



whatcom county  
**library system**

# 2019 Budget

December 20, 2018

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## WHATCOM COUNTY LIBRARY SYSTEM WHATCOM COUNTY, WASHINGTON

### OPERATING AND CAPITAL BUDGET FISCAL YEAR 2019

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#### PREPARED BY:

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WHATCOM COUNTY LIBRARY SYSTEM  
WHATCOM COUNTY, WASHINGTON

OPERATING AND CAPITAL BUDGET  
FISCAL YEAR 2019

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This document is also available online at [www.wcls.org/library-board-of-trustees](http://www.wcls.org/library-board-of-trustees).

## 2019 Budget Introduction – Executive Director’s Message

As we head into our 75<sup>th</sup> anniversary year, we find our budget to be healthy and stable.

Our 2018 full contract negotiations with AFSCME Local 1581 resolved amicably with unanimous Board and union membership approval. We made mostly minor changes to the contract language and agreed to a 2% COLA with 3% / 1% for proficiency increases below/above the midpoint. One significant change was to transition several supervisory positions to exempt status in 2019, meaning these positions do not qualify for overtime pay. This is consistent with federal regulations under the Fair Labor Standards Act (FLSA).

With ownership of the North Fork Library transferred to WCLS in 2018, we have allocated some funds for ongoing maintenance of this facility. The North Fork Library is only the second facility fully owned and maintained by WCLS (Administrative Services is the first). In 2019 we have budgeted funds to paint the exteriors of both buildings.

There are two other capital facilities projects of note in 2019: creating the Sumas Library Express in the lobby of the Library / Community Center building to increase access to library holds during hours that the library is normally closed, and working with the City of Blaine and the Friends of the Blaine Library to gather community input for some preliminary schematic designs of a new or expanded library in Blaine.

In terms of staffing, we will be hiring a Collection Development Librarian to reduce the day-to-day selection and collection maintenance responsibilities from our Collection Services Manager and Youth Services Manager positions. This reflects an emphasis on in-house professional expertise related to our core service (providing a lending collection of library materials) and assigning work to employees at the appropriate pay level (freeing managers to lead and supervise).

At the end of 2018, the Board of Trustees affirmed their intention to discontinue charging fines for overdue library materials. The targeted effective date is November 7, 2019 to coincide with the 75<sup>th</sup> Anniversary celebration. Revenue from overdue fines will cease to be collected in the final two months of the year and will no longer be a line item in subsequent years. We believe this is an important and meaningful change that will enhance our ability to serve all members of the public equitably.

We will be celebrating our 75<sup>th</sup> anniversary throughout 2019 in a variety of ways, and have budgeted a modest amount for this purpose. We have been awarded an LSTA grant through the Washington State Library to digitize photos from WCLS’s archives and plan to honor 75 Library Champions who made a difference to our library system. Our new (blue!) bookmobile will be completed in time to feature it in parades this summer. Our staff will wear colorful t-shirts noting our anniversary, and we’ll host events countywide to show citizens all the ways WCLS is an important and valuable asset to our community.

Here's to 75 more great years of sharing stories with everyone in Whatcom County!

-- Christine Perkins  
Executive Director

## WCLS Services Summary

### Service Area

Whatcom County Library System provides library services in the unincorporated areas of Whatcom County, Washington, and six annexed cities and towns.

Whatcom County Library System served an estimated population of 132,850 in 2018. WCLS offers more than 412,000 books, audiobooks, DVDs, digital resources, and other items. In 2018, WCLS patrons checked out over 2,210,000 items and made more than 750,000 visits to branch libraries.

In Washington State, 6 library systems, including Whatcom County Library System, serve populations between 100,001 and 250,000. In 2017, WCLS ranked 5<sup>th</sup> among these libraries in size of population served, 4<sup>th</sup> in total items checked out, 1<sup>st</sup> in circulation per capita, 2<sup>nd</sup> in collection size per capita, and 2<sup>nd</sup> in number of programs offered.

### Services

Whatcom County Library System provides services through ten branch libraries, a bookmobile, two express libraries, homebound services, outreach, and its website.

WCLS service hours provide access to a branch seven days a week. Hours are designed so that as much as possible, there is access to library services mornings, afternoons, and evenings to meet the needs of the diverse population. Express libraries offer extended holds pick-up hours seven days a week from 6:00 AM to 11:00 PM.

In addition to our branch locations, the WCLS Mobile Services team provides services to those unable to visit a library. In 2018, Mobile Services served 23 health care facilities and group homes, one treatment center, the Whatcom County Jail, Whatcom County Work Center, and individuals who are homebound. The bookmobile served four communities. Teen and Children's Services partnered with Whatcom County school districts and independent schools to provide annual book talks and programming at elementary, middle, and high schools throughout the county.

All Whatcom County Library System services are available to residents and property owners in the Library's service area, as well as individuals who live in Bellingham and any Washington resident with a public library card. WCLS holds reciprocal borrowing agreements with the Fraser Valley Library System, Upper Skagit Library District, and LaConner Regional Library District.

In Whatcom County Library System's branch libraries, people can access:

- Books, movies, music, and more available for checkout
- Free internet access on public library computers, personal laptops, and other devices on the Library's Wi-Fi network
- Early learning programs and support for children age birth-to-five; along with programs for children, teens, and adults
- Job and business development assistance
- Materials and programs in world languages including Russian, Spanish, and Punjabi
- Public meeting rooms

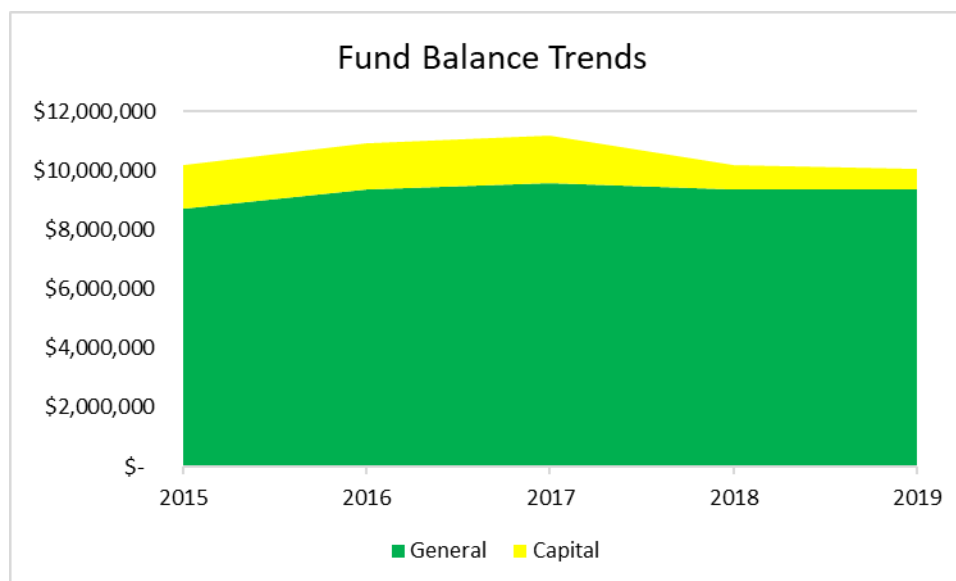
Online, people can access:

