



whatcom county
library system

2021 Budget

December 15, 2020

WHATCOM COUNTY LIBRARY SYSTEM
WHATCOM COUNTY, WASHINGTON

FINAL OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2021

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This document is also available online at www.wcls.org/library-board-of-trustees.

2021 Budget Introduction – Executive Director’s Message

Nowhere in our 2020 Vision did we foresee a global pandemic, library buildings closed to the public for several months, or the need for a wide range of new library services (online and curbside). It has been a truly unprecedented year for WCLS and it has been immensely gratifying to take note of the tremendous creativity and flexibility of WCLS staff to adjust and adapt to an ever-changing situation. Many of our strategic action plan projects have been completed successfully despite the pandemic, and a great number of additional projects happened because of the pandemic.

Although several pharmaceutical companies are preparing vaccines now, it will be some time before a significant percentage of the population will be vaccinated and the spread of COVID-19 abates. The full financial impact of the pandemic may not be fully understood for a year or more, with border closures, quarantines, stay home orders, business restrictions, and layoffs all affecting the economy. For these reasons, we have taken a cautious and measured approach to budget forecasting and planning for 2021.

This year, our labor and management negotiating teams agreed to shift benefited employees to the Public Employees Benefits Board (PEBB) for medical insurance coverage. This move not only saves WCLS in premiums for employees and dependents, it embeds us in a large pool which will help temper year-over-year increases due to claims experience. This is a solid longer-term solution for WCLS and is advantageous to staff with dependents’ cost-sharing.

At the beginning of 2020, we said “Farewell to Fines” and planned a marketing campaign to trumpet this news to the public. In hindsight, this move was fortuitous, as our abrupt closure in March including book returns meant many people had library materials checked out for a long time with no means of returning them. As unemployment numbers rose countywide, it was particularly gratifying to know that WCLS was not compounding people’s financial distress with overdue fines.

Throughout 2020, we’ve manifested a series of pivots. We squeaked in with an in-person visit by Whatcom READS author Eowyn Ivey, then welcomed National Geographic Adventurer of the Year Heather Anderson to headline multiple online programs related to her book *Thirst: 2,600 Miles to Home*. Instead of ads on public transit, we shifted to radio spots to let people know about curbside holds pickup. When patrons told us they were having trouble identifying good books to put on hold, we created To Go bags of curated materials. When the public needed internet access, we enhanced WiFi signals from our library parking lots and started a loaner laptop program.

We took advantage of building closure time to tackle a variety of new projects: an online database of children’s storytime videos, a photography contest called #WCLSabc, closed-captioning of WCLS videos, completion of Since Time Immemorial curriculum kits. When we got the nod from the state to open to the public at 25% capacity, we developed health and safety protocols to set staff and the public’s mind at ease and provided extensive staff training.

The pandemic disrupted our building plans for Blaine and Birch Bay and led the board to de-couple these two capital projects. We anticipate moving forward in 2021 with an effort to establish a Library Capital Facilities Area (LCFA) in Birch Bay to secure remaining funds needed to access a \$2 million state appropriation. We will revisit the Blaine project at a future date. In Everson, a long-awaited remodel was delayed but we intend to move forward in earnest at the start of the year.

Because so much is unknown about how 2021 will shape up, we are intentionally scaling back on our expectations in terms of new projects. One exception is the Health, Employment, and Legal Project (HELP) which is especially timely as it aims to improve the lives of those hardest hit by COVID-19. We will also be revisiting a comprehensive Strategic Planning process in 2021, provided we have the ability to interact with patrons and stakeholders in a meaningful way for input and discussion.

We learned many important things in 2020 that we will carry forward to 2021. First: our staff are dedicated, talented, and essential to providing excellent library services. Their health (mental and physical) is key. We offer flexibility in working arrangements, compassion for the strain everyone is under, and gratitude for their service. Second: plans change, but what's important is the planning. By constantly running through various scenarios, WCLS stayed nimble and was able to serve the public as best as possible. Our primary goal for 2021 is to maintain this high level of flexibility, stay sane, and celebrate our successes throughout what is likely to be another challenging year. We can do it! I believe in libraries, and I believe in WCLS.

-- Christine Perkins
Executive Director

Whatcom County Library System Services Summary

Service Area

Whatcom County Library System (WCLS) provides library services in the unincorporated areas of Whatcom County, Washington, and five annexed cities and towns.

WCLS served an estimated population of 136,390 in 2020. WCLS offers more than 470,000 books, audiobooks, DVDs, digital resources, and other items. Although WCLS buildings were closed to the public for a great deal of 2020, patrons used curbside pick-up and in-branch services when available as well as online services to check out close to 1.6 million items.

In Washington State, five library systems, including WCLS, serve populations between 100,001 and 250,000. In 2019, WCLS ranked 4th among these libraries in size of population served, 1st in total circulation, 1st in circulation per capita, 2nd in collection size per capita, 2nd in total number of programs offered, 1st in programs offered per capita, and 1st in program attendance per capita. Statewide, WCLS ranked 10th in circulation and 9th in circulation per capita.

WCLS 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 La Conner Regional Library District.

Services

WCLS provides services through 10 branch libraries, a bookmobile, two express libraries, homebound and jail services, outreach, its website, and in partnership with public and independent school districts across the county.

Hours of operation and services available are adjusted to meet current state and local safety guidelines in order to reduce the risk of COVID-19 transmission and to protect the health and safety of our patrons and staff.

We hope that in 2021 we will be able to resume service hours that provide access to a branch seven days a week. When it is safe to do so, hours will be 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, including express libraries with extended holds pick-up hours.

WCLS Mobile Services have also been restricted during the pandemic although we hope to soon be able to again provide services to those unable to visit a library. These services include outreach to health care, retirement, residential treatment, and assisted living facilities, the Whatcom County Jail, and individuals who are homebound.

