CALL TO ORDER
President Robin McClelland called the meeting to order at 5:02pm.

APPROVAL OF AGENDA
Jessica Bonebright moved approval of the Board Meeting agenda. Jim Wigfall seconded and the motion passed unanimously.

APPROVAL OF BOARD MINUTES
Jim Wigfall moved approval of the September 30, 2015 Board Meeting minutes. Jessica Bonebright seconded and the motion passed unanimously.

PUBLIC FORUM
Mercer Island resident Carv Zwingle thanked Gary Wasdin, KCLS staff and Miller-Hull architects for doing a wonderful job on the Mercer Island remodel project. The process was inclusive and considered input from Island residents, including 2,300 who responded to the online survey.

STAFF REPORTS

2016 Preliminary Budget
Dwayne Wilson said the Preliminary Budget includes an estimated 1.0% increase in property tax revenue as a result of growth in assessed values. While assessed values have increased 8.1%, property tax law limits revenue growth to a 1.0% increase over the prior year, plus new construction revenue. New construction revenue is forecast to be $1.56M in 2016. Other revenue of $2.96M includes fines, lost materials fees, excise and timber taxes, eRate reimbursements and funding from the KCLS Foundation. The result is projected total revenue of $114.7M, which is a 2.4% increase over 2015. KCLS anticipates an operating surplus of approximately $3.0M at the end of 2015.

Salaries, substitute salaries and benefits comprise 63% of the total operating budget. The Preliminary Budget includes a 1.75% general wage increase assumption contingent upon Board approval, automatic salary-step increases, as well as new positions budgeted for 2016. The substitute salaries budget is $100K lower than the previous year based on actual expenditures in 2015 and projected trends. Healthcare premiums from KCLS’ primary benefits provider are increasing 8.0% in 2016 and drive an overall 4.8% increase in benefits expenditures for 2016.

The Administrative Planning Team was tasked with keeping budget targets at or below 2015 expenditures. Although the 2016 budget includes $250K for a long-term strategic planning project, total non-compensation operating expenditures are budgeted at $180K over the previous year.
In 2016, KCLS will transfer $8.4M from the general fund to the 302 and 307 Funds to cover construction, furnishings and materials costs for all remaining capital projects.

The projected ending general fund balance for 2016 is $47.2M. A multi-year projection out to 2025 continues to show KCLS’ ending fund balance above the minimum threshold until approximately 2020 or 2021, which keeps KCLS in a good position to extend the next lid lift beyond 2018 as originally projected.

FINANCE REPORT
General fund expenditures in September were $8.6M and expenditures year-to-date are $77.3M, which reflects 69% of the budget expended compared to 75% of the year completed.

General fund revenue of $2.5M includes $2.3M in current property taxes and reflects 55.3% of the budget received, compared to 54.9% last year.

Expenditures in the 307 Fund of $1.3M include large payments for the White Center ($883K), Kingsgate ($264K) and Skyway ($142K) projects, as well as $33K for opening-day collections for Skyway, Tukwila and White Center. Year-to-date expenditures for opening-day collections are approaching the $400K budget.

The majority of expenditures in the 302 Fund were for the Renton Highlands ($1.6M) and the Tukwila ($683K) projects. There were also $187K of trailing expenses for the Renton Library project.

APPROVAL OF SEPTEMBER EXPENDITURES
Jim Wigfall moved approval of Payroll expenditures for September in the amount of $2,771,823.08: Sep 1-15 Ck#160399-160472; 376386-377585 and Sep 16-30 Ck#160473-160543; 377586-378786. Jessica Bonebright seconded and the motion passed unanimously.