- Digital audiobooks, eBooks, eMagazines, and music
- Online streaming of audiobooks and music
- Live online reference services
- Credible, reliable information from online resources including newspaper and magazine subscriptions, consumer information, vehicle repair manuals, encyclopedias, and other resources
- Help for writing resumes, career planning, and finding jobs
- Online language learning with courses in Spanish, French, Italian, German, and over 30 other world languages, as well as English courses for speakers of 15 world languages

# Major Fund Balance Summary

## January 1, 2019

	General Fund	Capital Fund	Total Funds
<b>Beginning Fund Balance</b>	<b>\$ 9,352,540</b>	<b>\$ 852,758</b>	<b>\$ 10,205,298</b>
Committed Beginning Fund Balance - Capital	-	416,758	416,758
Committed Beginning Fund Balance - Capital Transfer	206,948	-	206,948
Committed Beginning Fund Balance - Unemployment Comp Reserve	12,152	-	12,152
Committed Beginning Fund Balance - Birch Bay Operating Fund Reserve	600,000	-	600,000
Committed Beginning Fund Balance - Facility Ownership & Library Svcs Fund Reserve	3,250,000	-	3,250,000
Committed Beginning Fund Balance - Facility Maintenance Fund	500,000	-	500,000
Committed Beginning Fund Balance - Operating Cost Stabilization Fund	250,000	-	250,000
Assigned Beginning Fund Balance - Cash Flow	3,094,873	-	3,094,873
Assigned Beginning Fund Balance - Emergency	773,718	436,000	1,209,718
Total Committed and Assigned Beginning Fund Balance	8,687,691	852,758	9,540,449
Unassigned Beginning Fund Balance	\$ 664,849	\$ -	\$ 664,849
<b>Total Estimated Beginning Fund Balance</b>	<b>9,352,540</b>	<b>852,758</b>	<b>10,205,298</b>
Total Revenues & Other Financing Sources	9,491,566	276,798	9,768,364
Total Expenditures & Other Financing Uses	9,491,566	440,000	9,931,566
<b>Total Revenues Net of Total Expenditures</b>	<b>0</b>	<b>(163,202)</b>	<b>(163,202)</b>
<b>Ending Fund Balance</b>	<b>\$ 9,352,540</b>	<b>\$ 689,556</b>	<b>\$ 10,042,096</b>
Committed Ending Fund Balance - Capital	-	253,556	253,556
Committed Ending Fund Balance - Capital Transfer	206,948	-	206,948
Committed Ending Fund Balance - Unemployment Comp Reserve	12,152	-	12,152
Committed Ending Fund Balance - Birch Bay Operating Fund Reserve	600,000	-	600,000
Committed Ending Fund Balance - Facility Ownership & Library Svcs Fund Reserve	3,250,000	-	3,250,000
Committed Ending Fund Balance - Facility Maintenance Fund	500,000	-	500,000
Committed Ending Fund Balance - Operating Cost Stabilization Fund	250,000	-	250,000
Assigned Ending Fund Balance - Cash Flow	3,094,873	-	3,094,873
Assigned Ending Fund Balance - Emergency	773,718	436,000	1,209,718
Total Committed and Assigned Ending Fund Balance	8,687,691	689,556	9,377,247
Unassigned Ending Fund Balance	664,849	-	664,849
<b>Total Estimated Ending Fund Balance</b>	<b>\$ 9,352,540</b>	<b>\$ 689,556</b>	<b>\$ 10,042,096</b>



## 2019 General Fund Budget Summary

Budget Number	Description	2015 Actual	2016 Actual	2017 Actual	2018 Projected	2019 Budgeted	2019 % Change
<b>308.0000</b>	<b>Estimated Beginning Fund Balance</b>	<b>\$ 8,021,826</b>	<b>\$ 8,700,068</b>	<b>\$ 9,367,060</b>	<b>\$ 9,564,508</b>	<b>\$ 9,352,540</b>	<b>-2.22%</b>
310.0000	Taxes	7,727,368	8,171,262	8,185,344	8,494,550	8,700,050	2.42%
330.0000	Intergovernmental Revenues	291,619	148,671	160,353	213,140	165,998	-22.12%
340.0000	Charges for Goods and Services	34,549	35,101	35,655	39,800	39,800	0.00%
350.0000	Fines and Forfeitures	105,507	95,577	70,732	60,000	50,000	-16.67%
360.0000	Miscellaneous Revenues	136,384	160,126	171,432	182,445	198,785	8.96%
	<b>Total Operating Revenues</b>	<b>\$ 8,295,427</b>	<b>\$ 8,610,738</b>	<b>\$ 8,623,515</b>	<b>\$ 8,989,935</b>	<b>\$ 9,154,633</b>	<b>1.83%</b>
390.0000	Total Other Financing Sources	\$ 14,550	\$ -	\$ -	\$ 440,435	\$ 336,933	-23.50%
	<b>Total General Fund Revenues</b>	<b>\$ 8,309,977</b>	<b>\$ 8,610,738</b>	<b>\$ 8,623,515</b>	<b>\$ 9,430,370</b>	<b>\$ 9,491,566</b>	<b>0.65%</b>
572.1000	Salaries and Wages	3,810,265	3,873,328	4,210,381	4,466,918	4,833,822	8.21%
572.2000	Personnel Benefits	1,442,814	1,470,124	1,598,740	1,733,309	1,956,629	12.88%
<b>572.10-20</b>	<b>Total Salaries, Wages, &amp; Benefits</b>	<b>\$ 5,253,079</b>	<b>\$ 5,343,451</b>	<b>\$ 5,809,120</b>	<b>\$ 6,200,227</b>	<b>\$ 6,790,451</b>	<b>9.52%</b>
572.3000	Supplies	1,343,456	1,347,494	1,358,390	1,470,039	1,550,945	5.50%
572.4000	Services	694,072	811,853	840,557	824,273	940,222	14.07%
572.5000	Intergovernmental Services	154,539	156,393	1,551	172,475	3,000	-98.26%
	<b>Total Operating Expenditures</b>	<b>\$ 7,445,145</b>	<b>\$ 7,659,192</b>	<b>\$ 8,009,618</b>	<b>\$ 8,667,014</b>	<b>\$ 9,284,618</b>	<b>7.13%</b>
596.0000	Total Other Financing Uses	186,589	284,554	416,450	505,231	206,948	-59.04%
	<b>Total General Fund Expenditures</b>	<b>\$ 7,631,734</b>	<b>\$ 7,943,746</b>	<b>\$ 8,426,068</b>	<b>\$ 9,172,245</b>	<b>\$ 9,491,566</b>	<b>3.48%</b>
	<b>Total Revenues in Excess (Deficit) of Expenditures</b>	<b>\$ 678,243</b>	<b>\$ 666,992</b>	<b>\$ 197,447</b>	<b>\$ 258,125</b>	<b>\$ 0</b>	
	Transfer to Operating Budget	-	-	-	170,000.00	-	
	Additional One-time Capital Transfer	-	-	-	300,093.00	-	
	<b>Total Additional Use of Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>470,093.00</b>	<b>-</b>	
<b>508.0000</b>	<b>Estimated Ending Fund Balance</b>	<b>\$ 8,700,069</b>	<b>\$ 9,367,061</b>	<b>\$ 9,564,507</b>	<b>\$ 9,352,540</b>	<b>\$ 9,352,540</b>	<b>0.00%</b>

