



King County Library System
Board of Trustees Meeting
Videoconference
5pm ♦ November 17, 2021

MOTIONS APPROVED

PRESENT

KCLS Board

Pamela Grad
Ron Higgs
Harish Kulkarni
Robin McClelland
Srinu Raghavan
Anne Repass
Lalita Uppala

KCLS Staff

Julie Acteson
Maria Bassett
Angelina Benedetti
Nicholas Lee
Cynthia McNabb
Angie Miraflor
Dominica Myers
Danielle Perry
Sergio Razo
Lisa Rosenblum
Ken Ryals
Greg Smith
Cecile Streltman
Tracey Thompson

1. Board Meeting agenda
2. October 27, 2021 Board Meeting minutes
3. Recess regular meeting and open Public Hearing per RCW 84.55.120
4. Reconvene regular meeting
5. Payroll expenditures
6. General Fund #0010 expenditures
7. Resolution 2021-03 Property Tax Revenue Increase
8. Resolution 2021-04 Property Tax Levy

CALL TO ORDER

President Ron Higgs called the meeting to order at 5:05 pm.

APPROVAL OF AGENDA

Anne Repass moved approval of the Board Meeting agenda. Harish Kulkarni seconded, and the motion passed unanimously.

APPROVAL OF BOARD MINUTES

Lalita Uppala moved approval of the October 27, 2021 Board Meeting minutes. Srinu Raghavan seconded the motion. During the discussion, Robin McClelland asked for clarification on a comment made about the budget during the Public Comment portion of the October meeting. Ron Higgs and Lisa Rosenblum stated that the minutes simply reflect what was said during the meeting, and don't necessarily confirm accuracy. They suggested that Nicholas Lee, Finance Director, could address the specific question during his presentation later in the meeting. All voted in favor and the motion passed unanimously.

PUBLIC COMMENT

Yoshiko Saheki, a patron of the Shoreline Library, approached the Board about open hours. She stated that she is also a patron of Sno-Isle and Seattle Public Libraries, and both of those systems have returned to seven-day-per-week service. She encouraged the Board to make a policy decision to return branches previously operating seven days per week to that service level.

STAFF REPORTS

FINANCE REPORT

Finance Director Nicholas Lee presented. The total General Fund revenue year-to-date in October was \$118.5M, which is lagging slightly behind the target of \$121M. This includes \$116.9M in current-year property tax payments. The lag is likely due to the timing of property tax revenue recording and distribution by the county. Non-property tax revenue, which makes up a very small portion of the budget, also is lagging at 74.1% of the total. This is largely due to a mark to market reversal entry to adjust for appreciation of assets in April, 2021. There also is a large amount in the Miscellaneous Revenue category from the sale of a remnant property in Boulevard Park.

Total General Fund expenditures year-to-date in October were \$88.7M, which reflects 68.2% of the total budget expended. Expenditures are lower than projections by \$15.1M. The expense forecasts were made in August and September of 2020; there were many unknowns about the pandemic at that

time. KCLS is a service organization with personnel salary and benefit costs accounting for two-thirds of the budget; these costs are lower due to System-wide controlled hiring, which was put in place at the beginning of the pandemic. Business across all sectors slowed in 2021, and that is evident in many of KCLS' non-personnel expenses. Things like utilities and rent are close to projections; but KCLS was able to match spend rate to business need for many discretionary items, and spent less than expected.

Year-to-date expenditures in the Capital Investment Program (CIP) are \$1.9M, which represents 47.1% of the budgeted amount. Orders are lagging due to continued supply chain issues.

RECESS REGULAR MEETING

Ron Higgs asked for a motion and second to recess the regular meeting to open a Public Hearing per RCW 84.55.120 to consider increases in property tax revenue for the Library District's 2022 budget. *Srini Raghavan* moved approval of the motion and *Lalita Uppala* seconded. All voted in favor and the motion passed unanimously.

PUBLIC HEARING

Executive Director Lisa Rosenblum introduced the 2022 budget. The budget is balanced, regardless of a potential levy lid lift, due to controlled hiring and prudent fiscal management. The four focuses of the proposed budget are:

1. Increasing library open hours
 - a. the initial increase will be 20% in early 2022
 - b. actual patron use will be analyzed and hours will be adjusted accordingly
2. Transforming operational staffing
 - a. KCLS is in the process of hiring right now; the focus is on promoting staff internally to full-time positions
3. Restoring the Capital Investment Plan
4. Focusing on diversity, equity and inclusion (DEI)

The projects associated with the budget are in line with the 2022 Strategic Goals and Initiatives.

