



whatcom county
library system

2022 Budget

December 21, 2021

WHATCOM COUNTY LIBRARY SYSTEM
WHATCOM COUNTY, WASHINGTON

FINAL OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2022

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PREPARED BY:

Jackie Saul
Director of Finance and Administration

WITH ASSISTANCE FROM:

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Beth Andrews, *Incoming Human Resources Manager*
Thom Barthelmess, *Youth Services Manager*
Geoff Fitzpatrick, *Information Technology Manager*
Lisa Gresham, *Collection Services Manager*
Christina Read, *Outgoing Human Resources Manager*
Mary Vermillion, *Community Relations Manager*

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

2022 Budget Introduction – Executive Director’s Message

This past year was again very challenging, with the ongoing COVID-19 pandemic affecting Whatcom County Library System’s daily operations and every decision made. The continued uncertainty is taking a toll on staff, particularly our public services staff who, in some communities, are experiencing frequent challenges to the mask mandate and negative patron behavior. There is collective, societal grief to contend with as well as isolation. This past month, historic flooding has devastated the communities of Sumas, Everson and Nooksack and over 1,500 homes county-wide. The Sumas library filled with 25” of water and will require extensive repairs and the replacement of all shelving, furnishings and technology. Finally, the Birch Bay Library Capital Facility Area failed to meet the 60% supermajority needed for approval, by a heart-breaking 26 votes. To say it has been rough is an understatement.

However – the resilience and grit of WCLS staff are astounding and the sheer breadth and depth of projects accomplished and awards earned in 2021 is astounding.

Highlights of 2021 include distribution of “Check Out Washington backpacks” complete with nature identification guides and Discover Passes, remodeling the Everson Library using funds given to the Friends of the Everson Library via a bequest, and the launch of our Surprise Selections service. Staff rolled out “binge bags” to distribute via curbside pickup. The Youth Services team installed StoryWalks at every library to give families an outdoor, COVID-friendly literacy experience. Staff also rapidly developed a Community Resources tool on our website to give easy access to curated links responding to the flood emergency.

WCLS continues to pay attention to issues related to equity, diversity and inclusion. We formalized four Public Services Assistant – Cultural Liaison positions focusing on Spanish speaking communities, the Nooksack Tribe and Lummi Nation. We also instituted a \$0.30 per hour pay differential for staff who are able and willing to serve the public in a language other than English and who pass a proficiency test.

This January, Bellingham Regional Chamber of Commerce presented a “Toast of the Town” award to WCLS for our work during the first year of the pandemic. Recognition included a special video promoting our efforts. WCLS’s Community Relations team earned national acclaim with a John Cotton Dana Award from the American Library Association for the “I Believe in Libraries” marketing campaign featuring Sasquatch and Friends. We’re so proud that we now have “in house” talent capable of creating such high-quality work that gets the word out about library services in a fun and engaging manner. Another national honor was granted to WCLS’s Integrated Library System Coordinator Carmi Parker, who garnered Library Journal “Mover and Shaker” recognition for her work advocating for public library access to eBooks.

Our Director of Finance and Administration was vigilant this past year monitoring CARES Act and FEMA funding reimbursements for COVID-related supplies, and applying for American Rescue Plan Act (ARPA) funds that will provide ADA-accessible doors and furnishings at branches as well as air filters to improve indoor air quality at our smaller locations. ARPA funding will also support postage for our Books By Mail pilot project to deliver library materials to homebound patrons in 2022.

We reached a successful conclusion to our annual wage and benefit negotiations, agreeing to a 4.5% COLA for all staff and foregoing proficiency increases. This allows the entire pay scale to move up to accommodate the increase to Washington State minimum wage without wage compression. It also

helps us remain competitive in the marketplace with new hires. This year, our longtime HR Manager Christina Read announced her resignation as she has moved out of state. We hired Beth Andrews, who started November 15.

Last but not least, we completed a comprehensive strategic planning process including public surveys, staff and trustee meetings, and several drafts, to arrive at our plan for the next four years:

WCLS C.A.R.E.S. Our updated Values Statement centers people at the heart of our mission – library service is for people, provided by people. Our focus on Community, Access, Resources, Equity and Stewardship will empower staff to do their best work for our community members in the years to come. Our 2022 budget supports our new plan.

-- 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 138,080 in 2021. WCLS offers more than 516,000 books, audiobooks, DVDs, digital resources and other items. WCLS reopened building to the public after being closed for most of 2020, while continuing to offer curbside pickup and online programming.

In Washington State, five library systems, including WCLS, serve populations between 100,001 and 250,000. In 2020, WCLS ranked 4th among these libraries in size of population served, 2nd in total circulation, 1st in circulation per capita, 1st 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 6th 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. Currently, 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 branch locations, the WCLS Mobile Services team provides services to those unable to visit a library. In 2021, Mobile Services served the Whatcom County Jail and provided Bookmobile services to four communities. Visits to retirement and assisted living facilities have been restricted during the pandemic. A Books By Mail program is in development to further extend access to library materials.

Teen and Children's Services partner with Whatcom County school districts and independent schools to provide annual book talks and programming at elementary, middle and high schools throughout the county.