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

- Books, movies, music, games, and more available for checkout
- No-contact curbside pickup of items, including curated "to-go" bags of books and printing services
- Free internet access on public library computers, personal laptops, and other devices on the Library's WiFi network
- Drive-up WiFi internet service and loaner laptops
- Early learning programs and support for children ages birth-to-5; 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
- Local history collections
- Staff to provide expert support for information access and reading recommendations

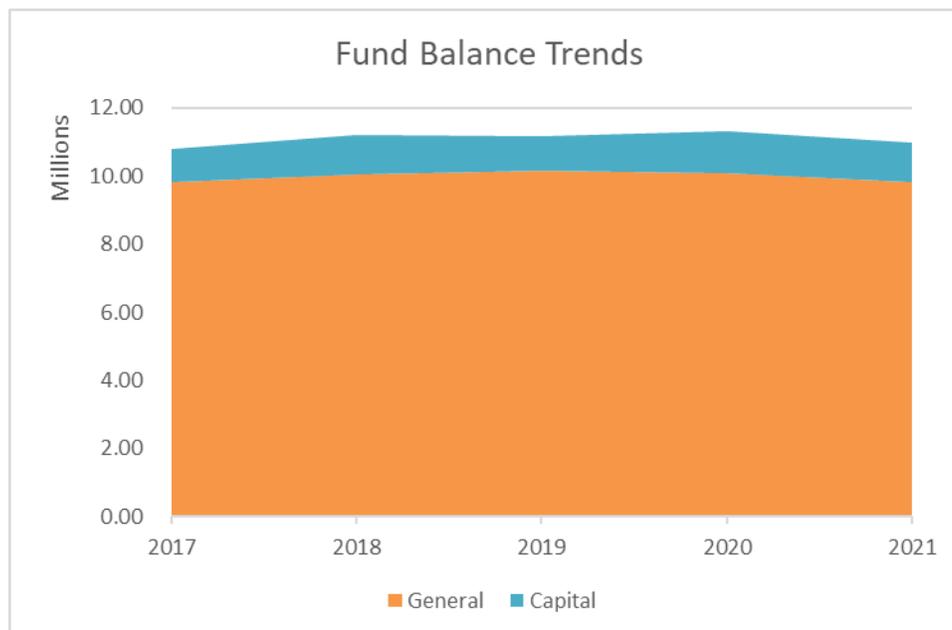
Online, people can access:

- Digital audiobooks, eBooks, and eMagazines
- Online streaming of music, movies, and documentaries
- Online versions of adult and youth programs including prerecorded storytime videos and online book clubs for adults and teens
- Credible, reliable information from online resources including newspaper and magazine articles, consumer information, vehicle repair manuals, encyclopedias, and more
- Online reference and homework help
- Help for writing resumes, career planning, and finding jobs
- Online language learning for over 70 world languages, including Spanish, French, Italian, German, and Japanese, as well as English courses for speakers of 21 world languages