## 2019 General Fund Revenues

Budget Number	Description	2015 Actual	2016 Actual	2017 Actual	2018 Projected	2019 Budgeted	2019 % Change
311.1000	Real and Personal Property Taxes	\$7,727,366	\$8,171,190	\$ 8,185,342	\$8,494,550	\$8,700,050	2.42%
311.3000	Sale of Tax Title Property	2	72	\$ 1	-	-	0.00%
<b>310.0000</b>	<b>Total Taxes</b>	<b>7,727,368</b>	<b>8,171,262</b>	<b>\$ 8,185,344</b>	<b>8,494,550</b>	<b>8,700,050</b>	<b>2.42%</b>
333.4531	LSTA State Library Grants	9,677	-	\$ 6,886	6,800	4,842	-28.79%
335.0232	DNR Other Trust Revenue	544	392	\$ 663	500	500	0.00%
335.0233	DNR Timber Trust Revenue	-	-	\$ 1,274	-	-	0.00%
337.0100	Local Entitlements	281,398	148,279	\$ 151,530	205,840	160,656	-21.95%
<b>330.0000</b>	<b>Total Intergovernmental Revenues</b>	<b>291,619</b>	<b>148,671</b>	<b>\$ 160,353</b>	<b>213,140</b>	<b>165,998</b>	<b>-22.12%</b>
341.6000	Printing and Duplication Services	26,250	26,757	\$ 26,400	30,000	30,000	0.00%
347.2000	Library Use Fees	8,298	8,344	\$ 9,255	9,800	9,800	0.00%
<b>340.0000</b>	<b>Total Charges for Goods and Services</b>	<b>34,549</b>	<b>35,101</b>	<b>\$ 35,655</b>	<b>39,800</b>	<b>39,800</b>	<b>0.00%</b>
359.7000	Library Fines	105,507	95,577	\$ 70,732	60,000	50,000	-16.67%
<b>350.0000</b>	<b>Total Fines and Forfeitures</b>	<b>105,507</b>	<b>95,577</b>	<b>\$ 70,732</b>	<b>60,000</b>	<b>50,000</b>	<b>-16.67%</b>
361.1100	Investment Interest	47,398	71,273	\$ 98,771	134,000	154,100	15.00%
361.1900	Other Interest Earnings	664	823	\$ 1,192	-	-	0.00%
362.0000	Space and Facility Rental	2,002	1,809	\$ 2,147	610	610	0.00%
367.0000	Contributions and Donations	18,232	4,427	\$ 29,226	6,075	6,075	0.00%
369.1000	Sale of Discards	1,158	1	\$ 191	74	-	-100.00%
369.8100	Overage/Underage	157	482	\$ (82)	-	-	0.00%
369.9005	E-Rate Reimbursement	-	18,249	\$ -	-	-	0.00%
369.9101	Other Miscellaneous	30,674	37,746	\$ 16,688	18,686	18,000	-3.67%
369.9102	Lost/Damaged Materials	23,219	20,958	\$ 19,931	20,000	20,000	0.00%
369.9103	NSF Fee Recoveries	(64)	(192)	\$ (153)	-	-	0.00%
369.9112	COBRA Reimbursement	12,945	4,550	\$ 3,520	3,000	-	-100.00%
<b>360.0000</b>	<b>Total Miscellaneous Revenues</b>	<b>136,384</b>	<b>160,126</b>	<b>\$ 171,432</b>	<b>182,445</b>	<b>198,785</b>	<b>8.96%</b>
	<b>Total Operating Revenues</b>	<b>\$8,295,427</b>	<b>\$8,610,738</b>	<b>\$ 8,623,515</b>	<b>\$8,989,935</b>	<b>\$9,154,633</b>	<b>1.83%</b>
395.1000	Proceeds from Sale of Cap. Assets	14,550	-	-	5,435	-	
397.1000	Transfers-In from Capital	-	-	-	-	-	
397.2000	Transfers-in from Prior Year	-	-	-	265,000	336,933	
397.3000	Transfers-in from Reserves	-	-	-	170,000	-	
<b>390.0000</b>	<b>Total Other Financing Sources</b>	<b>14,550</b>	<b>-</b>	<b>-</b>	<b>440,435</b>	<b>336,933</b>	
	<b>Total General Fund Revenues</b>	<b>\$8,309,977</b>	<b>\$8,610,738</b>	<b>\$ 8,623,515</b>	<b>\$9,430,370</b>	<b>\$9,491,566</b>	<b>0.65%</b>



**Taxes:** Taxes on real and personal property are the primary revenue source for the library system and support continued operations.

Amounts presented in this budget are based on the most current information provided to the Library District by the County Assessor. Assessed valuations are projected to increase by 12.36% to \$20.1 billion, based on valuations of existing properties within the District. The impact of this, along with the value of new construction, has been factored into 2019 budgeted property tax collections. Given this scenario, the District anticipates that its levy rate will be \$.43154 per \$1,000 of assessed valuation. Any changes in these assumptions due to updates in assessed valuations prior to the certification by the County Assessor will result in adjustments to 2019 budgeted revenues based on estimated collectability.

Revenue from the sale of tax title property is not budgeted but recorded in mid-year budget adjustments. The same holds true for the debiting of property tax refund interest.

