48,964,088
<u>Current outstanding Councilmanic bonds:</u>	<u>- \$ 0</u>
Available Councilmanic capacity:	\$ 48,964,088

Councilmanic bonds could be used for short term financing of small construction projects, equipment

needs, or emergencies that cannot be paid out of available general funds or Capital Improvement funds. They would not be used for covering budget shortfalls in ongoing operations.

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

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

Current Bonds and Debt

Currently, the Library maintains no debt of any form:

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

Debt Service Fund

The Debt Service fund is used to manage debt payments. A residual amount remained since 2002, when it was last used to pay debt. It has received only a small amount of interest from investing the fund balance and receipts from delinquent payments.

Debt Service Fund Balance

Current fund balance at the beginning of 2014 is approximately \$83,550. Because the Library has no outstanding debt, only minimal, passive activity in this fund will occur in 2014.

Last Use (System Expansion Project)

In 1986, the voters passed a \$28.9 million general obligation bond levy to construct new library facilities, including the purchase of land and the acquisition of furniture and equipment. It also included funds to remodel/renovate existing library facilities throughout the Library System and to purchase books and other materials. Bonds were issued in 1986 (\$18 million),

1990-91 (\$8 million), and 1992 (\$2.9 million). In 1995, a portion of the 1986 and 1990-91 issues was refinanced; the value of this refunding was \$6.93 million. With the payment of principal and interest in December 2002, the entire debt was retired.

Future Debt Needs

The Library began a Facilities Master Plan (FMP) project in late 2008 and concluded in January 2010

with a comprehensive report and plan delivered to the communities it studied. This project determined the needs of services and facilities for the next 20 years (2030). The FMP funding analysis calculated district-wide construction proceeds of \$310 million. At this time, the Library has determined that, taking into consideration the voter, economic, and property value climate placing a bond measure on a ballot is not feasible. Recommendations may ensue for bonds sometime in the future.

Table 4-6: 2014 Debt Service Fund Balance Summary

	2012 <u>ACTUALS</u>	2013 <u>FINAL (12/12)</u>	2014 <u>BUDGET (12/11)</u>	% CHANGE 2013 <u>FINAL TO 2014</u>
Beginning Fund Balance, January 1	\$ 83,333.01	\$ 83,444	\$ 83,444¹	0.00%
INFLOWS				
GF transfers	0.00	0	0	0.00%
All other inflows	0.00	0	0	0.00%
TOTAL INFLOWS	0.00	0	0	0.00%
Available funds during fiscal year	83,333.01	83,444	83,444	0.00%
OUTFLOWS				
Use of inflows to fund payments	0.00	0	0	0.00%
Use of fund balance to cover shortfall	0.00	0	0	0.00%
All other outflows	0.00	0	0	0.00%
TOTAL OUTFLOWS	0.00	0	0	0.00%
Subtotal Fund Balance at end of year	83,333.01	83,444	83,444	0.00%
RESULTS OF FISCAL YEAR ACTIVITY				
Use of inflows to fund projects	0.00	0	0	0.00%
Use of fund balance to cover shortfall	0.00	0	0	0.00%
Revenues	110.79	0	0	0.00%
Expenditures	0.00	0	0	0.00%
NET OF OPERATIONS	110.79	0	0	0.00%
Add: Estimated difference between budget & actuals ²	NA	0	0	0.00%
Add: Warrants & sales tax payable, adj	0.00	0	0	0.00%
Ending Fund Balance, December 31	\$ 83,443.80	\$ 83,444¹	\$ 83,440	0.00%

Notes:

1. The 2013 year-end fund balance is estimated; numbers are finalized with the annual report in April 2014.
2. The estimated difference between budget & actuals is an adjustment calculated by the difference between final budget of revenues and expenditures as approved in December and the projected actuals of revenues and expenditures received and incurred throughout the year. The difference is used to calculate the 2014 beginning fund balance. This estimated difference was calculated at the end of November 2013. A positive number means a surplus is expected.

Beginning Fund Balance
\$ 83,444

Inflows
\$ 0

The fund balance is estimated at just over \$83,000. The actual amount is not known until the annual report is issued in April 2013.

General Fund transfers..... \$ 0
No transfers will occur for 2013.

Other inflows..... \$ 0

No other inflows are budgeted or anticipated.

Outflows

\$ 0

Use of inflows to fund payments..... \$ 0

No use will occur in 2014.

Use of fund balance to cover shortfall \$ 0

No use will occur in 2014.

All other outflows \$ 0

None budgeted nor anticipated for 2014.

Ending Fund Balance

\$ 83,444

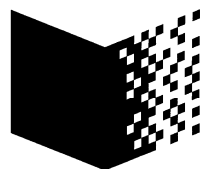
Net effect on general fund balance..... \$ 0

No change is anticipated for 2013.



Picture replaced prior to publication

Part 5 Cash Flow and Funds



Pierce County
Library System

INFORMATION ■ IMAGINATION

Cash Flow, Budgeting, and Funds



Picture replaced prior to publication

General Fund Cash Flow

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

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

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

Interfund Loans

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

Investments

When available cash exceeds current needs, the Library has Pierce County Treasurer invest the remaining available amounts, which earns investment income for the Library. The rate of returns is approximately 0.005% due to historically low interest rates. Extremely low return on investment rates will continue through 2012.

The Sound of Music

It took me over like a wave
Crashes over sand again and again—
The crystals gleamed in my eyes
As the chord shifted to a sixth inversion.
The best and worst of things happened
All at once. The secret triplets start to dance
Around the saddest melody as if it were the wind.
When the snow falls you hear everything
Like the grace of perfect stillness
Like it was at the grand pause off the bar.
The intensity of knowing a mountain is just
Around the corner at the end of the phrase and
Knowing that there will Never
Be a moment like that small wrinkle
Of an instant you were honored to be in.
And when it's all over, the corners of your mouth
Lift just slightly in expressing the deepest account
Of emotional impact of the true and utter rawness of
Euphoric Beauty. And when it ends—
so does your life long search for contentment.

Amber Roley
Rogers High School

2012 Our Own Expressions
11th & 12th Grade Poetry Winner—3rd place

Table 5-1: 2014 - 2018 Cash Flow Summary

REVENUES & EXPENDITURES					CASH								Strategy for Reductions
Fiscal Year	Budgeted Revenues	%/ \$ Rev Change	Budgeted Expenditures	Budget Shortfall	Total of Cap. Imp. Transfers	Jan 1 Beginning Cash Reserves (est)	Operating Reserves (approx 4 mos)	Jan 1 Beginning Unrestricted Cash Rsrvs (est)	Less: Cash Use	Dec 31 Ending Unrestricted Cash Rsrvs (est)	% of Next fy Revs		
2011	28,564,891	-0.24% -70,070	28,564,891	0	5,500,807	13,393,738	7,440,367 + 360,000 ¹ 7,800,367	= 5,593,370	- 0	= 5,593,370	20.1%		
2012	26,694,758	-6.55% -1,870,133	26,869,885	175,127 Approx \$1.7 million in reductions done	800,843	9,763,237	7,369,276 + 360,000 ¹ 7,729,276	= 2,033,961	- 0	= 2,033,961	8.26%	Reduce bookmobile service; shift processing fees; personnel budget savings; salary freeze for managers; other reductions	
2013	24,616,755	-9.34% -2,535,340	25,423,927	807,172	492,335	10,600,972	6,905,139 + 360,000 ¹ 7,265,139	= 3,335,833	- 807,172	= 2,528,661	9.91%	-\$1m on Materials; use \$807,172 from 2011 savings; increase to 3% salary savings; decrease CIP to 2% transfer; other reductions	
2014	25,526,372	3.70% 909,617	25,654,035	127,663	255,264	9,838,846 ²	6,967,636 + 360,000 ¹ 7,327,636	= 2,511,210	- 127,663	= 2,383,547	8.99%	3% personnel cost projection adjustment; decrease CIP to 1% transfer; other reductions	
2015	26,514,088	Projected 3.87% 987,716	26,514,088	51,462 ³	530,282	9,711,183	7,201,226 + 360,000 ¹ 7,561,226	= 2,149,957	- None Expected	= 2,149,957	7.75%	TBD	
2016	27,744,276	4.64% 1,230,188	27,744,276	-	554,886	9,711,183	7,535,345 + 360,000 ¹ 7,895,345	= 1,815,838	- None Expected	= 1,815,838	6.23%	TBD	
2017	29,139,596	5.03% 1,395,320	29,139,596	-	582,792	9,711,183	7,914,314 + 360,000 ¹ 8,274,314	= 1,436,869	- None Expected	= 1,436,869	4.82%	TBD	
2018	29,831,214	2.37% 691,618	29,831,214	-	596,624	9,711,183	8,102,158 + 360,000 ¹ 8,462,158	= 1,249,025	- None Expected	= 1,249,025	4.11%	TBD	

Notes:

1. Set-aside for a future potential election.
2. Estimate as of December 2013. Final will be available in May 2014, when the 2013 fiscal report is issued to the State Auditor.
3. Estimate will change based on property values and operating costs.

The above table's design and purpose is to call out the budgeting challenges over the next four years, and note the impact to operating reserves and unrestricted reserves. It also lays out the general strategy by which the Library is applying to close the shortfall. This tool is used by the Board of Trustees to assist in their understanding of the problem facing the Library, and the effects of decisions. The key concern this chart draws forward is how

much of unrestricted fund balance is available to pay for operations, noted in the column, Jan 1 Beginning Unrestricted Cash Rsrvs (est).

Capital Improvement Fund Cash Flow

Table 5-2: Capital Improvement Cash Flow (Column Format)

	2014 BUDGET	2015 ESTIMATED	2016 ESTIMATED	2017 ESTIMATED	2018 ESTIMATED
Beginning Capital Improvement Fund Balance, Jan 1 (est)	\$ 2,000,000¹	\$ 1,191,114	\$ 1,033,096	\$ 1,220,682	\$ 1,422,174
Capital Improvement New Revenues & Transfers	415,114	529,982	554,586	582,492	596,324
Available Funds:	2,415,114	1,721,096	1,587,682	1,803,174	2,018,498
Capital Improvement Expenditures (Capital Project Budget)	1,224,000	688,000	367,000	381,000	155,000
Ending Capital Improvement Fund Balance, Dec 31 (est)	\$ 1,191,114	\$ 1,033,096	\$ 1,220,682	\$ 1,422,174	\$ 1,863,498

Notes:

1. Estimate as of December 2012. Final will be available May 2013, when the 2012 fiscal report is issued to the State Auditor.