*Some services may be limited or unavailable due to COVID-19 restrictions

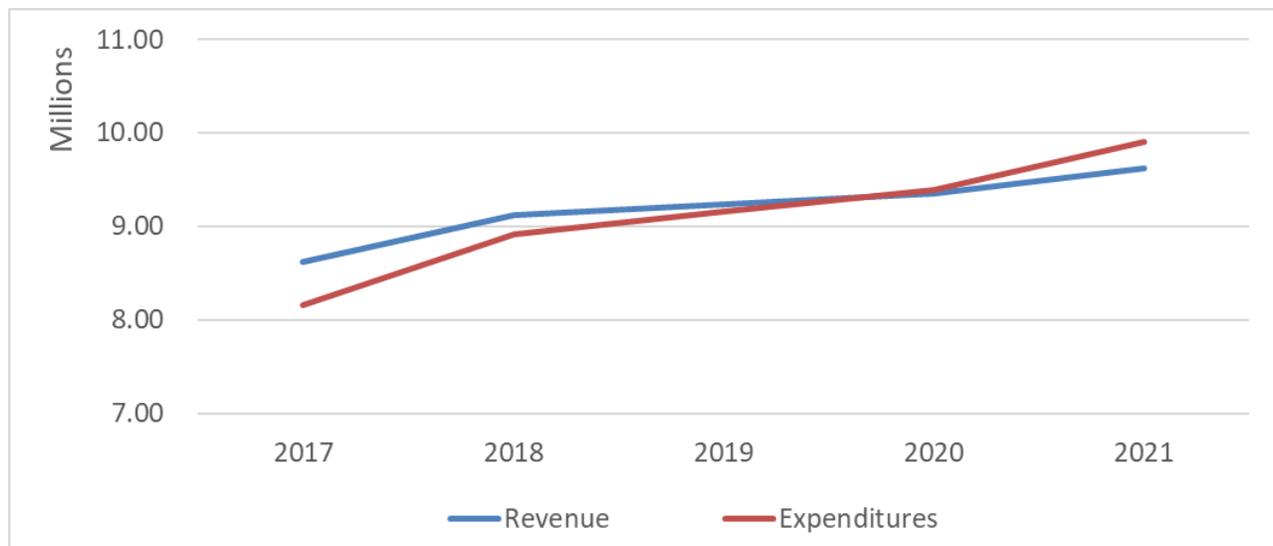
2021 Major Fund Balance Summary

	General Fund	Capital Fund	Total Funds
Beginning Fund Balance	\$ 10,101,779	\$ 1,225,602	\$ 11,327,381
Assigned Beginning Fund Balance - Capital	-	789,602	789,602
Assigned Beginning Fund Balance - Cash Flow	3,201,849	-	3,201,849
Assigned Beginning Fund Balance - Emergency	808,548	436,000	1,244,548
Assigned Beginning Fund Balance - Capital Transfer	202,150	-	202,150
Assigned Beginning Fund Balance - Unemployment Comp Reserve	12,965	-	12,965
Assigned Beginning Fund Balance - Birch Bay Operating Fund Reserve	600,000	-	600,000
Assigned Beginning Fund Balance - Facility Ownership & Library Svcs Fund Reserve	3,192,315	-	3,192,315
Assigned Beginning Fund Balance - Facility Maintenance Fund	650,000	-	650,000
Assigned Beginning Fund Balance - Operating Cost Stabilization Fund	250,000	-	250,000
Total Assigned Beginning Fund Balance	8,917,827	1,225,602	10,143,428
Unassigned Beginning Fund Balance	\$ 1,183,953	\$ -	\$ 1,183,953
Total Estimated Beginning Fund Balance	10,101,779	1,225,602	11,327,381
Total Revenues	9,622,445	365,150	9,987,595
Total Expenditures	9,904,722	456,132	10,360,853
Total Revenues Net of Total Expenditures	(282,276)	(90,982)	(373,258)
Ending Fund Balance	\$ 9,819,502	\$ 1,134,620	\$ 10,954,122
Assigned Beginning Fund Balance - Capital	-	789,602	789,602
Assigned Beginning Fund Balance - Cash Flow	3,201,849	-	3,201,849
Assigned Beginning Fund Balance - Emergency	808,548	436,000	1,244,548
Assigned Beginning Fund Balance - Capital Transfer	202,150	-	202,150
Assigned Beginning Fund Balance - Unemployment Comp Reserve	12,965	-	12,965
Assigned Beginning Fund Balance - Birch Bay Operating Fund Reserve	600,000	-	600,000
Assigned Beginning Fund Balance - Facility Ownership & Library Svcs Fund Reserve	3,192,315	-	3,192,315
Assigned Beginning Fund Balance - Facility Maintenance Fund	650,000	-	650,000
Assigned Beginning Fund Balance - Operating Cost Stabilization Fund	250,000	-	250,000
Total Assigned Beginning Fund Balance	8,917,827	1,225,602	10,143,428
Unassigned Beginning Fund Balance	901,675	(90,982)	810,694
Total Estimated Ending Fund Balance	\$ 9,819,502	\$ 1,134,620	\$ 10,954,122



2021 General Fund Budget Summary

Budget Number	Description	2017 Actual	2018 Actual	2019 Actual	2020 Projected	2021 Budgeted	% Change over 2020 Projected	% Change over 2019 Actual
308.0000	Balance	\$ 9,367,831	\$ 9,830,299	\$ 10,043,370	\$ 10,141,772	\$ 10,101,779	-0.39%	0.58%
310.0000	Taxes	8,185,344	8,536,221	8,632,692	8,922,868	9,167,516	2.74%	6.20%
330.0000	Intergovernmental Revenues	160,353	294,689	265,611	214,088	202,150	-5.58%	-23.89%
340.0000	Charges for Goods and Services	35,655	39,875	37,998	19,172	21,760	13.50%	-42.73%
350.0000	Fines and Forfeitures	70,732	60,802	50,060	3	-	-100.00%	-100.00%
360.0000	Miscellaneous Revenues	171,432	186,840	253,705	188,050	231,019	22.85%	-8.94%
	Total Operating Revenues	\$ 8,623,515	\$ 9,118,427	\$ 9,240,067	\$ 9,344,181	\$ 9,622,445	2.98%	4.14%
390.0000	Total Other Financing Sources	-	5,435	14,230	10,678	-	-100.00%	-100.00%
	Total General Fund Revenues	\$ 8,623,515	\$ 9,123,862	\$ 9,254,297	\$ 9,354,859	\$ 9,622,445	2.86%	3.98%
572.1000	Salaries and Wages	4,210,381	4,435,705	4,673,721	4,840,336	5,159,903	6.60%	10.40%
572.2000	Personnel Benefits	1,598,739	1,711,989	1,837,530	1,950,495	1,878,054	-3.71%	2.21%
	Total Salaries, Wages, & Benefits	\$ 5,809,119	\$ 6,147,694	\$ 6,511,251	\$ 6,790,831	\$ 7,037,958	3.64%	8.09%
572.3000	Supplies	1,358,390	1,395,223	1,495,103	1,495,917	1,598,301	6.84%	6.90%
572.4000	Services	840,557	737,739	860,997	797,077	1,066,313	33.78%	23.85%
572.5000	Intergovernmental Services	1,551	161,744	3,542	2,590	-	-100.00%	-100.00%
	Total Operating Expenditures	\$ 8,009,617	\$ 8,442,400	\$ 8,870,893	\$ 9,086,416	\$ 9,702,572	6.78%	9.38%
590.0000	Total Other Financing Uses	151,430	468,391	285,001	308,436	202,150	-34.46%	-29.07%
	Total General Fund Expenditures	\$ 8,161,047	\$ 8,910,791	\$ 9,155,894	\$ 9,394,852	\$ 9,904,722	5.43%	8.18%
508.0000	Ending Fund Balance	\$ 9,830,299	\$ 10,043,370	\$ 10,141,772	\$ 10,101,779	\$ 9,819,502	-2.79%	-3.18%