**Intergovernmental Revenue:** Sources of intergovernmental revenue include grant revenues received from state and federal sources and revenues resulting from the sale of timber and other products from state forest lands that are managed by the Department of Natural Resources.

Private harvest timber tax and the leasehold excise tax are also included in this revenue category. When timber is harvested from private lands, the person or business who owns the timber at the time of the harvest pays a harvest tax. The leasehold excise tax is a tax paid by persons or businesses that use or lease publicly owned property. These sources are budgeted at levels consistent with prior year budgeted amounts.

Historically, revenues from the sale of timber and other products from state forest lands have fluctuated from year to year as market forces, including variations in the housing market, impact the rate of harvest in Whatcom County. 2019 revenues have been budgeted consistent with prior years. Due the variability in the distribution of these revenues, WCLS will budget to reserve these and other similar shared revenues for transfer to the Capital Fund.

In 2018, WCLS was awarded a Library Services and Technology Act (LSTA) grant that will carry over into the 2019 fiscal year; this indirect federal grant is distributed by the State of Washington.

**Charges for Goods & Services:** Sources of revenues from charges for goods and services include printing and photocopy fees and library use fees.

All of WCLS' branches provide printers and photocopiers for public use. The 2019 budgeted amount is consistent with the 2018 budgeted amount as these revenues are estimated to be collected at similar rates to prior years.

Library use fee revenues are generated from the sale of library cards to non-residents, room rentals, and through contracted services with other entities. Patrons who are not residents of the library district, and who are not covered by a reciprocal borrowing agreement with another library system, can check out materials from any of WCLS' branches by obtaining a non-resident card. WCLS contracts with the Whatcom County Sherriff's Office to provide library services at the Whatcom County Jail. Revenues related to non-resident and contract use are expected to be consistent with prior years.

**Library Fines:** WCLS is exploring eliminating overdue fines on physical materials. This change will coincide with 75<sup>th</sup> anniversary celebrations in November 2019. Revenue from fines has been reduced accordingly, and will be eliminated in future budgets.

**Miscellaneous Revenues:** This source of revenue includes investment interest, donations, COBRA and other reimbursements, and other miscellaneous revenue.

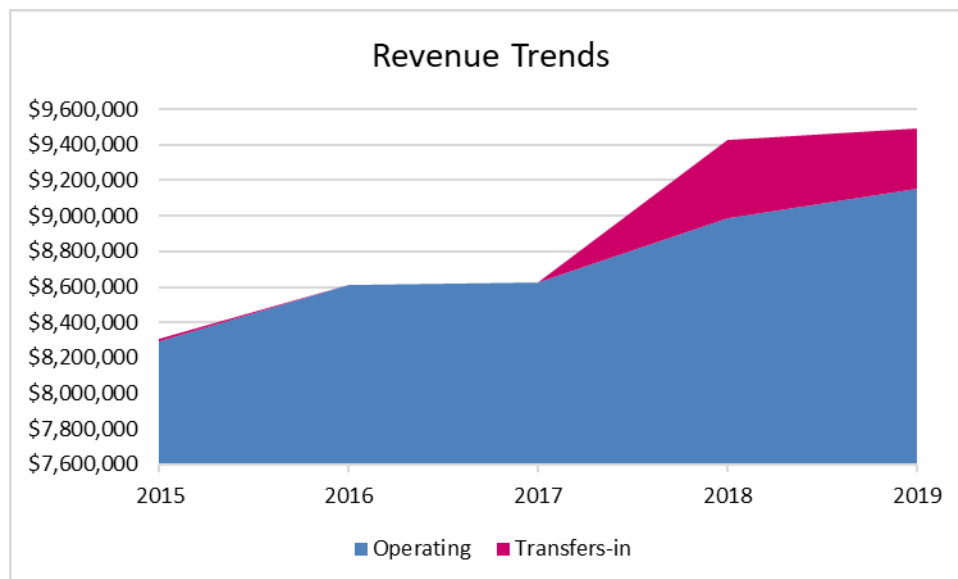
On a monthly basis, WCLS invests any substantial amounts of excess cash available after calculating immediate expenditure needs. WCLS participates in the Whatcom County Investment Pool program administered by the Whatcom County Treasurer. The program is a stable investment pool with various taxing district participants. Given the recent rate of return of the investment pool, the amount budgeted for 2019 is \$154,100, a 15% increase over 2018 interest revenue.

No major changes are anticipated for forest board and other rents and leases, contributions and donations, sale of discards, and payments for lost or damaged library materials.

Other miscellaneous revenues come from continuing education grants administered by the Washington State Library, reimbursements from Bellingham Public Library for distributing patron notices, and other miscellaneous reimbursements or cash receipts.

COBRA reimbursements are from separated employees or those who lose health insurance coverage because of reduced work hours; federal law allows these employees to purchase group health insurance coverage for themselves and their families for limited periods of time. Due to the nature of COBRA revenues, no amount will be budgeted for 2019, but the budget will be amended throughout the 2019 fiscal year to reflect actual collections.

**Other Financing Sources:** This source of non-operating revenue includes proceeds from the sale of capital assets, transfers-in from the Capital Fund, and transfers-in from 2018 excess revenue.