Table 5-3: Capital Improvement Cash Flow (Row Format)

UPDATED IN DECEMBER

REVENUES & EXPENDITURES					CASH					
Fiscal Year	Budgeted Revenues	%/ \$ Rev Change	Budgeted Expenditures	Cap. Imp. Budget Shortfall	Jan 1 Beginning Cash Reserves (est)	Less: Cash Use	Add: Revenue	Dec 31 Ending Cash Reserves (est)	% of Next fy Revs	
2014	415,114	-15.68% -77,221	1,224,000	-808,886	2,000,000	- 808,886	+ 0	= 1,191,114	224.75%	
2015	529,982	27.67% 114,868	688,000	-158,018	1,194,114	- 158,018	+ 0	= 1,033,096	186.28%	
2016	554,586	4.64% 24,604	367,000	0	1,033,096	- 0	+ 187,586	= 1,220,682	209.56%	
2017	582,492	5.03% 27,906	381,000	0	1,220,682	- 0	+ 201,492	= 1,422,174	238.49%	
2018	596,324	2.37% 13,832	155,000	0	1,422,174	0	441,324	1,863,498	TBD	

Notes:

1. Estimate as of December 2013. Final will be available May 2014, when the 2013 fiscal report is issued to the State Auditor.

Provided above is a Capital Improvement Fund cash flow chart (two versions). While it appears that the Capital Improvement Fund is sufficient between 2014 and 2018, future projects—especially major maintenance—can quickly draw down the Capital Improvement Fund. As allowed per the Fiscal Management policy, the Library may transfer unanticipated revenues and savings during the year, typically done when the annual fiscal report is completed, or during the mid-year budget process.

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

Summary of Fund Balances

UPDATED IN DECEMBER
Table 5-4: Summary of Fund Balances

	<u>GENERAL FUND</u>	<u>CAPITAL IMPROVEMENT FUND</u>	<u>DEBT SERVICE FUND</u>
2013 Beginning Fund Balance, Jan 1	\$ 10,600,972	\$ 2,727,681	\$ 83,444
2014 Beginning Fund Balance, Jan 1 (est)	\$ 9,900,000	\$ 2,000,000	\$ 83,444
Add: 2014 New Revenues & Transfers.....	25,526,372	415,114	0
2014 Available Funds:	35,426,372	2,415,114	83,444
Less: 2014 Expenditures	25,654,035	1,224,000	0
2014 Ending Fund Balance, Dec 31 (est)	\$ 9,772,337	\$ 1,191,114	\$ 83,444

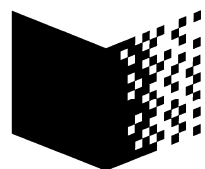
Provided above is a summary of each fund’s beginning and ending balances.

The drop in the General Fund from 2013 to 2014 is due to using the fund balance to pay for 2013 operations.



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Part 6 Library Departments



Pierce County
Library System

INFORMATION ■ IMAGINATION

The Departments



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Library Departments and their 2013 Goals

In 2011, Pierce County Library changed its management structure to focus on and align the organization to create, manage, and deliver an excellent customer experience—both externally and internally, the public and the Library staff, respectively.

Successful organizations must continually evaluate and change as the environment and work changes. In 2010, the Library made organizational changes at the direct service delivery point—in the libraries. In 2011 and 2012, changes occurred in the other departments. The changes were to improve customer focus, system-wide communications, and collaboration to best serve customers and communities. This structure allowed the Library to build better internal communications and make effective decisions quicker.

In 2014, the Library will operate eight organizational departments. The principle change is that the IT Department and Virtual Services staff will be combined into a single department. A Digital Experience Director will be hired and will report to the Deputy Director (instead of the Finance & Business Director).

Objectives of the organizational structure are to foster an organization that:

- Manages well;
- Gets things done;
- Communicates effectively; and
- Focuses on the customer.

Table 6-1: List of Library Departments

Executive Office	Includes the Executive Director and Deputy Director.
Customer Experience	Includes Virtual Services, Youth Services, Adult Services, and Operations; runs 18 libraries.
Reading & Materials	Purchases materials for customers; operates delivery and administrative receiving.
Technology Experience	Includes IT and Virtual Services staff.
Business Operations	Includes Finance and Facilities Management.
Marketing & Community Relations	Includes marketing, graphics, communications, and volunteers
Fund Development	Includes Foundation-related work and grant writing.
Staff Experience	Includes human resource management, labor relations, and training.

Table 6-2: Departmental Expenditure Budgets—General Fund

DEPARTMENT	2012 ACTUALS	2013 FINAL (12/12)	2014 BUDGET (12/11)	% CHANGE 2013 FINAL TO 2014
Executive Office	\$ 810,615.66	\$ 713,079	\$ 701,118	-1.68%
Customer Experience ¹	11,769,999.94	12,578,882	12,914,349	2.67%
Technology Experience ² .....	.....	.....	2,069,769	5.40% ²
Reading & Materials	6,147,124.67	5,291,941	5,274,319	-0.33%
Business Operations				
Finance	905,879.04	932,884	867,498	-7.01%
Information Technology ²	2,288,813.15	1,963,795 .....	.....	0.00%
Facilities Management	2,547,960.57	2,547,429	2,738,721	7.51%
Marketing & Community Relations	616,474.11	646,111	623,952	-3.43%
Fund Development	203,769.12	229,068	259,889	13.45%
Staff Experience	573,716.47	599,864	531,765	-11.35%
SUBTOTAL DEPARTMENTS	25,864,352.73	25,505,149	25,981,380	1.87%
Reductions in salaries planning budget	N/A for Actuals	(573,557)	(582,609)	1.58%
to match projections (2% of personnel costs)				
TOTAL DEPARTMENTS	25,864,352.73	24,931,592	25,398,771	1.87%
Net of other expenditures, set-asides, transfers	858,287.12	492,335	255,264	-48.15%
TOTAL EXPENDITURES	\$ 26,722,639.85	\$ 25,423,927	\$ 25,654,035	-0.91%

Notes:

1. Virtual Services sub-department staff moved to Technology Experience.
2. Formerly, Information Technology. Technology Experience includes IT staff and Virtual Services staff.

All departments are budgeted general funds for operations. Some departments have locations for which they have staff or allocated purchases (for example, office supplies spread across 18 locations). Budgeting for locations occurs as an allocation after the full budget has been approved. Each department is then rolled up (summarized) to confirm the department's overall budget.

Some departments have Capital Improvement Funds for projects. These budgets are entered into the Project Accounting module of the Library's financial system, Eden. The capital projects tables provided in this budget are roll ups of multi-departmental capital project budgets, but identified with the principal department having overall project oversight of the budget.

No department has any budget in the Debt Service Fund.

Table 6-3: Departmental Expenditure Budgets--Capital Improvement Fund

DEPARTMENT	2012 ACTUALS	2013 FINAL (12/12)	2014 BUDGET (12/11)	% CHANGE 2013 FINAL TO 2014
Executive Office	\$ 120,000.00	\$ 120,000	\$ 120,000	0.00%
Customer Experience ¹				
Technology Experience ²			250,000	New
Business Operations				
Information Technology ²	294,971.80			
Facilities Management	1,584,407.70	1,344,000	818,000	-39.14%
SUBTOTAL DEPARTMENTS	1,999,379.50	1,584,000	1,188,000	-25.00%
Net of other expenditures and contingencies		48,000	36,000	-25.00%
TOTAL EXPENDITURES	\$ 1,999,379.50	\$ 1,632,000³	\$ 1,224,000	-25.00%

Notes:

1. Virtual Services sub-department staff moved to Technology Experience.
2. Formerly, Information Technology. Technology Experience includes IT staff and Virtual Services staff.
3. The 2013 capital budget was modified and approved by the Board of Trustees one time:
 - July 10, 2013: Modified by the mid-year budget process, to include carryover costs for 2012 projects, among other changes. Amended capital budget became \$2,285,100.

Table 6-4: Departmental Expenditure Budgets—Major Funds

DEPARTMENT	2014 GENERAL FUND	2014 CAPITAL IMP. FUND	2014 TOTAL FUNDS ³
Executive Office	\$ 701,118	\$ 120,000	\$ 821,118
Customer Experience ¹	12,914,349	0	12,914,349
Technology Experience ²	2,069,769	250,000	2,319,769
Reading & Materials	5,274,319	0	5,274,319
Business Operations			
Finance	867,498	0	867,498
Information Technology ²		0	
Facilities Management	2,738,721	818,000	3,556,721
Marketing & Community Relations	623,952	0	623,952
Fund Development	259,889	0	259,889
Staff Experience	531,765	0	531,765
SUBTOTAL DEPARTMENTS	\$ 25,981,380	\$ 1,188,000	\$ 27,169,380
Net of all other costs and set-asides	(327,345)	36,000	(327,345)
TOTAL EXPENDITURES	\$ 25,654,035	\$ 1,632,000	\$ 27,286,035

Notes:

1. Virtual Services sub-department staff moved to Technology Experience.
2. Formerly, Information Technology. Technology Experience includes IT staff and Virtual Services staff.
3. Debt Service Fund is not included, as there is de minimus activity in that fund.

The table above shows the combined budgets for departments. For succinctness, 2012 actuals and 2013 budget have not been added.

Core Principles for Library Employees



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Library Core Documents

The Library has several key documents that provide a foundation and guide for its operations:

1. The Leadership Descriptors
2. Core Skills and Qualities
3. Foundations of a Learning Organization

These are presented on the following pages and apply to all staff and management of the Pierce County Library System.



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Leadership Descriptors

In 2008 the Leadership Descriptors were created to provide a common understanding of the responsibilities of leaders in the Pierce County Library System. These skills, attitudes, and practices

enable the leadership and staff of the Library to work together to create and maintain the organizational environment required to achieve the mission and goals of the Library.

Figure 6-1: Leadership Descriptors

LEADERSHIP DESCRIPTORS	
Leadership of Pierce County Library System is responsible for:	
<u>Excellence</u>	<i>Leadership</i> creates a customer-focused environment that insures delivering excellent service to every customer
<u>Collaboration</u>	<i>Leadership</i> values and fosters teamwork and respects the importance of everyone's role in the Library's success
<u>Continuous Improvement</u>	<i>Leadership</i> fosters an environment where we continually learn, seek improvement, takes risks and accept and learn from failure
<u>Communication</u>	<i>Leadership</i> communicates and shares knowledge effectively and proactively, and expects two-way discussion, and listens to understand
<u>Innovation</u>	<i>Leadership</i> encourages and supports innovation and creativity
<u>Empowerment</u>	<i>Leadership</i> empowers decision making and action at the appropriate level and minimizes top down control and gate keeping
<u>Build Talent</u>	<i>Leadership</i> coaches and mentors others and develops leadership and contribution at all levels
<u>Initiative</u>	<i>Leadership</i> encourages and supports initiative in problem solving and organizational improvement
Revised 9/9/2011	

Foundations of a Learning Organization

In 2007 the Library recognized the need to have an organizational culture and staff that learn, adapt, look forward, and continually improve processes, services, and themselves. An organization and staff with these skills are better prepared and equipped to adapt and evolve, and have the resiliency and

judgment to work well in a fast paced and changing environment.

