

# Sno-Isle Libraries

## Board of Trustees

**October 25, 2021, 5:00 p.m.**

Zoom webinar link: <https://us02web.zoom.us/j/83617990313>

Dial in: +1 253 215 8782 or +1 669 900 6833

Webinar ID: 836 1799 0313

## Meeting Agenda

- 1) **Call to Order**
- 2) **\*Approval of Agenda**
- 3) **Land Acknowledgement**
- 4) **Introduction and Recognition of Guests**
- 5) **\*Consent Agenda Items**
  - a) Approval of September 20, 2021 regular meeting minutes;
  - b) Approval of September 2021 Sno-Isle Payroll, Benefits, and Vouchers.

### **September 2021**

Direct Deposits and Employee Deductions	\$2,285,605.99
Vendor Checks 73331, 73360, 73415, 73473 and 73584 through 73594. Plus Electronic Fund Transfers	\$794,354.15
<b>Total Payroll and Benefits</b>	<b>\$3,079,960.14</b>
Accounts Payable Checks 73311 through 73594 less checks listed above, plus Electronic Transfers	\$1,308,952.27
<b>Total Payroll, Benefits and Accounts Payable</b>	<b>\$4,388,912.41</b>

- 6) **Public Comment**
- 7) **Communications to the Board**
- 8) **Executive Director's Report**
  - a) Library presentation – Lynnwood Library Manager Michael Delury
  - b) Executive Director's report [Attachment #1](#)
  - c) Financial Update – Director of Finance and Facilities Gary Becker [Attachment #2](#)
- 9) **New Business**
- 10) **Unfinished Business**
  - a) 2022 Budget – Executive Director Lois Langer Thompson, Director of Finance and Facilities Gary Becker, and Accounting Manager Nicole Wehl [Attachment #3](#)
- 11) **President, Trustee Committees, and Foundation Representative Reports**
  - a) President's Report / Executive Committee – President Kostick
    - i) Proposed 2022 Meeting Schedule [Attachment #4](#)
  - b) Board Development / Administration Committee – Chair Ryan
  - c) Foundation Board Representative – Trustee Olson
  - d) Nominating Committee – Chair Ryan
  - e) Strategic Planning / Finance Committee – Chair Tessandore
- 12) **Announcements and Comments**
- 13) **\*Adjournment**

*Sno-Isle Libraries is committed to providing inclusive, accessible events. To request Sign Language interpreters or other accommodations, please contact Meredith Kraft at (360) 913-2723 or [mkraft@sno-isle.org](mailto:mkraft@sno-isle.org). Providing at least 72 hours' notice prior to the meeting will help ensure availability.*

### **Board of Trustees**

Susan Kostick (President) • Kelli Smith (Vice President) • Rose Olson (Secretary)  
Jennifer DePrey • Martin Munguia • Paul Ryan • Rico Tessandore

### **Executive Director**

Lois Langer Thompson

**SNO-ISLE LIBRARIES**

# Sno-Isle Libraries

## Board of Trustees

Monday, September 20, 2021

Meeting Minutes

Zoom virtual meeting

### Call to Order

President Kostick called the meeting to order at 5:01 p.m.

### Land Acknowledgement

*We acknowledge that we are on the traditional land of the Coast Salish Peoples, including the Tulalip, Snohomish, Stillaguamish, and Sauk-Suiattle Tribes past and present, and honor with gratitude the land itself and many tribes.*

### Roll Call

**Members Present:** Jennifer DePrey, Susan Kostick, Martin Munguia, Paul Ryan, Rose Olson, and Rico Tessandore.

**Staff Present:** Barbara Adams, Gary Becker, Lia Escudero Belcher, Michelle Callihan, Kaley Costello, David Durante, Nick Fuchs, Lindsay Hanson, Alisha Hendren, Monica Jackson, Meredith Kraft, Rebecca Loney, Jane López-Santillana, Jenny Piper, June Robinson, Chy Ross, Lois Langer Thompson, Kathy Wahl, Nicole Wehl, and Shanda Zimmerman.

### Introduction and Recognition of Guests

President Kostick welcomed Senator Marko Liias, Representative John Lovick, and Representative Steve Tharinger.

### Approval of Agenda

Trustee DePrey moved the Sno-Isle Libraries Board of Trustees approve the agenda as presented. Trustee Munguia seconded the motion. The Board unanimously approved the motion.

### Consent Agenda Items

Trustee Ryan moved to approve the Consent Agenda as amended.

- a) Approval of July 26, 2021 regular meeting minutes;
- b) Approval of August 16, 2021 Committee of the Whole meeting minutes;
- c) Approval of July 2021 Sno-Isle Payroll, Benefits, and Vouchers;
- d) Approval of August 2021 Sno-Isle Payroll, Benefits, and Vouchers.

#### July 2021

Direct Deposits and Employee Deductions	\$2,234,455.59
Vendor Check 72868, 72972, 73022 and 73053 through 73061, plus Electronic Fund Transfers	\$749,553.43
<b>Total Payroll and Benefits</b>	<b>\$2,984,009.02</b>
Accounts Payable Checks 72832 through 73061 less checks listed above, plus Electronic Transfers	\$932, 152.54
<b>Total Payroll, Benefits and Accounts Payable</b>	<b>\$3,916,161.56</b>

#### Board of Trustees

Susan Kostick (President) • Kelli Smith (Vice President) • Rose Olson (Secretary)  
Jennifer DePrey • Martin Munguia • Paul Ryan • Rico Tessandore

#### Executive Director

Lois Langer Thompson

### **August 2021**

Direct Deposits and Employee Deductions	\$2,324,277.91
Vendor Checks 73129, 73134, 73164, 73281 and 73302 through 73310, plus Electronic Fund Transfers	\$666,114.63
<b>Total Payroll and Benefits</b>	<b>\$2,990,392.54</b>
Accounts Payable Checks 73062 through 73310 less checks listed above, plus Electronic Transfers	\$1,059,560.94
<b>Total Payroll, Benefits and Accounts Payable</b>	<b>\$4,049,953.48</b>

Trustee DePrey seconded the motion. The Board unanimously approved the motion.

### **Public Comment**

There were no public comments to the Board.

### **Communications to the Board**

President Kostick informed the Board of two customer communications to the Board.

### **Executive Director's Report**

#### **Strategic Goals Update**

##### Optimize Library funding

Assistant Director of Strategic Relations Susan Hempstead introduced guests Senator Marko Liias, Representative John Lovick, and Representative Steve Tharinger to the Sno-Isle Libraries Board of Trustees.

On behalf of Sno-Isle Libraries, Assistant Director of Strategic Relations Hempstead expressed appreciation to the attending legislators for their support of public libraries and especially Sno-Isle Libraries, through legislation and the appropriation of state capital grants.

##### Senator Marko Liias

Senator Liias, who represents the 21<sup>st</sup> Legislative District in southwest Snohomish County, described his vision for the Mariner Community Campus project and the access to library services it will provide to the Mariner community. A community campus would serve as a third place for people to gather outside of work, school, or home.

Senator Liias has been a committed partner with Sno-Isle and championed legislation to streamline the ability of public libraries to create library capital facility areas in 2020. After visiting the Mariner Library when it opened and witnessing the passion for library services in the area, he has led the effort to secure over \$4 million in state capital grants for the Mariner Community Campus.

##### Representative Steve Tharinger

Representative Tharinger, Chair of the House Capital Budget Committee, represents the 24<sup>th</sup> Legislative District on the Olympic Peninsula. Representative Tharinger explained the genesis of the Washington State Library Capital Improvement Program within the biennial capital budget, as a response to frequent requests of Legislators for library funds for their local communities.

Representative Tharinger commended Sno-Isle for their strong applications to the Library Capital Improvement Program and emphasized the importance of libraries to strong communities across the state.

#### Representative John Lovick

Representative Lovick, Deputy Speaker pro tem, who represents the 44<sup>th</sup> Legislative District in Snohomish County shared personal experiences with public libraries and the value they have had for him and his family. He complimented Sno-Isle on the relocation of the Lake Stevens Library to a temporary location.

Representative Lovick's ongoing support for the development of a permanent Lake Stevens Library has resulted in the Legislature awarding over \$3 million for an early learning focused library in Lake Stevens.

#### Create Inspiring Spaces

Assistant Director of Capital Strategy and Planning Chy Ross provided the Board an update on the Libraries' Capital Framework initiative and the status of capital planning and strategy.

The Board discussed the framework and expressed appreciation for the thorough and comprehensive information included in the dashboard.

#### **Library presentation**

##### Oak Harbor Library

Oak Harbor Library Manager Jane López-Santillana commended library staff's continued work to meet the needs of the diverse community of Oak Harbor.

Jane showcased the Oak Harbor Library's extensive language collection and highlighted the Library's strong partnership with the local school district.

#### **Executive Director's report**

Executive Director Thompson highlighted the following information from the Executive Director's report:

##### Stories in Democracy interviews.

- Congresswoman Pramila Jayapal.
- Congressman Rick Larson.

##### Federal Communications Commission (FCC) Roundtable

On August 27, Acting Director of Technical Services Nick Fuchs joined Congresswoman Suzan DelBene for a conversation about rural broadband with Acting FCC Chairwoman Jessica Rosenworcel and other regional broadband stakeholders.