## 2019 General Fund Expenditures

Budget Number	Description	2015 Actual	2016 Actual	2017 Actual	2018 Projected	2019 Budgeted	2019 % Change
572.1000	Salaries and Wages	\$ 3,810,265	\$3,873,328	\$ 4,210,381	\$ 4,466,918	\$ 4,833,822	8.21%
572.2010	Retirement	344,775	365,767	437,319	515,455	561,981	9.03%
572.2030	Social Security	281,336	286,240	308,500	341,719	361,890	5.90%
572.2045	Health Insurance	765,380	776,682	812,441	823,603	956,148	16.09%
572.2055	Disability Insurance	6,342	6,389	7,239	8,675	9,695	11.76%
572.2059	Industrial Insurance	44,787	33,538	33,240	43,857	47,570	8.47%
572.2069	Paid Family Medical Leave	-	-	-	-	7,194	0.00%
572.2079	Unemployment Compensation	194	1,508	-	-	12,152	0.00%
572.2000	Total Personnel Benefits	1,442,814	1,470,124	1,598,739	1,733,309	1,956,629	12.88%
<b>572.10-20</b>	<b>Total Salaries, Wages, &amp; Benefits</b>	<b>5,253,079</b>	<b>5,343,451</b>	<b>5,809,119</b>	<b>6,200,227</b>	<b>6,790,451</b>	<b>9.52%</b>
572.3031	Office and Operating Supplies	99,893	94,136	124,434	111,389	123,990	11.31%
572.3032	Fuel Consumed	13,591	11,756	11,857	15,000	15,745	4.97%
572.3034	Collection Materials	1,056,999	1,073,435	1,065,515	1,160,000	1,200,000	3.45%
572.3035	Small Tools and Minor Equipment	172,972	168,167	156,583	183,650	211,210	15.01%
<b>572.3000</b>	<b>Total Supplies</b>	<b>1,343,456</b>	<b>1,347,494</b>	<b>1,358,390</b>	<b>1,470,039</b>	<b>1,550,945</b>	<b>5.50%</b>
572.4041	Professional Services	255,243	380,812	421,794	415,193	411,349	-0.93%
572.4042	Communication	118,117	127,272	109,506	105,510	122,473	16.08%
572.4043	Travel	23,598	26,619	36,804	30,950	43,050	39.10%
572.4044	Taxes and Operating Assessments	2,167	2,509	2,220	2,600	2,600	0.00%
572.4045	Operating Rentals and Leases	25,673	27,209	22,610	22,966	24,849	8.20%
572.4046	Insurance	44,562	49,827	48,939	51,157	50,937	-0.43%
572.4047	Utility Services	106,223	103,906	116,386	120,000	125,233	4.36%
572.4048	Repairs and Maintenance	82,762	56,687	50,719	44,297	80,750	82.29%
572.4049	Miscellaneous	35,726	37,011	31,579	31,600	78,980	149.94%
<b>572.4000</b>	<b>Total Services</b>	<b>694,072</b>	<b>811,853</b>	<b>840,557</b>	<b>824,273</b>	<b>940,222</b>	<b>14.07%</b>
572.5051	Intergovernmental Services	154,539	156,393	1,551	172,475	3,000	-98.26%
<b>572.5000</b>	<b>Total Intergovernmental Services</b>	<b>154,539</b>	<b>156,393</b>	<b>1,551</b>	<b>172,475</b>	<b>3,000</b>	<b>-98.26%</b>
	<b>Total Operating Expenditures</b>	<b>7,445,145</b>	<b>7,659,192</b>	<b>8,009,617</b>	<b>8,667,014</b>	<b>9,284,618</b>	<b>7.13%</b>
596.1100	Adjustments	3,850	(54)	74	-	-	22.97%
596.7100	Transfers-Out to Capital	182,739	284,608	151,376	168,298	206,948	
596.7200	Transfers-Out to Next Year	-	-	265,000	336,933	-	
<b>596.0000</b>	<b>Total Other Financing Uses</b>	<b>186,589</b>	<b>284,554</b>	<b>416,450</b>	<b>505,231</b>	<b>206,948</b>	<b>-59.04%</b>
	<b>Total Fund Expenditures</b>	<b>\$ 7,631,734</b>	<b>\$7,943,746</b>	<b>\$ 8,426,067</b>	<b>\$ 9,172,245</b>	<b>\$ 9,491,566</b>	<b>3.48%</b>
	<b>Revenues in Excess / (Deficit) of Expenditures</b>	<b>678,243</b>	<b>666,992</b>	<b>197,448</b>	<b>258,125</b>	<b>0</b>	
	Additional Transfer to Operating	-	-	-	170,000	-	
	Additional Transfer to Capital	-	-	-	300,093	-	
	<b>Total Additional Use of Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>470,093</b>	<b>-</b>	
<b>508.0000</b>	<b>Estimated Ending Fund Balance</b>	<b>\$ 8,700,069</b>	<b>\$9,367,061</b>	<b>\$9,564,508</b>	<b>\$9,352,540</b>	<b>\$ 9,352,540</b>	<b>0.00%</b>

**Salaries and Benefits:** WCLS continues to carefully monitor and evaluate staffing levels, and allocates staff to best maintain appropriate service levels while balancing current and future budgetary constraints. The budget includes additional budgeted hours for increased substitution needs for paid sick leave for all employees regardless of status.

A Cost of Living Adjustment (COLA) of 2% has been included in staff salaries and wages based on the results of Interest-Based Bargaining union negotiations. Proficiency increases for 2019 are budgeted at 3% or 1% depending where an employee's salary falls on the 2019 salary scale.

Benefit costs include employer contributions for employees enrolled in the State of Washington Public Employee Retirement System (PERS), contributions into the Social Security and Medicare systems, medical and dental insurance premiums, workers' compensation (Labor and Industries), long-term disability insurance, and unemployment compensation. This budget also includes Paid Family and Medical Leave premiums, new in 2019.

Retirement contributions are based on rates as determined by the State of Washington Department of Retirement Systems. The current employer contribution rate is 12.83% of gross wages. Rates are scheduled to increase to 12.86% as of July 1, 2019.

The employer contribution for Social Security and Medicare is 7.65% of gross wages and salaries. This rate is set by the Social Security Administration and will not increase in 2019.

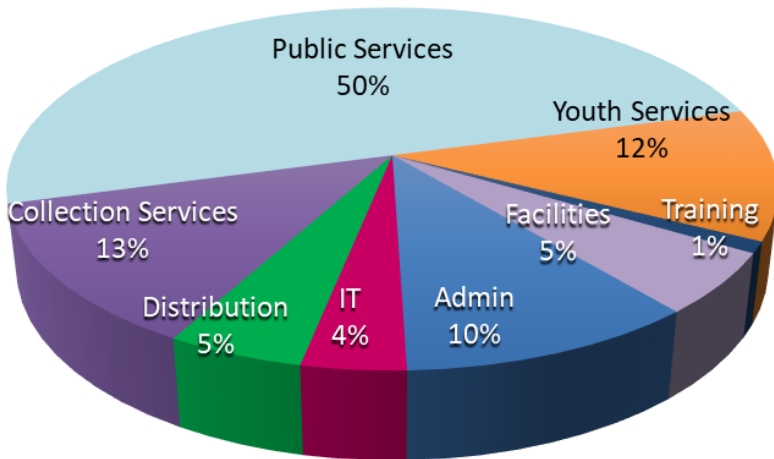
Medical and dental insurance premium costs are covered at 100% for eligible employees. Costs for dependents are shared by the employer and employees. WCLS offers a choice of a QHDHP (Qualified High Deductible Health Plan) combined with a Health Savings Account, or a PPO (Preferred Provider Organization) plan combined with a Health Reimbursement Account.

Based on preliminary 2019 rate information and anticipated changes in WCLS' experience factor, an 8% increase is budgeted for total workers' compensation rates. These rates are set by the State of Washington Department of Labor and Industries.