2021 General Fund Revenues

Budget Number	Description	2017 Actual	2018 Actual	2019 Actual	2020 Projected	2021 Budgeted	% Change over 2020 Projected	% Change over 2019 Actual
311.1000	General Property Taxes	\$ 8,185,342	\$ 8,536,221	\$ 8,632,691	\$ 8,922,868	\$ 9,167,516	2.74%	6.20%
311.3000	Sale of Tax Title Property	1	-	1	-	-	0.00%	-100.00%
310.0000	Total Taxes	8,185,344	8,536,221	8,632,692	8,922,868	9,167,516	2.74%	6.20%
332.9210	COVID-19 Non-Grant Assistance	-	-	-	7,938	-		
333.0000	State Library Grants	6,886	13,139	6,777	4,000	-	-100.00%	-100.00%
335.0232	DNR Other Trust Revenue	663	478	664	-	-	0.00%	-100.00%
335.0233	DNR Timber Trust Revenue	1,274	-	-	-	-	0.00%	0.00%
337.0100	Local Grants & Entitlements	151,530	281,071	258,170	202,150	202,150	0.00%	-21.70%
330.0000	Total Intergovernmental Revenues	160,353	294,689	265,611	214,088	202,150	-5.58%	-23.89%
341.6000	Printing and Duplication Services	26,400	30,073	29,536	7,000	17,500	150.00%	-40.75%
347.2000	Library Use Fees	9,255	9,802	8,462	12,172	4,260	-65.00%	-49.66%
340.0000	Total Charges for Goods and Services	35,655	39,875	37,998	19,172	21,760	13.50%	-42.73%
359.7000	Library Fines	70,732	60,802	50,060	3	-	-100.00%	-100.00%
350.0000	Total Fines and Forfeitures	70,732	60,802	50,060	3	-	-100.00%	-100.00%
361.1100	Investment Interest	98,771	139,955	187,810	152,592	175,481	15.00%	-6.56%
361.1900	Other Interest Earnings	1,192	2,219	2,987	-	-	0.00%	-100.00%
362.0000	Rents and Leases	2,147	1,231	680	150	350	133.33%	-48.50%
367.0000	Contributions and Donations	29,226	6,061	23,183	10,000	17,700	77.00%	-23.65%
369.1000	Sale of Discards	191	74	110	80	80	0.00%	-27.27%
369.8100	Overage/Underage	(82)	(211)	46	-	-	0.00%	-100.00%
369.9101	Other Miscellaneous	16,688	14,333	19,531	16,508	18,158	10.00%	-7.03%
369.9102	Lost/Damaged Materials	19,931	20,373	19,021	8,750	19,250	120.00%	1.21%
369.9103	NSF Fee Recoveries	(153)	(44)	-	(30)	-	-100.00%	0.00%
369.9112	COBRA Reimbursement	3,520	2,849	337	-	-	0.00%	-100.00%
360.0000	Total Miscellaneous Revenues	171,432	186,840	253,705	188,050	231,019	22.85%	-8.94%
	Total Operating Revenues	\$ 8,623,515	\$ 9,118,427	\$ 9,240,067	\$ 9,344,181	\$ 9,622,445	2.98%	4.14%
395.1000	Proceeds from Sale of Cap. Assets	-	5,435	14,230	-	-	0.00%	-100.00%
395.2000	Insurance Recoveries on Cap. Assets	-	-	-	10,678	-		
	Total Other Financing Sources	-	5,435	14,230	10,678	-	-100.00%	-100.00%
	Total General Fund Revenues	\$ 8,623,515	\$ 9,123,862	\$ 9,254,297	\$ 9,354,859	\$ 9,622,445	2.86%	3.98%

Taxes: Taxes on real and personal property are the primary revenue source for the library system, making up 95% of operating revenues received.

Amounts presented in this budget are based on valuations provided to the Library District by the Whatcom County Assessor. Assessed valuations are projected to increase by 8% to \$23.6 billion, based on valuations of existing properties within the District. The impact of this, along with the value of new construction, has been factored in to 2021 budgeted property tax collections. Given this scenario, the District's levy rate will be \$.38927 per \$1,000 of assessed valuation.

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. 2021 revenues have been budgeted to be consistent with prior years. Due to 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.

WCLS does not have any pending state or federal grants for 2021; they will be added as mid-year adjustments as needed.

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

All WCLS branches provide printers and copiers for public use. The amount budgeted for 2021 is increased over 2020 expected revenues but decreased from 2019, in anticipation of continued limited library services due to COVID-19.

Library use fee revenues are generated from the sale of library cards to non-residents, 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 WCLS branch by obtaining a non-resident card. WCLS currently contracts with the Whatcom County Sheriff's Office to provide library services at the Whatcom County Jail, with fees paid each year for services provided in the previous year. 2021 revenues will be impacted by COVID-19 related service interruptions in 2020.

Library Fines: The WCLS Board of Trustees approved discontinuation of late fines on library materials effective January 1, 2020. This revenue source has therefore been removed from the budget.

Miscellaneous Revenues: This source of revenue includes investment interest, rents and leases (meeting room use fees), donations, COBRA reimbursements, charges for lost or damaged library materials, and other miscellaneous revenue.

