2011 Budget

Pierce County Library System

Approved
December 8, 2010
PIERCE COUNTY LIBRARY SYSTEM

BOARD OF TRUSTEES

J.J. McCament, Chair
Budd Wagner, Vice Chair
Steve Albers
Linda Ishem
Eugene Matsusaka
Allen P. Rose

BUDGET PREPARED BY

Neel Parikh
Executive Director

Clifford Jo
Director of Finance & IT

Georgia Lomax
Deputy Director

WITH ASSISTANCE FROM

Lorie Erickson
Facilities Director
Mary Getchell
Communications Director
Holly Gorski
Human Resources Director
Lisa Bitney
Collection Services Director
Lynne Hoffman
Development Director
Dale Hough
Finance Manager
Michele Leininger
Information Services Director
Judy Nelson
Youth Services Director
Kerry Nielan
IT Manager
Sally Porter Smith
Branch Experience Director

Robin Clausen
Managing Librarian
Lynne Zeiher
Managing Librarian
Cindy Bonaro
Branch Manager
David Durante
Branch Manager
Alexa Eccles
Branch Manager
Rose Jetter
Branch Manager
Keith Knutsen
Branch Manager
Kathleen Wolf
Branch Manager
Storm Reyes
Executive Assistant to the Director
Herein contained is Pierce County Library's 2011 budget, which includes revenues and expenditures for the Library's operating and capital budgets.

To obtain copies of this document, please contact:

Storm Reyes
Pierce County Library System
3005 112th Street East
Tacoma, WA. 98446-2215
(253) 536 – 6500
(253) 537 – 4600 (fax)
sreyes@piercecountylibrary.org

The document is also available online at the Library's website:

http://www.piercecountylibrary.org search site: budget
BOARD OF TRUSTEES MESSAGE

Just as you are focused on your own finances and looking for long-term solutions that will allow you to do more with less, so is the Board of Trustees for Pierce County Library.

The Board acted early at the first signs of the recession to maintain a balanced budget while supporting changes in organizational structure, staffing, and services—without diminishing the product the Library offers.

Pierce County Library has a reputation of delivering on promises we’ve made to you, the taxpayers. Now more than ever before, the Board must consider the annual budget within the context of multi-year economic projections in order to stay on track with what our customers have told us they need and want from the library.

As the Board of Trustees, we want you to know...

- We have confidence in Pierce County Library’s strong fiscal management, especially in these difficult economic times that may permanently alter how local governments provide public services.

- Our biggest challenge in the coming decade will be to manage rising operating and capital facility costs while our primary revenue source—property taxes—are expected to decline or remain flat. The 2011 budget is $125,000 less than the 2010 budget even after residents in Fife started paying property taxes for library services for the first time.

- We will continue to look to library customers and the communities we serve to determine what services are a priority to you to help meet your demands at work, home, and school. We remain dedicated to serving the public in a straightforward, efficient, and resourceful manner.

Pierce County Library is blessed with an experienced, dedicated, and creative management team and staff—the people you see every day doing the work of your Library. We hope you continue to enjoy and support the library in 2011!

— J.J. McCament, Chair, Pierce County Library Board of Trustees
# TABLE OF CONTENTS

GUIDE TO THE 2011 BUDGET ........................................................................................................ iii

BOARD OF TRUSTEES MESSAGE .............................................................................................. iv

TABLE OF CONTENTS .................................................................................................................. v

LIST OF TABLES ........................................................................................................................ vii

LIST OF FIGURES ......................................................................................................................... viii

LIBRARY DIRECTOR’S MESSAGE ............................................................................................ 10

MISSION, VISION, VALUES ........................................................................................................... 14
  Mission ........................................................................................................................................ 14
  Vision .......................................................................................................................................... 14
  Values ......................................................................................................................................... 14

MISSION ...................................................................................................................................... 15
  Vision ........................................................................................................................................ 15

2011 SERVICE RECAP ................................................................................................................ 17
  Levy Goal 1: Expand Open Hours ............................................................................................. 18
  Levy Goal 2: Add books and other materials ......................................................................... 19
  Levy Goal 3: Increase Services for Youth .................................................................................. 20
  Levy Goal 4: Improve Customer Service and Technology ....................................................... 21

BALANCED SCORECARD & HOW WE’RE DOING ................................................................... 23

LIBRARY SERVICES .................................................................................................................. 32
  Service Area ............................................................................................................................ 32
  Services .................................................................................................................................... 32
  Key Data (2010) ....................................................................................................................... 34

2011 SERVICE HIGHLIGHTS—MESSAGE FROM THE DEPUTY DIRECTOR. ......................... 37
  Open Hours and Access .......................................................................................................... 37
  Books and Materials .............................................................................................................. 37
  Up-to-Date Technology .......................................................................................................... 37
  Customer Experience ............................................................................................................ 38
  Special Projects ..................................................................................................................... 38
  Behind the Scenes .................................................................................................................. 38

BUDGET METHOD SUMMARY .............................................................................................. 40
  Budget Method & Sequence ................................................................................................... 40
  Combined Funds Budget ........................................................................................................ 41
  2011 Operating Budget Summary ........................................................................................ 44

REVENUES ............................................................................................................................... 46
  Revenue Projections ............................................................................................................... 46
  Revenue Assumptions ............................................................................................................ 47
  Taxes ....................................................................................................................................... 47
  Charges for Services .............................................................................................................. 51
  Library Fines .......................................................................................................................... 51
  Miscellaneous ....................................................................................................................... 51

EXPENDITURES ........................................................................................................................ 56
# LIST OF TABLES

Table 1 - Overview .............................................................................................................................. 17
Table 2 - Library Use Statistics ........................................................................................................ 18
Table 3 - Materials Statistics .......................................................................................................... 19
Table 4 - Youth Services Statistics .................................................................................................. 20
Table 5 - Service and Technology Statistics .................................................................................. 21
Table 6 - Combined Funds Budget (Expenditures) .......................................................................... 41
Table 7 - 2011 Operating Budget Summary ..................................................................................... 44
Table 8 - 2011 General Fund Revenue Summary ............................................................................. 46
Table 9 - Mill Rate Projections (2011 - 2015) ................................................................................ 50
Table 10A - 2006-11 General Fund Revenue (Final Budget) .............................................................. 52
Table 10B - 2005-10 General Fund Revenue (Actuals) .................................................................. 53
Table 11 - 2011 Operating Expenditure Summary ......................................................................... 56
Table 12 - 2011 Expenditures—By BARS Category ....................................................................... 57
Table 13 - 2011 Personnel Detail ................................................................................................... 59
Table 14 - 2011 Library Staffing ...................................................................................................... 59
Table 15 - 2011 Maintenance & Operations Detail ......................................................................... 62
Table 16 - 2011 Materials Detail .................................................................................................... 64
Table 17 - 2011 General Fund Balance Summary .......................................................................... 67
Table 18 - Capital Improvement Fund Detail .................................................................................. 78
Table 19 - 2011-2013 Cash Flow Summary .................................................................................... 82
Table 20 - Library Facility Data ........................................................................................................ 103
LIST OF FIGURES

Figure 1 - Balanced Scorecard.................................................................................................................... 15
Figure 2 - 2010 Balanced Scorecard Results .............................................................................................. 25
Figure 3 - Measures and Targets............................................................................................................. 29
Figure 4 - Map of Branch Locations in Pierce County ........................................................................... 35
Figure 5 - Organizational Chart ............................................................................................................. 36
Figure 6 - Budget Process & General Timeline ....................................................................................... 42
Figure 7 - Strategic & Fiscal Planning Process ........................................................................................ 43
Figure 8 - 2011 Tax Levy Calculation ................................................................................................. 48
Figure 9 - Source of Revenues ............................................................................................................. 54
Figure 10 - Materials Budget History .................................................................................................... 63
Figure 11 - Materials Expenditures Per Capita History (Actuals through 2009) .................................. 63
Figure 12 - 2009 Materials Expenditures Per Capita Comparison .......................................................... 63
Figure 13 - CIP Transfer History (Actuals Through 2010) ................................................................... 65
Figure 14 - CIP Shortfalls (Budgeted Project Costs Compared to Set-Asides) ........................................ 73
Figure 15 - Capital Project Budget History (Excludes Carry Forwards) .................................................. 74
Figure 16 - Capital Fund Ending Fund Balance ....................................................................................... 77
Figure 17 - Annual Circulation History: 1946 – 2010 .............................................................................. 99
LIBRARY DIRECTOR'S MESSAGE

Afternoon Stroll by Molly M., 2nd Place
7th/8th Grade Winner of the 2010 Our Own Expressions General Drawing Contest
Pierce County Library System customers and taxpayers are the driving force for budget decisions. The Library System continues its commitment to operate the Library in the best interest of the public and deliver the value that they deserve. The 2011 budget reflect the long-term interest of the taxpayer.

Approximately 97% of the Library’s budget comes from taxes on residential and commercial property. 2011 is the second year of major impact on the Library budget from the economic downturn. From 2010 to 2011, the value of assessed property in the Library’s services area declined by 9.66%. In 2010, the average assessed value of a home in the Library’s service area was $250,000. Homeowners paid approximately $118 in property taxes for library services. In 2011, the average home assessed value is $225,850, and homeowners will pay approximately $113 in property taxes for library services.

With voters in Fife approving to annex the City of Fife to the library district, for the first time, starting in 2011, the Library will receive property taxes from Fife. In spite of this revenue, the Library still faced a budget shortfall of $125,000 for 2011. The Library is committed to opening a library in the City of Fife in 2011.

The Library’s tax rate or mill rate is set by Washington State law, which is among the lowest of all taxing districts (e.g. fire, schools, cities). Library districts may collect taxes up to 50 cents for every $1,000 of assessed property value.

During the next five years, the Library has further projected declines in property values or property values will be flat.

The Library is projecting that property tax revenue over the next five years will decline by nearly $500,000, stay the same, or grow less than 2%. This will keep the Library’s mill rate will at 50¢ for at least four to five years, which will limit the amount of revenue from property taxes or taxes from new construction. At the same time, the Library projects costs to run the Library will continue to increase at 2-4% a year.

In developing the Library’s 2010 budget, the Library faced a revenue shortfall and anticipated declining revenues during the next several years. As a result, the Library reduced the 2010 operating budget by $1.5 million. The strategy at that time was to decrease operating expenditures in a manner that would reduce staff and operations for a long period of time. As a result of careful planning and wise budget decisions in 2010, the 2011 budget does not require major reductions. At the same time, people are demanding more from the Library and using more of its services than ever before. During the last two years, people have checked out 33% more books, movies, and other items; they also made 18% more visits to Pierce County Libraries, and used the website a staggering 251 more.

The Library continues to be committed to delivering the promises from the voter-approved 2006 re-authorized levy. The levy allowed the Library to significantly improve service for the public and to catch-up after 20 years of falling behind in contemporary library services. The Library has always been recognized for its strong fiscal and operational management, which is a key reason that budget planning for future years will focus on efficient operations rather than reduced services for the public. One example is the introduction of Express Checkout in 2003 which helped the Library reduce its cost per checkout from $3.74 in 2009 down to an estimated $3.57 in 2011.

In light of the long-term projections for declining or very low revenue increases, the Board of Trustees scheduled a special study session to discuss strategy for the next few years to manage the revenue limitations and set priorities for decision-making. Although budget and service
reductions are not necessary at this point, due to the Library’s strong fiscal and operational management; however, it is clear that during 2011 the Library needs to plan for budget reductions to be implemented in 2012.

During the study session the Board members affirmed their support for maintaining services. A key question was “Can we find a way to save money without dramatically changing what we do?” The Board also discussed sustaining the levy promises. One member stated, “The longer the Library can meet the promises, the better it will be for the future when the Library must go to the voters for funding.” “Like a business,” one Board member stated, “in an economic downturn, never diminish the product...squeeze the expense side.” The Board agreed that the Library should study many service reduction and revenue enhancement strategies. The Board further acknowledged that personnel costs are the largest budget item and personnel affect the quality of the product.

Customer service, books and other items, access and other services are a key facet of the Library’s product. At the same time, the Library must examine methods for offering up-to-date service, efficient use of self-service options, and effective building designs and staffing patterns.

The Board affirmed four over-arching criteria for decision-making in 2010 for planning in 2011:

1. Levy Promises: Develop and maintain services based on the goals established in the levy voters approved in 2006:
   - Access—Provide access to staff, resources, materials, facilities.
   - Books and Materials—Provide a wide variety of materials and up-to-date formats.
   - Children and Teens—Sustain services for children and teens.
   - Service and Technology—Offer current technology and excellent customer service.

2. Good Stewardship of the Taxpayers’ Dollar: Use sound judgment in expending the taxpayers’ dollar, including:
   - Implement operational and workflow efficiencies.
   - Examine return on investment and cost benefit of services.
   - Rigorously evaluate ongoing or current services.
   - Focus on “spending money to save money”: expenditures that would reduce long-term operational costs.

3. Provide Up to Date and Future-Oriented Services: Keep the Library contemporary, innovating, and providing services and resources customers expect. Pierce County Library 2030: a facilities master plan for library services and buildings, created a solid framework for changes in methods of delivering services, organization of buildings, and public access and use of library services.

4. Build a Customer Base for the Future: Customer focus is a major priority of the Library. The Library must continue and improve service to new customers and expand engagement with communities. Since we anticipate revenues to continue to decline, during late 2010 or early 2011, library managers will develop strategies for reducing the budget, while building strategies for growth. It is a basic assumption that as much as possible, the Library should make reductions that have minimum impact for customers. Based on the criteria above, managers will critically examine services to ensure they are meeting the needs of communities, eliminating services that no longer meet people’s needs and, developing services that are wanted and needed.
Managers will engage staff and the community to help identify solutions.

The Library will develop a five-year plan to address projected declining revenues.

2011 Action Plans:

1. Improve Budget Process: Develop a more rigorous process for the budget requiring departments to provide detailed explanations and justify increases. All projects involving more than one Department must be itemized and approved separately, including capital projects. Criteria have been developed for evaluating and prioritizing existing projects.

2. Identify Efficiencies and Build Capacity: Identify key projects that help manage the growing workload and increase capacity.

3. Evaluate Specific Services: Specific services will be studied to determine whether to eliminate, continue, or change the method of delivery. Over the next 10 years, a number of functions in the organization should be examined. Evaluation will include:
   a. The impact of the service.
   b. The return on investment or cost benefit.
   c. The numbers of customers using the service.
   d. Is the Library System the only provider of this service? If the Library did not provide this service, where else could people access the service?
   e. What legal mandates direct the Library to provide the service?
   f. Is it part of core business?
   g. Can the Library do it well?

4. Empower the Customer: Increase customer self-service and focus staff time away from routine activities with the customer and towards interactions with the customer requiring personal support. Eighty percent of what the customer wants to accomplish in the Library they can do for themselves. Twenty percent of the interactions with customers require more attention and building long-term relationships.

5. Focus Service: Identify constituents, look strategically at communities and target growth. Identify visible, valuable, high impact strategies to improve and broaden the Library’s customer base and yet, at the same time maintain efficient service.

Service Area Commitments:

In addition to maintaining services and planning for the future, another priority in 2011 is to meet two major commitments: opening the new University Place and Fife Pierce County Libraries. Both projects are funded through the capital improvement budget, but also include increased operating costs in the operating budget.

This budget anticipates continued economic decline and the necessity for the Library to deliver the best product to customers and taxpayers within the available dollars. At the same time, the Library must also continue to deliver service that responds to changing communities. The Library must meet commitments, support the maintenance of aging buildings, and plan for our capital needs.

I am confident that the Pierce County Library System will deliver on its promises to meet community needs and continue to keep the people it serves and its taxpayers at the center of budget decisions.

Respectfully submitted,

[Signature]
Neel Parikh
Executive Director
MISSION, VISION, VALUES
MISSION, VISION, VALUES

MISSION

To bring the world of information and imagination to all people of our community

VISION

We are the community’s choice for the discovery and exchange of information and ideas

VALUES

We value...

- Customer service excellence
- Freedom of expression and free flow of ideas
- The diversity of people we serve, their opinions, capabilities, needs and interests
- The power and worth of words and images
- Equitable access to all library resources and services
- Responsible stewardship of public funds
- Creative solutions by solving problems in innovative ways
- Our diverse, skilled, and knowledgeable employees working in a safe and stimulating environment
PIERCE COUNTY LIBRARY SYSTEM

MISSION

To bring the world of information and imagination to all people of our community

VISION

We are the community’s choice for the discovery and exchange of information and ideas

SERVE THE CUSTOMER

- Become a customer-focused library
- Make all experience and resources easy and convenient
- Improve access to service and resources
- Deliver contemporary programs and services
- Improve public awareness and knowledge

MANAGE RESOURCES

- Increase non-property tax revenue
- Operate cost effectively
- Invest in infrastructure
- Maintain sustainable operation

STRATEGIES

- Remove access barriers
- Extend service to target populations
- Meet changing marketplace needs
- Serve the customer well

RUN THE BUSINESS

- Improve ability to implement projects and change
- Improve communication
- Develop an internal customer focus
- Improve the delivery, use, and application of technology
- Modernize business processes

DEVELOP EMPLOYEES

- Create a learning culture
- Support knowledgeable employees with up-to-date skills
- Attract and retain a talented and diverse workforce
- Build a positive work environment

We value...Our diverse, skilled, and knowledgeable employees working in a safe and stimulating environment

We value...The power and worth of words and images

We value...The diversity of people we serve, their opinions, capabilities, needs, and interests

We value...Responsible stewardship of public funds

We value...Creative solutions by solving problems in innovative ways
2010 SERVICE RECAP
2010 SERVICE RECAP

In 2010, Pierce County Library System’s service area grew to nearly 1,800, with the annexation of the City of Fife, and its population increased to 554,000.

The Library monitors a variety of statistics to understand how its services and resources are being used and to adjust services to best meet the community’s needs and best use taxpayer funds.

Following is a summary of key statistics. Voters authorized increasing the Library’s mill rate in November 2006, from which increased funding was reflected in 2007.

Table 1 - Overview

<table>
<thead>
<tr>
<th>Measureable</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Area* Population</td>
<td>497,000</td>
<td>509,000</td>
<td>522,000</td>
<td>534,000</td>
<td>554,000</td>
</tr>
<tr>
<td>Mill Rate Levy (per $1,000 Assessed Value)</td>
<td>40¢</td>
<td>48¢</td>
<td>44.25¢</td>
<td>44.33</td>
<td>46.95</td>
</tr>
<tr>
<td>Operating Expenditures Per Capita</td>
<td>$35.89</td>
<td>$44.91</td>
<td>$49.29</td>
<td>$50.83</td>
<td>$44.72</td>
</tr>
<tr>
<td>Total</td>
<td>$17,821,553</td>
<td>$22,854,133</td>
<td>$25,730,288</td>
<td>$27,142,643</td>
<td>$24,775,015</td>
</tr>
<tr>
<td>Open Hours</td>
<td>737</td>
<td>918</td>
<td>918</td>
<td>918</td>
<td>926</td>
</tr>
</tbody>
</table>

* Because population data is reported in the middle of the calendar year, the Library uses the previous year’s reported population for purposes of benchmarks and comparisons. Beginning 2010, this number includes the Fife service area.
LEVY GOAL 1: EXPAND OPEN HOURS

...INCREASING OPEN HOURS expanded access to library staff, books, resources and buildings for communities.

Table 2 - Library Use Statistics

<table>
<thead>
<tr>
<th>Measureable</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visits to Libraries (Door counts)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per Capita</td>
<td>—</td>
<td>3.86</td>
<td>4.37</td>
<td>4.92</td>
<td>4.84</td>
</tr>
<tr>
<td>Total</td>
<td>—</td>
<td>1,966,837</td>
<td>2,280,289</td>
<td>2,624,887</td>
<td>2,682,141</td>
</tr>
</tbody>
</table>

| Active Cardholders              |       |       |       |       |       |
| New                             | 30,650| 41,476| 51,135| 54,634| 50,566|
| Total                            | 197,709| 193,234| 212,831| 240,629| 244,650|
| % of Population                  | 39.8% | 37.9% | 41%   | 45%   | 44%   |

| Unique Customers*               |       |       |       |       |       |
| Total                            | 104,023| 104,710| 115,778| 149,806| 124,771|

* Does not include customers that download Library materials, such as e-books.