Patron Yoshiko Saheki asked for clarification regarding part-time staff; she wondered whether they were laid off during the pandemic, whether they have benefits and whether they have been brought back to work in the branches.

Lisa Rosenblum stated that nobody was laid off and that some part-time staff do receive benefits including pension, sick and vacation leave. The staff who do not receive benefits are Pages. She further clarified that all staff have been recalled back to the buildings. During the pandemic, KCLS lost staff through retirement and attrition. Because of the governmental mandates restricting our service levels, KCLS chose not to replace some staff right away.

Human Resources Director Danielle Perry gave a brief overview of the Public Services Assistant (PSA) positions for which KCLS is hiring right now. The PSA position is very versatile, with staff able to perform a range of duties from circulation to reader's advisory. Increasing the amount of PSAs will allow locations to have greater flexibility and serve the needs of the public. There are 40 formerly part-time PSAs who will be transitioning to full-time hours, and 102 new, primarily full-time PSA positions will be added. As of Friday, November 12, a total of 73 of the 102 new positions have been filled by existing Library Pages and Library Technical Assistants.

Sammamish Librarian Sara Jensen expressed concern about the Librarian staffing plans for 2022 and asked for more information.

Danielle Perry described the analysis that is planned for 2022, which will help inform Librarian staffing levels going forward. This analysis will include data from the DEI assessment and the Librarian project teams. The analysis will ensure we are investing in positions that are the right fit for community needs.

Nicholas Lee outlined the two Resolutions which the Board will be voting on. Resolution 2021-03 lifts the property tax levy basis by 1% over the 2020 figure of \$128M, to \$129.3M. Resolution 2021-04

outlines the allowable levies for 2022 which include the base property tax levy (\$129.3M), new construction (\$2M) and prior year refunds (\$.2M), for a total of \$131.5M.

Helen Stanwell signed up to speak but was unable to due to technology. She submitted the following statement via email following the Board meeting:

My name is Helen Stanwell. I am speaking on behalf of our group called, "Save Our Libraries Now." In analyzing the proposed 2022 budget we have several recommendations:

- 1. To begin, we observe that the Administrative Costs for the Leadership Team has increased to 12% (p. 12, not counting the cover sheet and the page listing the Trustees). In last year's budget, it was only 11%. Normal administrative costs for national and international organizations range from 5% to 10% of the budget. Per p.13, the Director's portion of the Administrative Budget is \$4.9 million, which is 30% of the Administrative Budget. We suggest trimming that expense to \$3 million, which would be enough for the Director to do her job. Also, we recommend cutting the Community Relations and Marketing Budget from \$2.2 million to \$1.1 million. This would be on par to the 50% reduction in 2021 of the operational costs of the 50 community libraries. Reducing the Administrative Budget would send a clear message to residents and staff that the Leadership Team is sincerely interested in saving money in order to ensure the budget is enough to support the 50 community libraries. It is unethical to remove funds from the 50 libraries and transfer that money to mahogany row (the managerial staff at the HQ), which produce no direct services to the residents and library patrons.*
- 2. We noticed that the bar graph entitled "Change in Assessed Values," was missing. We recommend that it be inserted into the budget document as it was in previous budget narratives. It aids in giving a complete picture of the economic situation that affects the KCLS Budget.*
- 3. There is an error on p. 16. In the second sentence below the graph states, "...property tax revenue is anticipated to be 2.5%." It appears the decimal is misplaced. If it is moved to the right of the "5," the number would be correct at 25% average increase in King County assessments. If the above mentioned bar graph entitled "Change in Assessed Values," had been included, it would have been helpful to clarify this error.*
- 4. On p. 2, there is a misleading statement. It states, "The Library System has passed a levy lid measure every eight years since 2002, the last being 2010." The statement incorrectly gives the impression that voters routinely have passed levy lid lifts every eight years. Levy lid lifts are not pre-ordained by a routine schedule, but by proven budget needs. Here are the facts: Initiative 747 passed in 2001 and went into effect in 2002. Director Bill Ptacek asked the voters for a levy lid lift in 2010. The levy was justified since more employees were needed to staff the new libraries added to the Library System.*
- 5. On p. 2, the last sentence is erroneous. The 2022 Budget does not include cost-containment strategies to mitigate these effects at the HQ, as demonstrated by the following: (A) An increase in the Administrative Budget from 11% to 12% of the total, so as to absorb the cost of the additional two costly Deputy Directors. (B) the costly annual license fees paid to Envision-ware when the Director unilaterally decided to replace all perfectly running cash registers, install card readers, kiosks, etc, using the Envision-ware software in January 2020.*
- 6. In addition, there appears to be no mention in the 2022 Preliminary Budget of starting a program to convert the KCLS fleet to electric vehicles as the current equipment reaches replacement stage criteria under the CIP Maintenance program. President Biden and our Governor Jay Inslee have shown leadership with the vehicle fleets for which they are responsible by setting goals for an all-electric vehicle (EV) fleets. KCLS needs to do its part to contribute to less greenhouse gases in the atmosphere, which is responsible for*