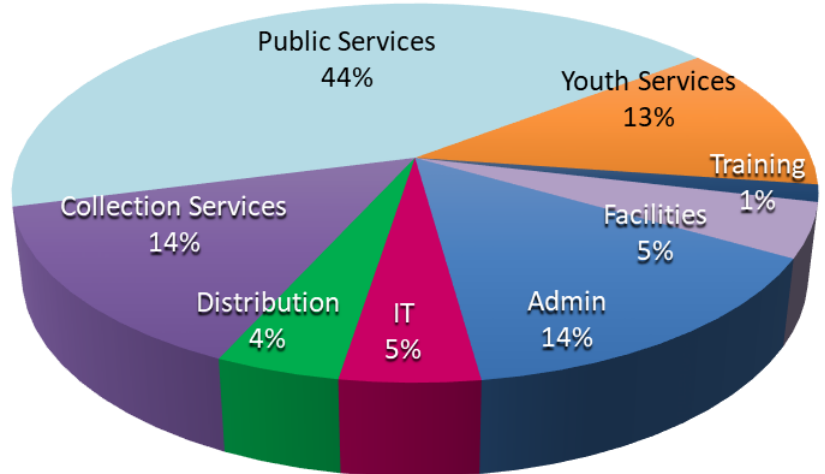
WCLS is on a reimbursable plan with the State of Washington for unemployment compensation. 0.25% of gross wages is budgeted for possible reimbursements.

Paid Family and Medical Leave is a new state-mandated paid leave program. Leave is available to qualifying employees starting in 2020 although premium collections begin in 2019. Costs are shared by the employer and employees; rates are set by the Washington State Employment Services Division.

FTE By Department



Personnel Budget By Department



**Office and Operating Supplies:** The supplies category includes office supplies, custodial and maintenance supplies, computer, copier, and printer supplies, materials processing supplies, mailing and shipping supplies, vehicle supplies, and replacement parts. Recurring expenses in this category are consistent with prior years.

**Fuel:** This is diesel and gasoline for WCLS’ Bookmobile and other fleet vehicles. The amount budgeted for 2019 has increased by 5% from 2018 due to anticipated usage and rising fuel costs.

**Collection Materials:** The collection materials budget provides for the books, magazines, audiobooks, music CDs, DVDs, and other materials that comprise the heart of the library’s traditional lending collection. WCLS provides its patrons a continuous supply of new materials in print, sound, video, and digital format; and current information to support school, work, and recreational activities. WCLS has set a target for collection materials of 13% of total 2019 operating expenditures. This represents an increase of \$40,000 or 3.5% over 2018 collection materials spending. To ensure alignment with WCLS’ Strategic Plan, an effort is being made to maintain the amount allocated for the Collection Materials and Collection Databases to levels comparable with state and national averages as compared to total operating expenditures.

**Small Tools and Minor Equipment:** This category includes furniture, computers, computer hardware, software, printers, delivery totes, shelving, book returns, and book carts. Budgeted amounts are consistent with prior years, however, items previously budgeted in other categories, particularly digital subscription and platform expenditures, have been reclassified as equipment following BARS (Budgeting, Accounting, and Reporting System) guidelines.

**Professional Services:** The amount budgeted in this category includes costs for legal services, payroll services, computer programming, the services of OCLC (for cataloging and interlibrary loan), delivery services, consultant services, and participation in Employee Assistance Program (EAP) services. Professional services expenditures are consistent with prior years, however, overall budgeted amounts in this category are flat as several items have been reclassified as Small Tools and Minor Equipment or Miscellaneous, in accordance with BARS guidelines. We will be audited in 2019 and have budgeted funds for this purpose.

**Communications:** This category includes postage, UPS, FedEx, and other courier services, local and long distance voice service, fiber optic circuits which link Central Services to the integrated library system, the branches, the library network and the Internet, DSL circuits in the smaller branches to meet patron demand for additional Internet services, and cable data circuits for Bookmobile sites. Expenses in this category are budgeted to increase by 16% to allow for increased bandwidth costs and postage for community mailers.

**Travel:** This includes reimbursement to employees and Trustees for use of personal automobiles on WCLS business, and travel expenses associated with attendance at continuing education events, conferences, and seminars. WCLS' mileage reimbursement rate mirrors the national IRS reimbursement rate, currently set at \$.545 per mile. In 2019 Washington will host the American Library Association's Midwinter Conference in Seattle. The 2019 budgeted amount for travel is increased by 39% to allow as many staff and trustees as possible to attend this event. Additionally, travel expenses in 2018 were less than anticipated resulting in a larger increase when compared to actual (rather than budgeted) usage.

**Taxes and Operating Assessments:** This category includes the sales taxes paid on printing and duplication services provided to patrons. Budgeted amounts are expected to remain flat.

**Rentals:** This category includes costs for leasing a postage meter, copiers, and post office box rentals. This category also includes rental costs associated with usage of the Sudden Valley Adult Center for the South Whatcom branch. Costs in this category are anticipated to increase by 8% in 2019 due to inflation and other cost increases.

**Insurance:** This includes insurance for WCLS' real and personal property, flood insurance, vehicle insurance, errors and omissions coverage, employment practices, cyber security, and an umbrella liability plan. Based on preliminary information provided by our brokers, 2019 premiums are expected to remain flat.

**Utilities:** This category includes costs for electricity, natural gas, water, sewer, and refuse collection for all WCLS locations. A 4% increase is included to reflect inflation and other cost increases.

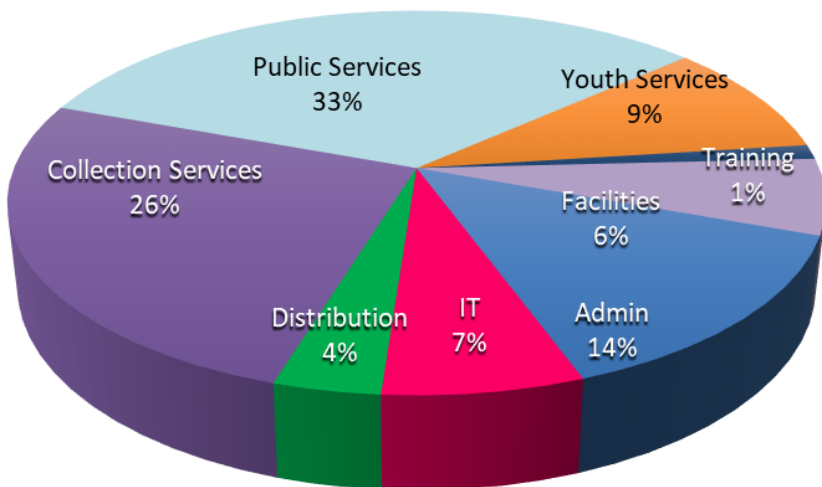
**Repair & Maintenance:** This category includes costs for office and telecommunications equipment maintenance, software maintenance and on-going facilities maintenance. It also includes a contingency for unanticipated vehicle and facility repairs. The 2019 budget includes an increase of 82% over 2018 actual spending, as costs were low in this category in 2018. It is consistent with prior year budgeted amounts.