Reading on the Explorer Bookmobile
LEY GOAL 2: ADD BOOKS AND OTHER MATERIALS

...CONNECTING CUSTOMERS with good reading and the information they need is at the heart of Library services.

Table 3 - Materials Statistics

<table>
<thead>
<tr>
<th>Measureable</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials Expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per Capita</td>
<td>$5.93</td>
<td>$8.49</td>
<td>$7.85</td>
<td>$8.42</td>
<td>$8.23</td>
</tr>
<tr>
<td>Total</td>
<td>$2,945,334</td>
<td>$4,320,675</td>
<td>$4,398,545</td>
<td>$4,495,037</td>
<td>$4,556,650</td>
</tr>
<tr>
<td>Items Checkout</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per Capita</td>
<td>11.03</td>
<td>11.50</td>
<td>12.65</td>
<td>14.73</td>
<td>15.8</td>
</tr>
<tr>
<td>Total</td>
<td>5,606,253</td>
<td>5,869,805</td>
<td>6,603,498</td>
<td>7,865,324</td>
<td>8,762,736</td>
</tr>
<tr>
<td>Downloadable Checkout</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>5,354</td>
<td>14,774</td>
<td>29,943</td>
<td>55,310</td>
<td>107,053</td>
</tr>
<tr>
<td>Checkouts Per Customer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td>53.9</td>
<td>56.0</td>
<td>57.0</td>
<td>52.5</td>
<td>70.2</td>
</tr>
<tr>
<td>Catalog Visits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>—</td>
<td>200,089</td>
<td>815,445</td>
<td>2,031,062</td>
<td>2,391,263</td>
</tr>
</tbody>
</table>
LEXY GOAL 3: INCREASE SERVICES FOR YOUTH

...SUPPORTING CHILDREN AND STUDENT reading and building skills for succeeding in school, and preparing them for the future.

Table 4 - Youth Services Statistics

<table>
<thead>
<tr>
<th>Measureable</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Live Homework Uses Total</td>
<td>—</td>
<td>3,707</td>
<td>11,262</td>
<td>11,132</td>
<td>14,321</td>
</tr>
<tr>
<td>Children/Teen Items Checkout</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,084,998</td>
<td>2,121,503</td>
<td>2,504,464</td>
<td>2,762,714</td>
<td>2,136,459</td>
</tr>
<tr>
<td>Children Events/Classes # Attending</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,755</td>
<td>2,012</td>
<td>3,157</td>
<td>3,411</td>
<td>2,972</td>
</tr>
<tr>
<td># Attending</td>
<td>56,336</td>
<td>60,442</td>
<td>90,219</td>
<td>99,367</td>
<td>88,488</td>
</tr>
</tbody>
</table>

Teen readers at the University Place Pierce County Library
LEVY GOAL 4: IMPROVE CUSTOMER SERVICE AND TECHNOLOGY

...LIBRARY SERVICES AND TECHNOLOGY are convenient, fast and reflect customer preferences for contemporary library service and delivery.

Table 5 - Service and Technology Statistics

<table>
<thead>
<tr>
<th>Measureable</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Computers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>95</td>
<td>175</td>
<td>239</td>
<td>241</td>
<td>384</td>
</tr>
<tr>
<td>Per 1,000 Capita</td>
<td>0.19</td>
<td>0.34</td>
<td>0.46</td>
<td>0.45</td>
<td>0.69</td>
</tr>
<tr>
<td>Web Visits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>—</td>
<td>728,399</td>
<td>1,673,954</td>
<td>2,556,007</td>
<td>2,955,758</td>
</tr>
<tr>
<td>Computer Classes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>16</td>
<td>551</td>
<td>175</td>
<td>381</td>
</tr>
<tr>
<td># Attending</td>
<td>0</td>
<td>44</td>
<td>803</td>
<td>749</td>
<td>1,780</td>
</tr>
<tr>
<td>Reference/Research Questions Answered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per Capita</td>
<td>0.58</td>
<td>0.55</td>
<td>0.58</td>
<td>0.51*</td>
<td>0.45</td>
</tr>
<tr>
<td>Total</td>
<td>286,710</td>
<td>278,915</td>
<td>300,875</td>
<td>267,352*</td>
<td>249,177**</td>
</tr>
<tr>
<td>Database Uses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>—</td>
<td>52,448</td>
<td>89,418</td>
<td>139,776</td>
<td>912,762</td>
</tr>
</tbody>
</table>

* In 2010, the Library phased in a new method for counting reference/research questions people ask.
** Does not include statistics from Outreach or the IT Help Desk.
BALANCED SCORECARD & HOW WE’RE DOING

Teen studying at the Summit Pierce County Library
“...the Balanced Scorecard is a philosophy of management – strategy – the way in which you manage your library. By using the language of measurement to describe your strategy and to guide your day-to-day actions, your chances of successfully executing your mission are dramatically enhanced.”

--David P. Norton, September 2004

The Pierce County Library System’s vision is to be “the community’s choice for the discovery and exchange of information and ideas.” In order to make wise choices and to focus limited resources in the areas most critical to success and excellent service, PCLS chose in 2005 to implement the Balanced Scorecard as its strategic management and measurement tool. This tool helps the Library determine how it will know when it has achieved a goal or its actions and choices have made a difference. It allows the Library to measure, evaluate and visibly demonstrate how well it is doing.

The Balanced Scorecard was developed at Harvard University and has been in use since the 1990s in the for-profit sector as well as by government agencies, including the State of Washington. Many libraries now use this planning, reporting and decision-making tool.

The key to the Balanced Scorecard is to consider all areas of operation when making choices in what to do and how to allocate resources. The Library examines four perspectives:

- Customer (Serve the Customer)
- Internal Processes (Run the Business)
- Learning, Innovation and Growth (Develop Employees)
- Financial (Manage Resources)

By regularly assessing strengths and weaknesses within these four areas, and applying the Library’s operational strategies:

- Remove access barriers
- Serve target populations
- Meet changing marketplace needs
- Serve the customer well

Staff develop objectives and initiatives for service and action. Because the Scorecard also focuses on achieving goals, staff identify methods to measure success and set targets to judge progress towards that success. Progress is then documented and reported to the Board of Trustees, the public and to staff.

The Balanced Scorecard starts with organizational readiness. The Library must answer the question: “How will we sustain our ability to change and improve in order to achieve our vision?” At PCLS we call this “learning and growth” perspective “Develop Employees”. In a world of rapid and constant change it is necessary for all to be in a continuous learning mode in order to adapt quickly to changing needs, interests and demands of the public, and to how work is performed. The ability of staff to creatively approach work processes, to adapt to change and innovate has become even more critical as the economy changes the environment in which we work and provide service.

In 2009 as the economy crashed, library revenue projections dropped and the Library wrestled with budget cuts. The “Customer” perspective reminded PCLS that our process is focused on making decisions in the best interest of our communities and taxpayers. As a result, communities continued to receive the same level of library service despite a revenue loss in 2010.

For 2011 and 2012, the “Run the Business” perspective will take center stage as the Library focuses on saving money and time and applying those “savings” to support service the public wants now and in the future. The Library Board
of Trustees and staff believe this approach is consistent with taxpayers’ desire for public institutions to closely examine how and what they are doing and rethink it.

In 2011, the System scorecard will be evaluated and updated.

The following pages show results of 2010 service measured against targets established for that year and compared to previous years.
### Figure 2 - 2010 Balanced Scorecard Results
January – December
Final

**PERSPECTIVE – SERVE THE CUSTOMER**

#### Intended Outcome – Customers Are Satisfied

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>External Customer Satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Fall 2009 postponed due to budget reduction</td>
</tr>
<tr>
<td>Survey Rating</td>
<td>4.305</td>
<td>4.52</td>
<td></td>
<td>(Fall)</td>
<td></td>
<td>4.305</td>
<td></td>
</tr>
</tbody>
</table>

#### Intended Outcome – Library Is Well Used

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility Visits Per Capita</td>
<td>4.18 (2,127,077)</td>
<td>5.70 (3,157,800)</td>
<td>(\downarrow -2%) (+35,448)</td>
<td>4.84 (2,682,141)</td>
<td>4.96 (2,646,693)</td>
<td>4.4 (2,299,338)</td>
<td>4.18 (2,127,077)</td>
<td>2007 data begins in Q3</td>
</tr>
<tr>
<td>Website Visits Per Capita</td>
<td>1.43 (728,399)</td>
<td>6.69 (3,706,260)</td>
<td>(\uparrow +10%) (+396,458)</td>
<td>5.34 (2,955,758)</td>
<td>4.79 (2,559,300)</td>
<td>3.2 (1,673,954)</td>
<td>1.43 (728,399)</td>
<td>(Does not include catalog visits)</td>
</tr>
<tr>
<td>% Population with Active Library Card</td>
<td>39% (2006)</td>
<td>49.0% (271,460)</td>
<td>(\downarrow -1%) (+4,021)</td>
<td>44% (244,650)</td>
<td>45% (240,629)</td>
<td>41% (212,831)</td>
<td>37% (193,234)</td>
<td>Card database cleanup Jul ‘08: -18,539 May ‘09: -11,788 May ‘10: -14,374</td>
</tr>
<tr>
<td>Checkout per capita</td>
<td>11.1 (2006)</td>
<td>17.64 (9,772,560)</td>
<td>(\uparrow +7%) (+897,412)</td>
<td>15.8 (8,762,736)</td>
<td>14.7 (7,865,324)</td>
<td>12.7 (6,616,850)</td>
<td>11.5 (5,844,827)</td>
<td></td>
</tr>
<tr>
<td>Population (not a measure, but used for “per capita”)</td>
<td>467,000 (2006)</td>
<td>554,000</td>
<td>(\uparrow +3.7%) (+20,000)</td>
<td>554,000</td>
<td>534,000</td>
<td>522,000</td>
<td>509,000</td>
<td>Now includes Fife</td>
</tr>
</tbody>
</table>
### Intended Outcome – Funding Sources are Diverse

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations/Grants</td>
<td>$143,591</td>
<td>$253,000</td>
<td>↑ (+28%)</td>
<td>$423,606</td>
<td>$330,183</td>
<td>$218,828</td>
<td>$159,771</td>
<td>Funds raised by Foundation for new University Place Library not included in total</td>
</tr>
</tbody>
</table>

### Intended Outcome – Library Is Good Steward of Taxpayers’ Money

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Per Circ</td>
<td>$3.21</td>
<td>≤ $4.59</td>
<td>✓ (-18%)</td>
<td>$2.83</td>
<td>$3.45</td>
<td>$3.89</td>
<td>$4.52</td>
<td></td>
</tr>
<tr>
<td>Cost Per Visit</td>
<td>$5.30</td>
<td>≤ $6.57</td>
<td>✓ (-16%)</td>
<td>$4.39</td>
<td>$5.22</td>
<td>$6.48</td>
<td>$8.01</td>
<td>2007 data begins in Q3</td>
</tr>
</tbody>
</table>

*In previous years, the Library had “Percent of Cash” as a measure. In late 2010, the Board approved a revised cash management process, which manages to a minimum of 2% for non-reserved purposes. This makes it no longer a measurable goal for the Balanced Scorecard. See Chapter 12 for more information.
(Continued)

**PERSPECTIVE – DEVELOP EMPLOYEES**

**Intended Outcome – Staff and Library Improve Continuously**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Baseline</th>
<th>Target 2010</th>
<th>‘09-‘10 Trend</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
<th>2007</th>
<th>Progress Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training Dollars Per Employee</td>
<td>$915.50 (2008)</td>
<td>$1,000</td>
<td>-12%</td>
<td>$1,302.51</td>
<td>$1,481.20</td>
<td>$915.50</td>
<td>N/I</td>
<td></td>
</tr>
</tbody>
</table>

**Intended Outcome – Quality Staff Serve the Community**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Baseline</th>
<th>Target 2010</th>
<th>‘09-‘10 Trend</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
<th>2007</th>
<th>Progress Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Turnover Rate</td>
<td>5.2% (2008)</td>
<td>≤ 10%</td>
<td>-6.5%</td>
<td>4.7%</td>
<td>11.2%</td>
<td>5.2%</td>
<td>N/I</td>
<td>16 employees turned over in 2010</td>
</tr>
</tbody>
</table>
Intended Outcome – Effective Operations Produce Positive Results for Customers

<table>
<thead>
<tr>
<th>Measure</th>
<th>Baseline</th>
<th>Target 2010</th>
<th>‘09–‘10 Trend</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
<th>2007</th>
<th>Progress Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of Web “Up Time”</td>
<td>2009</td>
<td>98%</td>
<td>↑ +0.02%</td>
<td>99.82%</td>
<td>99.8%</td>
<td>N/I</td>
<td>N/I</td>
<td>Q1 – 99.65%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q2 – 100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q3 – 99.8% (4 hrs.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q4 – 99.82%</td>
</tr>
</tbody>
</table>

In Memory of Alice Watson

She was very sick, says the bed moved downstairs, laden with pill bottles and empty tissue boxes; She was very smart, say the books by her pillow, some brown and weathered, some crisp and new. She had seen the world, and loved it, says the Persian rug, the Indian puzzle boxes, and the African carvings on the staircase. She was loved by all, says the folding chair by the bed, Cards from friends and family, dangling from the wall like stockings; But she’s gone now, say the folded quilts on the bed, the flowers at the door, Say the tissue boxes, empty in rooms not her own. Her clothes, hanging in the closet like leaves in November, reveal she’s gone. The untended garden proves it, the trees stand solemn over the daisies, And the wind whispers it around the yard, Winding its way down to the stones of the beach and going away with the tide; Out into the ocean and across, encompassing all until Everything knows that she’s gone, she is gone. But she is loved, says everything. And she knows.

Aidan O’Neill
Gig Harbor High School

2010 Our Own Expressions
9th & 10th Grade Poetry Winner—3rd place

Mom and Daughter using an Internet PC at the Lakewood Pierce County Library
## Figure 3 - Measures and Targets

<table>
<thead>
<tr>
<th>Intended Outcomes</th>
<th>Objectives</th>
<th>Measures</th>
<th>2011 Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers are satisfied</td>
<td>Became a customer-focused Library</td>
<td>Rating on external customer satisfaction survey</td>
<td>Next survey 2011</td>
</tr>
<tr>
<td>Make all experiences easy and convenient</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Library is well-used</td>
<td>Improve access to service and resources</td>
<td>Facility visits per capita</td>
<td>5.6 per capita (+17%)</td>
</tr>
<tr>
<td>Deliver contemporary programs and services</td>
<td>Website visits per capita</td>
<td>5.87 per capita (+11%)</td>
<td></td>
</tr>
<tr>
<td>Improve public awareness and knowledge</td>
<td>Percent of population with an active card</td>
<td>56% (+28%)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Checkouts per capita</td>
<td>17.38 per capita (+11%)</td>
<td></td>
</tr>
<tr>
<td>Run the Business</td>
<td>Improve ability to implement projects and change</td>
<td>[\text{THIS PERSPECTIVE IS UNDER MAJOR REVISION FOR 2011}]</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Improve communication</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop an internal Customer focus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work together well to accomplish objectives</td>
<td>Improve the delivery, use and application of technology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective operations produce positive results for customers</td>
<td>Modernize business process</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Continued on Next Page -
### Intended Outcomes

<table>
<thead>
<tr>
<th>MANAGE FINANCIAL RESOURCES</th>
<th>DEVELOP EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding sources are diverse</td>
<td>Staff and Library improve continuously</td>
</tr>
<tr>
<td>Library is a good steward of taxpayers money</td>
<td>Quality staff serve the community</td>
</tr>
</tbody>
</table>

### Objectives

- Increase non-property tax revenue
- Maintain sustainable operation
- Operate cost effectively
- Invest in infrastructure
- Create learning culture
- Support knowledgeable employees with up-to-date skills
- Attract and retain a talented and diverse workforce
- Build a positive work environment

### Measures

1. **Revenue from donations and grants**
   - $203,000
2. **Cost per circulation in relation to benchmark libraries**
   - ≤ $4.59
3. **Cost per visit**
   - ≤ $6.57
4. **Learning investment, in dollars, per employee**
   - $1,000 per employee
5. **Percentage of regular staff attending at least one learning opportunity**
   - 100%
6. **Rating on internal climate survey**
   - To be determined
7. **Staff turnover rate per time period**
   - PCLS ≤ 10%

### 2011 Targets

- **Library is a good steward of taxpayers money**
- **Maintain sustainable operation**
- **Operate cost effectively**
- **Library is a good steward of taxpayers money**
- **Maintain sustainable operation**
- **Operate cost effectively**
- **Invest in infrastructure**
- **Create learning culture**
- **Support knowledgeable employees with up-to-date skills**
- **Attract and retain a talented and diverse workforce**
- **Build a positive work environment**

- To be determined
2010 PC Reads Author Ruth Reichl speaking at the Author Event
LIBRARY SERVICES

SERVICE AREA

The Pierce County Library System provides library services in the unincorporated areas of Pierce County in Washington State, and 15 annexed cities and towns.

The City of Fife conducted an annexation election on November 3, 2009. The voters overwhelming passed the measure by a 69% approval. The Library System started interim services in Fife in early 2010 and a full service library is scheduled to serve the community in 2011.

The Library served an estimated population of 554,000 in 2010. In December 2010, 244,650 people had active Pierce County Library System library cards, a 5% increase over the previous year. The Library offers more than 1.3 million books, DVDs, audiobooks, and other items. In 2010, people checked out over 8.7 million items (2009: 7.9 million) and people made nearly 2.7 million visits to libraries and bookmobiles (2009: 2.6 million).

In Washington State, seven library systems/organizations serve 250,000+ population, including Pierce County Library. In 2009, Pierce County Library ranked fourth in population served and fourth in total items checked out. It ranked fifth in turnover of items, which means the number of times an item is checked out. These seven library systems manage a total of 157 branches and 19 bookmobiles. In 2009, Pierce County Library had four branches in the top 22 busiest branches (circulation) out of 349 total branches in Washington State, reported by the Washington State Library. The South Hill Pierce County Library moved up to 6th (in 2008 was 11th) highest circulating branch in the state.

SERVICES

The Library provides services through the 17 libraries, three bookmobiles, homebound and adult care facilities, childcare services, and the website.

The six busiest libraries are open 63 hours per week, seven days per week and provide a range of services, including Adult Services and Youth Services librarians, meeting rooms, and extensive fiction and non-fiction materials. Three of the next busiest libraries (Bonney Lake, Graham, and Summit) are each open 60 hours, seven days per week. These nine libraries are open on Sundays, from 1 to 5 p.m.

Seven other libraries (Buckley, DuPont, Eatonville, Key Center, Milton/Edgewood, Orting, and Steilacoom) provide services to local communities and are open 47 hours per week, six days a week. The Tillicum library is open 39 hours per week, six days a week.

In 2010, the Community & Outreach Services Department served 32 adult care facilities and 55 group homes and people who are homebound. Two bookmobiles served isolated communities at 25 locations in 2010, and the Explorer Kid’s Bookmobile, serving children in low-income neighborhoods, served 24 locations. The Youth Services Department serves 70 childcare centers and 81 family childcare programs.

All Pierce County Library System services are available to residents or property owners in the
Library System’s service area, as well as people who live on a military base in Pierce County. In libraries people may access:

- Books, movies, music, and more to check out.
- Answers and information to help people find information and get books to read. Questions also may be answered via mail, phone, or e-mail.
- Free Internet access on library computers or personal laptops.
- Services for youth to help prepare children to read and students with homework.
- Job and business help with books and materials, computers, printers, and classes.
- World languages at most libraries offer books and materials in Chinese, Japanese, Korean, Russian, Spanish, or Vietnamese.
- Free public meeting rooms.