The Foundations of a Learning Organization were created to establish and guide development of the skills and culture.

Figure 6-2: Foundations of a Learning Organization

FOUNDATIONS OF A LEARNING ORGANIZATION

1. ***The burden of learning is on the individual.*** It is the right and responsibility of staff to learn and acquire new skills. Learning is necessary and urgent to any successful organization. Everyone knows the difference between learning and training.
2. ***Everyone needs to know what the organization's big-picture success looks like and each individual's part in creating that success.*** This is a shift from the "my tasks" orientation to more universal knowledge of how an individual's task fits in with the team's task. Everyone is responsible for the team's task, as well as the organization's success. Also need to have a view of what is happening in the library world in general and what that success looks like.
3. ***Learning happens at all levels of the organization.*** Curiosity is seen as a good thing. Recognition that everyone learns.
4. ***Organic communication is encouraged.*** Communication is the responsibility of all staff and happens at all levels. Assumes that there is no such thing as too much information and it is the responsibility of the individual to seek out and share information.
5. ***There is a consistency of policy implementation and practice.*** There are clear boundaries within which staff can operate to help the customer.
6. ***Curiosity is encouraged; learning is supported; new skills are actively sought at all levels.*** Everyone is responsible for the success of the learning organization and ideas come from anywhere and everyone.
7. ***Coaching and mentoring happens at all levels.*** This includes peer-to-peer mentoring and includes both formal and informal processes.
8. ***Feedback at all levels is an essential ingredient to success.*** It must be constructive and well-thought out and everyone must do it.
9. ***Mistakes are a learning opportunity for everyone involved.***

Revised 9/12/2011

Core Skills and Qualities

The Core Skills and Qualities (often referred to as the “9 Skills and Qualities”) are behavioral competencies that describe the qualities required of all Library staff, regardless of position, to be successful in their work.

Since inception in 2008, they have been incorporated into employment in manifold ways: the Library’s

interview questions were rewritten to select employees who exhibit these traits; the Skills & Qualities are discussed frequently in staff meetings and incorporated into training; supervisors use these when coaching their employees on performance issues; and last year, the Library introduced a performance evaluation based on the Core Skills & Qualities.

Figure 6-3: 9 Skills and Qualities

CORE SKILLS AND QUALITIES

1. Customer Focus

We (PCLS staff) strive to understand and exceed our customers’ expectations. We treat all people with courtesy and respect and are welcoming and approachable. We are aware of cultural differences that may impact how people prefer to experience the Library and take our cues from the customer to adapt our styles accordingly. Note: “customer” always means both coworkers and the public, including both current and potential library users.

2. Teamwork

We work effectively with our team, work group, and across organizational lines to accomplish the Library System’s goals. We build respectful relationships within and between units and among individuals. We encourage and support other staff.

3. Professional Integrity

We project a professional attitude and image and adhere to a high standard of professional conduct. We value and respect customer confidentiality.

4. Leadership

We accept responsibility and make decisions appropriate to our position and the situation. We contribute, support and encourage new ideas. We demonstrate grace under pressure.

5. Communication

We effectively communicate, both verbally and in writing. We listen to understand and use constructive approaches to resolving workplace issues. We freely share new ideas.

6. Problem Solving

We develop effective approaches to address customer needs and solve problems. We use good judgment to resolve conflicts. We address customer behavior and issues when necessary. We are solution oriented.

7. Change and Learning

We positively respond to organizational change and show a willingness to learn new ways to accomplish work. We are flexible. We take the initiative to look for ways to develop as individuals and to improve the Library System. We are strategic thinkers.

8. Positive Attitude

We are enthusiastic about our work and like to have fun. We are positive role models for one another and remember that we represent the Library and its mission in the community.

9. Diversity

We understand and are committed to the principles of diversity. We strive to understand the needs of all people in our community. We treat all people with courtesy and respect and are welcoming and approachable. We uphold the principles of intellectual freedom.

Department Narratives



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Introducing the Departments

In 2014 the Library will have 8 departments with assigned budgets, and 2 subsidiary departments having budgets (e.g., Youth Services and Outreach Services under the Customer Experience department). The Business Operations Group is a collection of 2 departments having reporting relationships, so it does not have a specific roll-up department. The Library therefore employs one roll-up department of 2 or more subsidiary departments (Customer Experience), and one umbrella group (Business Operations Group).

For 2014, the Library employs no divisions.

Following are the department narratives provided by the managers of each department. Each department provides goals for 2014 and lists major accomplishments in 2013.



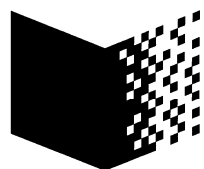
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ALL DEPARTMENT PAGES WILL BE UPDATED PRIOR TO PUBLICATION



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Part 7 About the Library



Pierce County
Library System

INFORMATION ■ IMAGINATION

General Information

Service Area

The Pierce County Library System provides library services in the unincorporated areas of Pierce County in Washington State, and 15 annexed cities and towns.

The City of Fife conducted an annexation election on November 3, 2009. The voters overwhelmingly passed the measure by a 69% approval. The Library provided interim services in Fife since early 2010, and a full service library began serving the community on December 3, 2011.

UPDATED PRIOR TO PUBLICATION

The Library served an estimated population of 555,000 in 2012 (using 2010 census results). In December 2012, 251,034 people had active Pierce County Library System library cards, an increase of 744 over the previous year. The Library offers nearly 1.2 million books, DVDs, audiobooks, and other items. In 2012, people checked out over 8.1 million items (2011: 8.5 million) and people made over 2.5 million visits to libraries and bookmobiles (2011: 2.6 million).

In Washington State, there are 62 library systems serving the state. Of these, eight library systems serve populations greater than 250,000, including Pierce County Library. In 2011, of all libraries Pierce County Library ranked fourth in population served and fourth in total items checked out. These eight library systems managed a total of 171 branches and 20 bookmobiles. In 2011, Pierce County Library had one branch in the top 10 busiest branches and 3 in the top 20 busiest branches (circulation) out of 349 total branches and bookmobiles in Washington State, reported by the Washington State Library. The South Hill Library remained at 5th highest circulating branch in the state. South Hill Library had less square footage and less branch staffing serving customers than the four branches above. It had the second highest circulation per square footage.

See page 133 for a map of libraries located in Pierce County.

Services

The Library provides services through the 18 libraries, homebound and adult care facilities, childcare services, and the website.

The six busiest libraries are open 63 hours per week, seven days per week and provide a range of services, including Adult Services and Youth Services librarians, meeting rooms, and extensive fiction and non-fiction materials. Three of the next busiest libraries (Bonney Lake, Graham, and Summit) are each open 60 hours, seven days per week. These nine libraries are open on Sundays, from 1 to 5 p.m.

Seven other libraries (Buckley, DuPont, Eatonville, Fife, Key Center, Milton/Edgewood, Orting, and Steilacoom) provide services to local communities and are open 47 hours per week, six days a week. The Tillicum library is open 39 hours per week, six days a week.



Picture replaced prior to publication

In 2011, the Community & Outreach Services Department served over 30 adult care facilities and about 50 group homes and people who are homebound. Two bookmobiles served isolated communities at 25 locations in 2011, and the Explorer Kid's Bookmobile, serving children in low-income neighborhoods, served 25 locations. Beginning 2013, due to budget reductions, bookmobile service ended. The Youth Services staff serves about 70 childcare centers and over 80 family childcare programs.

All Pierce County Library System services are available to residents or property owners in the Library System's service area, as well as people who live on a military base in Pierce County.

In libraries people may access:

- Books, movies, music, and more to check out.
- Answers and information to help people find information and get books to read. Questions also may be answered via mail, phone, or e-mail.

- Free Internet access on library computers or personal laptops.
- Services for youth to help prepare children to read and students with homework.
- Job and business help with books and materials, computers, printers, and classes.
- World languages at most libraries offer books and materials in Chinese, Japanese, Korean, Russian, Spanish, or Vietnamese.
- Free public meeting rooms.

Online libraries services people may access:

- Live online help with homework from professional tutors.
- Help for writing resumes, planning careers, and getting jobs.
- Audiobooks and e-books to download.

- Credible, reliable information from online e-sources, subscription magazines, personal investment resources, car repair manuals, encyclopedias, and other resources.

Library History in Brief

Pierce County Library System has been serving customers for more than 66 years. The Library System has changed a lot in that time. In 1946 seven libraries served 55,000 people. Today, Pierce County Library is the state's fourth largest library system with 18 libraries serving 555,000 people. In 1946 Pierce County Library offered 6,385 books and 6,800 from Tacoma Public Library. Today Pierce County Library System offers nearly 1.2 million books, CDs, DVDs, audiobooks and more. It also offers computers with high-speed Internet access and free Wi-Fi. The table on the next page shows major milestones in the Library's history.

Pierce County in Brief

Year	Median Household Income	Median Age	Single Unit Homes
2000	42,555	34.1	186,108
2001	44,965	34.3	189,111
2002	45,581	34.4	193,073
2003	47,084	34.6	197,414
2004	49,151	34.8	201,655
2005	50,678	35.1	205,702
2006	55,506	35.2	210,722
2007	56,426	35.3	215,161
2008	57,674	35.4	218,132
2009	56,555	35.6	219,891
2010	55,531	35.9	218,828
2011	56,114	36.1	220,245
2012	57,162	36.3	221,566

Notes:

Source of data: Washington State Office of Fiscal Management.

Although City of Tacoma and City of Puyallup are not part of the Library's district, they are included in the data in this section due to them being reciprocal borrowing areas (residents in those two large cities are able to use Pierce County Library System resources by mutual agreement of the city libraries serving those two cities).

Top 10 Employers in Pierce County (2013)

	FTEs
Joint Base Lewis-McCord.....	63,501
Local Public School Districts (k-12).....	13,133
Multicare Health System.....	6,776
Washington State Employees	6,267
Franciscan Health System	5,814
Pierce County Government.....	2,873
Fred Meyer Stores.....	2,328
Washington State Higher Education	2,196
City of Tacoma.....	2,125
Wal Mart	2,102

Notes:

Source of data: The News Tribune.