##### Arlington Library Board

Following the transfer of the Arlington Library building to Sno-Isle Libraries, the Arlington City Council dissolved the Arlington Library Board.

##### Covid-19 update

The Library continues to follow statewide face mask mandates. Both customers and staff are required to wear masks when in a Sno-Isle Libraries building. The Library continues to offer contact-free services. The Library is monitoring vaccine mandate developments.

### Volunteers

Due to the Covid-19 pandemic, the Sno-isle Libraries volunteer program has been temporarily paused since March of 2020. Executive Director Thompson informed the Board that a letter will be sent to Sno-Isle Library volunteers expressing appreciation for their continued dedication. The Library is working to welcome volunteers back in 2022.

### Strategic goals

In addition to the strategic goals highlighted earlier, the Library is currently engaged in the following projects.

#### *Enhance Library Services*

- The Sno-Isle Libraries app was launched in September to positive reviews from customers.
- Back to school campaign for students to get a library card, “The ultimate back-to-school supply.”
- American Sign Language (ASL) language accessibility information was included in this month’s board packet. Work is currently underway to include accessibility information on all programing announcements as well as the Sno-Isle Libraries website.

#### *Create Inspiring Spaces*

- Temporary Lake Steven library opened.
- Express lockers in Monroe and Camano have opened.

### Requests for Proposals

- Requests for proposals (RFPs) have been released for Workforce Diversity Advisory Group, Capital planning, and Library collections.

### Sno-Isle Libraries Foundation

- Reffett Associates has been selected to lead the Sno-Isle Libraries Foundation Executive Director search. In addition to focus groups, Reffett Associates will be sending surveys to stakeholders.

### **Financial Update**

Finance and Facilities Director Gary Becker provided the financial update for July and August.

- July’s revenues are \$100,000 under budgeted amount for 2021, and expenses are \$800,000 below budget. The sum of both variances equals approximately \$800,000 in surplus for July.
- To date, revenues are \$35.1 million placing revenues in line with the budget for 2021. To date, the Library is \$5.5 million favorable to budget.

### **New Business**

#### **2022 Budget update**

Finance and Facilities Director Becker provided a preliminary 2022 budget update including an overview of key changes to revenue and expenditures. The 2022 proposed budget will be presented at the October board meeting.

### **President, Trustee Committees, and Foundation Representative Reports**

#### **President’s Report**

##### President’s Report/Executive Committee

President Kostick reported that the Executive Committee will meet with Coraggio Group in October to review their recommendations for the Executive Director evaluation.

President Kostick noted that both the Strategic Planning & Finance Committee and the Board Development Committee will hold meetings in October.

President Kostick announced that trustees Jennifer DePrey and Paul Ryan have agreed to serve on the 2021 Nominating Committee. The Nominating Committee will nominate a slate of officers at the October board meeting. Voting will take place in November.

#### **Foundation Board Representative**

Trustee Olson noted the Foundation Board recently interviewed two candidates to join the Foundation Board. The Foundation Board is currently reviewing its current meeting schedule to identify the most inclusive times for both current and new board members.

Trustee Olson thanked Board members who have donated to the Foundation.

Trustee Olson noted that the Foundation contracted Reffett Associates to assist in the New Foundation Executive Director position.

#### **Announcements and Comments**

There were no announcements or comments.

#### **Executive Session**

President Kostick announced at 6:53 p.m. that the Board would meet in executive session until 7:05 p.m., pursuant to RCW 42.30.110(1)(b), to discuss the Mariner Library building lease, and that the Board was expected to take final action when the meeting reconvened.

At 7:05 p.m., an extension was announced for eight minutes to 7:13 p.m.

The executive session ended at 7:13 p.m.

President Kostick called the regular meeting back to order at 7:13 p.m.

#### **Mariner Lease**

Trustee Munguia moved the Sno-Isle Libraries Board of Trustees approve the Executive Director to negotiate and sign a lease for the Mariner Library in accordance with the terms presented to the Board in executive session. Trustee Ryan seconded the motion. The Board unanimously approved the motion.

#### **Adjournment**

President Kostick proclaimed the meeting of the Sno-Isle Libraries Board of Trustees be adjourned at 7:16 p.m.

#### **Next Meeting**

The next regular Board meeting will be held on Monday, October 25, 2021, at 5:00 p.m. via Zoom. Meeting information will be posted on the Sno-Isle Libraries [website](#) a week prior to the meeting.

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President

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Secretary



**Sno-Isle Libraries**  
**September 2021 Payroll and September 2021 Vouchers**

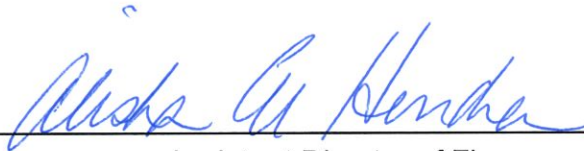
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Direct Deposits, Employee Deductions	\$ 2,285,605.99
Vendor Checks 73584 through 73594 and 73331, 73360, 73415, 73473 , Plus Electronic Fund Transfers	<u>\$ 794,354.15</u>
Total Payroll and Benefits	\$ 3,079,960.14

Accounts Payable Checks 73311 through 73594 less checks listed above, plus Electronic Transfers	<u>\$ 1,308,952.27</u>
Total Payroll, Benefits and Accounts Payable	<u><u>\$ 4,388,912.41</u></u> *

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the Sno-Isle Regional Library System, and that I am authorized to authenticate and certify said claim.

Submitted to the Sno-Isle Libraries Board of Trustees October 25, 2021.



Assistant Director of Finance

\* Actual checks written do not reflect adjustments.  
See page two for adjustments.

**Sno-Isle Libraries**  
**September 2021 Payroll and September 2021 Vouchers**  
**Reconciliation of Actual Expenditures to Expenditure Summary**

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**September 2021 Payroll**

Employee Pay - Direct Deposit	\$	1,629,958.73	
Plus: Employee Deductions	\$	655,647.26	
<b>Sub-Total Gross Payroll</b>			<b>\$ 2,285,605.99</b>

Vendor Checks 73584 through 73594 and 73331, 73360, 73415, 73473	\$	173,485.87 *	
Electronic Funds Transfer- Employer Federal Taxes	\$	197,986.26	
Electronic Funds Transfer - Empower - 457 Plan	\$	14,396.14	
Electronic Funds Transfer - Mission Square - 457 Plan	\$	55,977.62	
Electronic Funds Transfer - PERS - Retirement Plan	\$	337,453.49	
Electronic Funds Transfer - Navia - FSA	\$	11,770.06	
Electronic Funds Transfer - Navia - HRA/MRA	\$	6,298.12	
Electronic Funds Transfer - Premera - Medical	\$	255,949.95	
Electronic Funds Transfer - Washington State Support Registry	\$	456.84	
Less: Employee Benefit Deductions	\$	(259,420.20)	
<b>Sub-Total Benefits - Employer Expense</b>			<b>\$ 794,354.15</b>
<b>Total Payroll and Benefits</b>			<b>\$ 3,079,960.14</b>

**September 2021 Accounts Payable**

Checks 73311 through 73594 less checks listed above	\$	1,307,282.66 **	
Electronic Funds Transfer - WA State Department of Revenue - Comp Tax	\$	1,669.61	
<b>Sub-Total Accounts Payable</b>			<b>\$ 1,308,952.27</b>
<b>Total Payroll, Benefits and Accounts Payable</b>			<b>\$ 4,388,912.41</b>

**Adjustments**

Paycom Direct Service Fee	\$	16,773.78	
Refunds and Credits	\$	410.68	
Refund Interest	\$	0.13	
Bank Service Charge	\$	138.77	
Travel & Business Expense Reimbursement paid in Payroll	\$	1,605.90	
<b>Total Adjustments</b>			<b>\$ 18,929.26</b>