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 Punjabi, Russian and Spanish
- Public meeting rooms
- Local history collections
- Staff to provide expert support for information access and reading recommendations
- Staff members who speak Punjabi, Russian and Spanish and staff who are members of Lummi Nation and the Nooksack Tribe

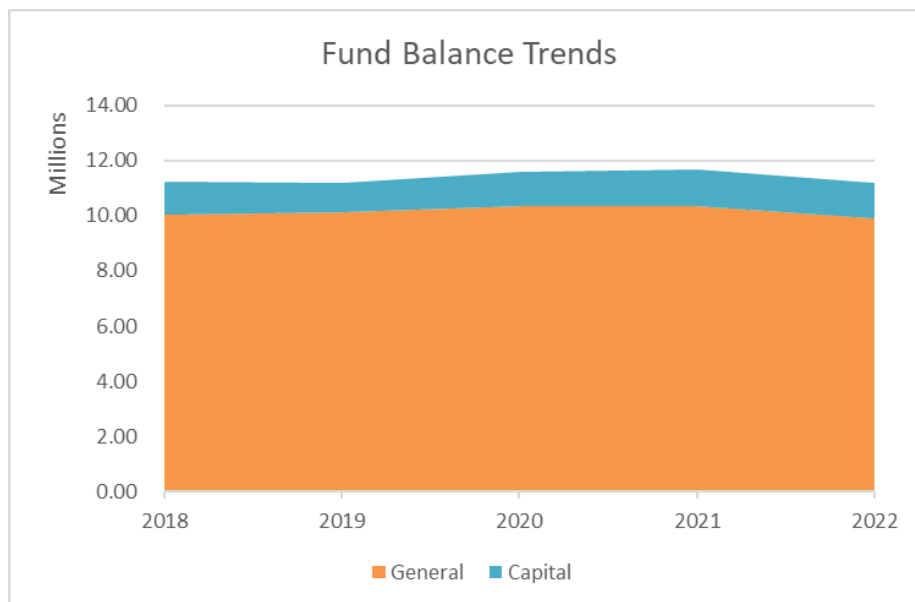
Online, people can access:

- 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
- A robust website, podcast and social media accounts to learn more about library services
- 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