Pierce County Library System is 72th at 256 FTEs in 2013

Other Pierce County Data (2011-13)

K-12 students enrolled (2011-12) ¹	127,766
School districts / schools (2012) ²	17 / 300
Colleges and Universities (2012) ²	7
Licensed drivers (2010) ³	549,340

Notes:

1. Office of Superintendent for Public Instruction
2. Pierce County website
3. Washington State Office of Fiscal Management

Table 7-1: Major Milestones of the Pierce County Library System

<u>1946 - 1989</u>	
1946	Pierce County Library established as a department within Tacoma Public Library. Four library locations: American Lake Gardens, Gig Harbor, Longbranch and Parkland.
1980	Orting, Steilacoom and Sumner citizens voted to annex to Library System. New libraries opened in Gig Harbor and Key Center.
1982	Eatonville citizens voted to annex to Library System. New libraries opened in Bonney Lake, Orting and South Hill.
1983	Buckley citizens voted to annex to Library System.
1984	Audiobooks on cassettes offered in libraries. Computer checkout system started. Library services provided to children in child care centers.
1985	New library opened in Tillicum.
1986	Voters approved \$28.9 million bond issue for system expansion program for 12 construction projects.
1987	Gig Harbor citizens voted to annex to Library System. Friends Connection formed to encourage communication among community library support groups.
<u>1990 - 1999</u>	
1990	New libraries opened in Eatonville, Gig Harbor, Parkland/Spanaway and South Hill.
1992	New libraries opened in Graham and Summit.
1996	Edgewood and Lakewood citizens voted to annex to Library System.
1997	Library System website created. Our Own Words Teen Writing Contest started.
1998	Library offered e-sources (online databases and subscription magazines) and computers with Internet access at all libraries.
1999	DuPont and Milton citizens voted to annex to Library System.
<u>2000 - 2009</u>	
2000	Audiobooks on CDs offered in libraries.
2001	Bilingual story times started. Explorer Kids' Bookmobile brought library service to children isolated from libraries.
2005	Express Checkout allowed customers to check out books on their own. Downloadable audiobooks offered via the library's website.
2006	Voters gave a 56% approval to re-authorize the Library's levy (Levy Lid-Lift): Wider variety of books and other materials More open hours. Additional services for kids and teenagers. Upgraded services and technology for customers.
2007	Playaways and online school reading lists offered. Open hours increased by 20%. Online homework help launched. 88 computers added for a total of 218 computers. Free computer classes offered.
2008	Downloadable e-books offered. Hours children and teenagers read during summer reading increased by 44%. 3 early literacy stations with computers to help children prepare to read added. 64 computers with high-speed Internet added. Pierce County READS involved thousands of people. Pierce County Library 2030 planned for library services and buildings to meet future community needs.
2009	Fife citizens voted with a 69% approval to annex to the Library System.
- Continued -	

- Continued -

2010 - Current

- 2010** Fife residents started library service with the bookmobile.
Job and Business Centers opened.
- 2011** Moved Milton/Edgewood Library to a high-traffic, central location. 1,300 people attended the grand opening.
Opened University Place Library in new location, in collaboration with the City of University Place’s town center. 4,541 people participated in the grand opening.
Opened Fife Library, the first ever library in the City of Fife. 780 people attended the grand opening.
- 2012** Became tobacco free, to increase the Library’s comfortable, accessible and welcoming environment for all people.
Teen summer reading went online with gamification, and 653 teenagers participated in the successful Teen Summer Challenge.
Created a website for military personnel and their families.
During the annual library card drive, the Library System piloted a partnership program with Franklin Pierce Schools, resulting in 5,278 students having new cards.
Earned national Distinguished Budget Presentation Award for its 2012 budget.

Snapshot of Key Data

Provided below is a table of key data regarding the Pierce County Library System.

Table 7-2: Snapshot of the Library's Key Data (Thru 2013)

(Updated Prior to Publication)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Population of service area as of end of fiscal year:.....	554,000 ¹	560,000	544,000 ²	555,000	
Service Area Size (in square miles, rounded):.....	1,800 ¹	1,800	1,800	1,800	
Library Materials:	1,302,764	1,293,155	1,258,794	1,193,597	
Circulation:	7,865,324	8,762,736	8,534,808	8,161,990	
Library Visits:	2,646,693	2,682,141	2,631,464	5,507,596	
Open Hours/Week:	918	926	973	973	
No. of Registered Borrowers (active cardholders):	240,629	244,650	250,290	261,034	
Programs given for Children:	3,411	2,972	2,749	2,548	
Pierce County Reads Program Attendance:	2,250	1,788	1,240	2,181	
Hours kids read during Summer Reading:	69,125	73,167	69,670 ³	75,450	
Bookmobile Stops:	1,663	Est 1,700	Est 1,700	Est 1,600	
Volunteer Hours/Year:	6,175	5,841	5,163	5,941	
Website Visits:	2,556,507	2,955,758	2,888,420	2,880,420	
Staff (Employees, excluding substitutes):	348	343	370	TBD	
Staff (FTE equivalent):.....	280.0	261.2	265.2	TBD	

Notes:

1. Due to Fife annexation and using updated GIS data for calculation.
2. Recalculated from 2010 census results.
3. Methodology in counting hours read changed.

(Updated Prior to Publication)

In the 2012 Library Journal “Star” data, PCLS was rated 501 in the \$10M-\$29.9M category (2011 was 497 in the \$30M+ category), which 63 out of 114 libraries). The highest library ranked was Naperville Public Library (1,618) and the lowest was Buffalo and Erie County Public Library (65). Seattle Public Library was ranked 2nd (1,157) in the \$30M+ category.

In Washington State, PCLS ranked in 2011:

- 4th in population served
- 4th in registered cardholders (was 5th in 2010)
- 4th in operating budget
- 4th in total staffing (FTEs)
- 4th in number of librarians (MLS degreed staff)
- 3rd in total square footage
- 3rd in materials expenditures per capita
- 4th in total circulation (a chart of the annual circulation is available in the Glossary under Circulation)
- 5th in total annual library visits (was 4th in 2010)

Figure 7-1: Map of Library Locations in Pierce County



Pierce County, the second most populous county in Washington State, is located directly between King County/City of Seattle and Thurston County/City of

Olympia, the State Capital. Pierce County also rests between the Puget Sound and Mount Rainier National Park. (Map courtesy of Wikipedia).



Library Facility Information

Table 7-3: Library Facility Data

Library/Facility	Facility Owner	Age of Facility	Floor Space (Square Feet)
Bonney Lake (BLK)	City of Bonney Lake & PCLS	1982 Renovated 1996-97	6,480
Buckley (BUC)	PCLS	1991	4,100
DuPont (DPT)	Leased from DuPont Station Partners, LLC	2004	3,610
Eatonville (EAT)	PCLS	1990	4,000
Fife (FIF)	PCLS	2011	6,000
Gig Harbor (GIG)	PCLS	1990	15,214
Graham (GHM)	PCLS	1992	7,152
Key Center (KC)	PCLS	1976	4,066
Lakewood (LWD)	PCLS	1963 Expanded 1974 Renovated 1993-94	32,592
Milton/Edgewood (MIL)	Leased from WRP Surprise Lake, LLC	2011	6,649
Orting (ORT)	Town of Orting	1982	2,700
Processing and Administrative Center (PAC)	PCLS	1992	50,000
Parkland/Spanaway (PKS)	PCLS	1990	15,576
South Hill (SH)	PCLS	1990	20,100
Steilacoom (STL)	PCLS	1995	4,039
Summit (SMT)	PCLS	1992	7,424
Sumner (SUM)	City of Sumner & PCLS	1979 Expanded and renovated 1995	10,600
Tillicum (TIL)	HUD	1985 Renovated after water damage 2004	2,100
University Place (UP)	PCLS & City of UP share space in the new Civic Building	2011	15,000 +5,000 in the future
Total:			217,402
Per Capita:			0.39

Communities the Library Serves

Table 7-4: List of Communities and the Libraries in their communities

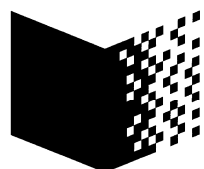
Library/Facility	Community	Population (2010 est)	Population (2030 proj) ¹
Bonney Lake	Annexed city, 1993	45,447	65,000 – 72,000
Buckley	Annexed city	14,915	19,000 – 21,000
DuPont	Annexed city, 2001	13,349	16,000 – 18,000
Eatonville	Annexed town, 1982	9,733	12,000 – 13,000
Fife	Annexed city, 2009	9,090	13,000 – 15,000
Gig Harbor	Unincorporated Pierce County	47,538	57,000 – 63,000
Graham	Unincorporated Pierce County	39,760	48,000 – 53,000
Key Center	Unincorporated Pierce County	16,495	19,000 – 21,000
Lakewood	Annexed city, 1996	71,723	73,000 – 81,000
Milton/Edgewood	Annexed city, 1999	16,838	26,000 – 28,000
Orting	Annexed town	9,078	14,000 – 15,000
Processing and Administrative Center	Unincorporated Pierce County	_2	_2
Parkland/Spanaway	Unincorporated Pierce County	69,472	77,000 – 85,000
South Hill	Unincorporated Pierce County	59,162	78,000 – 86,000
Steilacoom	Annexed town, 1981	11,910	13,000 – 14,000
Summit	Unincorporated Pierce County	34,388	41,000 – 45,000
Sumner	Annexed city, 1982	27,927	41,000 – 45,000
Tillicum	Annexed city (Lakewood), 1996	4,650	5,000 – 6,000
University Place	Annexed city, 1995	34,844	36,000 – 40,000
Frederickson ³	Unincorporated Pierce County	24,113	28,000 – 31,000
Total:		560,432	681,000 – 752,000 ⁴

Notes

1. Puget Sound Regional Council (PRSC) projections.
2. Population for the surrounding area of the Processing and Administrative Center is calculated in the other libraries, notably Summit Library.
3. Frederickson was identified in the Facilities Master Plan; there is no library in that area.
4. Range shown is +/- 10%. PRSC projects 717,843. These numbers are prior to the 2010 census results.

During the 2009 – 2010 Facilities Master Plan project, the population numbers were carefully studied for 2010 and for 2030. All communities were analyzed in considerable detail for library needs now and in the future.

Part 8 Concluding Material



Pierce County
Library System

INFORMATION ■ IMAGINATION

Acronyms & Glossary

Acronyms

ALA..... American Library Association	MLIS.....Masters of Library and Information Sciences
AWC..... Association of Washington Cities	MYA .....Mid-Year Adjustment
BSC..... The Balanced Scorecard	OCLC.....Online Computer Library Center
CIF Capital Improvement Fund	OPAC .....Online Public Access Computer
CIPA Children’s Internet Protection Act	PAC .....Processing and Administrative Center
COLA Cost of Living Adjustment	PCLS .....Pierce County Library System
CPI-U Consumer Price Index-Urban Workers	PEBB .....Public Employees Benefits Board
EHCWa... Employers Health Coalition of Washington	PERS.....Public Employees Retirement System
FTE Full-Time Equivalent	PLA .....Public Libraries Association
GFOA..... Government Finance Officers Association	WCIF .....Washington Counties Insurance Fund
ILS Integrated Library System	WIFI .....Wireless Fidelity, or Wireless
IPD Implicit Price Deflator	WLA .....Washington Library Association
MLS Masters of Library Science	WSL .....Washington State Library

Glossary

American Library Association (ALA). The premier association for libraries in the United States, which include all forms of libraries (e.g., public, K-12, higher education, corporate). See also PLA, WLA.