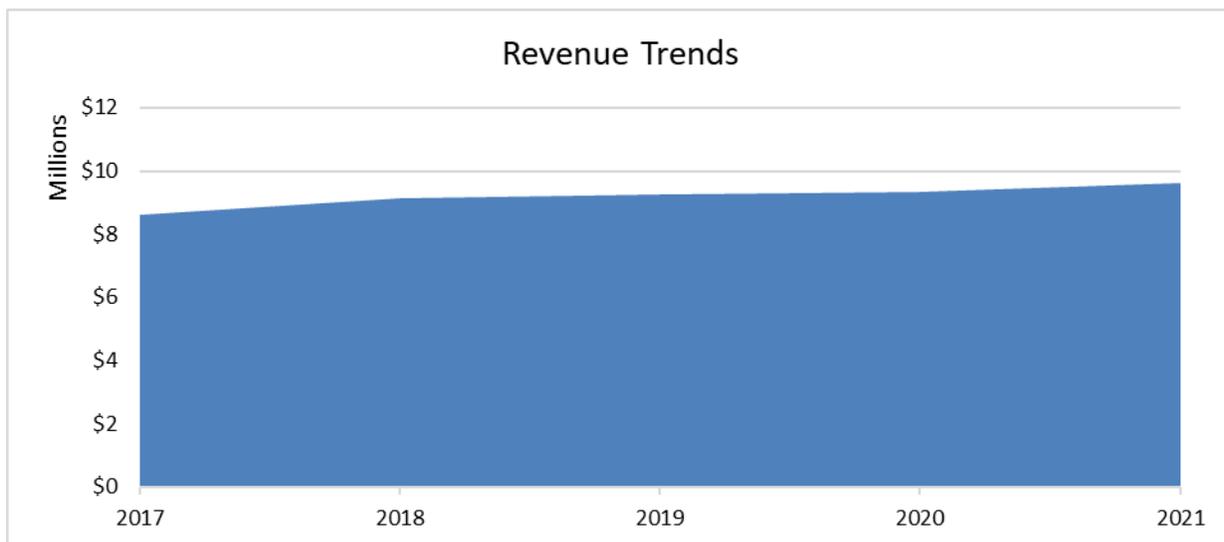
On a monthly basis, WCLS invests any substantial amounts of excess cash available after calculating immediate expenditure needs. WCLS participates in the Whatcom County Investment Pool program administered by the Whatcom County Treasurer. The program is a stable investment pool with various taxing district participants. Given the recent rate of return of the investment pool and national recession, the amount budgeted for 2021 is \$175,481, a 15% increase over projected 2020 interest revenue, though significantly lower than previous years' returns.

Revenue from rents and leases, contributions and donations, sale of discards, and payments for lost or damaged library materials was reduced in 2020 due to COVID-19. 2021 revenues are expected to return to pre-COVID levels.

Other miscellaneous revenues come from 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 2021, but the budget will be amended throughout the 2021 fiscal year to reflect actual collections.

Other Financing Sources: This source of revenue includes proceeds from the sale of capital assets and insurance recoveries. No funds are budgeted in this category for 2021.



2021 General Fund Expenditures

Budget Number	Description	2017 Actual	2018 Actual	2019 Actual	2020 Projected	2021 Budgeted	% Change over 2020 Projected	% Change over 2019 Actual
572.1000	Total Salaries and Wages	\$ 4,210,381	\$ 4,435,705	\$ 4,673,721	\$ 4,840,336	\$ 5,159,903	6.60%	10.40%
572.2010	Retirement	437,319	514,401	533,773	557,650	548,319	-1.67%	2.73%
572.2030	Social Security	308,500	325,401	345,641	370,286	391,591	5.75%	13.29%
572.2045	Health Insurance	812,441	819,227	908,606	947,735	851,607	-10.14%	-6.27%
572.2055	Disability Insurance	7,239	7,746	8,185	9,930	10,893	9.70%	33.09%
572.2059	Industrial Insurance	33,240	45,214	40,825	46,787	55,004	17.56%	34.73%
572.2069	Paid Family Medical Leave	-	-	-	14,269	7,675	-46.21%	0.00%
572.2079	Unemployment Compensation	-	-	-	3,839	12,965	237.69%	0.00%
572.2099	Qualified Moving	-	-	500	-	-	0.00%	-100.00%
572.2000	Total Personnel Benefits	1,598,739	1,711,989	1,837,530	1,950,495	1,878,054	-3.71%	2.21%
	Total Salaries, Wages, & Benefits	5,809,119	6,147,694	6,511,251	6,790,831	7,037,958	3.64%	8.09%
572.3031	Office and Operating Supplies	124,434	105,455	125,670	91,258	117,400	28.65%	-6.58%
572.3032	Fuel Consumed	11,857	15,647	14,820	9,500	16,900	77.89%	14.03%
572.3034	Collection Materials	1,065,515	1,154,758	1,181,662	1,193,000	1,240,000	3.94%	4.94%
572.3035	Small Tools and Minor Equipment	156,583	119,363	172,951	202,159	224,001	10.80%	29.52%
572.3000	Total Supplies	1,358,390	1,395,223	1,495,103	1,495,917	1,598,301	6.84%	6.90%
572.4041	Professional Services	421,794	327,685	372,647	349,961	444,604	27.04%	19.31%
572.4042	Communication	109,506	103,135	102,838	117,881	147,217	24.89%	43.15%
572.4043	Travel	36,804	28,671	38,940	13,338	32,600	144.42%	-16.28%
572.4044	Taxes and Operating Assessments	2,220	2,372	2,498	1,000	2,500	150.00%	0.07%
572.4045	Operating Rentals and Leases	22,610	21,907	21,252	18,650	21,624	15.94%	1.75%
572.4046	Insurance	48,939	51,157	51,914	58,436	61,202	4.73%	17.89%
572.4047	Utility Services	116,386	127,615	118,706	117,621	141,962	20.69%	19.59%
572.4048	Repairs and Maintenance	50,719	40,995	79,258	62,418	116,340	86.39%	46.79%
572.4049	Miscellaneous	31,579	34,204	72,942	57,773	98,265	70.09%	34.72%
572.4000	Total Services	840,557	737,739	860,997	797,077	1,066,313	33.78%	23.85%
572.5051	Intergovernmental Professional Services	1,551	161,744	3,542	2,590	-	-100.00%	-100.00%
572.5000	Total Intergovernmental Services	1,551	161,744	3,542	2,590	-	-100.00%	-100.00%
	Total Operating Expenditures	8,009,617	8,442,400	8,870,893	9,086,416	9,702,572	6.78%	9.38%
588.1000	Adjustments	54	-	-	-	-	-34.46%	0.00%
596.7100	Transfers-Out to Capital	151,376	468,391	285,001	308,436	202,150		
580-590.000	Total Other Financing Uses	151,430	468,391	285,001	308,436	202,150	-34.46%	-29.07%
	Total General Fund Expenditures	8,161,047	8,910,791	9,155,894	9,394,852	9,904,722	5.43%	8.18%
	Revenues in Excess (Deficit) of Expenditures	462,468	213,071	98,402	(39,993)	(282,276)		
508.0000	Ending Fund Balance	\$ 9,830,299	\$ 10,043,370	\$ 10,141,772	\$ 10,101,779	\$ 9,819,502	-2.79%	-3.18%

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. This budget includes additional hours for substitution needs and paid sick leave for all employees regardless of status.