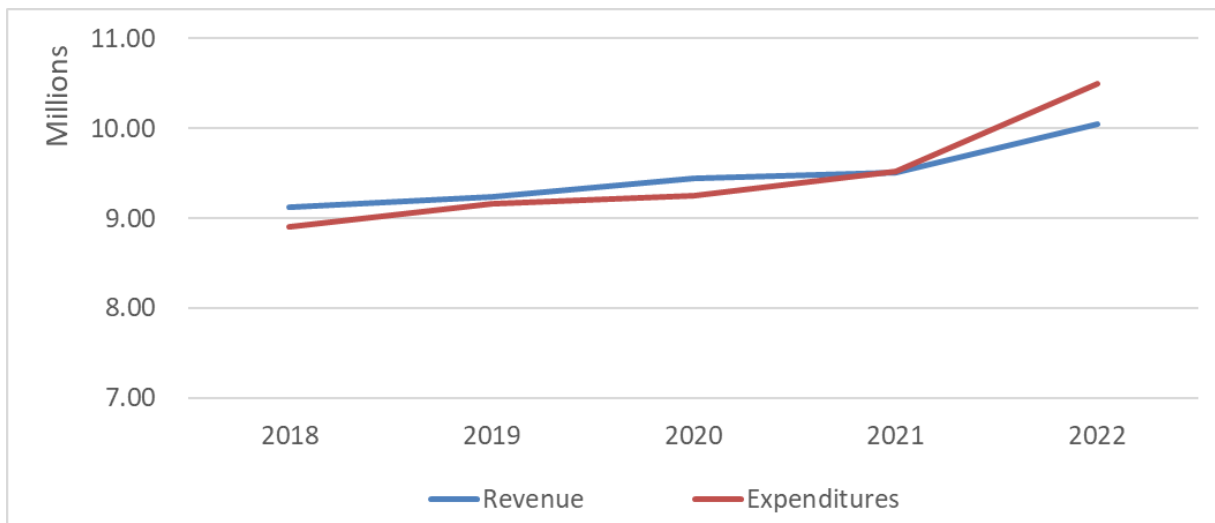
2022 Major Fund Balance Summary

	General Fund	Capital Fund	Total Funds
Beginning Fund Balance	\$ 10,326,603	\$ 1,361,841	\$ 11,688,444
Assigned Beginning Fund Balance - Capital	-	925,841	925,841
Designated Beginning Fund Balance - Cash Flow	3,369,707	-	3,369,707
Designated Beginning Fund Balance - Emergency	850,936	436,000	1,286,936
Designated Beginning Fund Balance - Capital Transfer	172,000	-	172,000
Designated Beginning Fund Balance - Unemployment Comp Reserve	13,599	-	13,599
Designated Beginning Fund Balance - Birch Bay Operating Fund Reserve	600,000	-	600,000
Designated Beginning Fund Balance - Facility Ownership & Library Svcs Fund Reserve	3,192,315	-	3,192,315
Designated Beginning Fund Balance - Facility Maintenance Fund	650,000	-	650,000
Designated Beginning Fund Balance - Operating Cost Stabilization Fund	250,000	-	250,000
Designated Beginning Fund Balance - Collection Project Fund	100,000	-	100,000
Total Assigned & Designated Beginning Fund Balance	9,198,557	1,361,841	10,460,398
Unassigned, Undesignated Beginning Fund Balance	1,128,046	-	1,128,046
Total Estimated Beginning Fund Balance	\$ 10,326,603	\$ 1,361,841	\$ 11,688,444
Total Revenues	\$ 10,123,552	\$ 315,894	\$ 10,439,446
Total Expenditures	10,517,127	380,964	10,898,091
Total Revenues Net of Total Expenditures	\$ (393,575)	\$ (65,070)	\$ (458,645)
Transfer to Operating Budget	\$ (45,000)	\$ -	\$ (45,000)
Ending Fund Balance	\$ 9,888,028	\$ 1,296,772	\$ 11,184,799
Assigned Beginning Fund Balance - Capital	-	860,772	860,772
Designated Beginning Fund Balance - Cash Flow	3,369,707	-	3,369,707
Designated Beginning Fund Balance - Emergency	850,936	436,000	1,286,936
Designated Beginning Fund Balance - Capital Transfer	172,000	-	172,000
Designated Beginning Fund Balance - Unemployment Comp Reserve	13,599	-	13,599
Designated Beginning Fund Balance - Birch Bay Operating Fund Reserve	600,000	-	600,000
Designated Beginning Fund Balance - Facility Ownership & Library Svcs Fund Reserve	3,147,315	-	3,147,315
Designated Beginning Fund Balance - Facility Maintenance Fund	650,000	-	650,000
Designated Beginning Fund Balance - Operating Cost Stabilization Fund	250,000	-	250,000
Designated Beginning Fund Balance - Collection Project Fund	100,000	-	100,000
Total Assigned & Designated Ending Fund Balance	9,053,557	1,296,772	10,350,328
Unassigned, Undesignated Ending Fund Balance	834,471	-	834,471
Total Estimated Ending Fund Balance	\$ 9,888,028	\$ 1,296,772	\$ 11,184,799



2022 General Fund Budget Summary

Budget Number	Description	2018 Actual	2019 Actual	2020 Actual	2021 Projected	2022 Budgeted	% Change over 2021 Projected
308.0000	Estimated Beginning Fund Balance	\$ 9,830,299	\$ 10,043,370	\$ 10,141,772	\$ 10,338,086	\$ 10,326,603	-0.11%
310.0000	Taxes	\$ 8,536,221	\$ 8,632,692	\$ 8,953,253	\$ 9,167,516	\$ 9,419,052	2.74%
330.0000	Intergovernmental Revenues	294,689	265,611	284,562	180,809	272,000	50.43%
340.0000	Charges for Goods and Services	39,875	37,998	18,979	12,400	15,650	26.21%
350.0000	Fines and Forfeitures	60,802	50,060	3	-	-	0.00%
360.0000	Miscellaneous Revenues	186,840	253,705	185,195	144,587	194,850	34.76%
	Total Operating Revenues	9,118,427	9,240,067	9,441,992	9,505,312	9,901,552	4.17%
390.0000	Total Other Financing Sources	342,368	14,230	68,363	3,347	222,000	6533.52%
	Total General Fund Revenues	\$ 9,460,794	\$ 9,254,297	\$ 9,510,355	\$ 9,508,658	\$ 10,123,552	6.47%
572.1000	Salaries and Wages	\$ 4,435,705	\$ 4,673,721	\$ 4,786,615	\$ 4,918,332	\$ 5,403,270	9.86%
572.2000	Personnel Benefits	1,711,989	1,837,530	1,961,972	1,772,208	1,924,262	8.58%
	Total Salaries, Wages, & Benefits	6,147,694	6,511,251	6,748,587	6,690,540	7,327,532	9.52%
572.3000	Supplies	1,395,223	1,495,103	1,421,064	1,596,888	1,785,404	11.81%
572.4000	Services	737,739	860,997	778,269	960,089	1,098,297	14.40%
572.5000	Intergovernmental Services	161,744	3,542	-	-	-	0.00%
	Total Operating Expenditures	8,442,400	8,870,893	8,947,920	9,247,517	10,211,233	10.42%
590.0000	Total Other Financing Uses	468,391	285,001	308,436	272,624	305,894	12.20%
	Total General Fund Expenditures	\$ 8,910,791	\$ 9,155,894	\$ 9,256,356	\$ 9,520,141	\$ 10,517,127	10.47%
	Total Revenues in Excess (Deficit) of Expenditures	\$ 550,003	\$ 98,402	\$ 253,999	\$ (11,483)	\$ (393,575)	-4.01%
	Use of Reserves	(336,933)	-	(57,685)	-	(45,000)	0.00%
508.0000	Ending Fund Balance	\$ 10,043,370	\$ 10,141,772	\$ 10,338,086	\$ 10,326,603	\$ 9,888,028	-4.25%



