



King County Library System Board of Trustees Meeting

KCLS Service Center
5pm ♦ December 19, 2018

PRESENT MOTIONS APPROVED

KCLS BOARD

Angélica Alvarez
Pamela Grad
Robin McClelland
Ron Higgs
Anne Repass
Jim Wigfall

KCLS Staff

Julie Acteson
Beth Castleberry
Jenny Engstrom
Maria Hatcher
Nicholas Lee
Tess Mayer
Cynthia McNabb
Jed Moffitt
Lisa Rosenblum
Bruce Schauer
Greg Smith

1. Board Meeting agenda
2. November 28, 2018 Board meeting minutes
3. Payroll expenditures
4. General Fund #0010 expenditures
5. Capital Project Fund 2005 #3070 expenditures
6. Revised 2019 Board Meeting schedule
7. 2019 Salary Schedules for Represented and Non-Represented staff
8. Resolution 2018-04 Adoption of 2018 Budget
9. Election of 2019 Officers & Finance Committee Chairperson
10. Resolution 2018-05 Recognition of Trustee Jim Wigfall for 10 Years of Service

CALL TO ORDER

President Angélica Alvarez called the meeting to order at 5:02pm.

APPROVAL OF AGENDA

Jim Wigfall moved approval of the Board Meeting agenda. Anne Repass seconded and the motion passed unanimously.

APPROVAL OF BOARD MINUTES

Anne Repass moved approval of the November 28, 2018 Board Meeting minutes. Pamela Grad seconded and the motion passed unanimously.

PUBLIC COMMENT

Linda Jarvis gave the following public comment:

I am a KCLS employee. While I reside in Seattle, my taxes support KCLS through its reciprocal agreement with the Seattle Public Library. I am not a full-time employee.

My concern today is the mismanagement of public funds visible in the many payroll errors occurring in the past two years, and more specifically the overpayment of 40-hour personnel and the recovery of those funds.

I understand when the rollover to a new payroll system (ADP) occurred, employees voiced concerns that they were over-paid. They were assured by payroll that their wages were correct. Now those same employees must not only return the funds, but they must also worry about how their taxes and other payroll deductions are affected by this financial mismanagement. This situation has been going on for about two years, which seems extremely long.

Many KCLS employees rely on our paychecks to be correct since we use those monies to support our expenses. We do not budget a fund in case our paycheck is wrong and we suddenly must payback our employers for their errors.

My first question: is anyone being held accountable for this disaster?

My second question: how much money was erroneously paid versus the costs the taxpayers are shouldering to recover these funds? (Independent auditors, employee hours tracing and correcting the problems, certified letters, lawyer consulting fees, the public must be made aware of all these expenses. Comment- I think I left this sentence out)

My third question: going forward, what procedures will be implemented to monitor, identify and ensure that all KCLS projects are not wasting taxpayer money or placing undue hardships on their employees?

My final question is when will answers to these questions be available?

Bellevue resident Barbara Spindel said she is following up on the public comments she made at a Board meeting two months ago to thank the Board for listening and reinstating Public Forums. She thinks it is a step in the right direction for the public to have the opportunity to have their questions answered.

2019 SALARY SCHEDULE

Cynthia McNabb said the 2019 Budget includes a recommended three-percent general wage increase for all KCLS staff. The proposed increase places KCLS in the middle range of comparable organizations and allows KCLS to remain competitive with its regional peers.

2019 FINAL BUDGET

As discussed in the Finance Committee meeting, the 2018 Final Budget remains largely unchanged from the Preliminary Budget that was presented in October. Total revenue in 2019 is expected to increase 2.8 percent based on an updated report from the Assessor's office, which shows New Construction revenue increasing from \$1.8 million to \$2.2 million. Adjustments to the projected ending fund balance for 2018 is based on the Actual 2017 ending fund balance and anticipated changes in budgeted revenues and expenditures in 2018. Total salary expenditures increased approximately \$400K due to updated projections for staffing the new Kent Panther Lake Library. The increase is offset by cost savings in benefits, which results in the total Personnel budget remaining the same.

FINANCE REPORT

Total general-fund revenues year-to-date are 100.1 percent of budget. Fiscal year 2018 revenues are budgeted 2.8 percent higher than 2017. Year-over-year revenues received increased \$3.2M, or 2.7 percent, compared to the same period last year. Compared to the same period last year, Investment Interest for the month of November increased \$495K and revenue from the KCLS Foundation increased \$132K. Miscellaneous revenue is \$783K lower due to a property sale that occurred in the previous year.