Online libraries services people may access:

- Live online help with homework from professional tutors.
- Help for writing resumes, planning careers, and getting jobs.
- Audiobooks and e-books to download.
- Credible, reliable information from online e-sources, subscription magazines, personal investment resources, car repair manuals, encyclopedias, and other resources.

Please see the map below for libraries located throughout Pierce County. Also provided on the following page is a table of key data regarding the Pierce County Library System.
<table>
<thead>
<tr>
<th>Key Data (2010)</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population of service area as of end of fiscal year</td>
<td>509,000</td>
<td>522,000</td>
<td>534,000</td>
<td>554,000*</td>
<td>560,000</td>
</tr>
<tr>
<td>Service Area Size (in square miles, rounded)</td>
<td>1,600</td>
<td>1,600</td>
<td>1,600</td>
<td>1,800*</td>
<td>1,800</td>
</tr>
<tr>
<td>Library Materials</td>
<td>1,324,660</td>
<td>1,311,331</td>
<td>1,282,810</td>
<td>1,302,764</td>
<td>1,293,155</td>
</tr>
<tr>
<td>Circulation</td>
<td>5,556,527</td>
<td>5,844,827</td>
<td>6,616,850</td>
<td>7,865,324</td>
<td>8,738,850</td>
</tr>
<tr>
<td>Library Visits</td>
<td>2,410,000</td>
<td>2,032,000</td>
<td>2,280,289</td>
<td>2,646,693</td>
<td>2,682,141</td>
</tr>
<tr>
<td>Open Hours/Week</td>
<td>777</td>
<td>918</td>
<td>918</td>
<td>918</td>
<td>926</td>
</tr>
<tr>
<td>No. of Registered Borrowers</td>
<td>197,709</td>
<td>193,234</td>
<td>212,831</td>
<td>240,629</td>
<td>244,650</td>
</tr>
<tr>
<td>Programs given for Children</td>
<td>1,755</td>
<td>2,012</td>
<td>3,157</td>
<td>3,411</td>
<td>2,972</td>
</tr>
<tr>
<td>Pierce County Reads Program Attendance (2008 is first year)</td>
<td>2,778</td>
<td>2,250</td>
<td>3,268</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hours kids read during Summer Reading</td>
<td>48,333</td>
<td>50,500</td>
<td>57,583</td>
<td>69,125</td>
<td>73,167</td>
</tr>
<tr>
<td>Bookmobile Stops</td>
<td>1,480</td>
<td>1,424</td>
<td>1,664</td>
<td>1,663</td>
<td>Est 1,660</td>
</tr>
<tr>
<td>Volunteer Hours/Year</td>
<td>4,797</td>
<td>3,953</td>
<td>4,679</td>
<td>6,175</td>
<td>5,841</td>
</tr>
<tr>
<td>Website Visits</td>
<td>728,399</td>
<td>728,399</td>
<td>1,673,954</td>
<td>2,556,507</td>
<td>2,955,758</td>
</tr>
<tr>
<td>Staff (Employees, including substitutes)</td>
<td>400</td>
<td>400</td>
<td>413</td>
<td>380</td>
<td>374</td>
</tr>
<tr>
<td>Staff (FTE equivalent)</td>
<td>222.1</td>
<td>238.9</td>
<td>289.5</td>
<td>280.0</td>
<td>262.0</td>
</tr>
</tbody>
</table>

* Due to Fife annexation and using updated GIS data for calculation

In the Library Journal “Star” data, PCLS was rated 433 in the $30M+ category (30 out of 45 libraries). The highest library ranked was Cuyahoga County Public Library (1,670) and the lowest was Houston Public Library (99).

In Washington State, PCLS ranked in 2009:
- 4th in total circulation (a chart of the annual circulation is available in the Glossary under Circulation)
- 4th in population served
- 4th in operating budget
Figure 4 - Map of Branch Locations in Pierce County
Figure 5 - Organizational Chart

As of June 1, 2010

Board of Trustees

Neel Parikh
Executive Director

PCLS
Executive Team*

Storm Reyes
Executive Assistant

Georgia Lomax
Deputy Director

Mary Getchell
Communications
Director

Holly Gorski
Human Resources
Director

Lorie Erickson
Facilities
Director

Michele Leininger
Information
Experience Director

Sally Porter Smith
Branch Experience
Director

Lynne Hoffman
Development
Director

Judy Nelson
Youth Services
Director

Clifford Jo
Director of
Finance & IT

Lisa Bitney
Collection
Services Director

Kerry Nielan
IT Manager

Robin Clausen
Managing
Librarian

Bonney Lake, Graham,
Summit, Sumner Libraries

Buckley, DuPont, Eatonville, Fife,
Key Center, Milton/Edgewood,
Orting, Steilacoom, Tillicum Libraries

Cindy Bonaro
University Place
Branch Manager

David Durante
Lakewood
Branch Manager

Rose Jetter
South Hill
Branch Manager

Kathleen Wolf
Gig Harbor
Branch Manager

Keith Knutsen
Parkland/Spanaway
Branch Manager

Alexa Eccles
Outreach Services
Branch Manager

* The Executive Team is comprised currently of 6 members: Executive Director, Deputy Director, Branch Experience Director, Human Resources Director, Communications Director, and Director of Finance & IT. The Executive Team has been in existence since April 2003.
2011 SERVICE HIGHLIGHTS—MESSAGE FROM THE DEPUTY DIRECTOR

Service highlights for 2011 focus on continuing to provide great service and meeting the priorities set by tax payers when they voted to reauthorize the Library’s mill levy five years ago. In addition, staff are actively pursuing opportunities that will help us continue to provide great Library services in today’s world of more business and less resources.

In 2011, as we continue to evaluate how we provide services in the current fiscal situation, the Library will again check in with the community about their service priorities.

OPEN HOURS AND ACCESS

When the Fife Library opens mid-year, it will add another 47 hours of library service in Pierce County. In 2011, with the Fife hours, and last year’s addition of eight more open hours each week in Tillicum, the Library System will be open for business 973 hours each week.

Online library users will be one focus of the Information Experience Department as it “builds” an online Branch to provide convenient, 24/7 access and develop a library experience for customers when they are not in a physical facility.

BOOKS AND MATERIALS

The Library’s materials budget continues to be a healthy 16% of the budget. Last year eReaders became a common household tool. The Library continues to build its downloadable eBook and audiobook collection to support this new and popular reading format. (Downloadable books are great money savers as they can’t be lost or stolen, don’t take up shelf space, and do not need to be processed, shelved or handled by staff.)

Readers are high priority users and staff will continue to focus on the reader’s browsing experience, including continued work on creating popular, highly browsable collections for each branch.

Movies account for over 30% of the items checked out each year, and 21% of the materials budget supports this high demand area. Unfortunately movies are also a target for theft, both while on the browsing shelves and while on hold and waiting to be picked up. In 2011, media dispensers will be installed at Lakewood, Parkland/Spanaway, South Hill, University Place, Gig Harbor, Bonney Lake and Tillicum in the first phase of changes to reduce losses while maintaining customer self service options. More libraries will receive dispensers as funding is available. (Dispensers will reduce theft and resulting costs to replace materials, will improve availability of movies, and save staff time that is currently assigned to monitoring the collection, replacing holds and extra handling of materials.)

UP-TO-DATE TECHNOLOGY

Customers will be able to print, copy, scan and fax with new leased Vend-a-print machines which will provide higher quality printing, possible color copying, a variety of pay options (cash, debit, credit) and reduce costs for the Library. (A vending unit will replace the honor system of fee payment; less paper/toner wasted for copies not picked up; combining four machines into one saves cost, space and maintenance; and leasing is cheaper than purchasing)
Wi-Fi users will be able to print in the library.

The Library’s website and catalog will become accessible to handheld and mobile devices.

The 20 year old telephone system will be replaced with a modern VoIP system that provides quick, convenient, reliable contact with the Library and easy access to a live person during open hours.

Computers will be upgraded to the Windows 7 operating system, Office 2010 and Internet Explorer 8.

**CUSTOMER EXPERIENCE**

PCLS continues to work on how best to provide for all the uses and varying experiences our diverse customers expect in crowded branches, and how best to staff efficiently to provide service to growing numbers of users. Experience gained from 2010’s Lakewood Efficiency Project will be applied to Parkland/Spanaway, Bonney Lake, South Hill and Gig Harbor. The project involved rearranging to improve noise and activity separation in the building, increase visibility for customers to find staff and staff to oversee customer needs, create one service point for easier access to staff and more efficient use of staff, as well as adding self service media dispensers, and designing for efficient work flow for staff.

Staff continues to use PCLS’s “Experience Model” as a guide for how the Library develops and offers services, activities and resources. By deliberately creating ways for customers to be successful with little or no help, knowledgeable staff are readily accessible to customers who need help, who want assistance as they delve deeper into a subject, or who simply want some advice on what to read, watch or listen to next.

**SPECIAL PROJECTS**

The relocated Milton/Edgewood Library opens January 13 in its new 6650 square foot leased space in Surprise Lake Square (900 Meridian Ave.

E., Suite 28). Originally located in a 3300 square foot space in Milton City Hall, the store front facility has twice the space, a community meeting room, and is more centrally located to both the Milton and Edgewood communities.

The expanded 15,000 square foot University Place Library opens in its new Town Center location (3609 Market Place W) on February 12. The joint Library/Civic Center adds 3000 additional square feet to the original library.

The new 6000 square foot Fife Library will open this year. In 2009, the City of Fife became the 15th city to annex into the Pierce County Library District. The Library continues to offer interim services, including bookmobiles, children’s programs and computer classes, while the building is being designed, constructed, furnished, and the new book collection built.

**BEHIND THE SCENES**

In 2010, the Library made difficult behind the scenes cuts, including layoffs and demotions, and an organizational restructuring to reduce costs, and refocus operations to meet the new funding reality. With continuing reductions in property tax, which provides 97% of the Library’s revenue, the Library continues to plan for the future by focusing on changing how and what we do behind the scenes in order to reduce impact on the public. Changes, efficiencies and cost reductions made today will help reduce future cuts expected in the next 3 to 5 years. By making wise choices today, we believe we can continue to provide great services and collections to residents of Pierce County.

Sincerely,

Georgia Lomax
Deputy Director
Family checking out books at the Lakewood Pierce County Library
Pierce County Library’s 2011 budget was developed with continuing services from the levy lid-lift and balanced scorecard. Department Heads followed a process that required maintaining existing services, looking for efficiencies, and considering how their budgets incorporated the Library’s balanced scorecard objectives and initiatives.

**Budget Method & Sequence**

The budget was developed by applying the following method:

1. The Executive Team discussed service priorities and fiscal realities.
2. Managers were advised to plan and budget for 2011 services.
3. Projected revenues were calculated.
4. The Budget Team updated the Library’s ten-year cash flow driver (discussed in detail in the Cash Flow Analysis section).
5. A Board Study Session was conducted to discuss fiscal realities and future budgets.
6. Department Heads were given guidance on how to create their budgets in light of major budget reductions:
   - Levy Promises.
   - Good Stewardship of the taxpayer’s dollar.
   - Provide up-to-date and future-oriented services.
   - Build a customer base for the future.
7. Department Heads developed and submitted operating budgets. Certain line items were called out for sub-itemization and analysis.
8. Department Heads collaborated to create and present capital improvement projects, using an improved process.
9. Department Heads presented their budget proposals to the budget review team (Executive Director, Deputy Director, and Director Finance & IT).
10. Second drafts of departmental budgets were calculated; adjustments were made.
11. The Library received Pierce County’s preliminary tax certification, which contained revenue calculations for 2011. The budget review team reviewed the compiled list of reductions and additions, and calculated a draft budget which was balanced.
12. The 2011 draft budget was presented at the October 2010 Board of Trustees meeting.
13. The 2011 draft budget was presented at the November 2010 Board of Trustees meeting for public hearing and first reading.
14. The budget review team made adjustments to departmental budgets, as needed.
15. The 2011 final budget was presented at the December 2010 Board of Trustees meeting for second reading and final passage.
16. The 2011 budget book was published in January 2011, and made available to the public via the website.

This method ensures that Library managers strategize and plan for service priorities for 2011.
COMBINED FUNDS BUDGET

The Library utilizes three funds: General/Operating Fund, Capital Fund, and Debt Service Fund. For 2011, the combined funds budget is $32,505,031. The Capital Fund budget is larger than past years, due to committed projects for UP and Fife. Note that the Debt Service Fund, although available, remains unused because the Library carries no debt. Unlike the operating budget, the capital budget varies greatly from year to year, depending on capital improvements approved by the Board of Trustees.

Each year, the Library plans the operating and capital budgets with an eye towards its mission, balanced scorecard, and fiscal responsibility. The Library’s long history for receiving clean financial audits—12 spanning over 23 years—is an indicator that the budgets reflect providing fiscally responsible value to the Library’s customers and communities. The 2011 budget continues that excellence by creating a budget that promotes the Library’s balanced scorecard and service priorities while staying within current fiscal realities.

Table 6 - Combined Funds Budget (Expenditures)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FINAL</td>
<td>FINAL</td>
<td>FINAL</td>
<td>FINAL</td>
<td>BUDGET</td>
</tr>
<tr>
<td>Operating</td>
<td>$26,414,979</td>
<td>$27,674,594</td>
<td>$29,120,826</td>
<td>$28,634,961</td>
<td>$28,564,891</td>
</tr>
<tr>
<td>Capital Improvement</td>
<td>2,230,601</td>
<td>1,571,500</td>
<td>1,474,600</td>
<td>3,623,100</td>
<td>3,940,140</td>
</tr>
<tr>
<td>Debt Service</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$28,645,580</td>
<td>$29,246,094</td>
<td>$30,595,426</td>
<td>$32,258,061</td>
<td>$32,505,031</td>
</tr>
</tbody>
</table>

Gordian Knot

Dear poetry, we need to talk
Come with me, let’s take a walk
We’re not working out, it’s easy to see
I wish I could say it’s not you, it’s me
But your every word is like swallowing pain
And your melodrama drives me quite insane
You wish you had flow
You’re no Romeo
Yet I’m crazy for you, dear poetry, it’s true
I may need some space, but a meter should do
I’ll learn to untangle, and then set you free
’Cause when it comes to knots, you have a degree

Sangeeta Singh-Kurtz
Curtis Junior High School
2010 Our Own Expressions
9th & 10th Grade Poetry Winner—2nd place
Figure 6 - Budget Process & General Timeline

- **July**
  - Strategic Priorities Created
  - Start Budget Process; Budget Calendar Created
  - Revenues Estimated & CPI-U noted
  - Budget Instructions Delivered to Managers

- **August**
  - Managers Develop Budget Proposals
  - Board Review & Feedback of Draft
  - Balanced Budget
  - Preliminary Certification of Revenues

- **September**
  - Managers Present Budget Proposals to Budget Team
  - Budget Team Develops Estimated Budget
  - Preliminary Certification of Revenues
  - Implicit Price Deflator (IPD) Recorded

- **October**
  - Executive Team Discusses Budget Directions
  - Director’s Approval for Draft Balanced Budget Elements
  - Budget Team Develops Draft Balanced Budget
  - Board Review & Feedback of Draft Balanced Budget

- **November**
  - Board Study Session on the Budget
  - Board Review & Feedback of Estimated Budget
  - Board of Trustees message written

- **December**
  - Board Review & Feedback of Draft Balanced Budget
  - Public Hearing and Board 1st Reading of Budget
  - Public Hearing and Board 2nd Reading & Final Passage

- **2011**
  - Final or Revised Certification of Revenues (if any)
  - Budget Summary Pamphlet drafted
  - Final Budget & Pamphlet Published (Printed & On Website)
### Figure 7 - Strategic & Fiscal Planning Process

<table>
<thead>
<tr>
<th>Month</th>
<th>Strategic Tasks</th>
<th>Board Tasks (PKT / MTG)</th>
<th>Fiscal &amp; HR Tasks</th>
</tr>
</thead>
</table>
| JANUARY     | · Departments submit BSC accomplishments  
· Compile and analyze 2010 final BSC report  
· BSC accomplishment drafted                                                                                                                                  | · Published budget document                                                              | · (JANUARY 1) Fiscal year begins  
· Previous fiscal year closed                                                                                                                                 |
| FEBRUARY    | · Annual BSC report created                                                                                                                                                                                       | · BSC 2010 final reports                                                                | · Finance Department finishes out previous fiscal year                                                                                                                                                      |
| MARCH       | · BSC Report—Q1  
· Review annual BSC report                                                                                                                                            | · Annual BSC report                                                                      | · First estimate of ending fiscal year performance                                                                                                                                                         |
| APRIL       | · BSC Review—2011 Q1  
· Communications produces annual report                                                                                                                                                      | · Review previous fiscal year report  
· BSC Report—Q1                                                                                                                                         | · Final corrections made to previous fiscal year  
· Draft annual report created and distributed to Communications Department                                                                                                           |
| MAY         | · Strategic priorities created for 2011                                                                                                                                                                      | · Mid-year budget, CIP, and cash flow                                                   | · Mid-year budget process begins; budget papers sent out  
· Preliminary assessment of property tax assessments announced by County; mill rate estimated  
· Mid-year budget papers received; budget created; decisions made                                                                                                                                         |
| JUNE        | · BSC Review—2011 Q2  
· Property values estimated for 2011 tax year  
· Create 5-year projections                                                                                                                                       | · Mid-year budget, CIP, cash flow, budget & CIP resolutions  
· (ACT) Approve mid-year budgets                                                                                                                  | · June-June CPI-U from BLS available; Union informed  
· Mid-year budget entered into financial system  
· Next fiscal year’s budget calendar created                                                                                                                                                             |
| JULY        | · Budget priorities developed  
· Managers develop plans to meet strategic priorities/BSC  
· Major project timeline is developed  
· Marketing plan approved                                                                                                                                               | · CPI-U information, next fiscal year budget calendar  
· Board reviews budget calendar  
· BSC Report—Q2                                                                                                                                           | · Benefit information received from providers  
· Fiscal year budget process begins; budget papers sent out with instructions  
· Estimated budget created                                                                                                                                                                                    |
| AUGUST      |                                                                                                                                                                                                          | · Estimated budget                                                                       | · Every three years (2009, 2012, 2015): Labor Contract negotiations commence with intent to end 12/31  
· Department Heads submit budget proposals  
· Department Heads present to budget panel  
· Budget panel makes budget decisions  
· Preliminary certificate of property tax levy received  
· Balanced budget, CIP, cash flow created                                                                                                                                                             |
| SEPTEMBER   |                                                                                                                                                                                                          | · Board reviews estimated budget; discuss budget priorities  
· 2010: Board conducted a Budget Study Session.                                                                                                             | · Benefit enrollment month  
· (NOVEMBER 30) Deadline to file tax levy resolution/budget certification to County  
· Deadline to file IPD/tax increase resolution  
· Third draft of budget created; budget document completed                                                                                                                                               |
| OCTOBER     | BSC Review—2011 Q3                                                                                                                                                                                        | · Balanced budget, CIP, cash flow, Director’s message  
· Board reviews balanced budget, CIP, cash flow; provides feedback                                                                                      | · Benefit enrollment month  
· Benefit document reviewed by budget team & amended  
· Benefit package created and sent to staff                                                                                                                                                              |
| NOVEMBER    |                                                                                                                                                                                                          | · Second versions of balanced budget, CIP, cash flow, and budget document                  | · Benefit enrollment month  
· (NOVEMBER 30) Deadline to file tax levy resolution/budget certification to County  
· Deadline to file IPD/tax increase resolution  
· Third draft of budget created; budget document completed                                                                                                                                               |
| DECEMBER    |                                                                                                                                                                                                          | · (ACT) Board conducts first public hearing of budget; provides feedback; Board reviews and approves motion to certify property taxes to be levied for the following year  
· BSC Report—Q3                                                                                                                                           | · Department Heads notified to complete current year transactions by mid-January (equip received by end of December)  
· County may send revised levy certificate; Library recommends Board to act on it (or not) if material; if so, schedule a special Board meeting to approve revised budget and certificate; revised certificates sent to County  
· Budget entered into financial system; budget document in final draft form  
· Benefit enrollments processed  
· (DECEMBER 31) Fiscal year ends                                                                                                                                                                           |

**LEGEND**
- BSC = Balanced Scorecard  
- PKT = Board packet materials  
- CIP = Capital Improvement Plan  
- ACT = Action required  
- CPI-U = Consumer Price Index-Urban  
- MTG = Board of Trustees meeting  
- ET = Executive Team

---

2011 Budget  
Page 43  
Pierce County Library System
2011 OPERATING BUDGET SUMMARY

The summarized version of the 2011 operating budget is presented in Table 7 as a balanced budget, where expenditures match revenues. A detailed discussion of revenues and expenditures follows in the next two sections.