2022 General Fund Revenues

Budget Number	Description	2018 Actual	2019 Actual	2020 Actual	2021 Projected	2022 Budgeted	% Change over 2021 Projected
311.1000	General Property Taxes	\$ 8,536,221	\$ 8,632,691	\$ 8,953,253	\$ 9,167,516	\$ 9,419,052	2.74%
311.3000	Sale of Tax Title Property	-	1	-	-	-	0.00%
310.0000	Total Taxes	8,536,221	8,632,692	8,953,253	9,167,516	9,419,052	2.74%
333.0000	State Library Grants	13,139	6,777	1,000	1,000	30,000	2900.00%
333.9700	Fed Indirect Grant from DHS	-	-	7,938	7,809	45,000	476.25%
335.0232	DNR Other Trust Revenue	478	664	3,000	-	-	0.00%
335.0233	DNR Timber Trust Revenue	-	-	-	-	-	0.00%
337.0100	Local Grants & Entitlements	259,215	235,643	250,532	150,000	175,000	16.67%
337.0200	Leasehold Excise Tax	21,856	22,527	22,093	22,000	22,000	0.00%
330.0000	Total Intergovernmental Revenues	294,689	265,611	284,562	180,809	272,000	50.43%
341.8000	Printing and Duplication Services	30,073	29,536	6,807	3,400	3,400	0.00%
347.2000	Library Use Fees	9,802	8,462	12,172	9,000	12,250	36.11%
340.0000	Total Charges for Goods and Services	39,875	37,998	18,979	12,400	15,650	26.21%
359.7000	Library Fines	60,802	50,060	3	-	-	0.00%
350.0000	Total Fines and Forfeitures	60,802	50,060	3	-	-	0.00%
361.1100	Investment Interest	139,955	187,810	148,618	90,481	100,000	10.52%
361.1900	Other Interest Earnings	2,219	2,987	-	3	-	-100.00%
362.0000	Rents and Leases	1,231	680	150	700	400	-42.86%
367.0000	Contributions and Donations	6,061	23,183	10,747	22,000	62,350	183.41%
369.1000	Sale of Discards	74	110	80	350	100	-71.43%
369.8100	Overage/Underage	(211)	46	7	-	-	0.00%
369.9101	Other Miscellaneous	14,333	19,531	17,393	20,000	20,000	0.00%
369.9102	Lost/Damaged Materials	20,373	19,021	8,231	11,000	12,000	9.09%
369.9103	NSF Fee Recoveries	(44)	-	(30)	-	-	0.00%
369.9112	COBRA Reimbursement	2,849	337	-	53	-	-100.00%
360.0000	Total Miscellaneous Revenues	186,840	253,705	185,195	144,587	194,850	34.76%
	Total Operating Revenues	9,118,427	9,240,067	9,441,992	9,505,312	9,901,552	4.17%
395.1000	Proceeds from Sale of Cap. Assets	5,435	14,230	-	-	-	0.00%
398.1000	Insurance Recoveries	-	-	10,678	3,347	177,000	
397.3000	Transfers-in from Reserves	336,933	-	57,685	-	45,000	
	Total Other Financing Sources	342,368	14,230	68,363	3,347	222,000	6533.52%
	Total General Fund Revenues	\$ 9,460,794	\$ 9,254,297	\$ 9,510,355	\$ 9,508,658	\$10,123,552	6.47%

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 13.6% to \$26.6 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 2022 budgeted property tax collections. Given this scenario, the District's estimated levy rate will be \$.35427 per \$1,000 of assessed valuation.

Revenue from the sale of tax title property is not budgeted but recorded in mid-year budget adjustments, as is 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.

Starting in 2021, the District has received reimbursement from the Federal Emergency Management Agency (FEMA) for certain costs associated with the COVID-19 pandemic. This reimbursement will continue into 2022. Additionally, the District has been approved to receive funding through American Rescue Plan Act (ARPA) that will be paid out as reimbursement for certain General and Capital Fund costs for projects aimed at mitigating the spread of COVID-19 or improving access to library services.

Additional state or federal grants received in 2022 will be added as mid-year adjustments as needed. If a FEMA disaster declaration is made for the recent flooding in Sumas, the District will apply for funding to support replacement of lost and damaged items.

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. 2022 revenues have been budgeted to be 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.

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 2022 reflects changes to how WCLS charges for printing, including waiving up to \$7.00 per patron per week.

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.

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, the amount budgeted for 2022 is \$100,000, an 10.5% increase over projected 2021 interest revenue.