**September 2021 Total Expenditures** **\$ 4,407,841.67 \*\*\***

\* Benefit invoices paid through Accounts Payable Checks \$ 173,485.87

\*\* Regular invoices paid through Accounts Payable Checks \$ 1,307,282.66

**Total Accounts Payable Check Payments** \$ 1,480,768.53

\*\*\* Equals Expenditure Summary Total



**Vouchers  
September 2021**

<b>Date</b>	<b>Check</b>	<b>Payee</b>	<b>Check Amount</b>
9/8/2021	73311	8X8 Inc	8,052.99
9/8/2021	73312	Air Care System	3,535.56
9/8/2021	73313	Amazon (530958)	252.82
9/8/2021	73314	Amazon Capital Services, Inc	1,678.35
9/8/2021	73315	Remit Overrun	0.00
9/8/2021	73316	Baker & Taylor Books (277930)	30,283.72
9/8/2021	73317	Beacon Publishing Inc	637.50
9/8/2021	73318	BerryDunn	14,442.50
9/8/2021	73319	Camano Hill Water Co.	315.73
9/8/2021	73320	Cascade Natural Gas	140.83
9/8/2021	73321	CDW Government Inc	5,756.02
9/8/2021	73322	Centimark Corp	63,157.35
9/8/2021	73323	Cerium Networks Inc	2,792.62
9/8/2021	73324	City of Arlington	168.41
9/8/2021	73325	City of Granite Falls	118.13
9/8/2021	73326	City of Marysville	1,254.76
9/8/2021	73327	City of Sultan	160.39
9/8/2021	73328	Clinton Water Dist	85.23
9/8/2021	73329	Cobra Construction Company	3,264.25
9/8/2021	73330	Consolidated Technology Services	1,211.88
9/8/2021	73331	Dept of Enterprise Services	132.23
9/8/2021	73332	Dick's Towing Inc	744.95
9/8/2021	73333	E - Rate Expertise Inc	225.00
9/8/2021	73334	Engineered Products	361.53
9/8/2021	73335	Everett Safe & Lock	194.35
9/8/2021	73336	FairVega Library Services	71.94
9/8/2021	73337	FATBEAM, LLC	3,480.00
9/8/2021	73338	Gale/Cengage Learning	742.92
9/8/2021	73339	Goldfinch Brothers	2,139.22
9/8/2021	73340	Guardian Security	4,455.60
9/8/2021	73341	Holaday-Parks, Inc	1,906.79
9/8/2021	73342	Ingram Library Services	5,654.08
9/8/2021	73343	Innovative Interfaces, Inc	3,270.00
9/8/2021	73344	Island Disposal Inc	156.02
9/8/2021	73345	Jimmy's Roofing	4,630.46
9/8/2021	73346	Kendall of Marysville	89.48
9/8/2021	73347	KSER Foundation	3,000.00
9/8/2021	73348	Kwame Sekou Mbalia	500.00
9/8/2021	73349	Lemay Mobile Shredding	427.68
9/8/2021	73350	Lithtex NW	537.16
9/8/2021	73351	Mach Publishing Company, Inc.	391.00
9/8/2021	73352	Magna5 LLC	63.46
9/8/2021	73353	Remit Overrun	0.00
9/8/2021	73354	Midwest Tape	12,852.43
9/8/2021	73355	MyBinding	20.63
9/8/2021	73356	North County Outlook	330.00

**Vouchers  
September 2021**

<b>Date</b>	<b>Check</b>	<b>Payee</b>	<b>Check Amount</b>
9/8/2021	73357	NW Safety Consultants, LLC	2,314.00
9/8/2021	73358	Remit Overrun	0.00
9/8/2021	73359	Office Depot, INC	2,159.96
9/8/2021	73360	Office Team	11,925.74
9/8/2021	73361	Omar El Akkad	750.00
9/8/2021	73362	OrangeBoy Inc	3,352.00
9/8/2021	73363	Remit Overrun	0.00
9/8/2021	73364	Remit Overrun	0.00
9/8/2021	73365	Remit Overrun	0.00
9/8/2021	73366	Remit Overrun	0.00
9/8/2021	73367	Remit Overrun	0.00
9/8/2021	73368	Remit Overrun	0.00
9/8/2021	73369	Remit Overrun	0.00
9/8/2021	73370	Remit Overrun	0.00
9/8/2021	73371	Remit Overrun	0.00
9/8/2021	73372	Remit Overrun	0.00
9/8/2021	73373	Remit Overrun	0.00
9/8/2021	73374	Remit Overrun	0.00
9/8/2021	73375	Remit Overrun	0.00
9/8/2021	73376	Remit Overrun	0.00
9/8/2021	73377	Remit Overrun	0.00
9/8/2021	73378	Remit Overrun	0.00
9/8/2021	73379	Remit Overrun	0.00
9/8/2021	73380	Remit Overrun	0.00
9/8/2021	73381	Overdrive Inc	183,488.88
9/8/2021	73382	Paper Roll Products	1,009.40
9/8/2021	73383	PetroCard Systems Inc	1,889.33
9/8/2021	73384	Pitney Bowes	966.68
9/8/2021	73385	PODS Enterprises, LLC	3,103.25
9/8/2021	73386	PUD No 1 of Snohomish County	2,202.13
9/8/2021	73387	Puget Sound Energy	983.32
9/8/2021	73388	Puget Sound Mobile Detail	277.95
9/8/2021	73389	Rentacrate Enterprises LLC	2,080.13
9/8/2021	73390	Republic Services 197	749.89
9/8/2021	73391	Rev.com, Inc	506.25
9/8/2021	73392	Ricoh USA Inc - 31001	2,641.13
9/8/2021	73393	Ricoh USA Inc - 650073	1,989.69
9/8/2021	73394	S-R Broadcasting Co Inc	1,050.00
9/8/2021	73395	Seattle Times	4,000.00
9/8/2021	73396	Silver Lake Water & Sewer	131.58
9/8/2021	73397	Skagit Valley College	40.00
9/8/2021	73398	Sound Maintenance Services, Inc	56,331.23
9/8/2021	73399	Remit Overrun	0.00
9/8/2021	73400	Sprague Pest Solutions	2,179.60
9/8/2021	73401	Stanwood/Camano News	72.35
9/8/2021	73402	Summit Law Group, PLLC	1,289.50

**Vouchers  
September 2021**

<b>Date</b>	<b>Check</b>	<b>Payee</b>	<b>Check Amount</b>
9/8/2021	73403	Teresa Wippel Communications LLC	425.00
9/8/2021	73404	The Coraggio Group, Inc	3,152.50
9/8/2021	73405	Timeless Design	17,283.09
9/8/2021	73406	TMC Furniture, Inc.	5,160.16
9/8/2021	73407	U S Bank Equipment Finance	299.69
9/8/2021	73408	Uline	78.42
9/8/2021	73409	Unisys Corporation	13,475.00
9/8/2021	73410	United Parcel Service	750.00
9/8/2021	73411	Visionary Office Furniture	5,640.75
9/8/2021	73412	Waste Management	2,816.67
9/8/2021	73413	Wave Business	15,224.34
9/8/2021	73414	WCP Solutions	426.74
9/8/2021	73415	Wellable LLC	200.00
9/8/2021	73416	Whidbey Telecom	578.43
9/8/2021	73417	Winkler, Daniel	300.00
9/8/2021	73418	Ziply Fiber	7,192.23
9/23/2021	73419	Void	0.00
9/23/2021	73420	Void	0.00
9/23/2021	73421	Void	0.00
9/23/2021	73422	Alderwood Water District	156.93
9/23/2021	73423	Alldata	17,160.00
9/23/2021	73424	Allied 100, LLC	183.71
9/23/2021	73425	Remit Overrun	0.00
9/23/2021	73426	Amazon Capital Services, Inc	2,034.10
9/23/2021	73427	Asavie Technologies Inc	395.76
9/23/2021	73428	Remit Overrun	0.00
9/23/2021	73429	Remit Overrun	0.00
9/23/2021	73430	Remit Overrun	0.00
9/23/2021	73431	Baker & Taylor Books (277930)	81,967.16
9/23/2021	73432	Bank of America (0958)	1,428.50
9/23/2021	73433	Bank of America (2175)	6,125.81
9/23/2021	73434	Bank of America (2945)	4,129.42
9/23/2021	73435	Bank of America (3488)	2,038.26
9/23/2021	73436	Bank of America (3736)	2,262.66
9/23/2021	73437	Bank of America (4867)	633.18
9/23/2021	73438	Bank of America (5800)	238.99
9/23/2021	73439	Bank of America (5953)	102.40
9/23/2021	73440	Bank of America (8208)	6,096.15
9/23/2021	73441	Bibliotheca LLC	3,021.63
9/23/2021	73442	Bickford	55.29
9/23/2021	73443	Blackstone Publishing	482.82
9/23/2021	73444	Cedar Grove Organics Recycling LLC	311.50
9/23/2021	73445	Center Point Large Print	702.90
9/23/2021	73446	Centimark Corp	9,988.40
9/23/2021	73447	Cerium Networks Inc	9,042.64
9/23/2021	73448	City of Langley	1,211.95

