



King County Library System Board of Trustees Meeting

KCLS Service Center
5pm ♦ December 20, 2017

PRESENT MOTIONS APPROVED

KCLS BOARD

Angélica Alvarez
Pamela Grad
Robin McClelland
Robert Spitzer
Lalita Uppala
Jim Wigfall

KCLS Staff

Julie Acteson
Beth Castleberry
Jenny Engstrom
Maria Hatcher
Holly Koelling
Nicholas Lee
Cynthia McNabb
Bruce Schauer
Greg Smith
Stephen Smith
Jim Wood

1. Board Meeting agenda
2. November 29, 2017 Board meeting minutes
3. Payroll expenditures
4. General Fund #0010 expenditures
5. Construction Bond Fund 1988 #3020 expenditures
6. Capital Project Fund 2005 #3070 expenditures
7. Resolution 2017-12 Surplus Real Property (Vehicles)
8. 2018 Salary Schedules for Represented and Non-Represented staff
9. Resolution 2017-13 Adoption of 2018 Budget
10. 2018 Board Meeting Schedule
11. Election of 2018 Officers & Finance Committee Chairperson
12. Resolution 2017-14 Recognition of Trustee Robert Spitzer for 10 Years of Service

CALL TO ORDER

President Jim Wigfall called the meeting to order at 5:02pm.

APPROVAL OF AGENDA

Angélica Alvarez moved approval of the Board Meeting agenda. Pamela Grad seconded and the motion passed unanimously.

APPROVAL OF BOARD MINUTES

Pamela Grad moved approval of the November 29, 2017 Board Meeting minutes. Lalita Uppala seconded and the motion passed unanimously.

PUBLIC COMMENT

There was no public comment.

CLASSIFICATION / COMPENSATION STUDY

Human Resources Director Cynthia McNabb presented the results of the Classification and Compensation Study. She said that management made a commitment to staff that no one would experience a salary freeze or drop in pay grade if positions were discovered to be paid over-market; only positions that were discovered to be under-market would be adjusted. KCLS plans to implement recommendations from the Class/Comp study in the first payroll cycle of 2018. The Board thanked Cynthia for ensuring a clear and accountable process.

2018 SALARY SCHEDULE

Cynthia McNabb said the 2018 Budget includes a recommended three percent general wage increase for all KCLS staff in anticipation of reporting from the Bureau of Labor Statistics and the impact of the Classification and Compensation Study. Although nationally, KCLS salaries are either at- or over-market compared to peer libraries of similar size and circulation, the proposed increase will begin the process of narrowing the gap in wages between KCLS and comparable organizations in the region. Specifically, KCLS was found to be behind Seattle Public Library (3.97 percent), Sno-Isle Libraries (3.02 percent) and slightly behind Multnomah County Library. The proposed wage increase allows KCLS to remain competitive with its regional peers while also being mindful of the impact of increasing salary and benefits costs on KCLS' declining general fund balances in upcoming years.

2018 FINAL BUDGET

As discussed in the Finance Committee meeting, Interim Finance Director Jim Wood said that the 2018 Final Budget includes a projected beginning general fund balance of \$57M. Projected expenditures of \$127M include a planned transfer from the General Fund to the 307 Fund to cover project expenditures for Kent Panther Lake and Boulevard Park Libraries. Projected expenditures of \$127M against projected revenues of \$122M create a budget shortfall of \$5M, which will draw down the ending general fund balance. Jim thanked the Board and staff for their support over the last six months. He said the experience was both enjoyable and educational.

2016 AUDIT

Finance Director Nicholas Lee said that by law, KCLS is subject to an audit of its finances and procedural controls of public resources. The Auditor presented its report on December 11, and Trustees Rob Spitzer and Jim Wigfall were in attendance. KCLS received a clean audit of its financial reporting and controls. The Auditor specifically recognized Purchasing Manager Renee Wasisco for her assistance during the Audit. As discussed in the Finance Committee, the Auditor has sent a management letter to KCLS recommending that it revisit its agreement with the KCLS Foundation to ensure proper accounting of financial transactions. Nicholas said KCLS will address the recommendations in 2018.