Table 7 - 2011 Operating Budget Summary

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>27,784,961</td>
<td>27,659,891</td>
<td>-0.45%</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>5,000</td>
<td>5,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>65,000</td>
<td>70,000</td>
<td>7.69%</td>
</tr>
<tr>
<td>Fines</td>
<td>555,000</td>
<td>605,000</td>
<td>9.01%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>225,000</td>
<td>225,000</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>28,634,961</td>
<td>28,564,891</td>
<td>-0.24%</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>18,719,865</td>
<td>19,173,376</td>
<td>2.42%</td>
</tr>
<tr>
<td>Maintenance &amp; Operations</td>
<td>3,063,756</td>
<td>3,604,185</td>
<td>17.64%</td>
</tr>
<tr>
<td>Materials</td>
<td>4,612,291</td>
<td>4,600,383</td>
<td>-0.26%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>26,395,912</td>
<td>27,377,944</td>
<td>3.72%</td>
</tr>
<tr>
<td>ELECTION COSTS</td>
<td>80,000</td>
<td>80,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>CONTINGENCY</td>
<td>286,350</td>
<td>250,000</td>
<td>-12.69%</td>
</tr>
<tr>
<td>TRANSFERS TO CIF</td>
<td>1,872,699</td>
<td>856,947</td>
<td>-54.24%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>2,239,049</td>
<td>1,186,947</td>
<td>-46.99%</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>28,634,961</td>
<td>28,564,891</td>
<td>-0.24%</td>
</tr>
<tr>
<td><strong>NET OF REVENUES &amp; EXPENDITURES</strong></td>
<td>$0</td>
<td>$0</td>
<td>0.00%</td>
</tr>
</tbody>
</table>
REVENUES
REVENUES

Table 8 - 2011 General Fund Revenue Summary

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes</td>
<td>$27,784,961</td>
<td>$27,659,891</td>
<td>-0.45%</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>Charges for Services</td>
<td>65,000</td>
<td>70,000</td>
<td>7.69%</td>
</tr>
<tr>
<td>Fines</td>
<td>555,000</td>
<td>605,000</td>
<td>9.01%</td>
</tr>
<tr>
<td>Miscellaneous*</td>
<td>225,000</td>
<td>225,000</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td><strong>$28,634,961</strong></td>
<td><strong>$28,564,891</strong></td>
<td><strong>-0.24%</strong></td>
</tr>
</tbody>
</table>

* Includes Foundation donations.

REVENUE PROJECTIONS

The 2011 budget was developed based on revenue projections for 2011–2015. Because 97% of the Library’s budget is derived from property tax and state law strictly regulates property tax collections, it is essential for the Library to project revenues in advance in order to plan spending for the current budget in light of budgets expected in future years.

Revenue projections were developed in the context of two assumptions:

1. 50¢ will remain the levy limit for the taxing district.
2. Revenue will decline for two years and increase at the most 2% from 2013–2015.

By law, the Library may collect up to 50¢ for every $1,000 of assessed property value. The Library district’s property tax rate is based on property values. The 2009 property values declined by 5% for 2010 tax collection. When developing the 2010 budget, the Library projected that property values would continue to decline in 2011.

In 2010, our property values declined by 9.66% for tax collections in 2011. This is 5% more than the Library District projected in 2009. The Library District has since refined revenue projections for 2012–2015. In discussions with other Pierce County taxing districts and other library taxing districts, it is probable that property values will decline in 2012. It is not clear when property values may begin to increase and at what rate.

In planning for the 2011 budget, the Library estimated that property values will decrease an additional 2% in 2011 for collection in 2012, and in addition there would be no growth in value in 2013 and 2014. A conservative estimate has property values growing in 2015 by 2%.

The mill rate is calculated after a district’s property taxes have been assessed according to state laws. The mill rate works in inverse: it is driven up when property values decrease, or
down when property values increase. However, at no time may the district collection more than 50¢ for every $1,000 of assessed property value. The 5% decline in property values for 2010 collection drove the mill rate up from 44.33¢ to 46.95¢. The decline in values by 9.66% in 2011 set the Library above the 50¢ mill rate. As a result, the Library could only collect the 50¢ applied to the assessed value. The addition of Fife to the service area property values added revenue to the district. However, the overall property tax revenue collections from 2010 to 2011 have actually declined by $125,000. Based on projections for decline or flat property values, the overall revenue for the Library District is expected to decline in 2012 by $500,000 and will have no growth until possibly 2015.

With the projected declines in assessed property value, the Library will be at or near its full taxing authority for many years, possibly through 2020. When the Library is at its full taxing authority, it does not receive revenue from new construction and it is therefore projected that for the next several years the Library will not be eligible for revenue from property taxes on new construction.

**REVENUE ASSUMPTIONS**

With exception to the Foundation, budgets for donations, gifts, or grants vary greatly from year to year and cannot be predicted accurately. These are reflected in year end actuals and in any mid-year budget adjustments.

The Government Finance Officers Association (GFOA) Best Practices recommends analyzing revenue trends and forecasts. Although it doesn’t specify how many prior years to report, for discussing 2011 revenues the starting point is set generally at or after 2002 (some begin 2001), when state law was changed to provide only 1% increase in property taxes over the previous year. At the end of this chapter are two tables: one showing proposed revenues for 2011 along with budgeted revenues from 2006 through 2010, the other showing the same proposed revenues compared to actual revenues from 2005 through 2009 and projected 2010 revenues.

For 2011, total new revenues are budgeted to decrease by $70,070 from 2010, a -0.24% decrease. This represents a mill rate of 50.00¢ per $1,000 of assessed property value, an increase from 2010’s 46.95¢ per $1,000.

Revenues other than taxes decreased based on experience and trends. The Library budgets revenues from the Pierce County Library Foundation.

Due to the cyclical nature of revenue receipts versus the regularity of expenditures, there will be temporary shortfalls in available cash (generally in April and October). To fund these shortfalls, the Ending Fund Balance and, if necessary, an inter-fund loan from the Capital Improvement Fund will be used to finance these shortfalls. A small amount of money will be set aside in contingency to assist in paying the bills during shortfalls. More information on contingency is discussed in the Cash Flow Analysis section.

**TAXES**

$27,659,891

Local property taxes constitute nearly 97% of total 2011 revenues. The breakdown of these taxes is provided as follows:

- Property Taxes Current.................$26,535,472
- Property Taxes Delinquent.............1,061,419
- Sale of Tax Title Property.............3,000
- Private Harvest Tax....................50,000
- Leasehold Excise Tax..................10,000

**TOTAL TAXES**.........................$27,659,891

The total allowable levy (Property Taxes Current) is calculated by Pierce County Office of the Assessor-Treasurer using statutory rates and limitations. See Figure 8 below for the preliminary calculation of the tax levy.
### PRELIMINARY TAX LEVY LIMIT 2010 FOR 2011

#### REGULAR TAX LEVY LIMIT:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Highest regular tax which could have been lawfully levied beginning</td>
<td>27,686,286.76</td>
</tr>
<tr>
<td>with the 2009 levy (revised levy not included) times limit factor</td>
<td>1.01</td>
</tr>
<tr>
<td>(as defined in RCW 84.55.010)</td>
<td>27,686,287.77</td>
</tr>
<tr>
<td>B. Current year's assessed value of new construction, improvements and</td>
<td>508,485,021.00</td>
</tr>
<tr>
<td>wind turbines in original districts before annexation occurred times</td>
<td>0.470743282012</td>
</tr>
<tr>
<td>last year’s levy rate (if an error occurred or an error correction</td>
<td>239,365.91</td>
</tr>
<tr>
<td>was made in the previous year, use the rate that would have been</td>
<td></td>
</tr>
<tr>
<td>levied had no error occurred)</td>
<td></td>
</tr>
<tr>
<td>C. Current year's state assessed property value in original district</td>
<td>703,059,005</td>
</tr>
<tr>
<td>if annexed less last year’s state assessed property value. The</td>
<td>0.00</td>
</tr>
<tr>
<td>remainder to be multiplied by last year’s regular levy rate (or</td>
<td>0.470743282012</td>
</tr>
<tr>
<td>the rate that should have been levied).</td>
<td></td>
</tr>
<tr>
<td>D. REGULAR PROPERTY TAX LIMIT (A + B + C)</td>
<td>28,205,646.54</td>
</tr>
</tbody>
</table>

#### ADDITIONAL LEVY LIMIT DUE TO ANNEXATIONS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>E. To find rate to be used in F, take the levy limit as shown in</td>
<td>28,205,636.51</td>
</tr>
<tr>
<td>Line D above and divide it by the current assessed value of the</td>
<td>53,083,731.73300</td>
</tr>
<tr>
<td>district, excluding the annexed area.</td>
<td>0.529348235771</td>
</tr>
<tr>
<td>F. Annexed area's current assessed value including new construction</td>
<td>1,998,508.70600</td>
</tr>
<tr>
<td>and improvements times rate found in E above.</td>
<td>0.5000000000000</td>
</tr>
<tr>
<td></td>
<td>999,254.35</td>
</tr>
</tbody>
</table>

#### LEVY FOR REFUNDS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>H. RCW 84.55.070 provides that the levy limit will not apply to the</td>
<td>29,204,900.89</td>
</tr>
<tr>
<td>levy for taxes refunded or to be refunded pursuant to Chapters</td>
<td>65,335.47</td>
</tr>
<tr>
<td>84.68 or 84.69 RCW. (D or G + refund if any)</td>
<td>29,270,236.36</td>
</tr>
<tr>
<td>I. TOTAL ALLOWABLE LEVY AS CONTROLLED BY THE LEVY LIMIT (D, G or H)</td>
<td>39,370.336.36</td>
</tr>
<tr>
<td>J. Amount of levy under statutory rate limitation.</td>
<td>55,383.233.439.00</td>
</tr>
<tr>
<td></td>
<td>0.5000000000000</td>
</tr>
<tr>
<td></td>
<td>27,641.116.72</td>
</tr>
<tr>
<td>K. LESSER OF I OR J</td>
<td>27,641.116.72</td>
</tr>
</tbody>
</table>
A history of the tax base is provided in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Property Tax Base</th>
<th>%Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$53,283,724,733</td>
<td>-9.66%</td>
</tr>
<tr>
<td>2010</td>
<td>$58,984,142,315</td>
<td>-5.00%</td>
</tr>
<tr>
<td>2009</td>
<td>$62,085,405,469</td>
<td>3.34%</td>
</tr>
<tr>
<td>2008</td>
<td>$60,077,557,821</td>
<td>13.37%</td>
</tr>
<tr>
<td>2007</td>
<td>$52,990,993,065</td>
<td>25.02%</td>
</tr>
<tr>
<td>2006</td>
<td>$42,385,528,523</td>
<td>20.00%</td>
</tr>
<tr>
<td>2004</td>
<td>$32,318,475,182</td>
<td>6.39%</td>
</tr>
<tr>
<td>2003</td>
<td>$30,377,319,365</td>
<td>3.84%</td>
</tr>
<tr>
<td>2002</td>
<td>$29,255,137,258</td>
<td>8.25%</td>
</tr>
<tr>
<td>2001</td>
<td>$27,025,182,627</td>
<td></td>
</tr>
</tbody>
</table>

This base includes the growth in assessed valuation (AV) of existing property in Pierce County and all new construction. For the 2011 fiscal year, the estimated tax base to levy is assessed at nearly $53.3 billion, which represents a -9.66% decrease from the previous year’s assessed valuation. On November 3, 2009, during general elections, Fife residents overwhelmingly approved a measure to annex to the library system. These revenues will be received in 2011.

**Revenue Increases:** State law allows the Library to increase its revenues by up to 1% over the previous year, so long as it does not exceed the 50¢ per $1,000 calculation, also set in state law. Voters restored the levy rate for 2007 to 48¢. In October 2010 the Implicit Price Deflator (IPD, another limiter) was recorded at 1.539%. To collect 1% more than the previous year, the Board would need to override the IPD if less than 1%. Because the IPD is positive, no Board action is required to override it. Regardless, because of the 50¢ limitation, the IPD is not a factor.

**New Construction:** New construction varies year to year, depending on property improvements generated by construction (such as new homes, apartments, etc.). For every $1,000 of new construction, the Library may levy at its current levy rate (46.95¢ for 2010). State law does not apply the 1% limit for revenues received from new construction. New construction has a significant effect on revenues, as the values can contribute between 2% and 4% of revenue growth. Below is a breakdown that shows new construction values since 2002:

<table>
<thead>
<tr>
<th>Year</th>
<th>Construction</th>
<th>Revenue</th>
<th>PCLS</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$508,485,021</td>
<td>$0</td>
<td></td>
<td>0.00%</td>
</tr>
<tr>
<td>2010</td>
<td>$759,965,065</td>
<td>408,506</td>
<td></td>
<td>1.43%</td>
</tr>
<tr>
<td>2009</td>
<td>$1,494,356,425</td>
<td>660,926</td>
<td></td>
<td>2.31%</td>
</tr>
<tr>
<td>2008</td>
<td>$1,789,938,371</td>
<td>859,170</td>
<td></td>
<td>3.10%</td>
</tr>
<tr>
<td>2007*</td>
<td>$1,769,575,840</td>
<td>709,401</td>
<td></td>
<td>*0.00%</td>
</tr>
<tr>
<td>2006</td>
<td>$1,519,842,131</td>
<td>696,437</td>
<td></td>
<td>4.09%</td>
</tr>
<tr>
<td>2005</td>
<td>$1,092,187,309</td>
<td>519,261</td>
<td></td>
<td>3.22%</td>
</tr>
<tr>
<td>2004</td>
<td>$841,593,691</td>
<td>420,797</td>
<td></td>
<td>2.63%</td>
</tr>
<tr>
<td>2003</td>
<td>$1,026,298,566</td>
<td>513,149</td>
<td></td>
<td>3.34%</td>
</tr>
<tr>
<td>2002</td>
<td>$875,103,366</td>
<td>437,552</td>
<td></td>
<td>2.97%</td>
</tr>
</tbody>
</table>

* New construction was not a factor for 2007 due to the levy lid-lift being calculated at 48¢ per $1000 of the districts’ property value.

Note that because the Library is at its statutory limit of 50 cents, no revenues from new construction will be collected.

**Annexation:** In November 2009, Fife residents overwhelmingly approved annexing to the Library District. Collection of these property tax revenues begins in 2011. Fife’s property tax base was valued at $1,998,508,706. Because the Library is at its statutory limit of 50 cents, the tax revenues from the Fife property owners is $999,254. Had Fife residents not annexed to the Library District in 2009, the Library’s revenue loss in 2011 would have been nearly $1,000,000, a -3.74% reduction (instead of -0.24%).

**Calculation of Mill Rate (“Millage”):** The district’s property value is used to calculate the levy rate of assessment (mill rate) of individual properties and the amount the Library will receive for regular property taxes. The statutory limit for taxes is $0.5000 per $1000 of assessed valuation. Recent mill rates were as follows (a graph is provided below that includes projected mill rates):
For the year calculated米兰 Rate
Year  米兰 Rate
2011 ........................ $ 0.5000
2010 ........................ 0.4695
2009 ........................ 0.4437
2008 ........................ 0.4425
2007 ........................ *0.4800
2006 ........................ 0.4002
2005 ........................ 0.4560
2004 ........................ 0.4766
2003 ........................ 0.4862
2002 ........................ 0.4814

* Voter approved.

Table 9 - Mill Rate Projections (2011 - 2015)

<table>
<thead>
<tr>
<th>Year</th>
<th>Mill Rate</th>
<th>Assessed Value</th>
<th>Base Property Taxes</th>
<th>New Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Projected</td>
<td>$ Value</td>
<td>Change</td>
</tr>
<tr>
<td>2008</td>
<td>0.4425</td>
<td></td>
<td>60,077,557,821</td>
<td>13.37%</td>
</tr>
<tr>
<td>2009</td>
<td>0.4433</td>
<td></td>
<td>62,085,405,469</td>
<td>3.34%</td>
</tr>
<tr>
<td>2010</td>
<td>0.4695</td>
<td>0.4695</td>
<td>58,984,142,315</td>
<td>5.00%</td>
</tr>
<tr>
<td>2011</td>
<td>0.5000</td>
<td></td>
<td>55,282,233,439</td>
<td>-9.66%</td>
</tr>
<tr>
<td>2012</td>
<td>0.5000</td>
<td></td>
<td>54,176,588,770</td>
<td>-2.00%</td>
</tr>
<tr>
<td>2013</td>
<td>0.5000</td>
<td></td>
<td>54,176,588,770</td>
<td>0.00%</td>
</tr>
<tr>
<td>2014</td>
<td>0.5000</td>
<td></td>
<td>54,176,588,770</td>
<td>0.00%</td>
</tr>
<tr>
<td>2015</td>
<td>0.5000</td>
<td></td>
<td>55,260,120,546</td>
<td>2.00%</td>
</tr>
</tbody>
</table>

Revenue Calculation from Taxes: For budget purposes the Library applies a 96% collection rate on current property taxes and 4% of the forecasted collection of current taxes as delinquent taxes to be collected. The delinquency collection rate is based on previous years’ experience. For 2011, this ratio remains the same, reflecting that property owners generally paying taxes on time. The Library forecasts current tax revenue collections of $26,535,472 and delinquent tax collections of $1,061,419.

Private Harvest Tax: Another source of revenue is the private harvest tax. Once a major source of revenues, this had been steadily declining between 1998 and 2003, with resurgence since 2004, as seen in the following table, and then a drop to less than half in 2008. In 2011 the Library is projected to receive approximately the same as 2009 at $50,000.

<table>
<thead>
<tr>
<th>Year</th>
<th>Private Harvest Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$ 50,000 (estimate)</td>
</tr>
<tr>
<td>2010</td>
<td>50,000 (projected)</td>
</tr>
<tr>
<td>2009</td>
<td>74,516</td>
</tr>
<tr>
<td>2008</td>
<td>66,671</td>
</tr>
<tr>
<td>2007</td>
<td>168,198</td>
</tr>
<tr>
<td>2006</td>
<td>133,861</td>
</tr>
<tr>
<td>2005</td>
<td>125,977</td>
</tr>
<tr>
<td>2004</td>
<td>109,022</td>
</tr>
<tr>
<td>2003</td>
<td>43,110</td>
</tr>
<tr>
<td>2002</td>
<td>78,420</td>
</tr>
<tr>
<td>2001</td>
<td>183,708</td>
</tr>
<tr>
<td>2000</td>
<td>223,430</td>
</tr>
<tr>
<td>1999</td>
<td>235,711</td>
</tr>
<tr>
<td>1998</td>
<td>247,654</td>
</tr>
</tbody>
</table>

See projected mill rate chart below for future years. This is the optimistic model. We estimate that the mill rate will remain at 50 cents per $1,000 assessed value to at least 2015. This will change depending on circumstances, such as permits issued, houses built, major developments, etc.
Other tax collections, but not discussed here, include sale of title property and leasehold excise taxes, totaling $13,000.