**Vouchers  
September 2021**

<b>Date</b>	<b>Check</b>	<b>Payee</b>	<b>Check Amount</b>
9/23/2021	73449	Comcast	3,658.63
9/23/2021	73450	Communico LLC	22,500.00
9/23/2021	73451	Dae Won LLC	7,726.18
9/23/2021	73452	DEX MEDIA	113.90
9/23/2021	73453	E - Rate Expertise Inc	1,275.00
9/23/2021	73454	EBSCO	20,845.10
9/23/2021	73455	Everett Safe & Lock	141.64
9/23/2021	73456	Fastsigns	247.21
9/23/2021	73457	Gale/Cengage Learning	247.18
9/23/2021	73458	Goldfinch Brothers	2,959.83
9/23/2021	73459	Remit Overrun	0.00
9/23/2021	73460	Ingram Library Services	4,974.57
9/23/2021	73461	Iron Mountain	432.89
9/23/2021	73462	Kanopy, Inc.	7,750.00
9/23/2021	73463	Kendall of Marysville	476.15
9/23/2021	73464	Language Exchange	1,301.67
9/23/2021	73465	Leadership Snohomish County	5,600.00
9/23/2021	73466	Lithtex NW	360.39
9/23/2021	73467	Remit Overrun	0.00
9/23/2021	73468	Midwest Tape	23,396.19
9/23/2021	73469	NW Safety Consultants, LLC	1,616.00
9/23/2021	73470	OCLC Inc (34299)	226.75
9/23/2021	73471	Remit Overrun	0.00
9/23/2021	73472	Office Depot, INC	1,777.14
9/23/2021	73473	Office Team	5,666.79
9/23/2021	73474	Remit Overrun	0.00
9/23/2021	73475	Remit Overrun	0.00
9/23/2021	73476	Remit Overrun	0.00
9/23/2021	73477	Remit Overrun	0.00
9/23/2021	73478	Remit Overrun	0.00
9/23/2021	73479	Remit Overrun	0.00
9/23/2021	73480	Remit Overrun	0.00
9/23/2021	73481	Remit Overrun	0.00
9/23/2021	73482	Remit Overrun	0.00
9/23/2021	73483	Remit Overrun	0.00
9/23/2021	73484	Remit Overrun	0.00
9/23/2021	73485	Remit Overrun	0.00
9/23/2021	73486	Remit Overrun	0.00
9/23/2021	73487	Remit Overrun	0.00
9/23/2021	73488	Remit Overrun	0.00
9/23/2021	73489	Remit Overrun	0.00
9/23/2021	73490	Remit Overrun	0.00
9/23/2021	73491	Remit Overrun	0.00
9/23/2021	73492	Remit Overrun	0.00
9/23/2021	73493	Remit Overrun	0.00
9/23/2021	73494	Remit Overrun	0.00

**Vouchers  
September 2021**

<b>Date</b>	<b>Check</b>	<b>Payee</b>	<b>Check Amount</b>
9/23/2021	73495	Remit Overrun	0.00
9/23/2021	73496	Remit Overrun	0.00
9/23/2021	73497	Remit Overrun	0.00
9/23/2021	73498	Overdrive Inc	146,274.02
9/23/2021	73499	Pacific Copy & Printing	157.33
9/23/2021	73500	PageFreezer Software, Inc.	3,325.00
9/23/2021	73501	Paper Roll Products	1,136.94
9/23/2021	73502	Prime Self Storage	814.00
9/23/2021	73503	Providence General Foundation	1,500.00
9/23/2021	73504	PUD No 1 of Snohomish County	797.20
9/23/2021	73505	Puget Sound Energy	804.39
9/23/2021	73506	Puget Sound Mobile Detail	365.15
9/23/2021	73507	Purple Communications, Inc	904.35
9/23/2021	73508	Ricoh USA Inc - 31001	492.10
9/23/2021	73509	Ricoh USA Inc - 650073	463.68
9/23/2021	73510	Salas O'Brien	568.00
9/23/2021	73511	Salish Networks	1,211.04
9/23/2021	73512	Sound Publishing	1,932.46
9/23/2021	73513	Sprague Pest Solutions	1,264.55
9/23/2021	73514	T Mobile	125.18
9/23/2021	73515	TMC Furniture, Inc.	2,408.03
9/23/2021	73516	Transource Services Corp	52,119.44
9/23/2021	73517	U S Bank Equipment Finance	299.69
9/23/2021	73518	U.S. Bank	470.00
9/23/2021	73519	Verizon Wireless (660108)	4,086.97
9/23/2021	73520	Walter E Nelson Co of Western WA	5,296.07
9/23/2021	73521	Washington State Ferries	523.15
9/23/2021	73522	World Book Inc	9,270.00
9/30/2021	73523	8X8 Inc	8,060.35
9/30/2021	73524	Air Care System	16,445.98
9/30/2021	73525	Amazon (530958)	938.50
9/30/2021	73526	Amazon Capital Services, Inc	823.13
9/30/2021	73527	Remit Overrun	0.00
9/30/2021	73528	Baker & Taylor Books (277930)	55,945.66
9/30/2021	73529	Bibliocommons Inc.	20,438.10
9/30/2021	73530	Blackstone Publishing	518.28
9/30/2021	73531	Brodart Company	2,695.50
9/30/2021	73532	Camano Commons	1,000.00
9/30/2021	73533	Cascade Natural Gas	256.69
9/30/2021	73534	CDW Government Inc	357.55
9/30/2021	73535	City of Granite Falls	118.13
9/30/2021	73536	City of Monroe	1,019.75
9/30/2021	73537	Consolidated Technology Services	4,524.35
9/30/2021	73538	Daily Journal of Commerce	264.45
9/30/2021	73539	Ednetics, Inc.	10,280.71

**Vouchers  
September 2021**

<b>Date</b>	<b>Check</b>	<b>Payee</b>	<b>Check Amount</b>
9/30/2021	73540	Engaged Patrons	1,850.00
9/30/2021	73541	FEDEX	18.78
9/30/2021	73542	Gale/Cengage Learning	1,415.55
9/30/2021	73543	The Hanover Insurance Company	8,450.22
9/30/2021	73544	Ingram Library Services	5,533.10
9/30/2021	73545	Iron Mountain	432.89
9/30/2021	73546	Klean Lots LLC	3,924.69
9/30/2021	73547	Langley Chamber of Commerce	199.00
9/30/2021	73548	Language Exchange	574.50
9/30/2021	73549	Lithtex NW	594.88
9/30/2021	73550	Midwest Tape	8,331.21
9/30/2021	73551	Office Depot, INC	932.17
9/30/2021	73552	Remit Overrun	0.00
9/30/2021	73553	Remit Overrun	0.00
9/30/2021	73554	Remit Overrun	0.00
9/30/2021	73555	Remit Overrun	0.00
9/30/2021	73556	Remit Overrun	0.00
9/30/2021	73557	Remit Overrun	0.00
9/30/2021	73558	Remit Overrun	0.00
9/30/2021	73559	Overdrive Inc	49,944.48
9/30/2021	73560	Paper Roll Products	1,228.90
9/30/2021	73561	PetroCard Systems Inc	1,532.26
9/30/2021	73562	Puget Sound Energy	389.37
9/30/2021	73563	PUD No 1 of Snohomish County	9,758.81
9/30/2021	73564	Quipu Group LLC	3,150.00
9/30/2021	73565	Ricoh USA Inc - 31001	5,238.40
9/30/2021	73566	Ricoh USA Inc - 650073	9,655.47
9/30/2021	73567	Secure by Design Inc	3,084.00
9/30/2021	73568	Smokey Point NW LLC	7,660.17
9/30/2021	73569	Sno-Isle Refund Account	180.89
9/30/2021	73570	Sound Publishing	53.20
9/30/2021	73571	Sprague Pest Solutions	261.28
9/30/2021	73572	State Auditor's Office	1,017.90
9/30/2021	73573	Stowe Development & Strategies	5,191.33
9/30/2021	73574	Summit Law Group, PLLC	232.00
9/30/2021	73575	Televend Services Inc	95.89
9/30/2021	73576	Teresa Wippel Communications LLC	425.00
9/30/2021	73577	Thomas & Associates	99.08
9/30/2021	73578	Timeless Design	13,637.56
9/30/2021	73579	T Mobile	125.18
9/30/2021	73580	Walter E Nelson Co of Western WA	4,342.64
9/30/2021	73581	WCP Solutions	354.47
9/30/2021	73582	WEX	33.75
9/30/2021	73583	Dae Won LLC	7,726.18
9/30/2021	73584	Cascade Centers	587.50

**Vouchers  
September 2021**

<b>Date</b>	<b>Check</b>	<b>Payee</b>	<b>Check Amount</b>
9/30/2021	73585	Void	0.00
9/30/2021	73586	Dept of Labor & Industries	2.39
9/30/2021	73587	Kaiser Permanente	76,734.41
9/30/2021	73588	Lifewise Assurance Company	28,442.64
9/30/2021	73589	Lincoln National Life Ins Company	8,080.12
9/30/2021	73590	MCM	4,790.62
9/30/2021	73591	Navia Benefit Solutions Client Pay	1,893.55
9/30/2021	73592	Premera Blue Cross	9,357.30
9/30/2021	73593	Sno-Isle Library Foundation	405.00
9/30/2021	73594	Delta Dental of Washington	25,267.58
			<u>1,480,768.53</u>



# Executive Director

## Board Report

October 2021

Lois Langer Thompson  
Executive Director

### Community and Stakeholder Events

- Camano Library Express Lockers ribbon cutting with Island Commissioner Janet St. Clair, Board of Trustees President Susan Kostick, and community members.
- Lake Stevens Civic Center Campus with Mayor Brett Gailey, City Council member Mary Dickinson, Lake Stevens staff, and Sno-Isle Libraries staff.
- Economic Alliance of Snohomish County (EASC) Coffee Chats.
  - Improving Washington's State Taxes.
  - Urban Vitality.
  - Creating Opportunities through Inclusion.
- Economic Alliance Snohomish County's Public Officials Event.

### Board meetings

- Island County Economic Recovery Task Force.
- Snohomish STEM Network Executive Leadership Council.

### Professional Development / Meetings / Library Visits

- Regional Library Directors weekly update call.
- All staff quarterly meeting – Updates on 2022 Budget and EDI.
- Library visits – Brier, Mariner, and Snohomish libraries.
- Brier Library visit with President Kostick and Trustee Ryan.
- Friends of the Camano Island Library with President Kostick and Trustee Olson.