A Cost of Living Adjustment (COLA) of 1.4% has been included in staff salaries and wages based on the results of Interest-Based Bargaining union negotiations. Proficiency increases for 2021 are budgeted at 3% or 1% depending where an employee's salary falls on the 2021 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 and Health Savings Account contributions, workers' compensation (Labor and Industries), Paid Family and Medical Leave, long-term disability insurance, and unemployment compensation.

Retirement contributions are based on rates set by the State of Washington Department of Retirement Systems. The current employer contribution rate is 12.97% of gross wages. Rates are scheduled to decrease to 10.25% effective July 1, 2021.

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 is not projected to increase in 2021.

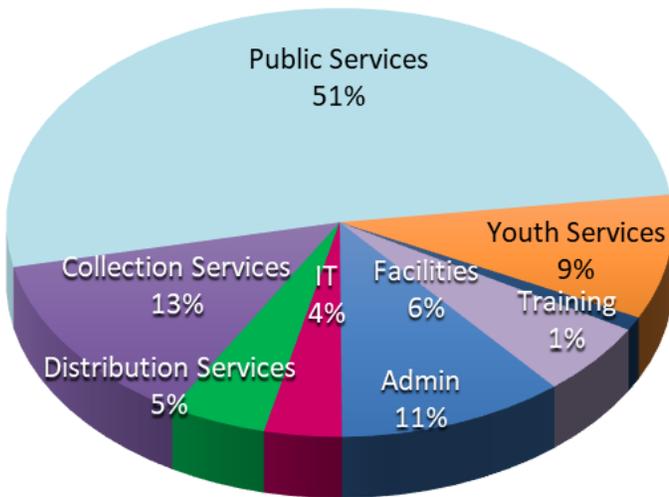
Medical and dental insurance premium costs are covered at 100% for eligible employees. After reviewing various public sector consortium and private broker options, WCLS has elected to move to the Public Employees Benefit Board (PEBB) for medical insurance. This change is expected to mitigate rising costs while continuing to provide competitive and stable health insurance benefits to employees. Dental and long-term disability insurance will continue to be provided through a private broker. Multiple medical plan options are available including QHDHP (Qualified High Deductible Health Plan) combined with a Health Savings Account and PPO (Preferred Provider Organization) plans.

Based on preliminary 2021 rate information, prior year data, and WCLS' experience factor, no increase is budgeted for total workers' compensation rates. These rates are set by the State of Washington Department of Labor and Industries.

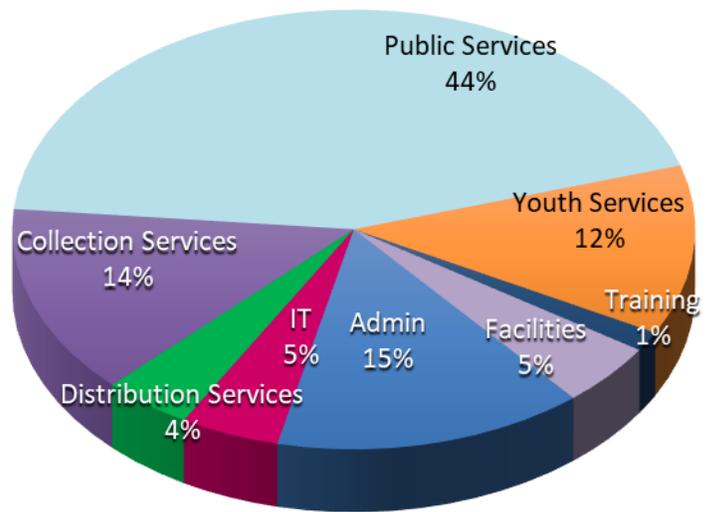
WCLS is on a reimbursable plan with the State of Washington for unemployment compensation. 0.25% of gross wages is budgeted for possible reimbursements.

Paid Family and Medical Leave is a state-mandated paid leave program. Leave is available to qualifying employees with costs 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. Expenses in this category are increased in 2021 due to anticipated COVID-19 related needs, such as bags for curbside pickup, personal protective equipment (face coverings and disposable gloves), and disinfecting supplies.

Fuel: This is diesel and gasoline for WCLS’ Bookmobile and other fleet vehicles. The amount budgeted for 2021 is an increase of 78% over 2020 but just 14% over pre-COVID spending.

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 2021 operating expenditures. This is consistent with 2020 budgeted amounts. 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 furnishings, computers, computer hardware, software, printers, delivery totes, shelving, book returns, and book carts. The 2021 budget includes an 11% increase over 2020.

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. Costs for these services are expected to be consistent with prior years.

The 2021 budget includes an estimate for the cost to hold an election to approve a Library Capital Facilities Area to support the costs of a new library in Birch Bay. The budget also includes increased costs for Equity, Diversity and Inclusion training.