General-fund expenditures are at 88.2 percent of budget with 92 percent of the budget year completed. Total expenditures are budgeted 5.4 percent higher than 2017. Year-over-year expenditures increased \$6.9M or 6.7 percent. Compared to the same period last year, Salaries in the month of November increased \$2.4M in 2018 and Professional Services decreased \$355K. Repairs and Maintenance expenditures are slightly ahead of pace at 96.22 percent of budget, which is partly attributable to unanticipated repairs.

In the 307 Fund, total budget expended for the Kent Panther Lake and Boulevard Park projects is 49 percent and 42 percent, respectively.

APPROVAL OF MONTHLY EXPENDITURES

Ron Higgs moved approval of Payroll expenditures for November in the amount of \$2,866,367.95: Nov 1-15 Ck#172886-172963; 450001-451228 and Nov 16-30 Ck#172964-173031; 470001-471241. Robin McClelland seconded and the motion passed unanimously.

Robin McClelland moved approval of General Fund #0010 expenditures for November in the amount of \$5,950,911.66: Travel Advances - Ck#1353; (11/08) Ck#5010249-5010251;1112459-1112463;1112464-1112513; (11/08) Ck#1112514-1112535;1112536-1112581;1112582-1112608; (11/13) Ck#1112609-1112621;1112622-1112630;1112631-1112636; (11/13) Ck#1112637-1112644;1112645-1112657; (11/14) Ck#1112658-1112744; (11/15) Ck#1112745-1112789;1112790-1112822;5010252-5010286; (11/19) Ck#1112823-1112893;1112894-1112897;1112898-1112903; (11/21) Ck#5010287-5010289;1112904-1112909;1112910-1112986; (11/23) Ck#1112987-1112990;1112991-1112993;

1112994-1112998; (11/23) Ck#1112999-1113008;1113009-1113014;1113015-1113018; (11/23) Ck#1113019-1113037; (11/29) Ck#1113038-1113073;1113074-1113131;1113132-1113171; (11/29) Ck#1113172-1113196;1113197-1113204;1113205-1113213; (11/29) Ck#1113214-1113220;1113221-1113226;1113227-1113253; (12/03) Ck#1113254-1113300;1113301-1113304;1113305-1113317; (12/03) Ck#1113318-1113323; (12/04) Ck#1113324-1113326;5010290.

Pamela Grad seconded and the motion passed unanimously.

Pamela Grad moved approval of Capital Project Fund 2005 #3070 expenditures for November in the amount of \$251,638.80: (11/14) Ck#3073850; (11/19) Ck#3073851-3073855; (11/21) Ck#3073856-3073857; (11/23) Ck#3073858-3073863;3073864-3073867; (11/29) Ck#3073868-3073870;3073871-3073875(12/03) Ck#3073876-3073878. Anne Repass seconded and the motion passed unanimously.

2019 MEETING SCHEDULE

After previously approving the 2019 Board meeting schedule in November, the Board requested that the November 2019 meeting date be changed from November 27 to November 20 to avoid potential scheduling conflicts the night before Thanksgiving. ***Pamela Grad moved approval of the revised 2019 Board Meeting schedule. Anne Repass seconded and the motion passed unanimously.***

APPROVAL OF 2019 SALARY SCHEDULE

Anne Repass moved approval of a three-percent general wage increase for all staff effective January 1, 2019. Jim Wigfall seconded. There was no further discussion after being presented in the Finance Committee meeting. The motion passed unanimously.

RESOLUTION 2018-04 ADOPTION OF 2018 BUDGET

As discussed in the Finance Committee meeting, the 2019 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. ***Jim Wigfall moved approval of Resolution 2018-04. Ron Higgs seconded and the motion unanimously.***

ELECTION OF OFFICERS FOR 2019

Angélica Alvarez said the normal rotation of duties calls for Lalita Uppala to assume the position of Board President and Pamela Grad as Secretary in 2019. In Lalita's absence, Angélica recommended voting on officers based on the regular rotation and discussing it further at the January meeting. ***Robin McClelland moved approval to elect Lalita Uppala as Board president and Pamela Grad as Board secretary. Jim Wigfall seconded and the motion passed unanimously.***

Ron Higgs and Anne Repass volunteered to serve on the Finance Committee. ***Pamela Grad moved approval to appoint Ron Higgs and Anne Repass to the Finance Committee. Jim Wigfall seconded and the motion passed unanimously.***

RESOLUTION 2018-05

Angélica Alvarez read Resolution 2018-05 in recognition of Jim Wigfall:

WHEREAS, Jim Wigfall has served on the King County Library System Board of Trustees for ten years 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, and has been instrumental in shaping the future of library service in King County; 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 Jim Wigfall for his leadership and service to KCLS, and expresses its profound appreciation on behalf of staff and all members of the library community.