**CHARGES FOR SERVICES**

$ 70,000

Library charges for services include revenue from photocopying, Internet printers, meeting room fees, non-resident fees, and fees for interlibrary loans.

**Photocopy Fees**.............................. $ 25,000

All branches provide photocopiers for public use. The fee of 10¢ per copy will remain in place for 2011.

**Printer Fees** ................................. $ 45,000

All branches offer Internet access and the availability of laser printers for patrons to print to. A 10¢ per page is charged. With the Vend-to-Print system installed in 2011, we expect printer fees to increase.

**LIBRARY FINES**

$ 605,000

Library fines are received from library customers paying for overdue books and other materials.

All materials returned after the due dates are considered late and subject to fines. The daily fine for any item, whether videotape, DVD or book is 15¢.

**MISCELLANEOUS**

$ 225,000

Miscellaneous revenues include interest earned on investments, and revenues not included in any other account.

Miscellaneous revenues from junk sales of assets, Friends and Foundation donations, and collection agency revenues will not be budgeted, but will be recorded in actuals or in mid-year budget adjustments.

**Investment Income** .............................. $ 25,000

On a weekly basis, the Library invests any substantial amounts of excess cash available after calculating the immediate expenditure needs. This line item was maintained the same as 2010, to reflect significantly low interest rates continuing in 2011.

**Foundation Donations** ..................... $ 130,000

Foundation Donations are budgeted based on funding commitments approved by the Foundation Board in the summer of 2010.

**Book Sale Revenue** .............................. $ 40,000

The Library sends surplus books to online retailers that sell materials on Amazon.com. A portion of the sales is forwarded to the Library. Revenues from online sales continue to grow, and is budgeted accordingly.

**Other Miscellaneous Income** ................ $ 30,000

This includes refunds, pay telephone revenue, lost/damaged materials revenue, revenue from lost key cards, insurance settlements, jury duty fines received, etc. This category was budgeted the same for 2011.

---

1 In late 2008, the fines/fees schedule was reduced, and in late 2009, a fine amnesty week was provided to the public. Receipts for fines and fees have since increased and are at normal levels.
Table 10A - 2006-11 General Fund Revenue (Final Budget)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TAX REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31111 Property Taxes Current</td>
<td>$16,310,240</td>
<td>$24,418,249</td>
<td>$25,542,879</td>
<td>$26,440,367</td>
<td>$26,655,732</td>
<td>$26,535,472</td>
<td>-0.45%</td>
</tr>
<tr>
<td>31112 Property Taxes Delinquent</td>
<td>$652,410</td>
<td>$976,730</td>
<td>$1,021,715</td>
<td>$1,057,615</td>
<td>$1,066,229</td>
<td>$1,061,419</td>
<td>-0.45%</td>
</tr>
<tr>
<td>31130 Sale of Tax Title Property</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>31210 Private Harvest Tax</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>31720 Leasehold Excise Tax</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$17,025,650</td>
<td>$25,457,979</td>
<td>$26,627,594</td>
<td>$27,560,982</td>
<td>$27,784,961</td>
<td>$27,659,891</td>
<td>-0.45%</td>
</tr>
<tr>
<td><strong>OTHER REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>33300 Indirect Federal Grants</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>34160 Copier Fees</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
<td>12.50%</td>
</tr>
<tr>
<td>34162 Printer Fees</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>34710 Meeting Room Fees</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>34720 Library Use Fees</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>35970 Library Fines</td>
<td>460,000</td>
<td>530,000</td>
<td>560,000</td>
<td>600,000</td>
<td>555,000</td>
<td>605,000</td>
<td>9.01%</td>
</tr>
<tr>
<td>36110 Investment Income</td>
<td>100,000</td>
<td>250,000</td>
<td>270,000</td>
<td>200,000</td>
<td>25,000</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>36700 Foundation Donations</td>
<td>70,000</td>
<td>105,000</td>
<td>123,755</td>
<td>130,000</td>
<td>130,000</td>
<td>130,000</td>
<td></td>
</tr>
<tr>
<td>36920 Book Sale Revenue</td>
<td>15,000</td>
<td>15,000</td>
<td>20,000</td>
<td>40,000</td>
<td>40,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>36991 Payment for Lost Materials</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>36692 Fee for Lost Library Cards</td>
<td>10,000</td>
<td>10,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$667,000</td>
<td>$887,000</td>
<td>$1,047,000</td>
<td>$1,066,755</td>
<td>$850,000</td>
<td>$905,000</td>
<td>6.47%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$17,692,650</td>
<td>$26,414,979</td>
<td>$27,674,594</td>
<td>$28,627,737</td>
<td>$28,634,961</td>
<td>$28,564,891</td>
<td>-0.24%</td>
</tr>
</tbody>
</table>

Emma Claire by Jesika C., 1st Place 11th/12th Grade Winner of the 2010 Our Own Expressions General Drawing Contest
### Table 10B - 2005-10 General Fund Revenue (Actuals)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>31111 Property Taxes Current</td>
<td>15,639,246</td>
<td>16,494,499</td>
<td>24,616,165</td>
<td>25,604,867</td>
<td>26,480,305</td>
<td>26,688,219</td>
</tr>
<tr>
<td>31112 Property Taxes Delinquent</td>
<td>531,776</td>
<td>508,849</td>
<td>452,853</td>
<td>651,781</td>
<td>820,396</td>
<td>904,035</td>
</tr>
<tr>
<td>31130 Sale of Tax Title Property</td>
<td>4,311</td>
<td>0</td>
<td>7,379</td>
<td>5,837</td>
<td>1,796</td>
<td>1,125</td>
</tr>
<tr>
<td>31210 Private Harvest Tax</td>
<td>125,977</td>
<td>133,861</td>
<td>168,198</td>
<td>66,671</td>
<td>74,516</td>
<td>35,710</td>
</tr>
<tr>
<td>31720 Leasehold Excise Tax</td>
<td>15,885</td>
<td>14,109</td>
<td>20,921</td>
<td>21,904</td>
<td>14,940</td>
<td>18,550</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$16,317,194</strong></td>
<td><strong>$17,151,219</strong></td>
<td><strong>$25,265,515</strong></td>
<td><strong>$26,351,060</strong></td>
<td><strong>$27,391,952</strong></td>
<td><strong>$27,647,639</strong></td>
</tr>
</tbody>
</table>

### OTHER REVENUES

| 33000 Indirect Federal Grants | $1,218 | $37,292 | $23,582 | $0 | $0 | $0 |
| 33457 WA State Library – LSTA 55+ Grant | 386 | 9,259 | | | | |
| 33531 Reforestation Taxes | 4,706 | 14,202 | 12,105 | | | |
| 33872 Contract Fees-Cities | 810 | 3,240 | 3,240 | 3,240 | | |
| 33890 Governmental Service Fees | 54,511 | 47,256 | 46,148 | 77,114 | | |
| 34130 Record Services | 492 | 954 | | | | |
| 34160 Copier Fees | 25,849 | 23,207 | 23,455 | 24,316 | 25,377 | 26,665 |
| 34161 Graphics Services Charge | 11,276 | 10,139 | 13,838 | 9,114 | 15,064 | 13,939 |
| 34162 Printer Fees | 28,781 | 29,741 | 32,333 | 43,191 | 50,722 | 51,866 |
| 34710 Meeting Room Fees | 5,981 | 5,288 | 6,109 | 4,077 | 0 | 0 |
| 34720 Library Use Fees | 2,721 | 2,848 | 1,765 | 1,354 | 139 | 0 |
| 34730 Interlibrary Loan Fees | 521 | 335 | 203 | | | |
| 35970 Library Fines | 512,130 | 524,808 | 570,052 | 623,802 | 526,994 | 612,839 |
| 36110 Investment Income | 156,638 | 201,010 | 328,312 | 157,700 | 34,094 | 29,205 |
| 36111 Interest – State Forest Fund | 53 | 36 | 28 | | | |
| 36190 Other Interest Earnings | 263 | 268 | 323 | 113 | 121 | 12 |
| 36200 Key Peninsula Lease | 316 | 227 | 1,634 | 1,791 | 1,914 | 1,839 |
| 36700 Foundation Donations | 95,719 | 186,493 | 60,204 | 125,699 | 161,070 | 205,316 |
| 36705 Foundation Reimbursement | | | | 1,149 | 0 | 0 |
| 36710 Friends' Donations | 15,267 | 17,295 | 15,043 | 16,356 | 10,700 | 1,834 |
| 36720 Friend’s Reimbursement | 14,058 | 989 | 26,161 | 31,802 | 33,799 | 31,137 |
| 36725 Donations – Other | 6,582 | 16,355 | 494 | 645 | 2,050 | 1,558 |
| 36726 Donations – Building Fund | | | | | | 225 |
| 36730 Tuition Assist. Donations | 7,791 | 4,000 | 0 | 2,000 | | |
| 36910 Sale of Scrap and Salvage | 8,103 | 342 | 7,698 | 3,440 | 0 | 8,060 |
| 36920 Book Sale Revenue | 20,369 | 9,567 | 14,472 | 37,238 | 47,561 | 26,944 |
| 36990 Miscellaneous Revenue | 3,081 | 2,232 | 18,607 | 6,034 | 10,853 | 15,044 |
| 36991 Payment for Lost Materials | 29,819 | 33,937 | 28,657 | 25,337 | 21,747 | 20,806 |
| 36992 Fee for Lost Library Cards | 7,356 | 7,003 | 5,902 | 7,193 | 6,797 | 4,225 |
| 36994 Unclaimed Property | 60 | (1,468) | 274 | (0) | 265 | (390) |
| 36995 Collection Agency Revenue | 6,781 | 8,443 | 10,208 | 10,662 | 10,298 | 4,470 |
| 36996 Jury Duty Reimbursement | 556 | 750 | 590 | 610 | 470 | 350 |
| 36997 Prior Year’s Refunds | 10,429 | 3,030 | 3,884 | 0 | 26,277 | |
| 36999 Rebates – Procurement Card | | | | | 11,089 | |
| 39510 Sale of Fixed Assets | 61,732 | 33,180 | 88,581 | 107,447 | 15,189 | 75,362 |
| **Subtotal** | **$1,037,872** | **$1,165,101** | **$1,353,135** | **$1,196,061** | **$1,026,984** | **$1,249,032** |

### TOTAL REVENUES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$17,355,067</strong></td>
<td><strong>$18,316,320</strong></td>
<td><strong>$26,618,650</strong></td>
<td><strong>$26,654,568</strong></td>
<td><strong>$27,418,935</strong></td>
<td><strong>$28,896,671</strong></td>
</tr>
</tbody>
</table>

* Projected 2010 numbers are entered just prior to final printing; they are not the final numbers as reported in April of the following fiscal year.
Figure 9 - Source of Revenues

The above pie chart shows the breakdown of 2011 revenues by category. The Library’s majority of revenues from property taxes stays steady between 95% and 97%. For 2011 the proportion is nearly 97%.

**Broccoli**

Vegetable stared down with silent, stringy-green tufts.
I sat, disgust,
with parents, frantic; brother, calm.
I chose my favorite tree: birch, no gumdrop!
Then… poof! Gumdrop, my broccoli had become.

Now, the truth stares down.
My brother taught me how to think
about broccoli
about music and bushes
and even Bush Doctrines.
About other things.

Brothers are good at that – at misleading you;
Though hurtful sometimes,
like when it ends in a fight
(his vigor, his stature, his heart and cerebrum win out),
I relish in the deception:
A broccoli transformed,
Now, see comprehensible, its brilliance.

Sam Becker
Gig Harbor High School

2010 Our Own Expressions
11th & 12th Grade Poetry Winner—3rd place
EXPENDITURES

Sumner Library, Renovated 1995
EXPENDITURES

Table 11 - 2011 Operating Expenditure Summary

<table>
<thead>
<tr>
<th></th>
<th>2010 FINAL (12/2009)</th>
<th>2011 BUDGET</th>
<th>% CHANGE 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$18,719,865</td>
<td>$19,173,376</td>
<td>2.42%</td>
</tr>
<tr>
<td>Maintenance &amp; Operations</td>
<td>3,063,756</td>
<td>3,604,185</td>
<td>17.64%</td>
</tr>
<tr>
<td>Materials</td>
<td>4,612,291</td>
<td>4,600,383</td>
<td>-0.26%</td>
</tr>
<tr>
<td>Subtotal</td>
<td>26,395,912</td>
<td>27,377,944</td>
<td>3.72%</td>
</tr>
<tr>
<td>ELECTION SET-ASIDE</td>
<td>80,000</td>
<td>80,000</td>
<td>0%</td>
</tr>
<tr>
<td>CONTINGENCY</td>
<td>286,350</td>
<td>250,000</td>
<td>-12.69%</td>
</tr>
<tr>
<td>TRANSFERS TO CAPITAL IMPROVEMENT FUND</td>
<td>1,872,699</td>
<td>856,947</td>
<td>-54.24%</td>
</tr>
<tr>
<td>Subtotal</td>
<td>2,239,049</td>
<td>1,186,947</td>
<td>-46.99%</td>
</tr>
<tr>
<td>TOTAL EXPENDITURES</td>
<td>$28,634,961</td>
<td>$28,564,891</td>
<td>-0.24%</td>
</tr>
</tbody>
</table>

* included a one-time voluntary retirement incentive program, with payouts totaling $336,300.

EXPENDITURE ASSUMPTIONS

For the 2011 budget process, Department Heads were given budget worksheets for developing their budgets and were expected to recommend efficiencies and reductions while maintaining service priorities and levy promises (see Executive Director’s Budget Message). Department Heads had leeway to fund personnel and purchases based on what are necessary to sustain successful departments. After developing their proposed budgets, Department Heads met with the Executive Director, Deputy Director, and Director of Finance & IT to present their budgets.

Current funding is a limiting factor for serving our growing district. Cost of medical benefits usually rises faster than inflation, at times by more than 10%. For the past 5 years, retirement rates had doubled; however, in 2009 and 2010, the Washington State Department of Retirement Services (DRS) had dropped the Library’s contribution for 2 years. In 2011 and 2012, the rates will begin to escalate again, this time heading upwards of 12%. Facilities are showing their age and continue to need considerable resources for upkeep. Personnel costs are based on the latest contract offer to the bargaining unit.

For Materials, the Library’s goal remains at 16% of revenues, continued for 2011. Materials processing costs were moved back to the Maintenance & Operations line items.

PCLS’ budget is made up of three major areas of expenditures that usually account for over 95%:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>67.9%</td>
<td>62.8%</td>
<td>69.3%</td>
<td>69.6%</td>
<td>64.2%</td>
<td>67.1%</td>
</tr>
<tr>
<td>Maint. &amp; Ops</td>
<td>13.2%</td>
<td>11.0%</td>
<td>11.4%</td>
<td>11.4%</td>
<td>10.7%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Materials</td>
<td>16.0%</td>
<td>16.0%</td>
<td>16.1%</td>
<td>15.8%</td>
<td>16.1%</td>
<td>16.1%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>97.1%</td>
<td>89.8%</td>
<td>96.8%</td>
<td>96.8%</td>
<td>91.0%</td>
<td>95.8%</td>
</tr>
</tbody>
</table>
Table 12 - 2011 Expenditures—By BARS Category

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PERSONNEL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.11.xx Salaries &amp; Wages</td>
<td>$13,698,156</td>
<td>$14,428,370</td>
<td>5.33%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.12.xx Overtime Wages</td>
<td>19,350</td>
<td>14,900</td>
<td>-23.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.13.xx Voluntary Retirement Incentive</td>
<td>336,300</td>
<td>0</td>
<td>-100.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.2.xx Employee Benefits</td>
<td>4,666,059</td>
<td>4,730,106</td>
<td>1.37%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>18,719,865</td>
<td>19,173,376</td>
<td>2.42%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MAINTENANCE &amp; OPERATIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.31.xx Supplies</td>
<td>323,810</td>
<td>322,240</td>
<td>-0.48%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.32.xx Fuel</td>
<td>60,000</td>
<td>60,000</td>
<td>0.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.35.xx Small Tools and Minor Equipment</td>
<td>392,700</td>
<td>337,000</td>
<td>-14.18%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.41.xx Professional Services</td>
<td>404,480</td>
<td>633,850</td>
<td>56.71%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.42.xx Communications</td>
<td>258,800</td>
<td>246,000</td>
<td>-4.95%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.43.xx Travel</td>
<td>59,766</td>
<td>64,170</td>
<td>7.37%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.44.xx Advertising</td>
<td>32,650</td>
<td>46,220</td>
<td>41.56%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.45.xx Operating Rentals/Leases</td>
<td>237,800</td>
<td>282,300</td>
<td>22.92%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.46.xx Insurance</td>
<td>144,000</td>
<td>204,000</td>
<td>41.67%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.47.xx Utilities</td>
<td>359,000</td>
<td>367,500</td>
<td>2.37%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.48.xx Repair and Maintenance</td>
<td>656,100</td>
<td>869,700</td>
<td>32.56%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.49.00 Registrations &amp; Tuition Assistance</td>
<td>54,500</td>
<td>57,210</td>
<td>4.97%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.49.0x Miscellaneous</td>
<td>73,150</td>
<td>88,495</td>
<td>20.98%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.51.xx Intergovernmental</td>
<td>7,000</td>
<td>15,500</td>
<td>121.43%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.82.xx Interest Expense</td>
<td>0</td>
<td>0</td>
<td>0.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>3,063,756</td>
<td>3,604,185</td>
<td>17.64%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MATERIALS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.34.xx Materials</td>
<td>4,612,291</td>
<td>4,600,383</td>
<td>-0.26%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OTHERS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.49.10 ELECTION SET-ASIDE</td>
<td>80,000</td>
<td>80,000</td>
<td>0.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.49.12 CONTINGENCY</td>
<td>286,350</td>
<td>250,000</td>
<td>-12.69%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.97.00 TRANSFERS TO CAPITAL IMPROVEMENT FUND</td>
<td>1,872,699</td>
<td>856,947</td>
<td>-54.24%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>2,239,049</td>
<td>1,186,947</td>
<td>-46.99%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>$28,634,961</td>
<td>$28,564,891</td>
<td>-0.24%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
PERSONNEL
$ 19,173,376

Personnel costs account for nearly 67% of the expenditures and pay for staffing the Library to meet its mission and goals. The total change for 2011 from 2010 is 2.42%. Please see Table 13 for a detailed listing of personnel costs.

Department Heads used the mid-year budget of the current fiscal year to construct personnel costs for the following fiscal year.

Salaries and Wages ......................... $ 13,733,035
Staffing includes all full and part-time personnel located in all locations. Salaries and Wages include $12,000 for Tuition Assistance.

Please see Table 14 on the next page for staffing of departments.

Additional Hours ............................. $ 249,400
Additional hours include adding hours paid to part time staff. For 2011, this is split out from Substitute Hours (the two used to be combined).

Substitute Hours ............................. $ 289,515
Substitute hours are paid to non-Union members, typically to fill in for staff when sick, on vacation, or other needs. For 2011, this is split out from Additional Hours (the two used to be combined).

Shift Differential .............................. $ 156,420
Union employees who work Sunday hours are paid at 1.5x their regular non-Sunday wages. The amount is estimated each year. This was reduced, based on actual usage in 2010 and anticipated staffing in 2011.

Overtime ........................................ $ 14,900
Overtime costs are established by Department Heads to plan for costs associated with working beyond the 40-hour week. Library management has continued to keep overtime costs low and reduced it for 2011.

Benefits............................................. $ 4,730,106
Benefits include medical and dental costs, and retirement, and unemployment

The 2009 Legislature passed retirement rates for 2009-11. Rates have had a major impact to the Library’s budget, as shown in the following table. Note that 2010-11 rates have decreased due to reduced contribution levels enacted by the Legislature during the 2009 legislative session.