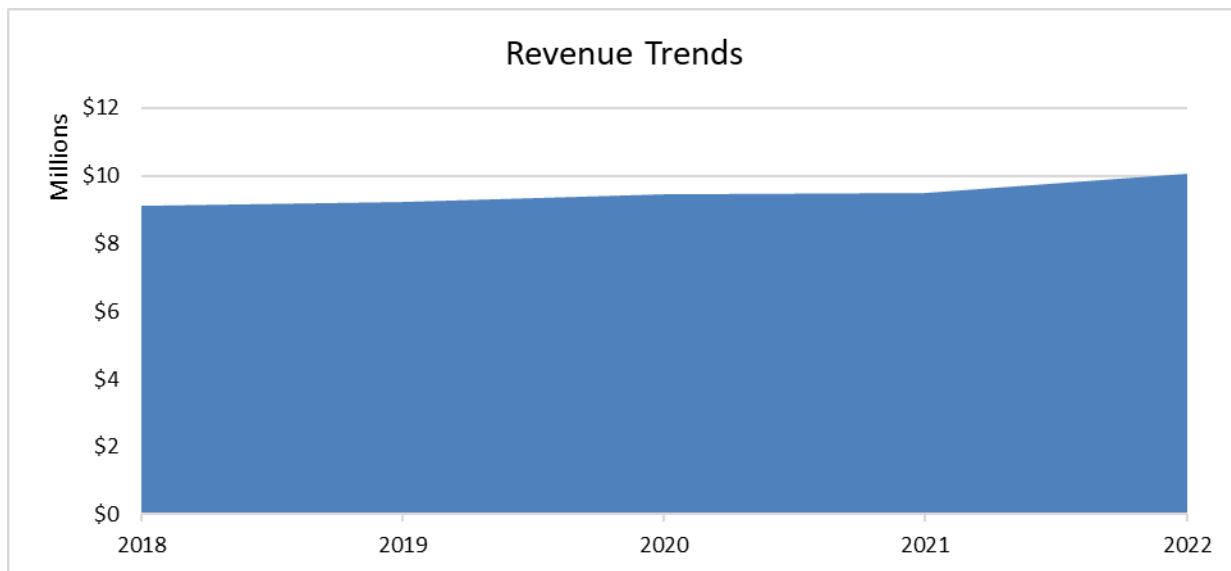
Total flood related losses at the Sumas Library are estimated to exceed the value of the flood insurance policy. Additional funds are budgeted in the contributions and donations category as WCLS investigates various funding opportunities to make up the difference.

No significant changes are anticipated for revenue from rents and leases, sales of discards or payments for lost or damaged library materials.

Other miscellaneous revenues come from reimbursements from Bellingham Public Library for distributing patron notices, and other miscellaneous 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 2022, but the budget will be amended throughout the 2022 fiscal year to reflect actual collections.

Other Financing Sources: This source of revenue includes proceeds from the sale of capital assets, insurance recoveries and transfers-in from reserves. The value of the Sumas Library flood insurance policy (less a \$1,000 deductible) is included here. A transfer from reserves of \$45,000 is budgeted to support the costs of a second Library Capital Facilities Area (LCFA) election in Birch Bay in 2022.



2022 General Fund Expenditures

Budget Number	Description	2018 Actual	2019 Actual	2020 Actual	2021 Projected	2022 Budgeted	% Change over 2021 Projected
572.1000	Total Salaries and Wages	\$ 4,435,705	\$ 4,673,721	\$ 4,786,615	\$ 4,918,332	\$ 5,403,270	9.86%
572.2010	Retirement	514,401	533,773	550,095	533,912	509,891	-4.50%
572.2030	Social Security	325,401	345,641	354,701	376,252	410,864	9.20%
572.2045	Health Insurance	819,227	908,606	1,006,812	763,368	906,777	18.79%
572.2055	Disability Insurance	7,746	8,185	8,510	10,893	11,720	7.59%
572.2059	Industrial Insurance	45,214	40,825	39,086	65,055	62,671	-3.66%
572.2069	Paid Family Medical Leave	-	-	-	21,077	8,740	-58.53%
572.2079	Unemployment Compensation	-	-	2,769	1,650	13,599	724.17%
572.2099	Qualified Moving	-	500	-	-	-	0.00%
572.2000	Total Personnel Benefits	1,711,989	1,837,530	1,961,972	1,772,208	1,924,262	8.58%
	Total Salaries, Wages, & Benefits	6,147,694	6,511,251	6,748,587	6,690,540	7,327,532	9.52%
572.3031	Office and Operating Supplies	105,455	125,670	86,973	113,552	128,150	12.86%
572.3032	Fuel Consumed	15,647	14,820	6,787	16,900	19,300	14.20%
572.3034	Collection Materials	1,154,758	1,181,662	1,107,168	1,240,000	1,364,000	10.00%
572.3035	Small Tools and Minor Equipment	119,363	172,951	220,135	226,436	273,954	20.99%
572.3000	Total Supplies	1,395,223	1,495,103	1,421,064	1,596,888	1,785,404	11.81%
572.4041	Professional Services	327,685	372,647	309,210	442,426	487,600	10.21%
572.4042	Communication	103,135	102,838	121,614	134,738	138,204	2.57%
572.4043	Travel	28,671	38,940	13,712	9,050	30,400	235.91%
572.4044	Taxes and Operating Assessments	2,372	2,498	644	500	600	20.00%
572.4045	Operating Rentals and Leases	21,907	21,252	17,854	19,692	23,016	16.88%
572.4046	Insurance	51,157	51,914	58,436	60,645	65,290	7.66%
572.4047	Utility Services	127,615	118,706	107,878	133,049	136,542	2.62%
572.4048	Repairs and Maintenance	40,995	79,258	78,838	70,940	116,840	64.70%
572.4049	Miscellaneous	34,204	72,942	70,083	89,049	99,805	12.08%
572.4000	Total Services	737,739	860,997	778,269	960,089	1,098,297	14.40%
572.5051	Intergovernmental Professional Services	161,744	3,542	-	-	-	0.00%
572.5000	Total Intergovernmental Services	161,744	3,542	-	-	-	0.00%
	Total Operating Expenditures	8,442,400	8,870,893	8,947,920	9,247,517	10,211,233	10.42%
596.7100	Transfers-Out to Capital	468,391	285,001	308,436	272,624	305,894	
580-590.000	Total Other Financing Uses	468,391	285,001	308,436	272,624	305,894	12.20%
	Total General Fund Expenditures	\$ 8,910,791	\$ 9,155,894	\$ 9,256,356	\$ 9,520,141	\$ 10,517,127	10.47%
	Revenues in Excess (Deficit) of Expenditures	\$ 550,003	\$ 98,402	\$ 253,999	\$ (11,483)	\$ (393,575)	
	Use of Reserves	(336,933)	-	(57,685)	-	(45,000)	
508.0000	Ending Fund Balance	\$ 10,043,370	\$ 10,141,772	\$ 10,338,086	\$ 10,326,603	\$ 9,888,028	-4.25%