FINANCE REPORT

Salary expenditures for November are 88 percent of budget due to salary savings from unfilled positions. After retroactive pay is taken into account, salary expenditures are projected to come in under budget by \$2.0M.

Professional Services expenditures are 72.4 percent of budget. Expenditures for the Classification/Compensation study were lower than budgeted. Expenditures for ideaX have been lower than anticipated, but are expected to increase toward the end of the year. Insurance expenditures year-to-date are higher than expected due to the timing of annual contracts paid earlier in the year. Capital Furnishing, Fixtures and Equipment are slightly over budget due to two months of expenditures paid in a single month.

Year-to-date revenues in November are 100 percent of budget. Total revenue for 2017 is expected to be 102 percent of budget after the KCLS Foundation reimburses for quarterly program expenses.

Expenditures in the 307 Fund include year-end spending related to the Kent Panther Lake project. Expenditures in the 302 Fund include trailing expenses for Library Connection @ Southcenter and Tukwila Library.

APPROVAL OF MONTHLY EXPENDITURES

Lalita Uppala moved approval of Payroll expenditures for November in the amount of \$2,649,243.82: Nov 1-15 Ck#171166-171236; 454001-455222 and Nov 16-30 Ck#171237-171295;470001-471222. Rob Spitzer seconded and the motion passed unanimously.

Rob Spitzer moved approval of General Fund #0010 expenditures for November in the amount of \$5,686,261.66: Travel Advances - Ck#1285-1286; (11/03) Ck#5008629-5008659;1101784-1101797; (11/06) Ck#1101798-1101927; (11/09) Ck#101928-1101947;5008660-5008662;1101948-1101951; (11/09) Ck#1101952-1101957; (11/15) Ck#1101958-1102075; (11/16) Ck#1102076-1102099; (11/17) Ck#5008663-5008687;1102100-1102124; (11/20) Ck#1102125-1102168;1102169-1102208; (11/21) Ck#1102209-1102323; (11/22) Ck#5008688-5008690;1102324-1102328; (11/22) Ck#1102329-1102406; (11/29) Ck#1102407-1102543; (11/30) Ck#1102544-1102556; (12/01) Ck#1102557-1102599;1102600-1102632; (12/04) Ck#5008691; (12/06) Ck#1102768-1102770 Voids - Ck#1101908,1102438. Angélica Alvarez seconded and the motion passed unanimously.

Angélica Alvarez moved approval of Construction Bond Fund 1988 #3020 expenditures for November in the amount of \$13,287.08: (11/20) Ck#3021115-3021116; (11/30) Ck#3021117-3021118. Robin McClelland seconded and the motion passed unanimously.

Robin McClelland moved approval of Capital Project Fund 2005 #3070 expenditures for November in the amount of \$46,543.73: (11/09) Ck#3073747-3073748;3073749; (11/16) Ck#3073750; (11/20) Ck#3073751-3073752; (11/30) Ck#3073753-3073756; (12/01) Ck#3073757.
Pamela Grad seconded and the motion passed unanimously.

RESOLUTION 2017-12 SURPLUS REAL PROPERTY VEHICLES

As discussed in the Finance Committee meeting, the resolution declares two fleet vehicles as surplus and authorizes the sale of both. **Pamela Grad moved approval of Resolution 2017-12. Angelica Alvarez seconded and the motion passed unanimously.**

APPROVAL OF 2018 SALARY SCHEDULE

Robin McClelland moved approval of a three percent general wage increase for all staff effective January 1, 2018. Lalita Uppala seconded. There was no further discussion and the motion passed unanimously.

RESOLUTION 2017-13 ADOPTION OF 2018 BUDGET

As discussed in the Finance Committee meeting, the 2018 Final Budget remains largely unchanged from the Preliminary Budget presented at the Board of Trustees meeting in October and the public budget hearings in November. A footnote has been added to the General Fund Summary to explain adjustments to the actual 2016 Ending Fund Balance which impacts the projected 2017 Beginning Fund Balance. **Angelica Alvarez moved approval of Resolution 2017-13. Pamela Grad seconded and the motion unanimously.**

2018 MEETING SCHEDULE

After reviewing the proposed 2018 Board meeting schedule, Robin McClelland requested that the October meeting date be changed from October 31 to October 24. **Robert Spitzer moved approval of the amended 2018 Board Meeting schedule. Lalita Uppala seconded and the motion passed unanimously.**

ELECTION OF OFFICERS FOR 2018

Rob Spitzer approval to elect Angelica Alvarez as Board President and Lalita Uppala as Board Secretary in 2018. Pamela Grad seconded. All voted in favor and the motion passed unanimously.