- July 2013-June 2014: 11.370%
- July 2012-June 2013: 9.230%

>>> July 2011-June 2012: 8.480% <<<
>>> July 2010-June 2011: 5.310% <<<
- July 2009-June 2010: 8.310%
- July 2008-June 2009: 8.310%
- July 2007-June 2008: 5.940%
- July 2006-June 2007: 3.065%
- July 2005-June 2006: 2.195%

The State Actuary’s Office continues to estimate that rates will skyrocket to above 11% in 2013.

Budgeting for benefits when retirement contributions had doubled is always a major factor.

On the following page are two charts, one for personnel detail expenses, and the other showing staffing numbers.
### Table 13 - 2011 Personnel Detail

<table>
<thead>
<tr>
<th>Description</th>
<th>2010 FTE</th>
<th>2011 FTE</th>
<th>% Change 2010</th>
<th>Final to 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>5,220</td>
<td>5,220</td>
<td>5.40%</td>
<td>New</td>
</tr>
<tr>
<td>Additional Hours (sub hours split out)</td>
<td>492,988</td>
<td>249,400</td>
<td>-49.41%</td>
<td></td>
</tr>
<tr>
<td>Shift Differential</td>
<td>75,016</td>
<td>156,420</td>
<td>-1063%</td>
<td></td>
</tr>
<tr>
<td>Substitute Hours (split out from additional hours)</td>
<td></td>
<td>289,515</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition Assistance Program</td>
<td>12,000</td>
<td>12,000</td>
<td>-200%</td>
<td></td>
</tr>
<tr>
<td>Overtime Wages</td>
<td>19,350</td>
<td>14,900</td>
<td>-23.00%</td>
<td></td>
</tr>
<tr>
<td>Voluntary Retirement Incentive</td>
<td>336,300</td>
<td>0</td>
<td>-100.00%</td>
<td></td>
</tr>
<tr>
<td>Industrial Insurance</td>
<td>117,602</td>
<td>120,558</td>
<td>2.51%</td>
<td></td>
</tr>
<tr>
<td>Medical Insurance</td>
<td>2,188,606</td>
<td>2,243,052</td>
<td>2.49%</td>
<td></td>
</tr>
<tr>
<td>FICA</td>
<td>996,552</td>
<td>1,093,539</td>
<td>9.73%</td>
<td></td>
</tr>
<tr>
<td>Retirement</td>
<td>756,864</td>
<td>969,102</td>
<td>28.04%</td>
<td></td>
</tr>
<tr>
<td>Dental Insurance</td>
<td>222,774</td>
<td>237,360</td>
<td>6.55%</td>
<td></td>
</tr>
<tr>
<td>Other Benefit</td>
<td>3,360</td>
<td>6,720</td>
<td>100.00%</td>
<td></td>
</tr>
<tr>
<td>Life and Disability Insurance</td>
<td>22,691</td>
<td>27,975</td>
<td>23.29%</td>
<td></td>
</tr>
<tr>
<td>Unemployment Compensation</td>
<td>356,310</td>
<td>30,500</td>
<td>-91.44%</td>
<td></td>
</tr>
<tr>
<td>Uniforms</td>
<td>1,300</td>
<td>1,300</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Personnel</strong></td>
<td><strong>18,719,865</strong></td>
<td><strong>19,173,376</strong></td>
<td><strong>2.42%</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Table 14 - 2011 Library Staffing (Estimated)

<table>
<thead>
<tr>
<th>Department</th>
<th>2011 FTE</th>
<th># of FTEs with MLS/MLIS*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branch Services (includes Outreach &amp; youth services librarians)</td>
<td>181.90</td>
<td>41.63</td>
</tr>
<tr>
<td>Collection Services Department</td>
<td>27.45</td>
<td>5.00</td>
</tr>
<tr>
<td>Communications Department</td>
<td>5.40</td>
<td>-</td>
</tr>
<tr>
<td>Community &amp; Outreach Services (moved into Branch Services)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deputy Director’s Office</td>
<td>1.80</td>
<td>1.00</td>
</tr>
<tr>
<td>Executive Director’s Office</td>
<td>3.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Facilities Management Department</td>
<td>20.84</td>
<td>-</td>
</tr>
<tr>
<td>Finance Department</td>
<td>7.25</td>
<td>-</td>
</tr>
<tr>
<td>Fund Development Department</td>
<td>2.80</td>
<td>-</td>
</tr>
<tr>
<td>Human Resources Department</td>
<td>4.50</td>
<td>-</td>
</tr>
<tr>
<td>Information Services Department</td>
<td>4.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Information Technology Department</td>
<td>12.25</td>
<td>-</td>
</tr>
<tr>
<td>Youth Services Department (most librarians move to Branch services)</td>
<td>8.33</td>
<td>4.50</td>
</tr>
<tr>
<td><strong>Total FTE Count</strong></td>
<td><strong>279.52</strong></td>
<td><strong>54.13</strong></td>
</tr>
</tbody>
</table>

Change from previous year: +4.52 (+1.64%) to -1.50 (-2.70%)

*MLS or MLIS: Masters of Library Science or Library Information Science graduate degree, a requirement to hold the title "Librarian".
**Maintenance & Operations**

$3,604,185

**Supplies** $322,240
The Supplies category includes office and operating supplies, custodial supplies, maintenance supplies, materials processing supplies, audiovisual and book processing supplies, supplies for the Summer Reading Program, and audio/visual replacement parts. The amount budgeted is -0.48% (-$1,570) less than budgeted for last year.

**Fuel** $60,000
Fuel consists of charges for gasoline, diesel, and propane. No change from last year.

**Smalls Tools & Minor Equipment** $337,000
Minor equipment includes furniture, computers, printers, scanners, and software. This category decreased by -14.2% (-$55,700).

**Professional Services** $663,850
This category includes services provided by a private business or governmental agency. In addition to the services of attorneys, accountants, and consultants, this classification includes software consultants, interpreters, trainers, maintenance-related services, etc. There was an increase of 56.7% ($229,370) due to moving materials processing services back to Maintenance and Operations, and funds for improving the public Web site and Polaris.

**Communications** $246,000
Communications include all Library mailings (postage, Federal Express, UPS, courier services); voice communication service (monthly service and long distance, TDD, and cellular); costs associated with the leased data lines connecting all Library computers together and to the Internet; leased telephone lines used in support of Internet access; and costs associated with alarm monitoring. Communications decreased by -5.0% (-$12,800) due to discounts in network lines and electronic mailings of holds notices.

**Travel** $64,170
This includes reimbursement to employees and Board of Trustees for use of personal automobiles on Library business, and travel expenses associated with attendance at training and continuing education events, conferences, and seminars. The budget is 7.4% ($4,404) more.

---

**Skeletons of Progress**

Where nothing inorganic ever rises from the soil, 
and the air is clotted thick 
with antique rust and tepid oil, 
where water pools in potholes, 
opaquely brown and slick, 
and the hubcaps break like glaciers 
on the mounds of broken brick. 
Giants scale the twilight 
with their bending, broken spines, 
their bones of steel pulled downward 
by the weight of passing time, 
and their shadows fall like shrouds 
upon the garbage in the streets; 
the scaling rust and old decay 
that must have wilted in the heat.

For industry! For factory! a waning metal grave: 
goodbye forgotten progress, hello better days.

Myralee Hansen
Lakes High School

2010 Our Own Expressions
11th & 12th Grade Poetry Winner—2nd place

**Advertising** $46,220
This includes newspaper advertising for library activities, employees and Board of Trustees vacancies, requests for bids, and placing ads in phone books, and other marketing. The amount budgeted increased by 41.6% ($13,570) for an anticipated Board vacancy and advertising related to the Fife services.

**Operating Rentals/Leases** $292,300
This includes leases of copy machines, and the DuPont lease and Surprise Lake lease. This amount budgeted increased by 22.9% ($54,500) to pay for Vend to Print multifunction copier leases, that will be offset by print revenues.
Insurance ............................................. $ 204,000
This includes all insurance for the Library’s real and personal property, vehicles, fidelity, errors and omissions, employment practices, umbrella plan, commercial crime, and underground storage tanks. This increased by 41.7% ($60,000) to pay for a Premise Pollution Liability policy.

Utilities ............................................ $ 367,500
Utilities include electricity, natural gas, water, sewer, and refuse collection for all Library facilities. In 2003, the Facilities Management Department implemented significant energy conservation projects throughout the system which continue to result in dramatic year to year offsets of significant rate increases. The amount budgeted is 2.4% ($8,500) more for 2011 and includes Fife Library utility costs.

Repair & Maintenance ......................... $ 869,700
This category includes commercial repair of the Library’s office equipment; fees for the maintenance and/or service contracts for the Polaris ILS and related hardware; telecommunications system, personal computer and peripheral maintenance, elevator service, heating, ventilation and air conditioning preventive maintenance; and unscheduled commercial repairs, septic tank cleaning, and pest control. The budget increased by 32.6% ($213,600) due to moving maintenance projects from the capital improvement plan to the operating budget, adding contract fees for media dispensers, and adjustments to match actual needs.

Training .......................................... $ 57,210
Training includes costs related to attendance at classes, seminars, and conferences. The training budget is 5.0% ($2,710) more.

Intergovernmental ............................... $ 15,500
This category includes costs associated with fees paid to other governmental agencies. The amount budgeted 121.4% ($8,500) more, and will pay for the 2009-10 financial audit.

Interest Expense ............................. $ 0
To cover cash shortfalls, when cash on hand is less than expenditure needs due to cyclical nature of revenue collection, the Library borrows from the Capital Improvement Fund. When interfund loans are made, the Library is required to pay interest to the Capital Improvement Fund. The interest anticipated for 2011 continues to be low, if any, due to having enough in the ending fund balance to fund the majority of the shortfall.

Miscellaneous ................................. $ 88,495
This category includes memberships in ALA, WLA, and PNLA, and dues for local Chambers of Commerce and other groups; sales tax payable on photocopies/printers and graphics sales, use tax on out-of-state purchases, and sewer assessments/surface water management fees. It also includes fees for driving records requests, bad debt expenses/bank fees, and charges associated with the collection of fines, and other charges at the branches. This category increased by 21.0% ($15,345).

Little Sister

Sticky, sweet
Scent of cereal bars
Lingering
In her breath,
She wakes me
To play with little kid puzzles.
Hair curls rest
Like soft yellow
butter cream
On a porcelain
Doll face
Graced by sweeping
Innocence.
She looks at me
And tells me
I’m “cooler than
Cinderella”

Piper Kachman
Home School

2010 Our Own Expressions
7th & 8th Grade Poetry Winner—1st place
Table 15 - 2011 Maintenance & Operations Detail

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Office/Operating Supplies</td>
<td>$ 194,610</td>
<td>193,980</td>
</tr>
<tr>
<td>Custodial Supplies</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td>Maintenance Supplies</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td>A/V Processing Supplies</td>
<td>25,200</td>
<td>25,200</td>
</tr>
<tr>
<td>Book Processing Supplies</td>
<td>24,000</td>
<td>22,560</td>
</tr>
<tr>
<td>Training Supplies</td>
<td>500</td>
<td>New</td>
</tr>
<tr>
<td>Fuel</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Minor Equipment</td>
<td>58,500</td>
<td>19,800</td>
</tr>
<tr>
<td>Furnishings</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>PC Hardware</td>
<td>195,700</td>
<td>195,000</td>
</tr>
<tr>
<td>Printers</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Software</td>
<td>33,500</td>
<td>17,200</td>
</tr>
<tr>
<td>Professional Services</td>
<td>285,280</td>
<td>328,750</td>
</tr>
<tr>
<td>Legal Services</td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Collection Agency</td>
<td>33,600</td>
<td>33,600</td>
</tr>
<tr>
<td>Resource Sharing Services</td>
<td>19,400</td>
<td>25,000</td>
</tr>
<tr>
<td>Bibliographics Services</td>
<td>45,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Printing and Binding</td>
<td>0</td>
<td>3,000</td>
</tr>
<tr>
<td>Vendor Processing Services</td>
<td>0</td>
<td>65,000</td>
</tr>
<tr>
<td>Inter Library Loan Lost Item Charges</td>
<td>1,200</td>
<td>3,500</td>
</tr>
<tr>
<td>AV Processing Services</td>
<td>0</td>
<td>125,000</td>
</tr>
<tr>
<td>Postage</td>
<td>46,300</td>
<td>46,000</td>
</tr>
<tr>
<td>Data Lines</td>
<td>212,500</td>
<td>200,000</td>
</tr>
<tr>
<td>Travel</td>
<td>21,326</td>
<td>24,970</td>
</tr>
<tr>
<td>Mileage Reimbursements</td>
<td>38,440</td>
<td>39,200</td>
</tr>
<tr>
<td>Advertising</td>
<td>32,650</td>
<td>46,200</td>
</tr>
<tr>
<td>Rentals/Leases</td>
<td>237,800</td>
<td>292,300</td>
</tr>
</tbody>
</table>

In 2011 midyear, the 54500 line item will be split into Building Rentals/Leases, and Equipment Rentals/Leases.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance</td>
<td>144,000</td>
<td>204,000</td>
</tr>
<tr>
<td>Electricity</td>
<td>264,500</td>
<td>269,500</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>20,000</td>
<td>21,000</td>
</tr>
<tr>
<td>Water</td>
<td>28,000</td>
<td>28,500</td>
</tr>
<tr>
<td>Sewer</td>
<td>20,250</td>
<td>21,500</td>
</tr>
<tr>
<td>Refuse</td>
<td>26,250</td>
<td>27,000</td>
</tr>
<tr>
<td>General Repairs/Maintenance</td>
<td>178,000</td>
<td>188,000</td>
</tr>
</tbody>
</table>

In 2011 midyear, the 54800 line item will be split into categories for: buildings, automobiles, equipment/others.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted Maintenance</td>
<td>476,100</td>
<td>679,700</td>
</tr>
<tr>
<td>Maint. Telecomm Equipment</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Registrations</td>
<td>54,500</td>
<td>57,210</td>
</tr>
<tr>
<td>Dues and Memberships</td>
<td>19,900</td>
<td>31,245</td>
</tr>
<tr>
<td>Taxes and Assessments</td>
<td>32,000</td>
<td>34,000</td>
</tr>
<tr>
<td>Licenses and Fees</td>
<td>18,600</td>
<td>20,600</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2,650</td>
<td>2,650</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>7,000</td>
<td>15,500</td>
</tr>
<tr>
<td>Interest on Interfund Debt</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Total Maintenance & Operations | $ 3,063,756 | $ 3,604,185 | 17.64%
**MATERIALS**

$4,600,383

Printed materials and non-printed materials or media are provided to Library customers. Materials include books, DVDs, talking books, and other formats. Funds are allocated by the Collection Services Department into the appropriate categories, after establishing the overall Materials budget.

The Materials budget is set at 16.11% (includes processing fees moved back to Maintenance & Operations) of new revenues for 2011. Below depicts the historical funding of the Materials:

**Figure 10 - Materials Budget History**

The 2005 Materials budget was much higher, by $400,000, due to carrying forward 2004 unexpended funds (the catalog system replacement project delayed purchasing of materials). Figure 11 shows PCLS’ Materials budget per capita, an important factor in considering how much is spent on providing books for the district the library serves.

While some library systems have a lower percentage to revenues, PCLS records and analyzes this measure by considering the per capita spending for the service district. Below shows recent comparisons with other library systems’ budget performance by capita:

**Figure 12 - 2009 Materials Expenditures Per Capita Comparison**

In 2006, PCLS reported 7th out of 13 libraries in the chart above. For 2009 the Library reported 3rd. The 2011 materials expenditure per capita is estimated to be $8.36 per capita. Details of the 2011 Materials budget are provided in Table 16 on the following page.
from
The Contingency
Continuing the fiscal plan comes
Election set 2011 next

TOTAL
53499
53490
53466
53464
53414
53412
53411
53410
53409
53408
53407
53406
53405
53404
53403
53402
53401
53400

BUDGET
2011
FINAL TO 2010

% CHANGE 2009

-7.51%
-3.85%
-1.79%
-3.85%
-3.23%
-15.38%
-10.59%
-7.44%
-40.00%
-67.48%
-2.00%
new
new
-100.00%
-100.00%
new
0.00%

FINAL (12/2009)

Adult Materials ................................................. $1,119,491
Serials .............................................................. 26,000
Periodicals ....................................................... 100,800
Juvenile Books .................................................. 624,000
Professional Collection ...................................... 31,000
International Collection ..................................... 130,000
Audiovisual Materials - Adult ............................ 1,478,000
Audiovisual Materials - Juvenile ......................... 168,000
Reference Materials ........................................... 50,000
Electronic Info Sources .................................... 615,000
Reference Serials .............................................. 50,000
Electronic Services ............................................ 315,000
Electronic Collection ........................................ 300,000
Vendor Processing Services ............................... 65,000
AV Processing Services .................................... 125,000
Collection Projects ............................................ 300,000
Gifts - Materials ............................................... 30,000

TOTAL MATERIALS $4,612,291 $4,600,383 -0.26%

OTHER EXPENDITURES $1,186,947

Election Set-Aside ......................... $80,000
Continuing from 2007 and for 5 years, the Library set aside $60,000 to $80,000 annually towards the next levy lid-lift, presumably several years from now. The goal is to achieve $360,000 to conduct a potential levy lid-lift election within the next five to six years. Costs for the election include ballot preparations, postage, professional services, office supplies, etc. 2011 is the final year.

Contingency ......................... $285,649
The Library uses contingency as a floating variable to calculate cash-solvency to pay April’s bills two fiscal years ahead. For 2011, this means that enough contingency money is being set aside to plan for paying April 2013’s bills. Contingency is set at about 1% of revenues, and may fluctuate year to year.

Transfers to Capital Imp. Fund ...........$856,947
Some funding for the Capital Improvement Plan comes from the Operating Budget. For 2011, the Capital transfer is set at 3% of revenues to pay for anticipated capital improvement projects. Significant projects need funding, including University Place and Fife.

Transfer to Capital Improvement Fund

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget Transfer</th>
<th>Actual Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$856,947</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>1,872,699</td>
<td>*3,375,599</td>
</tr>
<tr>
<td>2009</td>
<td>572,555</td>
<td>1,149,874</td>
</tr>
<tr>
<td>2008</td>
<td>553,492</td>
<td>1,503,492</td>
</tr>
<tr>
<td>2007</td>
<td>1,128,300</td>
<td>1,382,530</td>
</tr>
<tr>
<td>2006</td>
<td>353,853</td>
<td>353,853</td>
</tr>
<tr>
<td>2005</td>
<td>334,343</td>
<td>1,915,721</td>
</tr>
<tr>
<td>2004</td>
<td>319,545</td>
<td>319,545</td>
</tr>
<tr>
<td>2003</td>
<td>312,727</td>
<td>854,592</td>
</tr>
<tr>
<td>2002</td>
<td>174,570</td>
<td>476,813</td>
</tr>
<tr>
<td>2001</td>
<td>513,675</td>
<td>426,897</td>
</tr>
<tr>
<td>2000</td>
<td>240,003</td>
<td>827,265</td>
</tr>
<tr>
<td>1999</td>
<td>124,000</td>
<td>699,060</td>
</tr>
<tr>
<td>1998</td>
<td>0</td>
<td>586,836</td>
</tr>
</tbody>
</table>
* Projected for 2010.
The projected amount in 2010 included savings from 2009 operations. The chart below shows the Capital transfers from 1998 through 2010.