climate change. A significant budget-saving benefit of an EV fleet is dramatic reduction of vehicle maintenance costs, since there are fewer parts with an electric engine than a gasoline engine. There are no oil changes, spark plugs, piston rings, exhaust manifolds, intake manifolds, etc. that have to be replaced.

RECONVENE REGULAR MEETING

Ron Higgs asked for a motion and second to close the public hearing and reconvene the regular meeting. *Anne Repass* moved approval of the motion and *Robin McClelland* seconded. All voted in favor and the motion passed unanimously.

APPROVAL OF MONTHLY EXPENDITURES

Pamela Grad moved approval of Payroll expenditures for October in the amount of \$3,883,113.47: (10/01) Ck#00200773-00200789; 427399919-427401081; (10/15) Ck#00200790-00200807; 430846992-430848131; (10/29) Ck#00200808-00200824; 434498207-434499342. *Harish Kulkarni* seconded and the motion passed unanimously.

Srini Raghavan moved approval of General Fund #0010 expenditures for October in the amount of \$4,815,022.15: Travel Advances - 0; (10/05) Ck#1135969; (10/07) Ck#5012801; (10/07) Ck#1135970-1136087; (10/13) Ck#5012802-5012807; (10/13) Ck#1136088-1136207; (10/14) Ck#5012808-5012811; (10/14) Ck#1136208-1136215; (10/20) Ck#5012812; (10/20) Ck#1136216-1136308; (10/26) Ck#1136309-1136320; (10/28) Ck#5012813-5012818; (10/28) Ck#1136321-1136426; (10/28) Ck#1136427; (11/02) Ck#5012819-5012834; (11/02) Ck#1136428-1136505; (11/03) Ck#5012835; Voids - 0. *Lalita Uppala* seconded and the motion passed unanimously.

RESOLUTION 2021-03 PROPERTY TAX REVENUE INCREASE

Pamela Grad moved approval of Resolution 2021-03 Property Tax Revenue Increase. *Anne Repass* seconded. All voted in favor and the motion passed unanimously.

RESOLUTION 2021-04 PROPERTY TAX LEVY

Robin McClelland moved approval of Resolution 2021-04 Property Tax Levy. *Srini Raghavan* seconded. All voted in favor and the motion passed unanimously.

DIRECTOR'S REPORT

Lisa stated that she and Ron Higgs presented to the King County Council Committee of the Whole earlier in the day. The County Council was very appreciative of all the efforts we have made to serve our community, particularly during COVID-19.

Lisa introduced the new Interim Director of Operations, Cecie Streitman. Cecie has worked for KCLS for 16 years, most recently as the Regional Manager of the Lakeview Region which includes all of the libraries located in Bellevue.

Lisa also introduced the new Deputy Director for Public Services, Angie Miraflor. Angie has served in numerous positions including Director of Central Services at St. Louis Public Library, and numerous positions at both the Brooklyn Public Library and New York Public Library.

TRUSTEES REPORT

There were no trustee reports.

ADJOURNMENT

The meeting adjourned at 6:33 pm.

Ron Higgs, President



Anne Repass, Secretary