Rob Spitzer moved approval to nominate Jim Wigfall as chair of the Finance Committee, noting that other Trustees may preside in his absence. Angelica Alvarez seconded and the motion passed unanimously.

KCLS FOUNDATION LIAISON

Jim Wigfall agreed to serve as Board Liaison to the KCLS Foundation.

RESOLUTION 2017-14

President Jim Wigfall read Resolution 2017-14 in recognition of Rob Spitzer:

WHEREAS, for ten years, Robert Spitzer has served on the King County Library System Board of Trustees and has steadfastly upheld the organization's mission, vision, and values; and

WHEREAS, he has supported the principles of Intellectual Freedom and has advocated for equitable library services for all citizens; and

WHEREAS, he has been instrumental in shaping the future of the King County Library System by supporting the implementation of KCLS' Capital Improvement Plan; and

WHEREAS, he has dutifully governed the King County Library System in good faith and has been a prudent steward of public funds.

NOW, THEREFORE, BE IT RESOLVED that the King County Library System Board of Trustees recognizes Robert Spitzer for his leadership and service to KCLS, and expresses its profound appreciation on behalf of all members of the library community.

Angelica Alvarez moved approval of Resolution 2017-14. Lalita Uppala seconded and the motion passed unanimously.

Robin McClelland noted that Rob's mother, Charlotte Spitzer, served on the KCLS Board before him, making him a second-generation Trustee. Rob said his mother was appointed as a Trustee at the age of 81 and served from 2000 until health issues forced her to step down before the end of her second term. He said his mother was a smart woman who loved being a Trustee, found joy in the work, and was well-regarded by staff and fellow Board members. He said to follow in his mother's footsteps and continue the work that she loved has given added meaning to serving on the governing Board of the Library System.

DIRECTOR'S REPORT

Stephen Smith said that Lisa Rosenblum will begin her new role as Library Director on January 16.

In 2016, KCLS launched Lucky Day collections at five community libraries and Collections Management Services will be adding Lucky Day collections at three more: Burien, Mercer Island and Shoreline. The goal is to have at least one Lucky Day collection in each region.

Mercer Island council members and city administrators toured the Collections Management Services department and Materials Distribution Services Center in Preston for a behind-the-scenes look at how KCLS' distribution network gives communities access to the Library System's vast collection of materials. The tours also illustrated processes at the System-level that support branch operations that aren't necessarily visible to patrons at a local level.

On December 5, KCLS was invited to attend a Town Hall at Thomas Jefferson High School in Auburn hosted by King County Councilmember Pete von Reichbauer. The program focused on topics of interest to immigrant communities and also featured speakers from the King County Department of Public Health, King County Sheriff's Office, King County Elections, and King County Metro.


Rob Spitzer thanked Interim Finance Director Jim Wood for stepping into his interim role without any library experience and doing an excellent job keeping everything on track. He also thanked Steve Smith, and said the public and staff feedback the Board received revealed that KCLS couldn't have asked for a better interim leader. Angelica Alvarez said she appreciated Steve's thoughtful leadership during the Library Director search and the way in which he focused on the importance of racial equity during the interviews. Robin McClelland said she didn't want to count the number of times she dialed Steve's phone, and thanked him for his guidance and discipline during the Director search process. Jim Wigfall said he echoed the comments of his fellow Board members and expressed appreciation for excellent leadership. Lalita Uppala said that as a relative newcomer to the Board, she admired Steve's leadership, especially during the Director interviews.

Jim Wigfall also acknowledged Jim Wood for his role in leading the Finance department during the interim period.

ADJOURNMENT

The meeting was adjourned at 6:45pm.

Angélica Alvarez, President



Lalita Uppala, Secretary