**Multiple Pants Disorder**

I look in my drawer and notice
I have a lot of pants
I have smarty pants and funny pants
Pants for parents and pants for friends
I have pants to play sports and pants to dance
Each pair is a different part of me
So maybe I have pants I wear just to talk to you
With all these pants I spread my personality thin
You could say I have Multiple Pants Disorder
I decided to take a patch from each pair of pants
With these patches I created the Master Pants
It took a lot of time and effort
But it was worth it
These pants are all of me all the time
I decided to try them on and no surprise-
They fit perfectly
So next time if I talk to you if I sound different
I’m not different I’m me
You knew a part of me
But now I can be my whole self

---

Rachel Sorensen
Bellarmine Preparatory

2010 Our Own Expressions
9th & 10th Grade Poetry Winner—1st place
A shell of the leased space at the Surprise Lake shopping center, to become the new Milton/Edgewood Pierce County Library—opening January 2011
## GENERAL FUND BALANCE

### Table 17 - 2011 General Fund Balance Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance, January 1 (estimated)</strong></td>
<td>$11,660,901</td>
</tr>
<tr>
<td><strong>Less: RESERVE COMMITMENTS</strong></td>
<td></td>
</tr>
<tr>
<td>Operational needs for first four months</td>
<td>$7,665,824</td>
</tr>
<tr>
<td>Reserve for future election</td>
<td>$360,000</td>
</tr>
<tr>
<td>Reserve for labor contract proposal (2010 commitment)</td>
<td>$149,254</td>
</tr>
<tr>
<td>Total Reserve Commitments</td>
<td>$8,175,078</td>
</tr>
<tr>
<td><strong>Available unrestricted funds at beginning of year</strong></td>
<td>$3,485,823</td>
</tr>
<tr>
<td><strong>INFLOWS</strong></td>
<td></td>
</tr>
<tr>
<td>Set aside from operating budget for minimum of 2% goal</td>
<td>$250,000</td>
</tr>
<tr>
<td>Other inflows</td>
<td>$0</td>
</tr>
<tr>
<td>Total of Inflows</td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>OUTFLOWS</strong></td>
<td></td>
</tr>
<tr>
<td>Transfers per Board approval for UP, Fife and other capital needs</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Total of Outflows</td>
<td>$3,000,000</td>
</tr>
<tr>
<td><strong>Net unrestricted fund balance at end of year</strong></td>
<td>$735,823</td>
</tr>
<tr>
<td>% of following year revenues</td>
<td>2.62%</td>
</tr>
<tr>
<td><strong>Add: UNUSED RESERVE COMMITMENTS</strong></td>
<td></td>
</tr>
<tr>
<td>Operational needs for first four months</td>
<td>$7,665,824</td>
</tr>
<tr>
<td>Reserve for future election</td>
<td>$360,000</td>
</tr>
<tr>
<td>Reserve for labor contract implementation (2010 commitment)</td>
<td>$0</td>
</tr>
<tr>
<td>Unused reserve commitments</td>
<td>$8,025,824</td>
</tr>
<tr>
<td><strong>Ending Fund Balance, December 31 (estimated)</strong></td>
<td>$8,761,647</td>
</tr>
</tbody>
</table>

### GENERAL FUND BALANCE SUMMARY

The Library may budget funds out of the General Fund balance for special purposes. This includes charging expenditures to the General Fund balance, and identifying special funds that carry forward from one fiscal year into the next. This complies with Board Policy 3.15, Fiscal Management Policy, which states that “fiscal year carryovers of funds within the General Fund are limited in nature, and are used for special purposes that are related to grants, gifts/donations, and collection materials.”

By default, all sources of unexpended revenues are released into the General Fund at year-end, unless the Board takes action to identify and approve carry-forward funds.
**GFOA Statement on General Fund Balance**

The General Fund Balance is a key tool for managing the Library’s cash flow. Should the General Fund Balance get too low, not enough funds are available to pay for the first four to five months of each year (until tax collections are received), requiring the Library to borrow from the Capital Fund or establish a bank line-of-credit.

In 2009, the Government Finance Officers Association (GFOA) released an updated policy statement on cash reserves (Fund Balance), approved by its Executive Board during 2009’s GFOA Conference held in Seattle:

“Furthermore, a government’s particular situation often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level [2 month’s worth]. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the general fund at any one time.”

— GFOA, October 2009

This has been consistent with the Library’s practice since Initiative 747 was passed in 2002. The Library’s fund balance is a critical resource for paying bills during normal intra-year shortfalls, and has by policy used it in long-term forecasting.

GFOA recommends a Fund Reserve policy (which was incorporated into the Board’s recently amended Fiscal Management Policy) to address one or more of the following 5 factors:

1. Predictability of revenues and the volatility of expenditures—higher levels may be needed if there are unpredictable fluctuations in revenues or expenditures are volatile.

   *The Library has continues to experience major, unpredictable volatility of property tax revenues and interest rates.*

2. Perceived exposure to significant one-time outlays (e.g., disasters, state budget cuts, immediate capital needs).

   *The Library’s policy has a disaster provision should emergency circumstances warrant use. However, the Library has not budgeted cash reserves specifically for an emergency disaster. Instead, it will make timely assessments of whether cash is required, or whether other means may be available to maintain payments for operations until emergency circumstances are mitigated.*

3. Potential drain upon general fund resources from other funds. i.e., deficits in other funds may require that a higher level of fund balance be maintained.

   *The Library’s only other major fund is the Capital Fund. It is used to plan and pay for major projects related to maintaining or improving the Library’s capital assets. The Library’s Fiscal Management policy approves funding for capital projects through operating budget transfers, unanticipated savings, and through other sources, for example UP Capital Campaign and investment interest. When the Capital Fund is depleted, the Library can’t borrow from it to pay for operations (see Chapter 11, below).*

4. Liquidity (i.e., disparity between when financial resources become available to make payments and the average maturity of related liabilities may require a higher level be maintained).

   *The Library requires 4 to 5 months of fund reserves to pay its bills until the large property tax revenues are received in early May and November.*

5. Commitments and assignments for a specific purpose may require higher than normal levels.

   *The Library set aside commitments as follows:*
o $360,000 to conduct a future election, should conditions warrant.

o Nearly $150,000 committed to the latest management contract offer to the Union for the 2010 wage proposal.

The Library’s Fiscal Management Policy, and specifically its directives on usage and planning of cash reserves, conforms to GFOA’s most recent statement on fund balance. The Library has been practicing to this most recent update since 2002.

**Use of cash reserves (Fund Balance)................ $ 0**

No use of cash reserves is budgeted for 2011.

---

**Swing Dancing**

At first I stepped upon her feet,  
And could not keep a single beat,  
We kept on spinning round and round,  
So scared we’d end up on the ground.

But soon the moves were understood,  
Some people said that I was good,  
But I don’t think the fact is clear,  
My partner just knows how to steer.

Nathaniel Shelden  
Covenant High School

2010 Our Own Expressions  
11th & 12th Grade Poetry Winner—1st place

---

University Place Library under construction, opening February 2011
DEBT SERVICE

In 1986, the voters passed a $28.9 million bond levy to construct new library facilities, including the purchase of land and the acquisition of furniture and equipment. It also included funds to remodel/renovate existing library facilities throughout the Library and purchase books and non-print materials. Bonds were issued in 1986 ($18 million), 1990-91 ($8 million), and 1992 ($2.9 million). In 1995, a portion of the 1986 and 1990-91 issues was refinanced; the value of this refunding was $6.93 million. With the payment of principal and interest in December 2002, the entire debt was retired. Thus the Library continues to carry no debt. The Library will continue to collect delinquent tax collections on previous years’ tax levies for debt service. Upon Board of Trustees approval, these funds may be deposited into the Capital Improvement Fund or the General Fund.

The Library began a Facilities Master Planning project in late 2008 which concluded in January 2010 with a comprehensive report and plan. This project determined the needs of services and facilities for the next 20 years (3030). Recommendations may ensue for bonds sometime in the future, in which case the Debt Service Fund may become active.

The Secret Garden

I push my hand into my pocket
I grasp the tiny key
I hope upon my lucky locket
Is anyone watching me?

I shove the key inside the lock
I hear a rusty squeak
I push the door against a rock
A crow begins to speak

The door does open with one mighty shove
A secret garden is revealed
A quiet dream so do I love
A wish so long awaited

Spring does come with a world so bright
Tiny buds have pearled
I keep my secret with all my might
I love my tiny world

Morgan Hoff
Home School

2010 Our Own Expressions
7th & 8th Grade Poetry Winner—3rd place
University Place Pierce County Library, Opening in 2011
SUMMARY

The Capital Improvement Fund (CIF) was established in 1998 as a mechanism to fund large projects or equipment purchases, which may cross fiscal years. In order to receive an allocation through the Capital Improvement Fund, a project must be approved and be included in the Capital Improvement Plan (CIP). The following criteria must be met for a project to be considered in the CIP:

- The value of the asset/project/service is equal to or greater than $5,000; and
- Has a useful life equal to or greater than three (3) years.

A major repair or maintenance project can be included in the CIP if it meets the above two criteria and the project increases capacity and/or extends the original useful life of the asset. Additionally, ongoing maintenance as a part of a system-wide project or smaller capital items, beneath the threshold needing to be purchased as a larger “group”, can be aggregated into larger-value capital improvement projects.

Department Heads submitted estimates according to when the projects would occur, whether they were multiyear projects, and more detailed funding breakdowns. Considerable work was done to project realistic needs from 2013–2015. The Library does not automatically carry forward capital funding of a project from one fiscal year to the next. Instead, Department Heads resubmit projects for appropriate funding, including ones that have started, or are currently moving.

The Capital Improvement Plan and its corresponding budget will be reviewed mid-year and revised as needs and funding dictate.

FINANCING SOURCES

Funding available for the Capital Improvement Plan comes from four sources:

1. Funds already in the Capital Fund balance.
2. Funds budgeted to be transferred from the General Fund. The amount is, at minimum, 3% of revenues. Additional funds may be transferred, depending on capital needs.
3. Funds transferred from the General Fund due to unanticipated revenues and savings, thereby backfilling funding for projects.
4. Other sources such as fund raising and investment interest.

Prior to 2011, the Library budgeted the capital transfer at 2% of revenues. 2% falls short of budgeted expenditures by as much as $1,000,000, at times considerably more (see figure below). To make up for the shortfall, the Library relied on unanticipated revenues and savings to backfill the shortfall. Should we budget funds for the yearly capital projects, the operating budget may be impacted considerably, and substantial reductions could be necessary. Beginning 2011, the Library budgets 3% for the transfer by reallocating the 1% contingency set-aside for capital needs.

Figure 14 - CIP Shortfalls (Budgeted Project Costs Compared to Set-Asides)
At the end of 2010, it is estimated that the Capital Improvement Fund balance will be approximately $700,000. Adding monies to be received in 2011 transfers from the Operating Budget, General Fund, and Foundation, the total available is expected to be approximately $4.7 million.

A Library Foundation Capital Campaign for the University Place library is underway. Its original goal was to raise $750,000 for this facility, spread over a five-year period; however, the actual amount is estimated to be about $500,000, with $300,000 distributed in late 2010. Therefore, the amount transferred to the library is currently set at $500,000 between 2010 and 2013 (a portion of all fund raising is used for other costs), with about $200,000 distributed in 2011.

The Capital Improvement budget uses its capital fund cash balance to pay for projects that exceed new revenues. For 2011, the Library is not expecting to budget funds from the Capital Improvement fund balance.

Summary of New Revenue Sources
Operating budget transfer (2%+250,000)$ 856,947
UP Capital Campaign distributions ........... 200,000
University Place & Fife commitments..... 3,000,000
Interest Earnings..................................................... 0
TOTAL $ 4,056,947

As per the Library's Fiscal Management policy, the Library may consider transferring additional revenues from the General Fund, such as unanticipated savings and revenues from previous fiscal years. The identification of these funds occurs typically during May, when the Library reports the previous fiscal year results.

2011 Capital Improvement Plan
$ 3,940,140

CIP budgets fluctuated as shown in the chart below. The average CIP budget for 2000 through 2011 is $1,577,632.

Figure 15 - Capital Project Budget History
(Excludes Carry Forwards)

A major, ongoing concern is that the average transfer to the capital fund from 2000 through 2011 is $1,370,261, which is short the average CIP budget by $207,372. CIP budgets are multiyear budgets, so not all funds are spent during the budgeted year. At times, CIP projects are cancelled as circumstances warrant. Because the Capital Improvement Fund takes on an important role for smoothing out cash shortfalls, transfers and budgets are planned carefully.

Commitments
$ 2,718,140

Fife............................................................... $ 2,579,140
The Library has set aside initial funds to build a Fife Library, per the agreement with the City of Fife and promises to the community as part of their annexation. (See discussion in the Library Director's Message in Chapter 1.)

University Place ......................... $ 139,000
The Library has set aside monies to pay for communications related to opening the new Library, and for a 10-year annual payment for the expanded space. (See discussion in the Library Director’s Message in Chapter 1.)

5,000 sq ft expansion (10 yr) ............ 120,000
Communications ............................... 19,000
TOTAL $ 139,000
**DIRECT CUSTOMER/BRANCH SERVICES**  
$ 557,000

**Branch Workflow/Service Efficiencies** .......$ 237,000  
This project targets both staff efficiencies and improved customer access to service and staff. It will involve the reworking of sections of the library’s floor layout to provide customers with easily recognized options for self service and staff assisted service. By eliminating multiple service desks on the floor of the library and creating a primary service desk, the library will be able to more efficiently and effectively schedule staff to serve the needs of customers and deploy staff during peak usage. Backroom efficiencies will be integrated into the project. Experience gained through the Lakewood Library Efficiency Project will be applied to the 2011 project libraries.

**Media Security**..........................$ 255,000  
DVD and CD usage is high throughout PCLS and theft of these materials impacts customer satisfaction with both the browsing collections in our libraries and holds pick up (discs are removed from items waiting for customers to pick up their holds). In addition, lost and stolen material take valuable staff time to update holdings and assist customers in replacing holds. Experience gained through the current pilot at Parkland and Lakewood Libraries will enable the library to place technology in selected libraries to assist in managing the DVD/CD collections. The Media Dispenser project will be coordinated with the Workflow Efficiencies project.

**Vend-to-Print Software/Print Stations** ....... $ 50,000  
Vend to Print provides customer control over the documents they print, scan, copy and fax in the library as well as a variety of pay options, such as cash, debit or credit card to release and pay for their print jobs. The same system will allow the library to collect fees associated with each of these functions with limited staff assistance. Currently, PCLS uses the honor system for public internet/computer printing. With vend to print, customers pay for copies printed resulting in more cost recovery as well as a reduction in copies printed but not claimed (wasted paper and toner). Copies, faxes and scanning are also handled in a variety of ways depending upon the age of the equipment and placement of vending machines. They also use different machines for each purpose. Budget includes costs for software and equipment costs. It will eliminate the need for computer printers located at public computer stations, and separate faxes and scanners.

**Laptop Power**.......................... $ 15,000  
Laptop power installs electrical outlets in branches to reduce tripping hazards from customers plugging in laptops throughout the building.

**INDIRECT CUSTOMER SERVICES**  
$ 100,000

**Collection Services Workflow Efficiencies** ....... $ 100,000  
Collection Services workflow will be examined this year to support efficient operations.

**MAJOR MAINTENANCE**  
$ 515,000

**Roof Replacement (BUC, GHM)** .......... $ 81,000  
The roofs of Buckley and Graham Libraries must be replaced. Buckley Library’s roof is the original one installed in 1991, and Graham Library’s was original in 1992.

**HVAC Replacement/Upgrades (BUC/PAC)** .. $ 127,000  
Buckley Library’s HVAC will be replaced with a more efficient system in 2011. The current system is the original one installed in 1991. PACs’ need to be repaired or upgraded in 2011—they are original units installed in 1993, and have had repairs made in 2005 and 2006.

**Interior Painting (BUC, GIG)**............ $ 26,000  
Buckley Library and Gig Harbor Library will have interior paint applied in 2011.

**Carpet Repairs (GIG)**.................... $ 15,000  
Gig Harbor Library’s carpet was replaced in 2001. Some repairs need to be done around the circulation desk area, for safety reasons. The
The entire carpet itself does not need replacement until 2013.

**Boiler/HVAC Replacement (LWD).........** $238,000
Lakewood Library’s water boiler and HVAC need to be replaced. The boiler was installed in 1991, and the HVACs in 1993. Repairs were done in 2008 to extend the lifespan a few more years.

**Elevator Maintenance/Upgrade (LWD) ..** $15,000
Upgrading the Lakewood Library is necessary for ADA access.

**Security Camera Upgrade (PKS).......... $13,000**
Parkland/Spanaway Library’s exterior camera needs to be replaced with a high-definition, reliable camera. The camera is used to help record and deter illegal activity, especially theft of bicycles, and help maintain security of staff and public vehicles in the parking lot.

**Vehicles**

$50,000

The Library maintains a fleet of three bookmobiles, three delivery vans, and several staff vehicles. Repairs, preventive maintenance, and replacements are needed every year to ensure vehicles are safe, efficient, and provide the services needed.

**Vertical Lift ................................. $15,000**
Purchase a replacement vertical lift to improve safety and efficiency for maintenance staff changing lights in library parking lots.

**Bookmobile (contingency for repairs) ....** $35,000
A contingency is set aside for repairs to the bookmobiles, typically applied to the generators.

**Equipment and Technology Projects**

$0

No major technology projects are scheduled for 2011 (see 2012 – 2014 Projects).

**Contingency**

$50,000

The Library frequently needs to purchase capital-related items and services during the year. Prior to 2009, unless projects were emergencies, Library management had to wait until Board meetings to recommend and have approved small and large projects alike. To provide more timely improvements for the public and to make reporting more efficient, the Board approved a Capital Improvement contingency fund from which the Executive Director or Deputy Director may approve purchases without the need for specific Board approval. Management will review this need periodically and may make adjustments.

**2012 - 2014 Projects**

**Contact Center (2012) .........................** $100,000
A Contact Center will allow PCLS to centralize the entry point of entry for public communication. A contact Center will integrate voice, chat, and texting services and allow PCLS to improve the customer experience. A Contact Center isolated from the conflicting demands of the face to face customer will assure that our customers get the service they need. This should provide a more consistent customer experience and will place the burden of knowledge of internal PCLS processes on staff rather than on the public.

**LCD Projectors/Wall Mounted LCD (2012, 2013, 2014).................................** $20,000 per year
LCD Projectors or Wall Mounted LCDs would increase the effectiveness of the meeting rooms at our Libraries. They would make it easier for our customer to conduct meeting where information from a computer can be projected for all attendees to see. These devices can also be used to show movies or other forms of entertainment. This functionality is often requested by members of the business community.

**Fiber Upgrade (2012).........................** $76,000
The appetite for bandwidth for internet connectivity continues to increase. Internet based services like video conferencing, streaming media, and downloadable books and audio take an increasing toll on the existing bandwidth. WiFi
and the increasing number of internet enabled hand held devices also impact internet bandwidth. The existing copper wire based service still has some growth but will eventually cap out. Fiber optic cable has substantially more capacity. There is fiber optic cable near our facilities but only PAC has fiber installed. This project should allow us to bring fiber into our facilities so that we can continue to add internet bandwidth as needed.

**Network System Upgrade (2014) ..........$ 100,000**
The network at PCLS needs to be continually refreshed with new equipment including Servers, Firewalls, Routers and Switches as well as the software that runs on this equipment. This is not included in the general operating budget. This was last upgraded in 2010.

**ILS System Replacement (2014) ..........$ 500,000**
Major software systems have useful lifetimes just as hardware has useful lifetime. Our ILS, Polaris, will be almost 10 years old and will be ready for a major upgrade or replacement.

**CAPITAL FUND BALANCE**
As with the General Fund, the Capital Fund’s balance is also an important factor in cash flow. However, the Capital Fund balance is susceptible to large fluctuations. Since 1995, the Library has improved the Capital Fund balance, which was used as a source to borrow when General Funds were low. Capital Improvement expenditures can erode the fund’s balance very quickly; the amount budgeted for transfer has almost always been significantly less than the budgeted project expenditures. The Library backfills the Capital Fund Balance based on unanticipated revenues and savings from prior year operations. Below is a chart showing the history of the Capital Fund’s ending fund balance.