### Board of Trustees meetings

- Board Development / Administration Committee.
- Executive Committee.
- Strategic Planning / Finance Committee.

### Library updates and strategic goals

- Enhance Library Services.
  - Third Graders Read Together.
  - Lost items letter request.

- Create inspiring spaces.
  - Bibliocommons access in additional languages.
- Optimize library funding.
  - Langley and Darrington grants.
- Invest in our people and our organization.
  - Bilingual pay.
  - Supported positions.
  - Quarterly performance conversations.

# Financial Update

## Finance Department

September 2021 Financial Statements

Gary Becker

Director of Finance & Facilities

### 2021 Year-To-Date Revenue Summary

**Total revenue received year-to-date (YTD) is \$36.5M and is 3%, or \$1.2 million, favorable to the YTD revenue budget of \$35.3M. 58% of the full year's revenue has been recorded, ahead of the YTD budget of 56%.**

- September's property tax revenue was \$1.0 million versus budget of \$920K. YTD property tax revenue is \$34.8 million and compares favorably to the YTD budget of \$34.2M and is driven by property taxes paid ahead of due dates.
- Through September, timber tax and associated excise tax revenues continue to exceed budget. YTD, \$726K has been received which is +\$279K favorable to the YTD budget. The favorability is driven by higher than anticipated Leasehold Excise Tax revenue.
- Print/Copy Services, Lost Materials revenue, and Donations are collectively (-\$145K) below budget YTD due to library closures at the beginning of the year, and a measured return to pre-pandemic activities.
- Investment income to date of \$222K is 34% below the YTD budget of \$338K due to lower than planned reinvestment interest rates for maturing securities in the investment portfolio.
- YTD, E-Rate revenue of \$379K is ahead of budget by \$248K. This is due to unbudgeted reimbursements for 2020 spending received in early 2021.
- Other Revenue of \$353K is \$315K ahead of budget driven by \$220K in service provider refunds and \$50K in Economic Resiliency Cares funding.

### 2021 Year-To-Date Expenditures & Surplus Summary

**Total expenditures of \$37.3M YTD are \$5.9M favorable to the YTD expenditures budget of \$43.2M.**

- Salaries and Benefits of \$27.0M are \$2.0M favorable to budget driven by attrition and vacancies that were held during the pandemic that are being filled. There were 36 vacant Full Time Equivalent Employees (FTEs) on January 1, 2021, and 34 vacant FTEs on September 30, 2021. The approved FTE for 2021 is 389.
- Materials spending of \$4.5M is 65% of the full year's budget of \$5.2M. Full year spending is expected to align with budget by year-end.
- Nine expense categories are collectively (-\$3.0M), or 46%, below budget driven by limited in-building services and a measured return to pre-pandemic workloads. These include Professional & Contract Services (-\$831K below budget) and Maintenance & Repair (-\$680K below budget).
- Capital Buildings & Improvements, Furnishings, Equipment year-to-date expenditures are \$433K, or 114% of the full year's budget, due to the Temporary Lake Stevens project that was approved by the Board in early 2021 and budgeted for \$320K. \$205K of the \$320K has been spent through September.

**YTD revenue is \$1.2M favorable to budget and expenditures are \$5.9M favorable to budget. This results in an actual YTD deficit of (-\$844K) that is \$7.1M favorable to the budgeted deficit of (-\$7.9M).**

Sno-Isle Regional Library System  
Statement of Revenues  
**Revenue Summary**  
From 9/1/2021 Through 9/30/2021  
(In Whole Numbers)

		<u>Period Actual</u>	<u>Period Budget</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	<u>% Annual Budget Recv'd</u>
	Revenues						
01.0	Property Taxes	1,022,211	920,180	34,824,557	34,172,520	61,460,500	56.66%
02.0	Timber Tax / Sales	100,068	18,500	725,858	446,400	550,000	131.97%
03.0	Print/Copy Services	730	4,170	2,915	37,530	50,000	5.83%
04.0	Services/City Contract Fees	0	290	0	2,610	3,500	0.00%
05.0	Lost Materials Paid	2,599	6,250	18,988	56,250	75,000	25.31%
06.0	Investment Interest	33,005	37,500	221,909	337,500	450,000	49.31%
07.0	Donations Private Sources	58	8,340	2,179	75,060	100,000	2.17%
08.0	Other Revenue	234,935	18,750	732,559	168,750	225,000	325.58%
	Total Revenues	<u>1,393,608</u>	<u>1,013,980</u>	<u>36,528,965</u>	<u>35,296,620</u>	<u>62,914,000</u>	<u>58.06%</u>

Sno-Isle Regional Library System  
Statement of Expenditures by Period  
**Expenditures Summary**  
From 9/1/2021 Through 9/30/2021  
(In Whole Numbers)

		Period Actual	Period Budget	YTD Actual	YTD Budget	Annual Budget	% Annual Budget Used
	Expenditures						
10.0	Salaries & Benefits	3,079,960	3,223,750	27,015,457	29,013,750	38,684,500	69.83%
20.0	Materials	664,261	583,330	4,530,597	5,249,970	7,000,000	64.72%
26.0	Professional & Contract Services	158,151	267,860	1,579,504	2,410,740	3,213,400	49.15%
35.0	Equipment & Furnishings	80,426	70,400	371,607	633,600	844,700	43.99%
38.0	Maintenance & Repair	48,945	125,050	445,357	1,125,450	1,500,700	29.67%
41.0	Software License & Maint Fees	103,135	122,640	1,051,173	1,103,760	1,471,900	71.41%
42.0	Communications	43,361	69,310	476,204	623,790	831,300	57.28%
43.0	Office & Operating Supplies	27,492	69,560	334,028	626,040	834,500	40.02%
44.0	Utilities	24,470	45,040	327,769	405,360	540,300	60.66%
45.0	Rentals & Leases	38,002	39,880	341,239	358,920	478,400	71.32%
46.0	Insurance	8,549	15,560	123,067	140,040	186,600	65.95%
48.0	Employee Training / Travel	12,894	20,830	45,551	187,470	250,000	18.22%
49.0	Miscellaneous	37,523	51,500	285,142	463,500	617,400	46.18%
50.0	Strategic Initiatives / Innovation	25	14,580	5,895	131,220	175,000	3.36%
55.0	Development Initiatives	0	52,130	0	469,170	625,500	0.00%
62.0	Capital - Bldgs & Improvements	76,410	31,660	414,910	284,940	380,000	109.18%
64.0	Capital - Furnishings & Equipment	0	0	18,013	0	0	0.00%
64.5	Capital - Other Assets	4,237	0	7,803	0	0	0.00%
	Total Expenditures	4,407,842	4,803,080	37,373,316	43,227,720	57,634,200	64.85%



# 2022 Preliminary Budget

OCTOBER 25, 2021

**SNO-ISLE** LIBRARIES



# Executive Summary



# Sno-Isle Libraries 2022 Proposed Budget

## Executive Summary

### Introduction

Using our 2022 objective to set a budget that supports building our future together by financing our strategic goals and priorities, staff have developed a proposed budget that is rooted in our vision, mission, values, and four strategic goals.

- *Enhance library services*
- *Create inspiring spaces*
- *Optimize library funding*
- *Invest in our people and our organization*

The 2022 proposed budget is based on all Sno-Isle community library buildings being fully open to the public along with a comprehensive offering of library programs, and services. The budget includes a full complement of library staffing. The budget supports a sustainable increase for the collection and funding to continue some of the expanded library services, programming, and health and safety procedures that were started during the pandemic.

Strategic investments will be made to ensure customers and staff experience spaces that are welcoming, inclusive, and easy-to-use. Both our online and in-building spaces will inspire our customers and staff, while continuing to emphasize health and safety with adherence to CDC guidelines. The Sno-Isle Library District will continue to ensure good stewardship of resources while optimizing funding that is diversified and sustainable. We will invest in our organization so our staff embodies diversity and inclusion and have the support and resources they need.

The proposed budget for 2022 is balanced at \$80.1 million including revenues, expenditures, cash balance requirements, and reserves. The net of proposed revenues less expenditures yields a funding surplus of approximately \$1.8 million. The Sno-Isle Library District is exercising fiscal constraint by placing this funding surplus into reserves that can be used to ensure future stable funding of library services.

### Revenue

Total revenue for 2022 at \$66.6 million is a \$3.7 million, or 5.8% increase from the 2021 budget. The budget assumes full use of the property tax levy capacity available. The concluding levy rate on property is projected to decrease from \$0.424 per \$1,000 of assessed value in 2021 to \$0.391 in 2022. The inflation rate used to calculate the allowable levy increase is greater than 1%, so no Board resolution of substantial need is necessary for 2022.

### Expenditures

Total proposed operating expenditures for 2022 at \$58.9 million are approximately \$1.6 million or 2.8% higher than the 2021 budget. Capital expenditures for 2022 at \$5.9 million are approximately \$5.5 million higher than the 2021 budget. Total expenditures at \$64.8 million are approximately \$7.2 million or 12.4% higher than the 2021 budget.