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. In 2022 we are budgeting for 98.3 full time equivalents (FTE), which is approximately 163 employees working a total of 208,271 hours.

A Cost of Living Adjustment (COLA) of 4.5% has been included in staff salaries and wages based on the results of Interest-Based Bargaining union negotiations.

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 10.25% of gross wages. Rates are not scheduled to change again until July 2023.

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 2022.

Medical and dental insurance premium costs are covered at 100% for eligible employees. Costs for dependents are shared by the employer and employees. WCLS participates in the Washington State Public Employees Benefits Board (PEBB), which offers multiple medical plan options including QHDHP (Qualified High Deductible Health Plan) combined with a Health Savings Account and PPO (Preferred Provider Organization) plans.

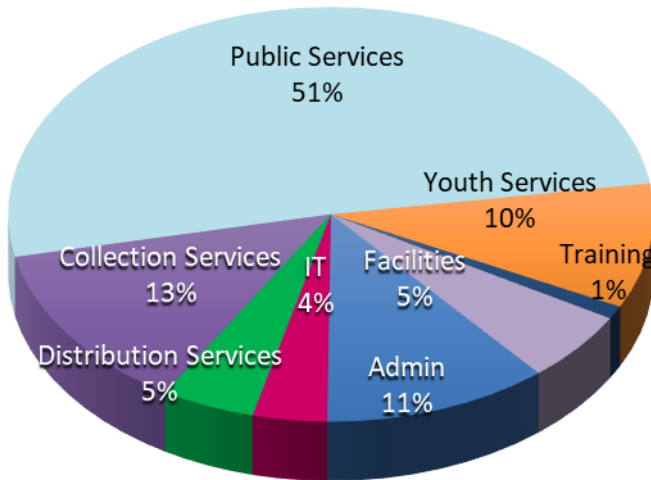
PEBB rate increases were modest in 2022, however, the 2022 budget reflects an increase of 18.8% over 2021 costs. This is due to a reduction in costs in 2021 as a portion of 2021 premiums were paid in FY 2020.

Based on preliminary 2022 rate information, prior year data, and WCLS' experience factor, an increase of 15% is budgeted for total workers' compensation rates, however, actual costs will remain flat over 2021. These rates are set by the State of Washington Department of Labor and Industries.

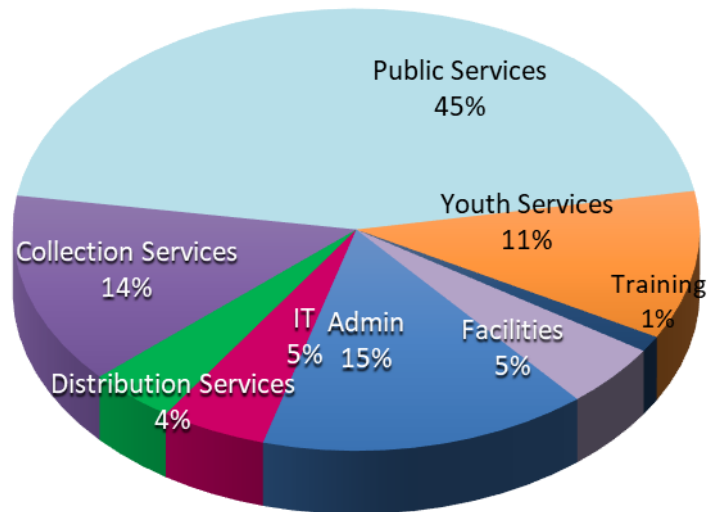
WCLS is on a reimbursable plan with the State of Washington for unemployment compensation. 0.25% of gross wages is budgeted for possible reimbursements.

Paid Family and Medical Leave is a state-mandated paid leave program that began in 2019. Leave is available to qualifying employees with costs shared by the employer and employees. Rates are set by the Washington State Employment Services Division (ESD). Due to an ESD payment processing issue, WCLS has yet to pay premiums for this program; the 2021 amount reflects premium payments that have been held since 2019.