This category also includes payments to certain local fire districts for emergency and 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. These costs were previously recorded under Intergovernmental Professional Services, but have been moved to this category in accordance with an update to the Washington State Budgeting, Accounting and Reporting System (BARS).

Communications: This category includes postage, UPS, FedEx, and other courier services, local and long-distance voice service, fiber optic circuits which link Administrative 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 25% 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 \$.575 per mile. Costs for 2021 are expected to increase over 2020 but remain less than pre-COVID years as out of town travel continues to be limited.

Taxes and Operating Assessments: This category includes the sales taxes paid on printing and duplication services provided to patrons. Budgeted amounts are consistent with pre-COVID spending.

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. Budgeted amounts are consistent with prior years.

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. 2021 premiums are budgeted to increase by 5%.

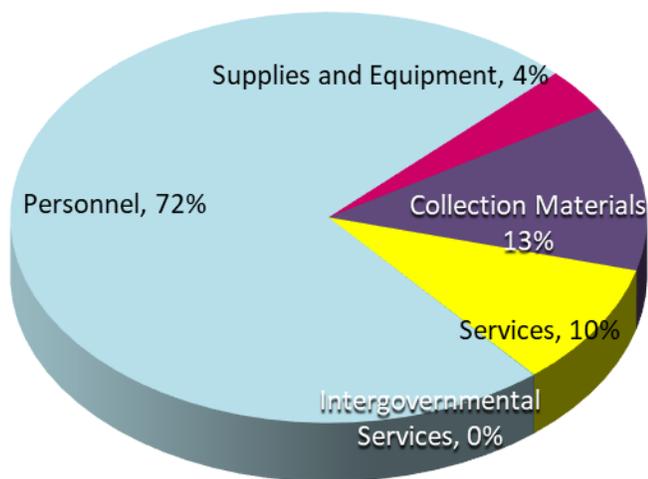
Utilities: This category includes costs for electricity, natural gas, water, sewer, and refuse collection for all WCLS locations. A 21% increase is included to reflect rate changes and increased energy costs due to increased air flow in response to COVID-19.

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 2021 budget includes an increase of 86% over 2020 spending, to reflect an increased contingency.

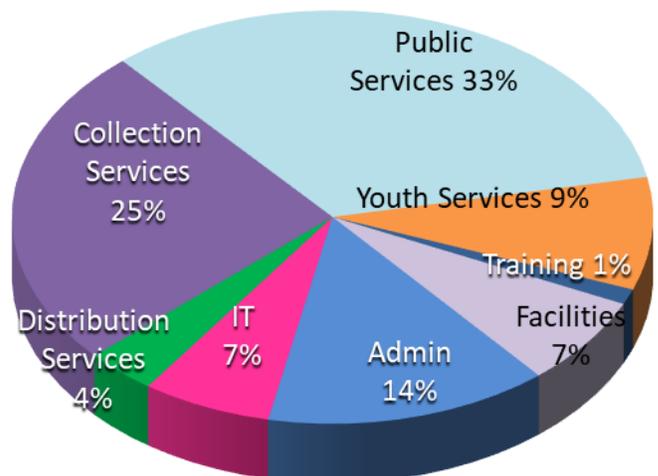
Miscellaneous: This includes trustee and staff WCLS memberships in the Washington Library Association (WLA) and other professional organizations; refunds to patrons who have paid for lost items and later found and returned them; training registration, printing services, and other and miscellaneous fees. An increase of 70% is budgeted over 2020 actual spending, and includes planned increases in printing services for WCLS publications and community mailers.

Other Financing Uses: Consistent with previous years, WCLS will make a transfer to the Capital Fund that is equal to 2020 revenue received from certain intergovernmental sources such as those resulting from the sale of timber and other products from state forest lands.

Budget By Category



Budget By Department



Schedules of Fines and Fees

Administrative Procedure 4.01.04 Schedule of Fines and Fees

Policy Authority: 4.01 Borrower's Policy

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:	
No overdue fines; items that are more than 28 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:	
Lost items will be charged to the patron's account based on their replacement value.	

Adopted by the Whatcom County Library System Board of Trustees May 18, 2010.

Revised: January 21, 2020, September 17, 2019; August 15, 2017; December 20, 2016; March 15, 2016; November 27, 2012; December 13, 2011; December 17, 2010.

7.03 Meeting Room and Facilities Use Policy Attachment A Schedule of Fees

Base Rental Fees (Rate covers 2 hours of use)			
Meeting Room	Capacity	Schedule A	Schedule B
Blaine Library Multi-Use Space	45	No Fee	\$30
Deming Library Meeting Room	58	No Fee	\$30
Ferndale Library Meeting Room	80	No Fee	\$30
Ferndale Library Conference Room	10	No Fee	\$25
Island Library Multi-Use Space	10	No Fee	N/A
Lynden Library Meeting Room	80	No Fee	\$30
Lynden Library Conference Room	10	No Fee	\$25
North Fork Library Outdoor Side Lot		No Fee	\$15 per day
Point Roberts Library Meeting Room	30	No Fee	\$30
Additional Fees			
The following is charged in addition to the base rental fee:			
1. Additional time incurs additional fees charged in two hour blocks.			
2. Before/Afterhours use fee will be assessed by WCLS, the building owner, or Friends of the Library group on a case-by-case basis. Staff time is assessed at \$20 per hour and subject to availability.			
3. If special cleaning or repair is required as a result of use by a person or group, WCLS may charge the contact person an amount equal to the cost incurred by WCLS to return the meeting room to its previous condition.			

Adopted by the Whatcom County Library System Board of Trustees May 17, 2016

Revised: August 17, 2018



Whatcom County Library System Five-Year Capital Improvement Plan 2021-2025

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 most 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 others to the WCLS Capital Fund on an annual basis to fund capital expenditures.