**Operations:** Total proposed operating expenditures for 2022 are at \$58.9 million. The proposed budget increases 2021 staffing levels by 3.0 fulltime equivalent employees (FTEs) and includes a

recommended wage market adjustment of 3.0%. The proposed budget increases new material purchases by 6.0% to \$7.4 million and continues investments in technology and in library services.

**Capital Outlay:** Total proposed capital outlays for 2022 at \$5.9 million addresses the needed improvements to various community library buildings.

## Reserves & Ending Cash

The proposed budget includes a transfer of \$3.6 million from the Building Reserve Fund to pay for a portion of 2022 capital outlays, a \$4.5 million transfer to the *Levy Rate Stabilization Reserve* to ensure stable funding for future years, a transfer of \$300,000 to the *Equipment Reserve* to support future technology lifecycle replacement consistent with a four year lifecycle strategy, and a \$500,000 transfer to the *Self-insurance Reserve*.

The ending cash is proposed at \$10 million, a \$500,000 increase from the 2021 budget. This increase is commensurate with the expected higher expenditures and operating cash required during the first quarter of 2022.



# Sources of Funds

# 2022 Proposed Budget – Sources of Funds

## Introduction

Total proposed revenue for 2022 at \$66.6 million is a \$3.7 million or 5.8% increase from the 2021 budget. The 2022 proposed budget includes revenue received from general property taxes, timber and excise taxes, state and federal grant income, contract fees, investment income, donations, and miscellaneous other revenues sources.

The library is subject to a statutory levy growth limit of 101% or 100% plus the rate of annual inflation (implicit price deflator), whichever is less. This year the implicit price deflator is greater than 1%. Staff recommend increasing revenue by 101% to ensure long-term funding in support of our strategic goals. The 101% limit is used in the preparation of this 2022 proposed budget. The concluding levy rate on property taxes is projected to decrease from \$0.424 per \$1,000 of assessed value in 2021 to \$0.391 per \$1,000 of assessed value in 2022.

Total revenues combined with the \$10.0 million beginning cash and transfer from reserves of \$3.6 million provide total resources of approximately \$80.1 million.

## Beginning Cash - \$10.0 Million

*Beginning Cash* is the target cash balance in the Library District's *General Operating Fund* at year end that carries forward into 2022. The Library District is dependent on property taxes as a primary source of operating funds. For 2022, these tax revenues make up 94% of total revenues. Levied property taxes are due on April 30 and October 31 each year. Ending each year with ample cash allows for the funding of library services until the receipt of first-half property taxes in April. The imbalance of tax revenues received to expenditures during the first quarter each year necessitates the \$10.0 million target beginning cash balance.

## Transfer from Reserves - \$3.6 Million

*Transfer from Reserves* is the cash expected to be withdrawn from unrestricted reserves to supplement revenues during the budget year. The proposed 2022 proposed budget will require \$3.6 million in transfers from reserves to fund capital improvement projects.

## General Property Tax - \$62.6 Million

The proposed property tax revenue for 2022 is estimated at \$62.6 million, a \$1.1 million increase over the 2021 budget, and assumes the Board approves raising the property tax levy by 1%.

The increase results from higher assessed values and increased new construction in the Library District. The Snohomish County and Island County Assessor's Office have provided Sno-Isle Libraries with preliminary assessed values for the 2022 tax year. Preliminary assessed values in the Library District are reportedly increasing an average 9.9% which builds on last year's increase of 6.7%. More specifically, Snohomish County reports an increase of 10.0% in assessed values and Island County reports an 8.8% increase. New construction on Island County shows a 6.7% increase from last year and Snohomish County indicates a 12.2% increase.

## State & Federal Grants - \$2.4 Million

Washington State and Federal Grant Revenue is projected to be \$2.4 million in 2022, a \$2.2 million increase from the 2021 budget driven by state grants.

- **State Grant Funds - \$2.2 Million**  
\$2.2 million of the \$7.8 million in state grants awarded to the Library District is expected to be earned in 2022. The awards are for:
  - Mariner Community Campus (\$3.8M).
  - Permanent Lake Stevens Library (\$3.1M).
  - Langley Library capital improvements (\$679,000).
  - Darrington Library capital improvements (\$243,000).

Planning work will begin in 2021 and continue throughout 2022. We anticipate that both the Darrington and Langley projects will be completed in 2022 while Lake Stevens and Mariner projects will continue into future years. Grant funds are reimbursed throughout the process, and we anticipate receiving \$2.2 million in 2022 and the remainder in 2023.

- **E-Rate Program - \$200,000**  
Revenue received from the E-rate program at \$200,000 is a \$25,000 increase from 2021 budget to align closer with existing contracts. Sno-Isle Libraries participates in the *Universal Service Administrative Company* (USAC) E-rate program. USAC collects contributions from telecommunications carriers and administers support programs designed to help communities, including public libraries secure access to affordable telecommunications services.

## **Timber and Excise Taxes - \$675,000**

*Timber and Excise Taxes* are projected to be \$675,000. Timber taxes are collected by the State at the time timber is harvested and is distributed through the County. The 2022 proposed budget is \$125,000 higher than the 2021 budget to align with the 2013-2020 average. Demand in 2022 is expected to remain strong.

## **Other - \$944,000**

Other sources of budgeted revenue totals \$944,000 and is a \$205,000 increase from the 2021 budget. Included in *Other* are the following categories:

- **Investments - \$350,000**  
It is the Library District's policy to hold its cash reserves in the Washington State Investment Pool and Snohomish County Investment Pool. Investment income is projected to be \$350,000. Lower returns on reserve and operating fund investment balances are projected to lower investment income earned by \$100,000 over the 2021 budget.
- **Donations - \$300,000**  
Gifts and contributions from the *Sno-Isle Libraries Foundation* and Friends of the Library groups are expected to be \$300,000, a \$200,000 increase from the 2021 budget largely attributed to the following:
  - Friends of the Library - \$30,000**  
The *Friends of the Library* historically make contributions to their local community libraries. The Friends periodically will ask the Library District for purchasing assistance in acquiring items to be used in their community library. The Friends are invoiced for these requested items and their payments, as a reimbursement of Sno-Isle Libraries expenditures, must be recorded as revenues.

#### Sno-Isle Libraries Foundation - \$270,000

The Sno-Isle Libraries Foundation is expected to contribute \$220,000 in funds reserved for the Arlington Library to be used on planned capital improvements. The Foundation will fund approximately \$40,000 towards the 5-year pledge on Mariner Library lease. The Foundation is also expected to continue its direct support for various library programs in 2022. Only those cash payments made directly to Sno-Isle Libraries are reported as *Other* revenue.

- Miscellaneous - \$294,000

Miscellaneous revenues are from rebates received from vendors (\$200,000), customers paying for lost materials (\$35,000), print and copier services (\$12,000), Contract fees from other cities (\$15,000) and other general revenue (\$32,000). This revenue estimate is anticipated to increase by \$105,000 from the 2021 budget to better align with historical trend.

#### Total Revenue plus Beginning Cash and Transfers - \$80.1 Million

Total revenues, transfers from reserves, and beginning cash provides \$80.1 million to support the vision, mission, values, and goals of Sno-Isle Libraries and builds reserves to ensure stable funding for future services. This is a 10.7% increase compared to the 2021 budget.

## Sno-Isle Libraries

### 2022 Proposed Budget

	2021 Adopted		2022 Proposed	
<b><u>Source of Funds:</u></b>				
<b>Beginning Cash</b>	9,500,000		10,000,000	
<b>Transfer From Reserves</b>				
Transfer From Building Reserve Fund	-		3,574,000	
<b>Total Transfer From Reserves and Beg. Cash</b>	9,500,000		13,574,000	
<b>Revenues</b>				
Taxes				
General Property	61,450,000		62,595,000	
Timber Tax / Sales	550,000		675,000	
Subtotal Taxes	62,000,000	98.5%	63,270,000	95.1%
State & Federal Grants				
State Grants	-		2,159,000	
Federal Grants	175,000		200,000	
	175,000	0.3%	2,359,000	3.5%
Other				
Investments	450,000		350,000	
Donations	100,000		300,000	
Miscellaneous	189,000		294,000	
Subtotal Other	739,000	1.2%	944,000	1.4%
<b>Total Revenue</b>	62,914,000	100%	66,573,000	100%
<b>Total Revenue plus Reserves and Beg. Cash</b>	72,414,000		80,147,000	





# Use of Funds

# 2022 Proposed Budget – Use of Funds

## Introduction

Total operating expenditures including capital outlays are proposed at \$64.8 million. This is a \$7.1 million (12.4%) increase compared with the 2021 budget. \$5.5 million of this increase is for Capital Projects to be offset with Building Reserve funds and State Grants.

The 2022 proposed budget is based on all Sno-Isle community library buildings being fully open to the public along with a comprehensive offering of library programs, and services. The budget includes a full complement of library staffing. The budget supports a sustainable increase for the collection and funding to continue some of the expanded library services, programming, and health and safety procedures that were started during the pandemic.

In addition to operating and capital outlays, the budget includes a \$5.3 million allocation to reserve funds. This includes:

- \$4.5 million to the *Levy Rate Stabilization Reserve*.
- \$500,000 to the *Self-Insurance Reserve*.
- \$300,000 to the *Equipment Reserve*.