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 expected to increase 12.9% over 2021 and include additional costs for replacement of items lost in the recent Sumas flooding.

Fuel: This is diesel and gasoline for WCLS’ Bookmobile and other fleet vehicles. The amount budgeted for 2022 has increased by 14.2% from 2021 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 2022 operating expenditures, which represents an increase of \$55,000 or 10% over 2021 spending. An additional \$69,000 has been budgeted to replace collection items lost to flooding in Sumas. 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 2022 budget includes a 21% increase over 2021 and includes additional costs for replacement of computer and other IT equipment lost in the recent Sumas flooding.

Professional Services: The amount budgeted in this category includes costs for legal services, payroll services, 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 with an increase of 10.2% anticipated in 2022.

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 per an update to the Washington State Budgeting, Accounting and Reporting System (BARS).

The 2022 Professional Services budget includes \$45,000 for a second Library Capital Facilities Area (LCFA) election in Birch Bay in 2022.

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 2.6% to allow for increased bandwidth and postage costs.

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 \$0.56 per mile. Costs for 2022 are expected to increase significantly as out of town travel is expected to resume.

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

Rentals: This category includes costs for leasing a postage meter, copiers, storage containers 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 expected to increase by 16.9% over 2021 to reflect a moderate rent increase for the Sudden Valley Adult Center July 1, 2022, and the use of a storage container at Administrative Services.

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. 2022 premiums are budgeted to increase by 7.7%.

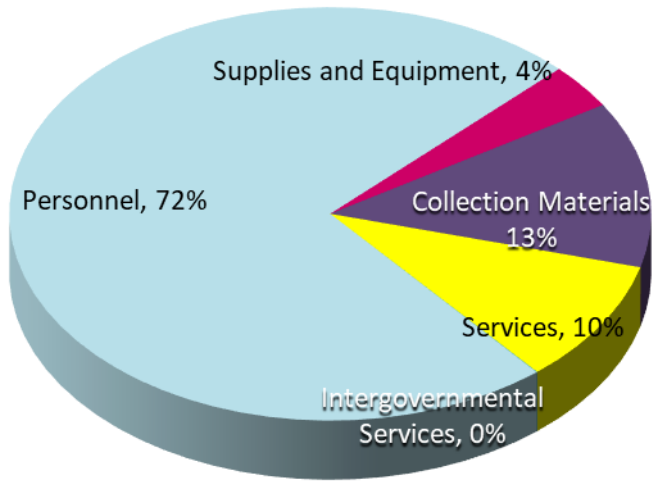
Utilities: This category includes costs for electricity, natural gas, water, sewer and refuse collection for all WCLS locations. A 2.6% increase is included to reflect inflation and other cost increases.

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 2022 budget includes an increase of 64.7% over 2021 spending.

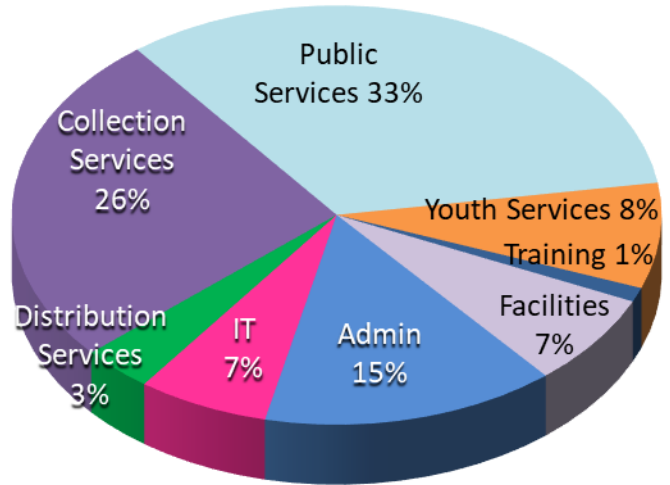
Miscellaneous: This includes trustee and staff WCLS memberships in the Washington Library Association (WLA) and other professional organizations, refunds to patrons who have paid for lost items and later found and returned them, training registrations, printing services and other and miscellaneous fees. An increase of 12.1% is budgeted over 2021 spending.

Other Financing Uses: Consistent with previous years, WCLS will make a transfer to the Capital Fund that is equal to 2021 revenue received from certain intergovernmental sources such as those resulting from the sale of timber and other products from state forest lands. ARPA funding for Capital projects and replacement of fixtures and furnishings at the Sumas Library are also included in the amount budgeted for the 2022 transfer.

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 may 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: August 17, 2021, 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
Ferndale Library Study Room	3	No Fee	\$15
Lynden Library Meeting Room	80	No Fee	\$30
Lynden Library Conference Room	10	No Fee	\$25
Lynden Library Study Room	3	No Fee	\$15
North Fork Library Outdoor Side Lot	40' x 40'	No Fee	\$15
Point Roberts Library Meeting Room	30	No Fee	\$30
Additional Fees			
<p>The following is charged in addition to the base rental fee:</p> <ol style="list-style-type: none"> 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: July 20, 2021, August 17, 2018, March 28, 2017



Whatcom County Library System Five-Year Capital Improvement Plan 2022-2026

Introduction

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

The 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.