Although not specifically mentioned below, capital purchases in 2021 may also include items or projects identified and approved for 2020 but carried forward into 2021. When this is the case, the 2020 budget will be amended to reflect the revised spending amounts.

Project Descriptions

Building and Furnishings Enhancement and Replacement Program - \$273,132

Projects in this category are intended to further WCLS's efforts to replace aging furnishings and make improvements in its branch libraries. With these projects WCLS hopes to create welcoming public areas that improve patrons' experiences while also increasing staff efficiency and safety through the creation of well-designed, ergonomic workspaces. Several projects planned for 2020 were delayed due to COVID-19 and are therefore carried forward to 2021. A remodel is planned at the Everson Library, and will partially be reimbursed by the Friends of the Everson Library thanks to a bequest received in 2017. Additional smaller scale projects and updates are also planned at other locations.

Building Maintenance and Improvements - \$40,000

Two projects are on the docket for 2021: procuring a generator for Administrative Services to ensure continued services during a power outage and repainting the interior of the Blaine Library.

Branch Lighting Retrofit Upgrades - \$45,000

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 and cost sharing with building owners when possible.

System-wide Facilities Assessment - \$50,000

This project is carried forward from 2020. WCLS will conduct an assessment of each of its library facilities and the Administrative Services building. This study will help to plan and budget for maintenance needs at WCLS owned facilities as well as to better understand the needs of the buildings in which it operates. Results of this study will be incorporated into future Capital Plans.

Exterior Signage Updates - \$25,000

WCLS plans to update aging or outdated exterior signage at many of its branch libraries.

Book Returns - \$23,000

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 2021 as WCLS develops additional partnerships with local schools.

2021-2025 Capital Budget

	Project	2020 Projected	2021	2022	2023	2024	2025	Est. Plan Total
Building and Furnishings Enhancement and Replacement Program								
Facilities	Staff Ergonomic Furnishings	\$ 9,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities	Everson Renovation	25,000	200,000	-	-	-	-	200,000
Facilities	Birch Bay New Branch Furnishings	-	-	228,000	-	-	-	228,000
Facilities	Branch Renovations/Upgrades	21,813	73,132	75,000	75,000	75,000	75,000	373,132
Admin	Branch Interior Signage	5,285	-	-	-	-	-	-
	Sub-Total Building and Furnishings Enhancement and Replacement Program	\$ 61,498	\$ 273,132	\$ 303,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 801,132
Building Repair and Maintenance Program								
Facilities	Admin Services Maintenance & Improvements	\$ 36,347	\$ 30,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 70,000
Facilities	Branch Lighting Retrofit Upgrades	-	45,000	-	-	-	-	45,000
Facilities	System-wide Facilities Assessment	-	50,000	-	-	-	-	50,000
Facilities	North Fork Maintenance & Improvements	14,159	-	10,000	10,000	10,000	10,000	40,000
Facilities	Blaine Interior Painting	-	10,000	-	-	-	-	10,000
Admin	Exterior Signage updates	-	25,000	-	-	-	-	25,000
	Sub-Total Building Repair and Maintenance Program	\$ 50,506	\$ 160,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 240,000
Equipment Replacement Program								
Admin	Vehicle Replacement	\$ -	\$ -	\$ 30,000	\$ 45,000	\$ -	\$ -	\$ 75,000
Public Svcs	Bookmobile Replacement	3,282	-	-	-	-	-	-
	Sub-Total Equipment Replacement Program	\$ 3,282	\$ -	\$ 30,000	\$ 45,000	\$ -	\$ -	\$ 75,000
Access Improvement Program								
Youth Svcs	School Book Returns	\$ -	\$ 23,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 51,000
	Subtotal Access Improvement Programs	\$ -	\$ 23,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 51,000
Library Design Study								
Public Svcs	Birch Bay Library Design	\$ 41,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Svcs	Blaine Library Design	18,291	-	-	-	-	-	-
	Subtotal Library Design Study	\$ 59,607	\$ -					
Total Expenditures		\$ 174,893	\$ 456,132	\$ 360,000	\$ 147,000	\$ 102,000	\$ 102,000	\$ 1,167,132

Funding Summary:	2020	2021	2022	2023	2024	2025	Est. Plan Total
Investment Interest	\$ 16,500	\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 55,000
Grants/Reimbursements	34,713	148,000	-	-	-	-	148,000
Transfers-In From General Fund and Reserves	308,436	202,150	202,150	202,150	202,150	202,150	1,010,750
Prior Period Ending Fund Balance	1,040,846	1,225,602					1,225,602
Total Funding	\$ 1,400,495	\$ 1,590,752	\$ 212,150	\$ 212,150	\$ 212,150	\$ 212,150	2,439,352
Fund Balance:	2020	2020	2021	2022	2023		
Assigned Beginning Fund Balance	\$ 604,846	\$ 789,602	\$ 698,620	\$ 550,770	\$ 615,920	\$ 726,070	
Committed Beginning Fund Balance - Emergency	436,000	436,000	436,000	436,000	436,000	436,000	
Total Beginning Fund Balance	\$ 1,040,846	\$ 1,225,602	\$ 1,134,620	\$ 986,770	\$ 1,051,920	\$ 1,162,070	
Revenues	51,213	163,000	10,000	10,000	10,000	10,000	
Transfers-In	308,436	202,150	202,150	202,150	202,150	202,150	
Expenditures	174,893	456,132	360,000	147,000	102,000	102,000	
Transfers-Out	-	-	-	-	-	-	
Net Income	184,756	(90,982)	(147,850)	65,150	110,150	110,150	
Ending Fund Balance	\$ 1,225,602	\$ 1,134,620	\$ 986,770	\$ 1,051,920	\$ 1,162,070	\$ 1,272,220	

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.