Association of Washington Cities (AWC). An organization that serves Washington cities, providing among many services such as conferences, training, research, and networking.

Balanced Scorecard (BSC). A Harvard-developed strategic decision-making system for businesses, government, and non-profit. The Balanced Scorecard is a method for setting an organization’s measurable priorities based on a process of defining strategies, and then putting those into four perspectives: customer, operations, employee growth, and financial.

Budget—Final, or Final Budget. A fiscal year’s budget approved by the Board of Trustees upon second reading and final passage, which occurs during the December Board meeting.

Budget—Mid-Year, or Mid-Year Adjustment (MYA). A fiscal year’s revised budget of revenues and expenditures approved by the Board of Trustees during the summer. The Library only amends the General Fund during the mid-year budget process.

Capital Improvement Fund (CIF). A government fund used for capital improvement projects, such as buildings, major equipment, machinery, facility renovations, etc.

Capital Improvement Project, or Capital Project. A specific project that improves a major aspect of the Library.

Capital Improvement Plan (CIP). The list and description of capital improvement projects approved by the Board of Trustees for current and future years.

Cash Flow Analysis. A financial tool used by the Library for multi-year financial planning purposes. The Library uses it primarily to determine how much cash is required to be set-aside in the general and Capital Improvement Funds in order to pay bills during the first four months of the next three fiscal years.

Children’s Internet Protection Act (CIPA). This Federal Act requires that institutions receiving reimbursements for telecommunications costs, through the federally administered E-Rate program, implement an Internet filtering policy.

Circulation. A library statistical figure counting the number of items checked out during a specific period, usually the calendar year. The Library’s circulation statistics are now in the 8 million range.

Contingency. Monies set aside in the General Fund to manage long-term cash needs or respond to emergencies. They are not spent.

Cost of Living Adjustment (COLA). The adjustment applied by an organization to all of its salary and wage tables, usually by a percentage tied to a local or national inflationary index. Due to ongoing labor negotiations for a new contract, the COLA has not been set by time of print. The expiring labor agreement had 90% of the July to July Seattle-Tacoma-Bremerton CPI-U, and has minimum and maximum caps. See also CPI-U and IPD. In July 2012, the CPI-U was recorded as 2.7%.

Consumer Price Index-Urban Workers (CPI-U). The CPI-U is an inflationary index used to establish the Cost of Living Adjustment to wages and salaries. CPI's are established at a national level and throughout the nation and states at regional levels. By time of print, the Library was still in labor negotiations for a new contract. The expiring contract uses the July to July Seattle-Tacoma-Bremerton version. See also COLA and IPD.

Debt-Service Fund. An accounting fund category for which the Library uses to pay off public debt, such as bonds.

EDEN. A computerized integrated fund accounting system developed and provided by Tyler Corporation. The EDEN system is used to manage the Library's finances and human resources records. EDEN succeeded Bi-Tech in 2007.

Employers Health Coalition of Washington (EHCWa). A private broker-managed organization that administers benefits, such as medical and dental coverage, and life insurance. As of January 1, 2012, the Library participates in the EHCWa insurance program. See also PEBB and WCIF.

Express Checkout. A means for providing customers the ability to checkout books, DVDs and CDs by themselves. Express Checkout stations are used across the country in various retail stores, such as Fred Meyer and Home Depot. Express Checkout is being implemented along with merchandizing. See also MERCHANDISING.

Full-Time Equivalent (FTE). The equivalent of a full-time position in the Library, defined as working 40 hours per week.

General Fund. An accounting fund category for which in its simplest form the Library uses to receive revenues and pay for ongoing operations.

Government Finance Officers Association (GFOA): An organization that promotes best practices and standards for governments, in particular, to accounting, budgeting, and reporting.

Integrated Library System (ILS). A mission-critical electronic data processing system that provides turnkey automation of a library's catalog and patron transaction system. Pierce County Library uses the Polaris ILS. More information available at www.polarislibrary.com

Implicit Price Deflator (IPD). The national index used in Washington State for purposes of establishing the lawful property tax levy rate for revenues. Under Initiative 747 passed in 2001 (the Washington State Legislature held a special session on November 29, 2007 to enact into law the court-overturned language of Initiative 747), if the IPD is less than 1%, the Board of Trustees must take action to levy the full 1%. If the IPD is more than 1%, the Board does not need to take action and the Library receives the full 1% levy rate.

Levy Lid-Lift. An election by the voters to restore funding for the taxing districts, including Pierce County Library System. The Library put Proposition 1 on the ballot for the 2006 September election, which was subsequently passed by nearly 56% of the voters. Proposition 1 restored Library funding to 48 cents per \$1000 of the district's assessed property value.

Merchandising (Books Plus To Go). An activity and term for which the Library devotes resources to display and promote the collection and branches. Merchandising is being implemented along with the Express Checkout. See also EXPRESS CHECKOUT.

Mill Rate (Millage). The effective property tax levy rate for a taxing district. The Library's millage rate is 0.5000, which means the effective property levy rate is 50¢ per \$1,000 of assessed value. The millage rate is calculated every year by county's assessor/treasurer's office for the taxing district, upon release of the preliminary and final certifications of property tax revenues.

Masters of Library Science/Masters of Library and Information Sciences (MLS/MLIS). The graduate degree required in the industry to be called 'Librarian'. MLIS adds focus to information technology as part of the definition of being a librarian.

Online Computer Library Center (OCLC). A nonprofit, membership, computer library service and research organization dedicated to the public purposes of furthering access to the world's information and reducing information costs. OCLC provides services to locate, acquire, catalog, lend and preserve library materials.

Online Public Access Computer (OPAC). A PC in the branches dedicated for patrons to use to access the Internet or other electronic resources, such as the online catalog or other electronic information sources. PCLS OPACs also offer patrons access to office automation applications such as word processing and spreadsheets.

Operating Budget. The budget and activity in the General Fund (see also General Fund) exclusive of direct fund to fund transfers.

Polaris. The online catalog system developed and sold by Polaris Library Systems. Polaris provides staff and patrons electronic access to the catalog, and manages all transactions from materials purchase, cataloguing, circulation, and final disposal.

Processing and Administrative Center (PAC). The facility of the Library's various departments, such as HR, Finance, and Collection Services.

Pierce County Library System (PCLS). A junior taxing district that provides library services to residents annexed to the Pierce County taxing district and unincorporated areas of Pierce County. PCLS is not a organized under Pierce County government.

Public Employees Benefits Board (PEBB). The state-managed organization that administers benefits, such as medical and dental coverage, and life insurance. As of January 1, 2012, the Library no longer participates in PEBB's medical insurance program. See also WCIF.

Public Employees Retirement System (PERS). PERS is managed by the state's Department of Retirement, and is offered to all retirement-eligible employees. There are three plans, PERS 1, PERS 2, and PERS 3, only of which PERS plans 2 and 3 are available to employees.

Public Libraries Association (PLA). The association for public libraries. PLA's parent organization is ALA. See also ALA, WLA. For more information, see www.pla.org, www.ala.org, and www.wla.org.

Washington Counties Insurance Fund (WCIF). An insurance pool that provides medical and dental coverage, and life insurance. The Library participates in the WCIF dental/life insurance program. See also EHCWa PEBB.

Wireless Fidelity, or Wireless (WiFi). This contemporary technology provides a computer user to use a computer, most often a laptop, to access the Internet or other network resources without the need for a physical network cable. WiFi technology most often is referred to as IEEE standard 802.11a/b/g/n, which is the same technology used for cordless phones. The effective WiFi distance between a laptop and the source antenna is usually limited to around 100 feet. In library nomenclature, WiFi has come to mean providing computer owners the ability to bring in their laptops and mobile phones into branch premises and access the Internet via the library's network.

Washington Library Association (WLA). The Washington State association for state libraries. A regional/state organization. See also ALA, PLA.

Washington State Library (WSL). The State Library, currently reporting to the Washington State Secretary of the State. WSL provides some branch services, special library services to the state, training for library employees, administration of the K-20 network, and general resources to the library community.

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New Approach to Imagination

twisting and twirling
spinning and swirling
brown hair waltzed through the door

most people just rolled
tumbled, stumbled
full of open reluctance.
some even shielded themselves from
it the ocean of color-
the dancehall of dreams
unwilling to take their chance to leave the cold hard floor behind
and make use of a brilliant opportunity

leaping and gliding
sweeping and sliding
her silhouette dissolved into the music

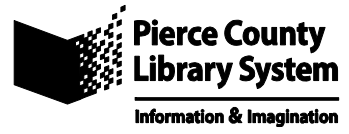
most people would have paled
dulled, faded
transformed into negative space.
but she was not most people
and when her feet left the ground she didn't need to fall back
to know who she was

Renee Taylor
Lakes High School

**2012 Our Own Expressions
11th & 12th Grade Poetry Winner—2nd place**

UNFINISHED BUSINESS

M E M O



Date: December 3, 2013

To: Chair Linda Ishem and Members of the Board of Trustees

From: Clifford Jo, Finance & Business Director

Subject: Year-End Capital Improvement Fund Transfer

In December, we calculate the final year-end transfer from General Fund to Capital Improvement Fund.

From this year's mid-year budget process the 2% set-aside transfer was adjusted to \$495,689 from \$492,335. Therefore, we recommend the Board approve transferring \$495,689. Once we've finished closing the 2013 fiscal year, in April, we may recommend a subsequent transfer.

Should there be changes, we will bring the recommendation during the Board meeting.

RESOLUTION NO. 2013-11

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

WHEREAS, the beginning fund balance of the General Fund in 2013 was \$10,600,972,
and

WHEREAS, \$492,335 was set-aside in the 2013 operating budget for transfer to the
Capital Improvements Fund for proposed capital projects, and

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

WHEREAS, in July 2013, as part of the mid-year budget adjustment, the Board of
Trustees approved a revised set-aside transfer from \$492,335 to \$495,689 for the Capital
Improvements Fund, and

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

\$495,689 be transferred from the General Fund to the Capital Improvements Fund for
current and future capital projects.

PASSED AND APPROVED THIS 11TH DAY OF DECEMBER 2013.

BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT

Linda Ishem, Chair

Allen Rose, Vice-Chair

Donna Albers, Member

Robert Allen, Member

J. J. McCament, Member

RESOLUTION NO. 2013-12

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE
PIERCE COUNTY RURAL LIBRARY DISTRICT
TO ADOPT THE 2014 GENERAL FUND BUDGET**

WHEREAS, the Pierce County Assessor's Office has provided the Pierce County Rural Library District with a preliminary estimate of assessed valuation of \$48,964,088,146 for the real property located within District boundaries, and

WHEREAS, due to significantly reduced assessed property values, the Pierce County Assessor's Office has determined that the Library's mill rate must be limited to the statutory maximum of 50 cents per \$1,000 assessed property values as allowed in RCW 27.12.050, and

WHEREAS, the assessed valuation, new construction, annexations, and administrative refunds will result in estimated property tax collections of \$24,482,044.07 certified in the levy certificate as passed by the Board of Trustees during the November 13, 2013 meeting, and

WHEREAS, the Library calculates 99.84% of property tax revenues as collectible in 2013, and therefore estimated revenue of property taxes is budgeted at \$24,442,872, and

WHEREAS, the Library estimates additional revenue of \$1,083,500 from other sources, and

WHEREAS, the Library made significant budget reductions amounting to nearly \$1.1 million compared to the 2013 original budget approved by the Board, and over \$1.2 million compared to the 2013 mid-year budget approved by the Board, and

WHEREAS, the Library estimates that its General Fund Balance (cash reserves) as of January 1, 2014 to be approximately \$9,900,000, and

WHEREAS, the Library recorded \$786,965 in unanticipated year-end savings from fiscal year 2012, which was added to the Library's General Fund Balance (cash reserves), and the Board authorizes the Library to use its General Fund Balance (cash reserves) to budget the shortfall of \$127,663, and

WHEREAS, all available new revenue and some cash reserves are necessary for the continued operation and maintenance of the Library District and services to its customers in 2014, and

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

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

The 2014 General Fund budget for the Pierce County Rural Library District in the amount of \$25,654,035 is hereby adopted in its final form and content.

PASSED AND APPROVED THIS 11TH DAY OF DECEMBER, 2013.

BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT

Linda Ishem, Chair _____

Allen Rose, Vice-Chair _____

Donna Albers, Member _____

Robert Allen, Member _____

J. J. McCament, Member _____

RESOLUTION NO. 2013-13

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE
PIERCE COUNTY RURAL LIBRARY DISTRICT
TO ADOPT THE 2014 CAPITAL IMPROVEMENTS FUND BUDGET**

WHEREAS, the Pierce County Rural Library District has developed a Capital Improvement Plan which describes significant projects to be accomplished in the years 2014 through 2018, and

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

WHEREAS, the Capital Improvement Fund receives financial support from transfers from the General Fund and the Capital Fund balance, and

WHEREAS, the Library has reviewed the Capital Improvement Plan for 2014 and has determined that seventeen (17) projects amounting to \$1,188,000 and a \$36,000 contingency should be funded through the Capital Improvement Fund, now therefore,

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

The 2014 Capital Improvement Fund budget for the Pierce County Library District in the amount of \$1,224,000 is hereby adopted in its final form and content.

PASSED AND APPROVED THIS 11TH DAY OF DECEMBER, 2013.

BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT	
Linda Ishem, Chair	_____
Allen Rose, Vice-Chair	_____
Donna Albers, Member	_____
Robert Allen, Member	_____
J. J. McCament, Member	_____

M E M O



Date: November 27, 2013

To: Chair Linda Ishem and members of the Board of Trustees

From: Georgia Lomax, Deputy Director

Subject: Philosophy Policy, Third Draft

Attached is the latest draft of the Board's Philosophy Policy. I have tried to capture your commitment to the Library's contribution as a community space, as an institution that fulfills a unique role in its community, and as a thoughtful and proactive organization.

I'll bring my red pen to the meeting as you continue to develop this statement.

Board Policy



Philosophy Board Policy (December draft)

Policy Statement

The Pierce County Library is a proactive civic leader engaged in the unique community role of supporting individuals as they pursue their own interests, further their education, obtain information, explore a wide variety of ideas, and engage their imagination.

The Library is a place and space for people to gather, to build connections, and to contribute to a vibrant and healthy community.

Pierce County Library operates under the fundamental belief that libraries play a vital role in a democracy by supporting an individual's access to the information they seek and the privacy to explore ideas, form opinions and make decisions on issues affecting their lives. As a result, the Library believes individuals will succeed and families and communities will thrive.

Purpose

To serve as a core document describing principles that support and guide Pierce County Library's operations, services and decisions.

Policy

Through community leadership, services, resources, programs, partnerships, facilities and customer assistance, the Library connects people to the world of information and imagination and provides opportunities for individuals to connect with others in the community.

The Library creates an environment that allows each individual or family to explore and make choices within their personal values and interests, and accomplish their individual goals.

The following principles guide the work and decisions of the Board of Trustees and the staff of the Pierce County Library:

The Library:

- Offers current, up-to-date, customer-focused services, experiences, facilities, technology and resources.
- Provides welcoming places for the community to gather and interact.
- Demonstrates leadership in the Library field, embracing the spirit of innovation and thoughtful risk taking in service of the community and its residents.

- Actively engages communities and residents about what they value and want from the Library and uses this input to inform Library actions and choices.
- Is an innovative community leader and cooperates, collaborates and partners with agencies, community groups, organizations and others to achieve common goals and to effectively and efficiently support, provide and deliver resources and services the community needs and values.
- Operates as a System in order to provide equitable service for all communities in its service area, and in recognition that the best use of money and resources is achieved by sharing materials and resources, professional skills and knowledge, and administrative support.
- Acts as a good steward of the taxpayer's dollar and makes decisions that best serve the community.
- Seeks to serve residents where they want, when they want and how they want, including in Library facilities, in the community and online.

Adopted by the Pierce County Rural Library District Board of Trustees, July 17, 1974, revised XXXX, 2013

Board Policy



Philosophy Board Policy (December draft tracked)

Policy Statement

The Pierce County Library ~~is both a neutral place and a portal that allows~~ is a proactive civic leader engaged in the unique community role of supporting individuals ~~to as they~~ pursue their own interests, further their ~~own~~ education, obtain information, explore a wide variety of ideas, and engage their ~~own~~ imagination, ~~on an unstructured basis and without bias.~~

The Library is a place and space for people to gather, to build connections, and to contribute to a vibrant and healthy community.

Pierce County Library operates under the fundamental belief that libraries play a vital role in a democracy by supporting an individual's access to the information they seek and the privacy to explore ideas, form opinions and make decisions on issues affecting their lives. As a result, the Library believes individuals will succeed and families and communities will thrive.

Purpose

To serve as a core document describing principles that support and guide Pierce County Library's operations, services and decisions.

Policy

Through community leadership, services, resources, programs, partnerships, facilities and customer assistance, the Library connects people to the world of information and imagination and provides opportunities for individuals to connect with others in the community.

~~As the community's choice for the discovery and exchange of information and ideas, the Library provides access and the opportunity to explore a wide variety of ideas, to obtain information, to pursue learning and to engage the imagination.~~

The Library creates an environment that allows each individual or family to explore and make choices within their personal values and interests, and accomplish their individual goals XXXX.

The following principles guide the work and decisions of the Board of Trustees and the staff of the Pierce County Library:

The Library:

Formatted: Normal, No bullets or numbering

- Offers current, up-to-date, customer-focused services, experiences, facilities, technology and resources.
- ~~Provides a welcoming, neutral places for the community to gather and interact.~~
- Demonstrates leadership in the Library field, embracing the spirit of innovation and thoughtful risk taking in service of the community and its residents.
- Actively engages communities and residents about what they value and want from the Library and uses this input to inform Library actions and choices.
- Is an innovative community leader and cooperates, collaborates and partners with agencies, community groups, organizations and others to achieve common goals and to effectively and efficiently support, provide and deliver resources and services the community needs and values.
- Operates as a System in order to provide equitable service for all communities in its service area, and in recognition that the best use of money and resources is achieved by sharing materials and resources, professional skills and knowledge, and administrative support.
- ~~Provides a welcoming, neutral place for the community to gather.~~
- ~~Creates an environment through facilities, services, staff, resources and philosophy that allow each individual or family to explore and make choices within their personal values and interests, and accomplish their individual goals.~~
- Acts as a good steward of the taxpayer's dollar and makes decisions that best serve the community.
- Seeks to serve residents where they want, when they want and how they want, including in Library facilities, in the community and online.

Adopted by the Pierce County Rural Library District Board of Trustees, July 17, 1974, revised XXXX, 2013

NEW BUSINESS



Date: December 2, 2013

To: Chair Linda Ishem and members of the Board of Trustees

From: Sally Porter Smith, Customer Experience Director

Subject: Branch Services Plan Update

In November 2013's board packet, Executive Director Neel Parikh introduced the Branch Service Planning Process. Unfortunately, due to time considerations, she was unable to discuss the process during the Board meeting.

The process includes five steps and we have completed three of those steps, specifically:

1. Internal asset inventory: each library has completed a branch level inventory that includes personnel, space and facilities, materials and equipment, and staff expertise;
2. Community asset map: each library has completed a branch specific community asset map and driving survey of their service area; and
3. Market segmentation: a team of staff from each library has completed an initial market segmentation of their service area using CommunityConnect, a geographic information system that integrates census data, library data with market segmentation data.

Branch staff is beginning to analyze data (step 4) to better understand customer use of their libraries as well as different output measures. The final step of the process requires staff to integrate the information and knowledge gained through each of the steps to create a branch service plan for 2014 that includes two to three service objectives targeting specific segments within the context of the strategic framework. Staff will evaluate the success of these initiatives and utilize those results as they create their next annual plan.

During the board meeting, we will provide an overview of the process, community asset mapping and market segmentation. Two documents are attached: an overview of the branch services planning process and an article, "Targeting Local Library Patrons" that provides an overview of CommunityConnect.

Annual Branch Services Plan: Overview and Objectives



Planning Process Begins



Overview:

Branches do not have a consistent planning framework to make decisions driving branch services. The Annual Branch Service Planning process will provide a framework and context for branch staff to plan services and community engagement within the context of:

- Strategic Framework
- Branch specific Community Asset Maps
- Branch specific Community Connect market segmentation data and analysis
- Branch specific internal asset inventory (staffing and facility capacity)
- System service objectives (i.e., PC Reads, Library Card Campaign, Early Learning)

System goals:

1. Develop staff capacity to create Branch annual plans that:

- Focus on the customer
 - Support the Strategic Framework
 - Identify and connect library's assets to the community
 - Contribute to the unique capacities and conditions of the community
 - Utilize data and research to drive decisions within Strategic Framework
 - Community Assessment Maps
 - Community Connects market segmentation
 - Usage and program performance measures
 - Build a customer base for the future
2. Create a community-minded culture among library staff and volunteers. Staff:
- Identify all people who live in the community, seeing people beyond those served in the library and associated with our existing outreach efforts
 - Identify community assets, assess and strengthen each library's connections with and use of community assets
 - Identify community leaders and understand who's who in the community and what matters to different members of the community
 - Assess and strengthen each library's connections with and use of community assets
3. Develop staff capacity to execute and evaluate services and adapt services based on evaluation

Expectations for Year 1:

Branch staff will develop annual plans that demonstrate each element is addressed. Each library staff will identify two to three measurable goals and objectives to target a specific segment designed to achieve an outcome supportive of the Strategic Framework.