In 2021 WCLS conducted a system-wide Facilities Assessment that focused on structural and mechanical integrity, current conditions, and future needs of the buildings housing WCLS libraries and its Administrative Services center. The results of this assessment are under review and will be incorporated into the Capital Improvement Plan at a later date.

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 2022 may also include items or projects identified and approved for 2021 but carried forward into 2022. When this is the case, the 2022 budget will be amended to reflect the revised spending amounts.

Project Descriptions

Building and Furnishings Enhancement and Replacement Program - \$247,964

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 and 2021 have been delayed due to COVID-19 and nation-wide supply chain challenges. These costs are forward to 2022.

This category also includes funds to replace shelving, furnishings and other fixtures that were damaged by recent flooding at the Sumas Library.

Building Repair and Maintenance Program - \$90,000

This category includes three projects 2022. The first is to procure a generator for Administrative Services to ensure continued services during a power outage.

WCLS is also working toward installing LED lighting in each of its libraries over the next few years; in 2022 this effort will focus on the Deming Library. 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.

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

Access Improvement Program - \$43,000

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 2022 as WCLS develops additional partnerships with local schools.

With the success of Express Libraries at Administrative Services and Point Roberts, WCLS is investigating additional holds pickup options. Funds are budgeted in 2022 for a self-service locker system at the Island Library.

2022-2026 Capital Improvement Plan and Budget

2022-2026 CAPITAL IMPROVEMENT PLAN								
	Project	2021 Projected	2022	2023	2024	2025	2026	Est. Plan Total
Building and Furnishings Enhancement and Replacement Program								
Facilities	Everson Renovation	\$ 173,574	\$ 46,464	\$ -	\$ -	\$ -	\$ -	\$ 46,464
Facilities	Sumas Refurbish & Reopen	-	115,000	-	-	-	-	115,000
Facilities	Birch Bay New Branch Furnishings	-	-	250,000	-	-	-	250,000
Facilities	Branch Renovations/Upgrades	-	86,500	75,000	75,000	75,000	75,000	386,500
	Sub-Total Building and Furnishings Enhancement and Replacement Program	173,574	247,964	325,000	75,000	75,000	75,000	797,964
Building Repair and Maintenance Program								
Facilities	Admin Services Maintenance & Improvements	-	30,000	10,000	10,000	10,000	10,000	70,000
Facilities	Branch Lighting Retrofit Upgrades	10,682	35,000	-	-	-	-	35,000
Facilities	System-wide Facilities Assessment	95,000	-	-	-	-	-	-
Admin	Exterior Signage updates	255	25,000	-	-	-	-	25,000
	Sub-Total Building Repair and Maintenance Program	105,936	90,000	10,000	10,000	10,000	10,000	130,000
Equipment Replacement Program								
Admin	Vehicle Replacement	-	-	30,000	45,000	-	-	75,000
	Sub-Total Equipment Replacement Program	-	-	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
Public Svcs	Locker Self-Checkout System	-	20,000	-	-	-	-	20,000
	Subtotal Access Improvement Programs	-	43,000	7,000	7,000	7,000	7,000	71,000
Land Purchase/New Branch/Branch Upgrades								
Public Svcs	Birch Bay Library Design	31,516	-	-	-	-	-	-
	Sub-total Land Purchase/New Branch/Branch Upgrades	31,516	-	-	-	-	-	-
Total Expenditures		\$ 311,027	\$ 380,964	\$ 372,000	\$ 137,000	\$ 92,000	\$ 92,000	\$ 1,073,964

Funding Summary:		2021	2022	2022	2023	2024	2025	Est. Plan Total
Investment Interest		\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
Grants/Reimbursements		148,000	-	-	-	-	-	-
Transfers-In From General Fund and Reserves		272,624	305,894	250,000	250,000	250,000	250,000	1,305,894
Prior Period Ending Fund Balance		1,242,243	1,361,841					1,361,841
Total Funding		\$ 1,672,868	\$ 1,677,735	\$ 260,000	\$ 260,000	\$ 260,000	\$ 260,000	2,717,735
Fund Balance:		2021	2022	2021	2022	2023		
Assigned Beginning Fund Balance		\$ 806,243	\$ 925,841	\$ 860,772	\$ 748,772	\$ 871,772	\$ 1,039,772	
Committed Beginning Fund Balance - Emergency		436,000	436,000	436,000	436,000	436,000	436,000	
Total Beginning Fund Balance		\$ 1,242,243	\$ 1,361,841	\$ 1,296,772	\$ 1,184,772	\$ 1,307,772	\$ 1,475,772	
Revenues		158,000	10,000	10,000	10,000	10,000	10,000	
Transfers-In		272,624	305,894	250,000	250,000	250,000	250,000	
Expenditures		311,027	380,964	372,000	137,000	92,000	92,000	
Transfers-Out		-	-	-	-	-	-	
Net Income		119,598	(65,070)	(112,000)	123,000	168,000	168,000	
Ending Fund Balance		\$ 1,361,841	\$ 1,296,772	\$ 1,184,772	\$ 1,307,772	\$ 1,475,772	\$ 1,643,772	

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.