Anne Repass moved approval of Resolution 2018-05. Ron Higgs seconded and the motion passed unanimously.

Jim said it has been an amazing 10 years with some exciting times along the way. He looks forward to continuing to work with KCLS when he returns to his previous role as a KCLS Foundation Board member.

DIRECTOR'S REPORT

Lisa said she is quickly coming to the end of her first year as Executive Director. She thanked the Board for hiring her and said that the job has provided the challenge and interest she has wanted.

Lisa attended a city managers meeting on the topic of levy lid lifts that included useful information from cities that had successful levies and those that did not.

KCLS held its annual Service Awards Reception, honoring 59 staff members who had a combined 1,530 service years, including 40-, 45-, and 50-year service award recipients.

Lisa acknowledged Trustees Anne Repass and Ron Higgs for their poise answering a number of questions from King County Council members who confirmed their respective appointments to the KCLS Board on December 11.

The bond funds for the Issaquah Library Capital Facility Area and Redmond Capital Facility Area have been closed and the remaining funds have been transferred to KCLS for future capital improvements of the respective libraries.

In early 2018, the KCLS Foundation will launch a new campaign "Dream Big: Anything is Possible." In partnership with JP Morgan Chase and the Why Not You Foundation (WNYF), the campaign will celebrate Chase's ten years of philanthropy in the Puget Sound region. WNYF, the charitable organization founded by Russell Wilson and his wife Ciara, will give \$100,000 to KCLS in 2019 to fund a limited-edition library card inspired by Russell and Ciara that will be available at 38 Chase branches in King County and all KCLS libraries. Their gift will also support the expansion of KCLS' Teen Voices program at several libraries that have large numbers of students who qualify for free or reduced-priced lunches, and where current library-card usage among teens is low. WNYF will serve as a sponsor of the 2019 Literary Lions Gala and will provide up to \$100,000 in additional funding for teen scholarships. Russell Wilson and Ciara have more than 50 million followers on social media and KCLS is excited about the new audiences this partnership will bring to the library.

In response to public comments earlier in the evening, Pamela Grad requested an update from Lisa, in the next month or two, on the steps KCLS has taken to resolve recent problems with the payroll system.

TRUSTEES REPORT

Ron Higgs said the ad hoc Governance Committee met the previous week to review the bylaws. He presented the Committee's proposed amendments:

Article I: Purpose

"The purpose of this organization is to provide public library service for the rural residents of King County. . ."

Article II: Meetings

Section 1: ". . . election of officers shall be held in December with installation as soon as practicable after the first day of January."

Section 2, no change.

Section 3, last sentence: "Notice of all meetings shall be given by the secretary Library District either orally, or in writing, or electronically."

Section 4. Three alternatives were proposed to set the size of a quorum: keep it at three, increase it to four, or make it dependent on a majority of seated members. Lisa Rosenblum said she took the liberty to consult with attorney Dan Gottlieb, who also serves on the Kitsap Regional Library Board. It is his opinion that the Board does not have the statutory authority to set its own quorum and must abide by the common law precept that a majority of the full Board constitutes a quorum. In the case of KCLS' seven-member board, a quorum would be four. Ron withdrew the proposed alternatives and said the language would reflect the information provided by counsel.

The Committee proposes adding a Section 5 to Article II.

Section 5. It shall be the duty of the Library District to keep a permanent record of all meetings of the Board, give notice of all meetings of the Board to the members thereof, and perform other duties as the Board may direct.

Article III: Officers

Section 1, no changes.

Section 2, "It shall be the duty of the president to act as spokesman spokesperson..."

Section 3,

~~It shall be the duty of the secretary to keep a permanent record of all meetings of the Board. The secretary shall give notice of all meetings of the Board to the members thereof and perform such other duties as generally pertain to the office of secretary or as the Board may direct. In the absence of the president it shall be the duty of the secretary to assume the duties of the president.~~

"In the absence of the president, it shall be the duty of the secretary to assume the duties of the president. In the absence of both officers, the most senior Board member will preside over the meeting."

Article IV: Committees

Change 'President' to lower case for consistency.

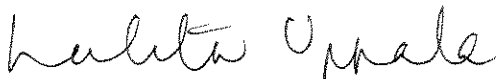
Article V: Amendments

No changes.

Ron thanked the Trustees for their suggestions and Maria Hatcher for her assistance. As stated in Article V of the bylaws, the Board will vote to approve the proposed amendments at their next meeting on January 30, 2019.

ADJOURNMENT

The Board deferred to Jim Wigfall to move to adjourn his last meeting as a KCLS Trustee. Pamela Grad seconded. The meeting adjourned at 6:04pm.



Lalita Uppala, President



Pamela Grad, Secretary