Jessica Bonebright moved approval of General Fund #0010 expenditures for September in the amount of $6,052,531.81: Travel Advances - Ck#1176-1178; (09/10) Ck#1077957; (09/11) Ck#5005646; (09/11) Ck#1077958-1078042; (09/14) Ck#1078043-1078086;1078087-1078118; (09/15) Ck#5005647-5005670;1078119-1078128; (09/15) Ck#1078129-1078145; (09/17) Ck#1078146-1078227;1078228-1078238; (09/17) Ck#5005671-5005675; (09/18) Ck#1078239-1078253;5005676-5005699; (09/22) Ck#1078254-1078371; (09/23) Ck#1078372-1078399;1078400-1078430; (09/25) Ck#5005700-5005753;1078431-1078456; (09/25) Ck#1078457-1078491;1078492-1078502; (09/29) Ck#1078503-1078569; (09/30) Ck#1078570-1078606; (10/02) Ck#1078607-1078634;5005754-5005776; (10/02) Ck#5005777-5005781;1078635-1078643; (10/02) Ck#1078644-1078731; (10/05) Ck#1078732-1078763;1078764-1078804; (10/08) Ck#1078805-1078880;5005782; Voids - Ck#1078063;1078027. Jim Wigfall seconded and the motion passed unanimously.

Jim Wigfall moved approval of Construction Band Fund 1988 #3020 expenditures for September in the amount of $2,487,835.54: (09/11) Ck#3020686-3020694; (09/14) Ck#3020695-3020697; (09/15) Ck#3020698; (09/17) Ck#3020699; (09/22) Ck#3020700-3020709; (09/23) Ck#30207010-3020711-3020712; (09/25) Ck#3020713-3020714; (09/29) Ck#3020715-3020719; (09/30) Ck#3020720-3020721; (10/02) Ck#3020722; (10/05) Ck#3020723; (10/08) Ck#3020724-3020726;3020727. Jessica Bonebright seconded and the motion passed unanimously.

Jessica Bonebright moved approval of Capital Project Fund 2005 #3070 expenditures for September in the amount of $1,331,601.93: (09/14) Ck#3073176; (09/21) Ck#3073177; (09/22) Ck#3073178-3073180; (09/23) Ck#3073181; (09/25) Ck#3073182-3073184; (09/29) Ck#3073185-3073188; (09/30) Ck#3073189; (10/05) Ck#3073190; (10/08) Ck#3073191. Jim Wigfall seconded and the motion passed unanimously.

Jim Wigfall moved approval of Gift Fund #6010 expenditures for September in the amount of $3,684.67: (09/11) Ck#6010633-6010634; (09/17) Ck#6010635; (09/25) Ck#6010636; (09/29) Ck#6010637; (10/02) Ck#6010638-6010643; (10/08) Ck#6010644; 6010645. Jessica Bonebright seconded and the motion passed unanimously.
APPROVAL OF 2016 BOARD MEETING SCHEDULE
Robin McClelland noted for the record that the 2016 Board meeting schedule includes several meetings that fall on the last Wednesday of the month instead of the fourth Wednesday. She also noted the earlier Board meeting dates in November and December.

Jim Wigfall moved approval of the 2016 Board meeting schedule as presented. Jessica Bonebright seconded and the motion passed unanimously.

DIRECTOR'S REPORT
Gary Wasdin said the Skyway Library opening has been tentatively set for Saturday, January 23 at 9:30am.

Gary thanked Robin McClelland and Jessica Bonebright for attending a meeting of regional trustees at the Renton Library on October 24. He said the discussion on measuring the impact of libraries foreshadows KCLS' plans to launch a long-term strategic planning project next year. A big part of the project will include how to demonstrate the value of libraries to communities.

KCLS hosted a small ribbon-cutting ceremony at the Bellevue Library to launch Plazas Comunitarias, a new program that provides a wide range of basic education resources in Spanish to help community members who are still learning English to build the skills they need to advance their education.

Recruiters from Bradbury Associates/Gossage Sager Associates have posted the position for the Director of Human Resources to replace Charlene Richards. KCLS hopes to have someone hired in early 2016.

KCLS hosted another successful Friends Day on October 17. Over 120 attendees enjoyed a fun morning of award presentations, great food and a rousing game of Library Jeopardy. Maple Valley Guild members Evelyn and Joe Defrisco were honored with the Lifetime Achievement Award and Tricia Morehouse Miller was recognized as Friend of the Year. Gary thanked all Friends for being active and passionate library supporters in their communities.

ADJOURNMENT
The meeting was adjourned at 5:44pm.

Robin McClelland, President

Robert Spitzer, Secretary