**Miscellaneous:** This includes trustee and staff WCLS memberships in the Washington Library Association (WLA) and other professional organizations; refunds to patrons who have paid for lost items and later found and returned them; training registration, and miscellaneous fees. An additional allowance for staff memberships in professional and community organizations is included per Interest-Based Bargaining union negotiations. Additionally, certain expenses such as professional printing and binding services, have been reallocated to this category following BARS guidelines. The result of this adjustment is a 150% increase, however, spending on these items is consistent with prior years.

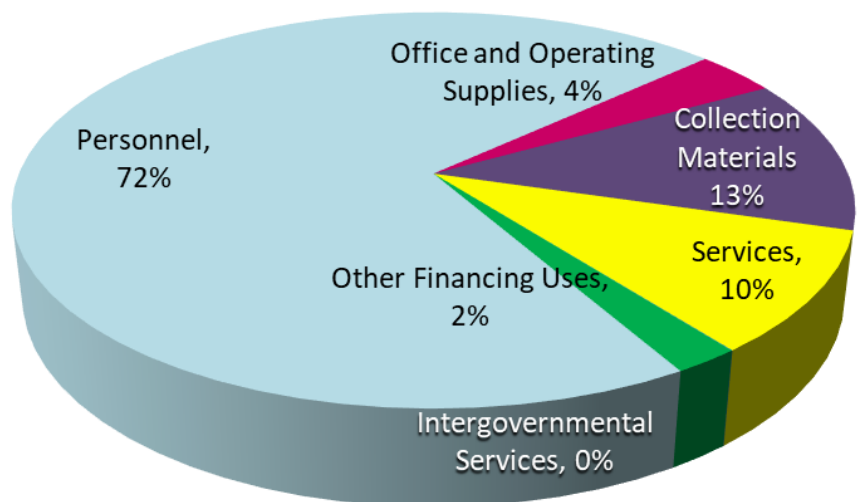
**Intergovernmental Professional Services:** This category includes payment to certain local fire districts for fire protection services at WCLS owned facilities. According to Washington State statute, this payment to the local fire district is in lieu of property taxes. WCLS does not pay property taxes on the property it owns because it is a governmental entity. Not all fire districts charge WCLS a fee for fire protection.

**Other Financing Uses:** Consistent with previous years, WCLS will make a transfer to the Capital Fund that is equal to 2018 revenue received from certain intergovernmental sources such as those resulting from the sale of timber and other products from state forest lands.

Budget By Department



Budget By Category





## SCHEDULE OF FINES AND FEES Borrower's Policy

**POLICY AUTHORITY:** Borrower's Policy 4.01

**REVISED:** August 15, 2017, December 20, 2016, March 15, 2016, November 27, 2012, December 13, 2011

1. Nonresident card fees:	
a. Family Fee	\$52.00 (up to 8 cards)
b. Adult Fee (18-65)	\$40.00
c. Child Fee (under 18)	\$20.00
d. Senior (65 and older)/Disabled Fee	\$20.00
2. If library materials are returned late:	
a. Items classified as adult items, following a 2 day grace period.	\$0.25 per day to a maximum fine of \$10.00 regardless of card used.
b. Items classified for children and teens	No overdue fines; items that are more than 60 days overdue will be considered lost. Damaged and lost fees apply.
3. If the account is submitted to collection agency:	\$10.00
4. Lost items or missing parts:	
a. Lost items will be charged to the patron's account at their replacement value according to library records	





whatcom county  
**library system**

## Whatcom County Library System Five-Year Capital Improvement Plan 2019-2023

### Introduction

The Whatcom County Library System's Capital Budgeting Policy requires that the Library update its Five-Year Capital Improvement Plan annually. The main purpose of this plan is to forecast and facilitate adequate capital spending levels, and to help ensure the Whatcom County Library System's (WCLS) future financial health and the continued delivery of services as WCLS continues to grow and change.

The Five-Year Capital Improvement Plan outlines revenues and expenditures for current and new capital projects necessary to support WCLS operations and meet the service demands of the residents of Whatcom County. As the library buildings that WCLS operates are owned by the cities and communities that WCLS serves, WCLS works with building owners to maintain, improve, and expand facilities to meet community needs.

The WCLS Capital Fund is currently funded through interest earnings on its fund balance and transfers in from the WCLS General Fund. WCLS transfers shared revenues distributed by the Washington State Department of Natural Resources and other shared revenues to the WCLS Capital Fund on an annual basis to fund capital expenditures.

2019 represents the fourth year of the 2016-2020 WCLS Strategic Plan. The four basic tenets of the Strategic Plan are Reading, Engagement, Access, and Diligent Stewardship, and the goals of the Strategic Plan are to increase circulation and household cardholdership. Activities and objectives for meeting these goals are evaluated annually, and therefore the Capital Improvement Plan may be adjusted accordingly. This plan reflects estimates for maintenance and upgrades of existing facilities as well as activities and new planned expenditures as outlined below.

Although not specifically mentioned above, capital purchases in 2019 may also include items or projects identified and approved for 2018 but carried forward into 2019.

### Project Descriptions

#### Branch Renovations and Upgrades - \$126,500

WCLS is working to replace aging furnishings and make improvements in its branch libraries. Projects in this category are intended to create welcoming public areas and increase staff efficiency and safety through the creation of well-designed, ergonomic workspaces. The amount budgeted for 2019 reflects the current portion of a multi-year plan to address branch needs. Projects are planned at the Everson and North Fork Libraries, along with smaller scale projects and updates elsewhere. Funds here will also be used to update signage within the libraries.

#### Administrative Services Maintenance and Improvements - \$40,000

Funds are budgeted for projects at the Administrative Services Building, including painting the building and upgrading a generator to ensure continued services during a power outage.

Branch Lighting Retrofit Upgrades - \$15,000

WCLS is working toward installing LED lighting in each of its libraries over the next few years. These upgrades provide improved lighting aesthetics as well as cost savings through reduced energy bills. WCLS will reduce project costs with rebates from electricity providers when possible.

North Fork Maintenance and Improvements - \$18,000

WCLS assumed ownership of the building housing the North Fork Library in 2018. Funds are budgeted for ongoing maintenance and improvements, including painting the building and upgrading the side parking lot in 2019.

Self-Check Software Upgrade - \$20,000

Funds are allocated here to upgrade the WCLS self-check software to maximize the offerings of our new integrated library system (ILS) and improve services to patrons.