Targeting Local Library Patrons


 Photo courtesy of Michael Perkins, TSCPL

Tapestry weaves common characteristics into community profiles

By Jim Baumann, ESRI Writer

A Kansas library district used Tapestry, an ESRI data product, and analysis provided by a GIS consulting firm to learn more about its patrons so it can better identify their needs, develop and manage services delivery, and market its services effectively.

Market segmentation is well known in the business community, which has used it successfully for many years for ongoing activities such as business expansion, site selection, competitive analysis, marketing campaigns, and many other common business procedures. However, it is gaining increasing use among public entities, such as libraries that need a greater understanding of users so that they can better serve them. Tapestry Segmentation classifies U.S. neighborhoods into 65 distinctive segments based on their socioeconomic and demographic composition. The analysis also provides lifestyle information including interests and buying habits.

When recently faced with preparing a strategic plan called The Next Decade, Gina Millsap, executive director of the Topeka and Shawnee County Public Library (TSCPL) in Topeka, Kansas, decided to conduct an analysis of her community and its library patrons. “We contracted with CIVICTechnologies to work with us by utilizing GIS data analysis to correlate customer, circulation, materials, and programming attendance statistics with demographic and marketing segmentation data,” said Millsap. “It was our hope that this approach, in contrast to the traditional user and community surveys, would tell us much more about who is using the library, how they are using it, what they aren’t using, what they might be interested in using, and who isn’t using library services.”

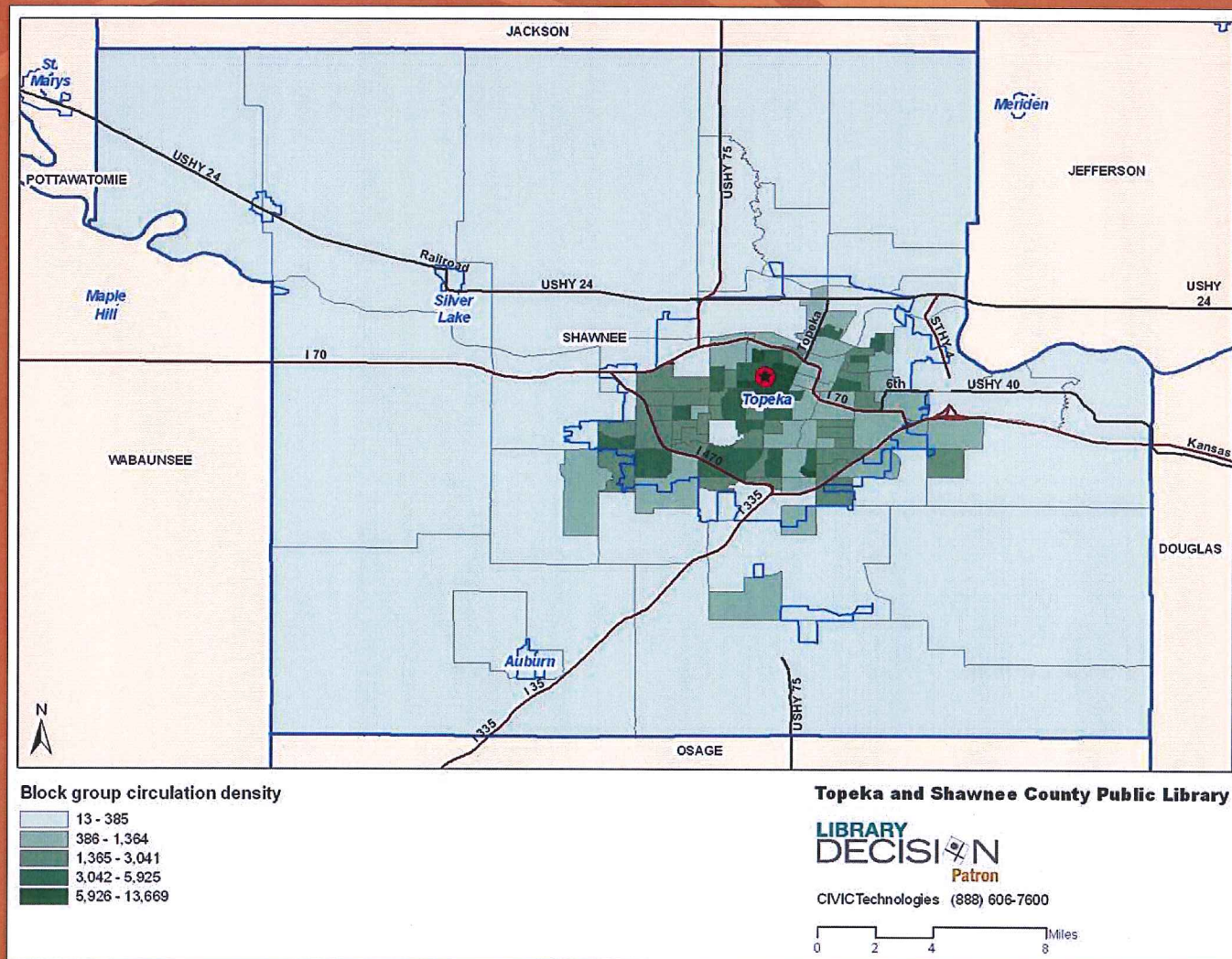
ESRI business partner CIVICTechnologies develops GIS-based solutions for public agencies and nonprofit organizations. In this case, the goal of the analysis was to identify underserved segments, assess their needs, develop appropriate resources to meet those needs and deliver those services, and implement a marketing campaign targeted at selected segments. This analytic process began with mapping the relationships between patrons and nonpatrons and examining checkouts, material types, and market segments.

Although the Topeka and Shawnee County Public Library (TSCPL) serves a population of 173,000 that is spread over more than 500 square miles, it has only one building located in Topeka, Kansas. TSCPL deploys services using four bookmobiles and many outreach programs including mailing any library item.

Continued on page 16

Targeting Local Library Patrons

Continued from page 15



GIS analysis told the library more about its patrons than traditional survey methods.

Perception: *People who live in eastern Topeka are generally underserved and are not big library users.*

Reality: *Seventy-seven percent of inner city tenants are library customers and are the fifth highest segment in terms of items checked out.*

CIVICTechnologies uses Tapestry Segmentation in developing community profiles. Six primary Tapestry market segments—Green Acres, Rustbelt Traditions, Home Town, Exurbanites, Midlife Junction, and Cozy and Comfortable—accounted for 53 percent of the population served by the library, with the remaining 47 percent fragmented across 24 other segments. Each segment was ranked for its potential to add patrons and increase library checkouts. This information helped TSCPL identify needs, as well as develop and manage its service delivery and marketing programs.

Marc Futterman, president and CEO of CIVICTechnologies, noted, “In contrast to TSCPL’s top six segments, inner city tenants (a segment typically considered underprivileged) accounts for only 1.1 percent of the population, or 1,916 people. For TSCPL, this segment represents the highest patron penetration rate among all

30 segments—77 percent of inner city tenants are patrons—and the fifth highest average checkouts per patron (1.78 items). In this case, the library is providing exceptional service to a market that is often considered underserved.

“Service to juveniles and young adults is also very important to the TSCPL program. We ranked the potential to increase youth patronage and checkouts in each of the 30 segments. The Home Town segment, for example, has a good potential for increasing youth patronage and checkouts, as evidenced by its dominant share of youth checkouts. The behavior of youth in census block groups with high checkouts can serve as a model for increasing checkouts in the census block groups with the lowest checkouts.”

Another important result of the analysis came from comparing print and nonprint materials by segment. Nonprint materials were



Date: November 27, 2013

To: Chair Linda Ishem and members of the Board of Trustees

From: Lisa Bitney, Reading & Materials Director

Subject: Selection of Library Materials policy

One thing that has remained constant in our review of policies is that our policies are all solid, strong documents. They mainly need updating for the environment we're in now. The Selection of Library Materials is a good policy that, upon review, needs a couple of additions to make it more relevant to today's customers.

Attached is the current Selection of Library Materials policy along with the proposed revisions. The team who worked with me on this review is Jaime Prothro, Customer Experience Manager; Matt Lemanski, Selection Librarian; Lisa Oldoski, Selection Librarian; Elise DeGuisseppi, Selection Librarian; and Kati Irons, Selection Librarian.

We started this process by listing what we thought was important to have in our selection policy. The list included unbiased, communities, formats, thoughtful use of tax dollars, entertainment and educational, balanced, people's university, all ages and inclusive. When we reviewed the current policy, we were pleased to see nearly everything on our list is already in our policy.

We added two pieces to the document which we feel makes it both current and customer focused. Though this policy deals with all of our materials, it didn't specifically mention formats. We've seen explosive growth of our eCollection and could potentially see other formats in the future. We added an acknowledgement that we collect various materials and formats. The other piece we wanted to include during this review is to directly call out that we select materials for all ages and reading levels. It is our policy to provide access to all whatever their abilities.

While clarifying what we select for the collection, we realized that we have always purchased materials that people can check out to challenge their own assumption. Though this is an important aspect for a strong collection, we did not have that clearly articulated in our policy. We have included it here.

There is also some slight change of language in the interest of clarification.

We submit this revision for your review at the Board meeting and ask that you consider its approval.

Board Policy



Selection of Library Materials

Policy Statement

Pierce County Library System selects materials and resources that support the Library's Mission Statement:

To bring the world of information and imagination to all people of the County.

Purpose

The Board of Trustees of Pierce County Library System recognizes that the highest potential of American democracy can only be realized when a full range of ideas is accessible to the people as embodied in the United States Constitution's First Amendment, which protects the free expression of ideas.

The Library's collection, protected by the First Amendment and Article I of the Washington State Constitution, is a marketplace of ideas, contained in varied and divergent materials and formats.

Policy

The Library's collection will be selected and maintained to provide material to enable each individual to acquire or adapt the skills and knowledge necessary to participate in self-government, be productive, elevate the individual's humanity and contribute to the enjoyment of life according to the full exercise of free choice.

In pursuit of this goal, the Library's collection will include as wide a selection as possible. . Subjects will be covered in sufficient depth to meet anticipated and expressed needs. The collection will be impartial and will seek the greatest possible balance by including, as available, diverse and opposing points of view on issues of public interest.