The ending cash is proposed at \$10 million, a \$500,000 increase from the 2021 budget. This increase is commensurate with the expected higher expenditures and operating cash required during the first quarter of 2023.

The aggregate of operating expenditures, capital outlays, transfer to reserves, and ending cash are proposed at \$80.1 million.

## Operations - \$58.9 Million

### Salaries & Benefits - \$40.8 Million

The *Salaries and Benefits* portion of the 2022 proposed budget is 69.3% of total expenditures. There was a net increase of \$2.1 million (5.3%) to the *Salaries and Benefits* line as compared to the 2021 budget. The 2022 staffing budget proposes 3.0 additional FTEs for a total of 392 FTE.

### Salary Schedule

The overall 2022 salaries budget includes a 3.0% market increase based on market salary information from *Milliman*. This is an increase from the 2021 budget market increase of 2.6%. The market increase plus scheduled anniversary increases amounts to a \$1.8 million increase in salaries and benefits from the 2021 budget.

### Benefits – Health, Dental and Retirement

The Library District's proposed 2022 budget reflects the continuation of the self-insurance strategy with *Premera* and the continued offering of the *Kaiser Permanente* insurance plan. The library's insurance broker, *AssuredPartners*, negotiated insurance renewal rates which increased an average of 3% for 2022. The Library District's self-insurance loss limit per insured enrollee will be \$125,000, unchanged from 2021.

The 2022 budget includes a proposal for expansion of health and dental care at a cost of \$376,000. Other benefits (FICA, industrial insurance, family medical leave, etc.) will increase by \$82,000 to \$2.8 million.

Sno-Isle will continue to pay the employee portion of Washington Paid Family and Medical Leave.

Effective July 1, 2021, the State of Washington decreased the employer contribution rate to the PERS retirement program to 10.25%. The PERS related costs budgeted for 2022 are \$582,000 lower than the 2021 budget.

## **New Materials - \$7.4 Million**

The proposed materials budget at \$7.4 million is an increase of \$420,000 (6%) from the 2021 budget. The additional budget funds will support our strategic goal of enhancing library services by reducing wait times on high demand digital titles and increasing collection support for popular author and reading programs. The additional budget funds also allow further investment in providing a diverse and inclusive collection, adding a new children's digital/physical hybrid audio format, and restructuring and updating our community languages collection.

## **Professional & Contracted Services - \$3.2 Million**

The *Professional & Contract Services* budget is \$3.2 million is an increase of \$25,000 (0.8%) compared with the 2021 budget. This budget includes custodial services, security services, integrated library system (ILS) support, third party payroll processing services, landscaping, and other contract services. Key increases are attributable to architectural services for library refresh projects (\$100,000), general consulting (\$130,000), EDI (equity, diversity, inclusion) consulting (\$65,000), and E-Rate consulting (\$21,000).

## **Software & Licensing Fees - \$1.6 Million**

Software and licensing fees have increased \$122,000 (8.3%) from the 2021 budget. Included in this line are BiblioWeb & BiblioCore (\$260,000), Microsoft agreement (\$160,000) and 8x8 telephone software (\$115,000).

## **Office & Operating Supplies - \$844,000**

General operating supplies are budgeted at \$844,000 a \$10,000 (1.1%) increase from the 2021 budget. This category consists of office supplies, copier and printer paper, toner, and postage. The increase includes funds for updated signage.

## **Equipment & Furnishings - \$819,000**

The 2022 proposed budget for *Equipment & Furnishing* is a \$26,000 decrease (-3.0%) from the 2021 budget. The decrease in funding for furniture and fixtures is related to spreading the costs over the next two budget cycles. The proposed 2022 budget includes funds for hybrid meeting experience in Teams Rooms (\$120,000), AV equipment in three libraries (\$99,000), and replacement of laptop storage/charging carts across the district (\$50,000).

## **Strategic and Development Initiatives - \$750,000**

The proposed *Strategic and Development Initiatives* budget for 2022 decreased by \$51,000 from the 2021 budget. These funds are available to support the development and implementation of strategic goals and initiatives.

## **Communications - \$616,000**

The proposed communications budget is \$616,000, a \$215,000 (59.0%) decrease from last year's budget. The *Communications* budget includes funding for cell phone, telephone, and internet service. The 2021 budget included an increase in cell phone service funding of \$244,000 as part of a program to increase customer online access through mobile hotspots.

## **Maintenance and Repairs - \$615,000**

The 2022 budget proposal for this category is \$615,000, a \$215,000 decrease from the 2021 budget. This category of expense includes the cost of keeping our community library buildings, service center, vehicle fleet, and grounds in good operating condition. The budget has decreased due to the shift of a portion of funding to Capital Building and Improvements.

## **Utilities - \$541,000**

The proposed budget is \$541,000, a \$1,000 (0.1%) increase from the 2021 budget. Key components of this budget include electricity, natural gas, water, sewer, recycling, waste disposal, and other utility fees and service. This increase is due to higher rates and costs for recycling services and water & sewer.

## **Rentals & Leases - \$489,000**

The proposed budget is \$489,000, an increase of \$11,000 (2.2%) compared to the 2021 budget. The proposed amount includes payment of leases at both the Lakewood/Smokey Point (\$90,000) and Mariner (\$90,000) libraries. This line item also includes an increase of \$16,000 for the multi-function printer leases.

## **Training - \$273,000**

The proposed training budget for 2022 is \$273,000, a \$23,000 increase from last year's budget. It is anticipated that staff will attend a combination of in-person and virtual conferences that may reduce business travel expenses. The 2022 training budget increase includes \$90,000 for SILCON 2022.

## **Insurance - \$198,000**

The proposed *Insurance* budget for 2022 is \$198,000. This is a \$11,000 (6.1%) increase from the 2021 budget. This insurance increase is due to the increasing value of insured buildings, contents, and vehicle replacements.

## **Miscellaneous - \$716,000**

*Miscellaneous* expenses are budgeted at \$716,000, a \$99,000 increase from the 2021 budget. The proposed budget includes funds for customer engagement (\$196,000) to re-engage current Sno-Isle Libraries customers and its services and expand awareness to new and diverse audiences through increased print, digital, social media, and radio marketing. Included in this budget is an increase of \$105,000 to support community programming and meetings across the District (\$223,000), membership & association dues (\$99,000), mileage reimbursement, and gasoline (\$97,400).

## Capital Outlays - \$5.9 Million

Total capital requested in the 2022 proposed budget is \$5.9 million that will be funded by a combination of capital grants and building reserve funds. This is an increase of \$5.5 million from the 2021 budget and includes:

- One large and one small library refresh project - \$1.6M
- Lake Stevens Library new facility - \$1.0 million
- Mariner Library new facility - \$1.0 million
- Langley Library major refresh - \$900,000
- Darrington Library major refresh - \$418,000
- Replace three delivery trucks - \$189,000

## Ending Cash - \$10.0 Million

Ending cash is the target amount of cash funded in 2022 for the beginning of 2023 (\$10.0 million). This is an increase of \$500,000. This cash target aligns with funds required to cover projected expenditures during the four month period preceding receipt of first-half property taxes.

**Sno-Isle Libraries**  
**2022 Proposed Budget**

	2021		2022		
	Adopted		Preliminary		
<b>Use of Funds:</b>					
<b>Operations</b>					
Salaries and Benefits	38,684,500	67.6%	40,770,000	69.3%	
New Materials	7,000,000	12.2%	7,420,000	12.6%	
Professional & Contract Services	3,213,400	5.6%	3,240,000	5.5%	
Software & Licensing Fees	1,471,900	2.6%	1,594,000	2.7%	
Office & Operating Supplies	834,500	1.5%	844,000	1.4%	
Equipment & Furnishings	844,700	1.5%	819,000	1.4%	
Strategic & Development Initiatives	800,500	1.4%	750,000	1.3%	
Communications	831,300	1.5%	616,000	1.0%	
Maintenance & Repairs	1,500,700	2.6%	615,000	1.0%	
Utilities	540,300	0.9%	541,000	0.9%	
Rentals & Leases	478,400	0.8%	489,000	0.8%	
Training	250,000	0.4%	273,000	0.5%	
Insurance	186,600	0.3%	198,000	0.3%	
Miscellaneous	617,400	1.1%	716,000	1.2%	
Subtotal Operations	57,254,200	100%	58,885,000	100%	91%
<b>Capital Outlay</b>					
Buildings & Improvements	380,000	100%	5,733,000	97%	
Equipment & Furnishings	-	0%	-	0%	
Vehicles	-	0%	189,000	3.2%	
Subtotal Capital Outlay	380,000	100%	5,922,000	100%	9%
Total Operations & Capital	57,634,200		64,807,000		100%
<b>Transfer To Reserves &amp; Ending Cash</b>					
Levy Rate Stabilization	4,779,800		4,540,000		
Vacation & Sick Pay Liability	200,000		-		
Emergency Reserve	-		-		
Equipment Reserve [Technology Refresh]	300,000		300,000		
Self-insurance			500,000		
Building Reserve	-		-		
Ending Cash	9,500,000		10,000,000		
Total Transfer To Reserves and Ending Cash	14,779,800		15,340,000		
Total Operations, Reserves, and Ending Cash	72,414,000		80,147,000		
<b>Summary</b>					
	<b><u>2021</u></b>		<b><u>2022</u></b>		
Total Revenue plus Reserves & Beg. Cash	72,414,000		80,147,000		
Total Operations, Reserves, and End. Cash	72,414,000		80,147,000		
Operations Plus Changes in Reserves & Cash	-		-		



Reserves



# 2021 Reserves

The 2021 year end reserve fund is budgeted at \$41.2 million, with \$14.9 million of this amount being in the *Levy Rate Stabilization Reserve*. This includes the 2021 budgeted reserve transfer which will be recorded by the end of 2021.