Tablet Computers - \$7,500

WCLS will purchase tablet computers that staff can take into the community while staying connected to the WCLS catalog and ILS.

Bookmobile Replacement - \$100,000

In 2018 WCLS entered into a contract to replace its aging Bookmobile. The new Bookmobile is expected to be completed in June 2019. This item carries forward any remaining project costs, including final payment that will be made upon delivery.

Book Returns - \$20,000

In 2017 WCLS began installation of book returns on local school campuses to make it easier for young people to return WCLS materials, and, by extension, make it easier for them to use WCLS services. The book returns will also serve as community reminders of WCLS services. This project will continue into 2019 as we develop additional partnerships with local schools.

Sumas Library Express - \$45,000

Based on the success of the Northwest Drive and Point Roberts locations, WCLS plans to open a third express library at its Sumas Branch. Express libraries offer patrons greater access to materials at locations with limited hours.

Blaine Library Design Study - \$50,000

WCLS will partner with the Friends of the Blaine Library and the City of Blaine to conduct a design study with a goal of ensuring the Blaine Library is sufficiently sized and appointed to meet the current and future needs of the Blaine service area. The Friends of the Blaine Library will reimburse WCLS for the costs of this project up to \$50,000.

## 2019-2023 Capital Improvement Plan Summary

Project		2018	2019	2020	2021	2022	2023	Est. Plan Total
<b>Building Furnishings Enhancement and Replacement Program</b>								
Facilities	Staff Ergonomic Furnishings	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,000
Facilities	Point Roberts New Branch Furnishings	110,000	-	-	-	-	-	110,000
Facilities	Admin Services Office Enhancements	3,000	-	-	-	-	-	3,000
Facilities	Branch Renovations/Upgrades	44,120	119,500	75,000	75,000	75,000	75,000	463,620
Admin	Branch Interior Signage	17,092	15,000	-	-	-	-	32,092
<b>Sub-Total Building Furnishings Enhancement and Replacement Program</b>		<b>\$ 186,212</b>	<b>\$ 134,500</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 620,712</b>
<b>Building Repair and Maintenance Program</b>								
Facilities	Admin Services Maintenance & Improvements	\$ 8,373	\$ 40,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 88,373
Facilities	ADA Improvements	15,000	-	-	-	-	-	15,000
Facilities	Branch Lighting Retrofit Upgrades	14,104	15,000	-	-	-	-	29,104
Facilities	North Fork Maintenance & Improvements	15,000	8,000	10,000	10,000	10,000	10,000	63,000
<b>Sub-Total Building Repair and Maintenance Program</b>		<b>\$ 52,477</b>	<b>\$ 63,000</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 195,477</b>
<b>Technology Upgrades Program</b>								
IT Services	Branch AV Equipment	\$ 26,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,900
Coll Svcs	ILS Upgrade	55,000	-	-	-	-	-	55,000
IT Services	Self-check Software Upgrade	-	20,000	-	-	-	-	20,000
IT Services	Tablet Computers	-	7,500	-	-	-	-	7,500
<b>Sub-Total Technology Upgrades Program</b>		<b>\$ 81,900</b>	<b>\$ 27,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 109,400</b>
<b>Equipment Replacement Program</b>								
Admin	Vehicle Replacement	\$ 27,422	\$ -	\$ -	\$ 35,000	\$ 35,000	\$ 45,000	\$ 142,422
Admin	Hydraulic Paper Cutter	6,419	-	-	-	-	-	6,419
Public Svcs	Bookmobile Replacement or Similar	200,000	100,000	-	-	-	-	300,000
<b>Sub-Total Equipment Replacement Program</b>		<b>\$ 233,842</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 45,000</b>	<b>\$ 448,842</b>
<b>Access Improvement Program</b>								
Youth Svcs	School Book Returns	\$ 45,000	\$ 20,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 93,000
Public Svcs	Sumas Library Express	-	45,000	-	-	-	-	45,000
<b>Subtotal Access Improvement Programs</b>		<b>\$ 45,000</b>	<b>\$ 65,000</b>	<b>\$ 7,000</b>	<b>\$ 7,000</b>	<b>\$ 7,000</b>	<b>\$ 7,000</b>	<b>\$ 138,000</b>
<b>Library Design Study</b>		<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>
<b>Total Expenditures</b>		<b>\$ 649,431</b>	<b>\$ 440,000</b>	<b>\$ 102,000</b>	<b>\$ 137,000</b>	<b>\$ 137,000</b>	<b>\$ 147,000</b>	<b>\$ 1,612,431</b>
<b>Funding Summary:</b>		<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Est. Plan Total</b>
		<b>Projected</b>						
		<b>Actual</b>						
	Investment Interest	\$ 12,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 62,000
	Grants/Reimbursements	39,472	60,000	-	-	-	-	99,472
	Transfers-In From General Fund and Reserves	468,391	206,798	160,000	160,000	160,000	160,000	1,315,189
	Prior Period Ending Fund Balance	982,326	852,758	-	-	-	-	982,326
	<b>Total Funding</b>	<b>\$ 1,502,189</b>	<b>\$ 1,129,556</b>	<b>\$ 170,000</b>	<b>\$ 170,000</b>	<b>\$ 170,000</b>	<b>\$ 170,000</b>	<b>\$ 2,458,987</b>
<b>Fund Balance:</b>		<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	
		<b>Projected</b>						
		<b>Actual</b>						
	Assigned Beginning Fund Balance	\$ 546,326	\$ 416,758	\$ 253,556	\$ 321,556	\$ 354,556	\$ 387,556	
	Committed Beginning Fund Balance - Emergency	436,000	436,000	436,000	436,000	436,000	436,000	
	<b>Total Beginning Fund Balance</b>	<b>\$ 982,326</b>	<b>\$ 852,758</b>	<b>\$ 689,556</b>	<b>\$ 757,556</b>	<b>\$ 790,556</b>	<b>\$ 823,556</b>	
	Revenues	51,472	70,000	10,000	10,000	10,000	10,000	
	Transfers-In	468,391	206,798	160,000	160,000	160,000	160,000	
	Expenditures	649,431	440,000	102,000	137,000	137,000	147,000	
	Transfers-Out	-	-	-	-	-	-	
	<b>Ending Fund Balance</b>	<b>\$ 852,758</b>	<b>\$ 689,556</b>	<b>\$ 757,556</b>	<b>\$ 790,556</b>	<b>\$ 823,556</b>	<b>\$ 846,556</b>	

\*as amended October 23,2018

**Note:** Projected revenues and expenditures represent current estimates. The priority, timing, and available funding for budgeted projects are subject to change based on the changing needs of WCLS, its staff, and the patrons and communities that it serves.