Factors to be considered in adding specific materials to the Library's collection shall include:

- Present collection composition
- Collection development objectives
- Interest
- Demand
- Timeliness
- Audience

- Significance of subject
- Diversity of viewpoint
- Effective expression

The Library welcomes public suggestion of items and subjects not included in the Library's collection.

No materials shall be excluded because of the race, nationality, gender, religion, political or social view of the author.

Individual items which in and of themselves may be controversial or offensive to some may appropriately be selected if their inclusion in the collection will contribute to the balance and effectiveness of the Library's collection as a whole.

Forms of expression that are unprotected by the First Amendment will not knowingly be included in the collection. Unprotected materials are those that have been declared obscene by a U.S. Court of Law.

The Board of Trustees recognizes that full information about issues of public concern requires access to information sources which embody, represent, illustrate and challenge these concerns.

The Board believes that library use is an individual, private matter. While individuals are free to select or reject materials for themselves, they cannot restrict the freedom of others to read, view or inquire.

Parents have the primary responsibility to guide and direct the library use of their own minor child. The Library does not serve *in loco parentis* (in the place of parents).

Selection is and shall be vested in the Executive Director of the Pierce County Library System and, at the Director's designation, in such members of the staff who are qualified by reason of education and training.

The Board of Trustees recognizes the right of individuals to question suitability of materials in the Library's collection. The Library will give serious consideration to each customer's opinion.

The Library's collection will be organized and maintained to facilitate access. Any additional labeling, sequestering or alteration of materials because of controversy related to them will not be sanctioned.

Withdrawal of Materials

The Board of Trustees recognizes that withdrawing materials from the collection is as important part of the maintenance of the Library's collection as the initial selection.

Therefore, the withdrawal policy of the Library shall include the same factors as the selection policy.

This paragraph is not intended to sanction removal of library materials based upon any controversy surrounding the material.

Board Policy 2.6

Adopted by the Pierce County Rural Library District Board of Trustees on November 11, 1992. Mission Statement revised April 11, 1996 with the adoption of the Long Range Plan. Revised February 13, 2008. Revised, December XX, 2013.

Add back hyperlinks to U.S. Constitution's First Amendment and Article 1 of the WA State Constitution.

[Add see reference to Administrative Policy 92-04, "Criteria for Library Materials Selection"]

Consider adding this link to Department of Justice website for discussion of obscenity as articulated in case law: <http://www.justice.gov/criminal/ceos/subjectareas/obscenity.html>

Library Materials Selection of Library Materials

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Purpose Policy Statement

To serve all of the people within the Pierce County Library District's service area, materials in the library collection will be selected in accordance with the Library District's Pierce County Library System selects materials and resources that support the Library's [Mission Statement](#):

To bring the world of information and imagination to all people of the county.

Purpose

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The Board of Trustees of the Pierce County Library [District System](#) recognizes that the highest potential of American [Democracy democracy](#) can only be realized when a full range of ideas is accessible to the people as embodied in [the First Amendment of the United States Constitution's First Amendment](#), which protects the free expression of ideas.

The [Pierce County Library's System's](#) collection, protected by the First Amendment and Article I of the Washington State Constitution, is a marketplace of ideas, ~~which are~~ contained in varied and divergent materials [and formats](#).

A- Selection Policy

1. The [Library's](#) collection will be selected and maintained to provide material ~~which will~~to enable each individual to acquire or ~~to~~ adapt the skills and knowledge necessary to participate in self-government, be productive, elevate ~~his or her~~the individual's humanity and contribute to ~~his or her~~the enjoyment of life according to the full exercise of free choice.

In pursuit of this goal, the Library's collection will include as wide a selection as possible, ~~and~~ [Subjects](#) will be covered in sufficient depth to meet anticipated and expressed needs.

The collection will be impartial and will seek the greatest possible balance by including, as available, diverse and opposing points of view on issues of public interest.

Factors to be considered in adding specific materials to the Library's collection shall include:

- ~~P~~Present collection composition;
- ~~C~~ollection development objectives;
- ~~I~~nterest;
- ~~Demand~~demand;
- ~~T~~imeliness;
- ~~A~~udience;
- ~~S~~ignificance of subject;
- ~~D~~iversity of viewpoint, ~~and~~
- ~~E~~ffective expression.

[The Library welcomes public suggestion of items and subjects not included in the Library's collection.](#)

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No materials shall be excluded because of the race, nationality, gender, religion, political or social view of the author.

Individual items which in and of themselves may be controversial or offensive to some may appropriately be selected if their inclusion in the collection will contribute to the balance and effectiveness of the Library's collection as a whole.

Forms of expression that are unprotected by the First Amendment will not knowingly be included in the collection. Unprotected materials are those that have been declared obscene by a U.S. Court of Law.

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~~The Library welcomes public suggestion of items and subjects not included in the Library's collection.~~

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2- The Board of Trustees recognizes that full information about issues of public concern requires access to information sources which embody, represent, and illustrate and challenge these concerns.

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The Board believes that library use is an individual, private matter. While individuals are free to select or reject materials for themselves, they cannot restrict the freedom of others to read, view or inquire.

Parents have the primary responsibility to guide and direct the library use of their own minor child. The Library does not serve *in loco parentis* (in the place of parents).

~~Individual items which in and of themselves may be controversial or offensive to some may appropriately be selected if their inclusion in the collection will contribute to the balance and effectiveness of the Library's collection as a whole.~~

3- Selection is and shall be vested in the Executive Director of the Pierce County Library District System and, under herat the Director's direction designation, in such members of the staff who are qualified by reason of education and training.

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4- The Board of Trustees recognizes the right of individuals to question suitability of materials in the Li#library's collection. The Library will give serious consideration to each patron's-customer's opinion.

5- The L#library's collection will be organized and maintained to facilitate access. Any additional labeling, sequestering or alteration of materials because of controversy related to them will not be sanctioned. [Note: Statement 5 was inadvertently left off the review copy of the Policy used at our October 22nd meeting.]

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B- Withdrawal of Materials

The Board of Trustees recognizes that withdrawing materials from the collection is as important part of the maintenance of the Library's collection as the initial selection.

Therefore, the withdrawal policy of the Library shall include the same factors as the selection policy.

This paragraph is not intended to sanction removal of library materials based upon any controversy surrounding the material.

Board Policy 2.6

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[Add see reference to Administrative Policy 92-04, "Criteria for Library Materials Selection"]

Consider adding this link to Department of Justice site's discussion of obscenity as articulated in case law:

<http://www.justice.gov/criminal/ceos/subjectareas/obscenity.html>

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M E M O



Date: December 3, 2013

To: Chair Linda Ishem and Members of the Board of Trustees

From: Clifford Jo, Finance & Business Director

Subject: Resolution To Set 2014 Wages and Benefits for Non-Represented Employees

Attached please find Resolution No. 2013-14 to set 2014 wages and benefits for those employees of the Library System who are not represented by a union.

Last year's Resolution (No. 2012-16) is also attached for your reference.

I will be happy to answer any questions you may have about this Resolution during the Board meeting.

RESOLUTION NO. 2013-14

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE
PIERCE COUNTY RURAL LIBRARY DISTRICT
TO SET WAGES AND BENEFITS FOR NON-REPRESENTED EMPLOYEES**

WHEREAS, there are certain Pierce County Library System employees, management and non-management, who are exempt from membership in a union, and

WHEREAS, it is necessary for the Board of Trustees to set salary and benefit rates for non-represented employees in these positions, now therefore,

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

1. For January 1, 2014, excepting the Executive Director, all employees working in a regular, non-represented capacity shall be paid in accordance with the current wage scale (presently titled, "Pierce County Library System—Grade and Step Table 2013).
2. For January 1, 2014, excepting the Executive Director, the wages on said scale shall increase for all regular, non-represented employees by 1.00%.
3. The Executive Director shall be paid in accordance to the salary agreement as established between the Board of Trustees and the Executive Director, any agreement currently in force or as replaced at such time and as agreed upon between the Board of Trustees and the Executive Director.
4. For January 1, 2014, the base wages of all employees working in a non-represented, substitute-only capacity shall be increased by 1.00%.
5. Effective January 1, 2014, the Library will pay a maximum monthly contribution toward employee-only health insurance premiums for eligible non-represented employees in the amount of \$758.71 for medical, dental, vision, and basic life insurance coverage for whichever package combination that is selected by the employee at the qualified enrollment period for 2014.

PASSED AND APPROVED THIS 11TH DAY OF DECEMBER, 2013.

BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT

Linda Ishem, Chair

Allen Rose, Vice-Chair

Donna Albers, Member

Robert Allen, Member

J. J. McCament, Member

RESOLUTION NO. 2012-16

A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE PIERCE COUNTY RURAL LIBRARY DISTRICT
TO SET WAGES and BENEFITS
FOR NON-REPRESENTED EMPLOYEES

WHEREAS, there are certain Pierce County Library District employees, management and non-management, who are exempt from membership in the union, and

WHEREAS, it is necessary for the Board of Trustees to set salary and benefit rates for the non-represented employees in these positions, and

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

- 1) For January 1, 2013, all employees working in a regular, non-represented capacity shall be paid in accordance with the current wage scale (presently titled, "Pierce County Library System – Grade and Step Table 2012").
- 2) For January 1, 2013, the wages on said scale shall increase for all regular, non-represented employees by 2.43%.
- 3) For January 1, 2013, the base wages of all employees working in a non-represented, substitute-only capacity shall be increased by 2.43%.
- 4) Effective January 1, 2013, the Library will pay a maximum monthly contribution toward Employee-only health insurance premiums for eligible non-represented employees in the amount of \$689.74 for medical, dental, vision, and basic life insurance coverage for whichever package combination that is selected by the employee at the qualified enrollment period for 2013.

PASSED AND APPROVED THIS 12th DAY OF December, 2012.

BOARD OF TRUSTEES, PIERCE COUNTY RURAL LIBRARY DISTRICT

Linda Ishem, Chair

Allen Rose, Vice-Chair

Donna Albers, Member

Robert Allen, Member

J.J. McCament, Member

M E M O



Date: December 3, 2013

To: Chair Linda Ishem and Members of the Board of Trustees

From: Neel Parikh, Executive Director

Subject: Election of 2014 Board of Trustee Officers

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

M E M O



Date: December 4, 2013

To: Chair Linda Ishem and Members of the Board of Trustees

From: Neel Parikh, Executive Director

Subject: Agreement with Executive Director

In order to set the 2014 wage for the Executive Director, the Board needs to pass the following motion to authorize the agreement.

Move to authorize (a representative of the Board) to implement a salary agreement with the Executive Director for 2014.