The proposed 2022 year end reserve fund is budgeted at \$43.0 million. The budget includes an allocation of \$4.5 million to the *Levy Rate Stabilization Reserve* to ensure stable funding for future years, an allocation of \$300,000 to the *Equipment Reserve* to support future technology lifecycle replacement consistent with a four year lifecycle strategy, and a \$500,000 to the *Self-Insurance Reserve*. The 2022 budget also includes a reduction of \$3.6 million from the *Building Reserve* to pay for capital improvements.

In accordance with Board policy regarding reserve balance sufficiency, the *Medical Self-Insurance Reserve* may fall short of meeting 2022 reserve sufficiency requirements. A \$500,000 increase is recommended to offset any large claims that result from an expected increase in the number of enrolled insurance participants.

## Fund Balances & Sufficiency

The establishment and maintenance of reserve funds are critical elements of fiscal planning. Recognizing the importance of setting policy to guide and direct the administration of financial resources, the Board of Trustees adopted a Financial Reserve Policy which requires a review of the reserves balances and their sufficiency to meet policy targets and objectives. All reserve balances supporting the 2022 proposed budget achieve sufficiency standards as shown in the following table.

<b>Fund</b>	<b>Projected Balances 12/31/22</b>	<b>Policy Target / Objective</b>	<b>2022 Sufficiency</b>
Emergency	\$10,000,000	60-90 Days of operating expenditures excluding <i>Materials</i> .	63.6 Days
Medical Self-Insurance	\$1,500,000	At least 16 weeks of program expenses	18.5 weeks
Unemployment Compensation	\$40,000	Board discretion	n/a
Levy Rate Stabilization	\$19,393,000	Board discretion	n/a
Vacation & Sick Pay Liability	\$2,200,000	At least 60% of the year-end estimated vacation and sick leave liability.	99%
Building	\$5,676,000	Board discretion	n/a
Equipment [Technology Refresh]	\$2,000,000	Board discretion	n/a
Land Acquisition	\$2,198,00	Board discretion	n/a
<b>Budget Reserve Fund Balance</b>	<b>\$43,007,000</b>		

**Sno-Isle Libraries**  
**2022 Proposed Budget**  
**General Reserve Fund Balances**

	<b>Actual</b>	<b>Budget</b>	<b>2021</b>	<b>Forecast</b>	<b>Proposed</b>	<b>Proposed</b>
	<b>Fund Balance</b>	<b>2021</b>	<b>BOT Approved</b>	<b>Fund Balance</b>	<b>2022</b>	<b>Fund Balance</b>
<b><u>Unrestricted Reserves</u></b>	<b><u>12/31/2020</u></b>	<b><u>Activity</u></b>	<b><u>Transfers</u></b>	<b><u>12/31/2021</u></b>	<b><u>Activity</u></b>	<b><u>12/31/2022</u></b>
Emergency	10,000,000			10,000,000		10,000,000
Self-Insurance	850,000		150,000	1,000,000	500,000	1,500,000
Unemployment Compensation	40,000			40,000		40,000
Levy Rate Stabilization	10,073,000	4,780,000		14,853,000	4,540,000	19,393,000
Vacation & Sick Pay Liability	1,400,000	200,000	600,000	2,200,000		2,200,000
Building	3,500,000		5,750,000	9,250,000	(3,574,000)	5,676,000
Equipment [Technology Refresh]	1,400,000	300,000		1,700,000	300,000	2,000,000
Land Acquisition	2,198,000			2,198,000		2,198,000
Undesignated ( <i>unbudgeted</i> )	6,500,000		(6,500,000)	-		-
<b>Total General Reserve Funds</b>	<b>35,961,000</b>	<b>5,280,000</b>	<b>-</b>	<b>41,241,000</b>	<b>1,766,000</b>	<b>43,007,000</b>

BOT = Board of Trustees



# Budget Summary Statements

**Sno-Isle Libraries**  
**2022 Proposed Budget**

	<b>2021 Adopted</b>		<b>2022 Proposed</b>	
<b><u>Source of Funds:</u></b>				
<b>Beginning Cash</b>	9,500,000		10,000,000	
<b>Transfer From Reserves</b>				
Transfer From Building Reserve Fund	-		3,574,000	
<b>Total Transfer From Reserves and Beg. Cash</b>	9,500,000		13,574,000	
<b>Revenues</b>				
Taxes				
General Property	61,450,000		62,595,000	
Timber Tax / Sales	550,000		675,000	
Subtotal Taxes	62,000,000	98.5%	63,270,000	95.1%
State & Federal Grants				
State Grants	-		2,159,000	
Federal Grants	175,000		200,000	
	175,000	0.3%	2,359,000	3.5%
Other				
Investments	450,000		350,000	
Donations	100,000		300,000	
Miscellaneous	189,000		294,000	
Subtotal Other	739,000	1.2%	944,000	1.4%
Total Revenue	62,914,000	100%	66,573,000	100%
<b>Total Revenue plus Reserves and Beg. Cash</b>	<u>72,414,000</u>		<u>80,147,000</u>	

**Sno-Isle Libraries**  
**2022 Proposed Budget**

	2021		2022		
	Adopted		Preliminary		
<b>Use of Funds:</b>					
<b>Operations</b>					
Salaries and Benefits	38,684,500	67.6%	40,770,000	69.3%	
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Utilities	540,300	0.9%	541,000	0.9%	
Rentals & Leases	478,400	0.8%	489,000	0.8%	
Training	250,000	0.4%	273,000	0.5%	
Insurance	186,600	0.3%	198,000	0.3%	
Miscellaneous	617,400	1.1%	716,000	1.2%	
Subtotal Operations	57,254,200	100%	58,885,000	100%	91%
<b>Capital Outlay</b>					
Buildings & Improvements	380,000	100%	5,733,000	97%	
Equipment & Furnishings	-	0%	-	0%	
Vehicles	-	0%	189,000	3.2%	
Subtotal Capital Outlay	380,000	100%	5,922,000	100%	9%
Total Operations & Capital	57,634,200		64,807,000		100%
<b>Transfer To Reserves &amp; Ending Cash</b>					
Levy Rate Stabilization	4,779,800		4,540,000		
Vacation & Sick Pay Liability	200,000		-		
Emergency Reserve	-		-		
Equipment Reserve [Technology Refresh]	300,000		300,000		
Self-insurance			500,000		
Building Reserve	-		-		
Ending Cash	9,500,000		10,000,000		
Total Transfer To Reserves and Ending Cash	14,779,800		15,340,000		
Total Operations, Reserves, and Ending Cash	72,414,000		80,147,000		
<b>Summary</b>					
	2021		2022		
Total Revenue plus Reserves & Beg. Cash	72,414,000		80,147,000		
Total Operations, Reserves, and End. Cash	72,414,000		80,147,000		
Operations Plus Changes in Reserves & Cash	-		-		

# SNO-ISLE LIBRARIES

## Board of Trustees Proposed 2022 Meeting Schedule

Date	Time	Location*	Library host
January (date TBD)	12:00 P.M.	Online	NA
Monday, January 24	5:00 P.M.	SRV	NA
Saturday, February 5	8:00 A.M – 2:00 P.M.	TBD	NA
Monday, February 28	5:00 P.M.	SRV	Mariner
Monday, March 28	5:00 P.M.	Lake Stevens	Lake Stevens
Monday, April 25	5:00 P.M.	Coupeville	Coupeville
Monday, May 23	5:00 P.M.	Monroe	Monroe
Monday, June 27	5:00 P.M.	Mountlake Terrace	Mountlake Terrace
Monday, July 25	5:00 P.M.	Mukilteo	Mukilteo
Monday August 22 (COW)	5:00 P.M.	SRV	NA
Monday, September 19**	5:00 P.M.	Snohomish	Snohomish
Monday, October 24	5:00 P.M.	Stanwood	Stanwood
Monday, November 21	5:00 P.M.	SRV	Lakewood / Smokey Point

\*Location to be determined based on health guidelines for in-person meetings.

\*\*Moved from fourth Monday due to holiday.

### Conferences

- [LibLearnX: The Library Learning Experience \(LLX\)](#) Virtual – January 21-24, 2022
- [Public Library Association 2022 Conference](#) Portland, OR and virtual – March 23-25, 2022
- [Annual Conference & Exhibition](#) Washington, D.C. – June 23-28, 2022.
- WLA Conference – Fall 2022

### Additional Events – dates/locations to be determined

- Board to Board event
- Board and Friends Forum
- SILCON 2022 – Staff Day
- Employee Recognition Event