![Figure 16 - Capital Fund Ending Fund Balance](chart.png)
### Table 18 - Capital Improvement Fund Detail

<table>
<thead>
<tr>
<th></th>
<th>2011 BUDGET</th>
<th>2012 ESTIMATED</th>
<th>2013 ESTIMATED</th>
<th>2014 ESTIMATED</th>
<th>2015 ESTIMATED</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance, January 1 (estimated)</strong></td>
<td>$ 700,000</td>
<td>$ 766,807</td>
<td>$ 488,646</td>
<td>$ 190,385</td>
<td>($ 66,726)</td>
</tr>
<tr>
<td><strong>CIP REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budgeted transfer from Operating Budget</td>
<td>856,947</td>
<td>841,839</td>
<td>842,739</td>
<td>842,889</td>
<td>860,042</td>
</tr>
<tr>
<td>UP Capital Campaign (Foundation)</td>
<td>200,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer from General Fund</td>
<td>3,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL CIP REVENUES</strong></td>
<td>4,056,947</td>
<td>841,839</td>
<td>842,739</td>
<td>842,889</td>
<td>860,042</td>
</tr>
<tr>
<td><strong>AVAILABLE FUNDS</strong></td>
<td>$ 4,756,947</td>
<td>$ 1,608,646</td>
<td>$ 1,331,385</td>
<td>$ 1,033,274</td>
<td>$ 793,316</td>
</tr>
<tr>
<td><strong>CIP EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Commitments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fife</td>
<td>2,579,140</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University Place</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5,000 sq ft expansion (10 yr)</td>
<td>120,000</td>
<td>120,000</td>
<td>120,000</td>
<td>120,000</td>
<td>120,000</td>
</tr>
<tr>
<td>Communications</td>
<td>*19,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Capital Projects</strong></td>
<td>2,718,140</td>
<td>120,000</td>
<td>120,000</td>
<td>120,000</td>
<td>120,000</td>
</tr>
<tr>
<td><strong>Direct Customer/Branch Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Branch workflow and service efficiencies</td>
<td>237,000</td>
<td>500,000</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Media Security</td>
<td>255,000</td>
<td>260,000</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Vend-to-Print software/print stations</td>
<td>50,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Laptop Power (BUC, DPT, EAT, ORT, SMT, TIL)</td>
<td>15,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contact Center Service</td>
<td>100,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self Check-in/Sorting System (1 Library)</td>
<td>400,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Indirect Customer Support Service</strong></td>
<td>100,000</td>
<td>6,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collection Services workflow efficiencies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Major Maintenance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roof replacement (BUC, GHM)</td>
<td>81,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HVAC replacement/upgrades (BUC, PAC)</td>
<td>127,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interior painting (BUC, GIG)</td>
<td>26,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carpet repairs (GIG)</td>
<td>15,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boiler/HVAC replacement (LWD)</td>
<td>238,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elevator upgrade (LWD)</td>
<td>15,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security Camera Upgrade (PKS)</td>
<td>13,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAC Boardroom tables &amp; chairs</td>
<td>17,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refurnish HR</td>
<td>12,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roof replacement (EAT)</td>
<td>22,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roof replacement (KC)</td>
<td>48,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roof replacement (STL)</td>
<td>40,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carpet replacement (GIG)</td>
<td>107,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carpet replacement (KC)</td>
<td>24,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interior painting (KC)</td>
<td>8,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gutter replacement (KC)</td>
<td>14,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HVAC replacement (SUM)</td>
<td>149,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire panel replacement (GHM)</td>
<td>13,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roof replacement (SUM)</td>
<td>150,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interior painting (SUM)</td>
<td>17,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HVAC replacement (BLK)</td>
<td>110,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- CONTINUED ON NEXT PAGE -
- CONTINUED FROM PREVIOUS PAGE -

<table>
<thead>
<tr>
<th></th>
<th>2011 BUDGET</th>
<th>2012 ESTIMATED</th>
<th>2013 ESTIMATED</th>
<th>2014 ESTIMATED</th>
<th>2015 ESTIMATED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vertical Lift</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bookmobiles (repair contingency)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delivery van replacement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bookmobile replacement (Bluebird)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Car replacement (#3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sprinter replacement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment and Technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LCDs for meeting rooms</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network upgrades to fiber</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carpet Extractor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ILS replacement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Capital Project Budget</td>
<td>3,940,140</td>
<td>1,070,000</td>
<td>1,091,000</td>
<td>1,050,000</td>
<td>770,000</td>
</tr>
<tr>
<td>Contingency (by exec approval)</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Ending Fund Balance, December 31 (estimated)</td>
<td>$ 766,807</td>
<td>$ 488,646</td>
<td>$ 190,385</td>
<td>($ 66,726)</td>
<td>($ 26,684)</td>
</tr>
</tbody>
</table>

Pierce County READS 2010 Team, with Author Ruth Reichl
CASH FLOW ANALYSIS/BUDGETING
CASH FLOW ANALYSIS/BUDGETING

CASH FLOW ANALYSIS

Beginning with the 2011 fiscal year, and due to considerable economic difficulties in coming years, and needing to maintain aging buildings, the Library strategized a new cash flow analysis strategy. The changes are as follows:

- Break out cash reserves (fund balance) to identify reserve commitments and unreserved balances.
- Identify operational reserves for the first four months of the fiscal year (until major property tax revenues are received). The operational reserve is recalculated every year according to projected personnel costs.
- Identify the reserve for a potential future election.
- Maintain a minimum of 2% in the unreserved fund balance. The unreserved fund balance will decrease over time when the reserve for operational needs increases. This fund will need to be replenished.
- No longer automatically budget 1% for contingency. The 1% is instead added to the capital improvement fund transfer.
- Contingency is only budgeted when it’s projected that the unreserved fund balance dips below 2%.
- The capital improvement fund transfer is increased to 3%. This was calculated by carefully evaluating capital needs in future years. Some “backfill” may still be needed, depending on emergent capital needs.

The revised cash flow chart is on the next page. Please see Chapter 9 for the General Fund and Chapter 12 for the Capital Improvement Fund.

INTERFUND LOANS

In the General Fund, due to the cyclical nature of revenue receipts versus the regularity of expenditures, there may be temporary shortfalls in available cash (generally April and October). For the most part, the previous year’s ending fund balance finances these shortfalls. However, when the balance proves insufficient, interfund loans from the Capital Improvement Fund to the General Fund may be made by authority of the Board of Trustees. These loans are interest-bearing.

INVESTMENTS

When available cash exceeds current needs, the Library has Pierce County Treasurer invest the excess amounts which earns investment income for the Library. Generally, the rate of return is approximately the prime rate. As of December 2009, the rate of returns was approximately 0.005% due to historically low interest rates. Low interest rates will continue through 2011.

Growth Spurt Wanted

Some girls wish they were smaller
I simply disagree
My socks and my shoes
Two sizes too big
Slide around as I walk
My jeans are too big and
So are my shirts
Sunglasses slide off my nose
My hands, tinky things
Have no diamonds and rings
They’ll slide off my fingers and onto my toes
And with all these things
I really just wish that
I was simply much taller!

Maegan George
Pioneer Middle School

2010 Our Own Expressions
7th & 8th Grade Poetry Winner—3rd place
Table 19 - 2011-2013 Cash Flow Summary

<table>
<thead>
<tr>
<th></th>
<th>2011 BUDGET</th>
<th>2012 PROJECTED</th>
<th>2013 PROJECTED</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance, January 1 (estimated)</strong></td>
<td>$ 11,660,901</td>
<td>$ 8,761,647</td>
<td>$ 8,761,647</td>
</tr>
<tr>
<td><strong>REDUCTION TO MATCH REVENUE SHORTFALL</strong></td>
<td>0 (Balanced)</td>
<td>(785,584)</td>
<td>(1,706,204)</td>
</tr>
<tr>
<td><strong>NEW REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Tax Revenue (Property, Harvest, Leasehold)</td>
<td>27,659,891</td>
<td>27,151,294</td>
<td>27,151,294</td>
</tr>
<tr>
<td>Intergovernmental (Grants, City, etc)</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Charges for Services (Printing, Photocopies)</td>
<td>70,000</td>
<td>70,000</td>
<td>70,000</td>
</tr>
<tr>
<td>Fines &amp; Fees</td>
<td>605,000</td>
<td>610,000</td>
<td>615,000</td>
</tr>
<tr>
<td>Miscellaneous (Interest, Donations, Salvage)</td>
<td>225,000</td>
<td>225,000</td>
<td>250,000</td>
</tr>
<tr>
<td><strong>Total New Revenues</strong></td>
<td>28,564,891</td>
<td>28,061,294</td>
<td>28,091,294</td>
</tr>
<tr>
<td>$ / % change from previous year original budget</td>
<td>(70,070) / -0.24%</td>
<td>(503,597) / -1.76%</td>
<td>30,000 / 0.11%</td>
</tr>
<tr>
<td><strong>RESERVE COMMITMENTS &amp; TRANSFERS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational needs for first four months</td>
<td>7,665,824</td>
<td>7,621,447</td>
<td>7,629,595</td>
</tr>
<tr>
<td>Reserve for future election</td>
<td>360,000</td>
<td>360,000</td>
<td>360,000</td>
</tr>
<tr>
<td>* 2010 committed set-aside for labor contract proposal</td>
<td>149,254</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Transfers for UP, Fife and other capital needs</td>
<td>3,000,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Reserve Commitments &amp; Transfers</strong></td>
<td>11,175,078</td>
<td>7,981,447</td>
<td>7,989,595</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel (* based on proposed labor contract)</td>
<td>13,250,985</td>
<td>13,451,971</td>
<td>13,924,380</td>
</tr>
<tr>
<td>Base Wages &amp; Salaries</td>
<td>13,250,985</td>
<td>13,451,971</td>
<td>13,924,380</td>
</tr>
<tr>
<td>*Steps</td>
<td>200,986</td>
<td>198,244</td>
<td>183,304</td>
</tr>
<tr>
<td>*2% check in 2011</td>
<td>269,064</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>*COLA estimate for 2012 &amp; 2013</td>
<td>NA</td>
<td>274,165</td>
<td>274,951</td>
</tr>
<tr>
<td>Additional Hours, Sub Hours, OT</td>
<td>553,815</td>
<td>553,815</td>
<td>564,891</td>
</tr>
<tr>
<td>*Sunday Premium Pay</td>
<td>156,420</td>
<td>158,778</td>
<td>164,468</td>
</tr>
<tr>
<td>*Benefits (Health Care, Retirement)</td>
<td>3,477,489</td>
<td>3,947,780</td>
<td>4,284,216</td>
</tr>
<tr>
<td>All others (FICA, L&amp;I, cell phones, tuition, unemployment)</td>
<td>1,264,617</td>
<td>1,263,440</td>
<td>1,298,323</td>
</tr>
<tr>
<td><strong>Total Personnel</strong></td>
<td>19,173,376</td>
<td>19,848,193</td>
<td>20,694,533</td>
</tr>
<tr>
<td>Materials (16%)</td>
<td>4,600,383</td>
<td>4,489,807</td>
<td>4,494,607</td>
</tr>
<tr>
<td>Maintenance &amp; Operations</td>
<td>3,604,185</td>
<td>3,667,039</td>
<td>3,765,619</td>
</tr>
<tr>
<td>Transfer to CIP — from General Fund (3% of revenues)</td>
<td>856,947</td>
<td>841,839</td>
<td>842,739</td>
</tr>
<tr>
<td>Election Set-Aside (add to reserve)</td>
<td>80,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contingency to maintain min 2% in unrestricted fund balance</td>
<td>250,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>28,564,891</td>
<td>28,846,878</td>
<td>29,797,498</td>
</tr>
<tr>
<td>$ / % change from previous year original budget</td>
<td>(70,070) / -0.24%</td>
<td>281,987 / 0.99%</td>
<td>950,620 / 3.30%</td>
</tr>
<tr>
<td><strong>Net unrestricted fund balance at end of year</strong></td>
<td>$ 735,823</td>
<td>$ 780,200</td>
<td>$ 772,502</td>
</tr>
<tr>
<td>% of following year revenues</td>
<td>2.62%</td>
<td>2.78%</td>
<td>2.75%</td>
</tr>
<tr>
<td><strong>Add: UNUSED RESERVE COMMITMENTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unused reserve commitments</td>
<td>8,025,824</td>
<td>7,981,447</td>
<td>7,989,595</td>
</tr>
<tr>
<td><strong>Ending Fund Balance, December 31 (estimated)</strong></td>
<td>$ 8,761,647</td>
<td>$ 8,761,647</td>
<td>$ 8,761,647</td>
</tr>
</tbody>
</table>
LIBRARY DEPARTMENTS
DEPARTMENTS—BRIEF DESCRIPTION AND 2011 GOALS

LIBRARY DEPARTMENTS

Pierce County Library System has 12 organizational departments, as provided in the table below.

<table>
<thead>
<tr>
<th>Deputy Director’s Office &amp; Public Service Departments</th>
<th>Executive Director’s Office &amp; Support Departments</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Branch Services</td>
<td>• Communications</td>
</tr>
<tr>
<td>• Collection Services</td>
<td>• Finance</td>
</tr>
<tr>
<td>• Facilities Management</td>
<td>• Fund Development</td>
</tr>
<tr>
<td>• Information Services</td>
<td>• Human Resources</td>
</tr>
<tr>
<td>• Youth Services</td>
<td>• Information Technology</td>
</tr>
</tbody>
</table>

In the following pages, each department has provided a brief overview of its function and purpose, and has also provided general goals and metrics for 2011.

Leadja by Corynne D., 1st Place 9th/10th Grade Winner of the 2010 Our Own Expressions General Drawing Contest
Branch Services
$11,663,238

Mission
Branch Services provides access to information and entertainment through welcoming, community-centered facilities.

Vision
Pierce County Libraries are the places people choose to visit because Branch Services staff provides positive experiences and valuable resources.

Restructuring of Branch Services
As part of managing the Library’s $1.5 million shortfall in 2010, Pierce County Library System restructured branch services and implemented a new service model to reflect reduced staffing levels and the changed roles of management, supervisors, and staff. The reorganization eliminated three supervisory classifications and one non-supervisory branch classification. It also demoted staff in one supervisory position. In 2010, the Library focused on managing branches and approaches to more efficiently handling materials and improving services to customers.

In this period of great change, Library staff maintained the 2006 levy promises, and increased circulation by _____% and broke checkout records with two libraries, South Hill and Gig Harbor Pierce County Libraries both exceeding one million items checked out in each library. Responding to the needs of job searchers, the Library created Job and Business Centers and increased access to technology and computer classes, while supporting student achievement for young students to adult students who were retraining for new careers. The Library continued its ongoing celebration of reading for people of all ages through Pierce County Reads, book clubs, Summer Reading Program, and readers advisory services. Outreach to communities was reflected in working with schools and participating in community events and with neighborhood associations.

In 2010, the Library began services to Fife residents, including temporary services provided through the family bookmobile and Explorer Kids’ Bookmobile. The Library offered services to older adults and ESL students, as well as programs for kids and adults. In 2011 the Library will continue to offer these services as it builds to the opening of a full-service library for the first time ever in Fife.

In early 2011, the new University Place Library the relocated Milton/Edgewood Library will begin serving customers in more accessible, visible spaces with more up-to-date services. Also, in early 2011, residents in Lakewood will have access to an improved and more efficient floor plan at the Lakewood Library, improving services and the overall experience of using the library. The improved floor plan will reflect the public’s comments and national best practices in Pierce County Library 2030, a facilities master plan that describes library buildings and services. The new layout in the library will highlight the Library System’s new staffing and service model. Experience gained from these three locations will inform work that the Library System will continue in other libraries in 2011.

Also in 2011 Branch Services will provide customers with better access to movies and music, using machines similar to the popular Red Boxes to get DVDs and CDs. In 2011, the Library will also implement “vend to print” technology that will improve print management services for customers and provide a more effective, efficient method for the Library to collect fees for customers’ use of printers and copiers.
COLLECTION SERVICES
$ 6,735,379

Mission
Collection Services provides materials to the Library and the people of its communities, opening a world of information and imagination.

Vision
Collection Services anticipates and provides customer-driven acquisitions in an adaptive and enthusiastic environment.

Collection Services is looking toward 2011 with an eye for change. Its overarching goal is to deliver materials to libraries in half the time it currently takes. To accomplish this, the department will work through its entire process focusing on rethinking business practices and looking for improvements.

The department will continue to provide a wide selection of materials covering subjects in sufficient depth to meet anticipated and expressed needs for customers. Collection Services will also continue to support customers’ rights to read by offering a balanced and impartial collection that includes diverse and opposing viewpoints on issues of interest to communities in the Library’s service area.

Efficiencies:
- Improve workflow thereby moving materials through technical services faster and onto library shelves sooner and more quickly into the public’s hands.
- Work closely with all libraries to profile communities and determine needs.
- Rewrite collection policy and communicate that philosophy to staff.

Collection/Materials:
- Continue to build downloadable and e-book collection by increasing that budget by 200%.
- Create highly popular, browsable collections for each location.
- Support book clubs with more kits and better reservation system.
- Maintain actively seeking ideas from staff and customers.
- Use data-driven reports to carefully evaluate collections.
FACILITIES MANAGEMENT
$ 2,792,591

Mission
The Facilities Department strives to provide safe, effective, and well-maintained facilities for employees and the public.

Vision
The Facilities Department consistently and effectively achieves customer satisfaction and employee excellence.

2011 projects include:
• Help improve work efficiencies and improve public access and customer service at South Hill, Gig Harbor, Parkland/Spanaway, and Bonney Lake Pierce County Libraries, by making changes to the interior floor plans.
• Install dispensers for improved access to DVDs, potentially CDs, at some locations.
• Repair carpet at Gig Harbor Pierce County Library.
• Replace the boiler/HVAC system at Lakewood Pierce County Library.
• Upgrade elevator at Lakewood Pierce County Library.
• Upgrade surveillance system at Parkland/Spanaway Library.
• Replace roof at Graham Pierce County Library.
• Replace HVAC at Buckley Pierce County Library.
• Finalize facility to open new University Place Pierce County Library.
• Finalize facility to open new Milton/Edgewood Pierce County Library.
• Help with site location and coordinate construction of first Fife Pierce County Library.

All projects are developed in cooperation and collaboration with other key Library departments/teams.
INFORMATION SERVICES
$ 495,744

Adult Services
In 2010, the team continued to evaluate and improve resources, services and efficiencies, primarily working on these initiatives:

- Launched 5 Job and Business Centers, using grant funding from a number of sources, including new databases/e-sources targeted at small business entrepreneurs and job seekers, and $10,000 worth of print materials and a new website specifically targeting these customers. In 2011, the Library will open its sixth Job and Business Center at University Place Library and continue to build upon the centers at the other locations.
- Created a more universal approach to the Library’s computer classes, so customers taking a class at one location will learn the same components as those at another location. By year’s end, the Library was averaging 40 classes per month and in 2011 it will add new topics to the schedule.

Virtual Services
The Library continues to focus on establishing a more interactive presence on the Internet, as well as exploring ways to create a mobile experience for customers. In early 2011, the Library plans to hire a Virtual Experience Manager to help guide this direction. Primary focus in 2011:

- Explore options to create a mobile website.
- Continue creating community among the Library’s online customers.
- Begin working on a redesign of the website.

Learning Services
This past year has been active and productive for the Learning Team. The Foundations of a Learning Organization continues to guide the team’s work and the ultimate goal of becoming a learning organization. The team’s 2010 accomplishments and directions for 2011 include:

- Planning, creating, and executing an all-staff learning day in 2010.
- Creating and launching Knowledge Sharing Standards, a set of guidelines establishing a universal approach to sharing information across the organization, using a variety of communications tools in 2010.
- Developing and launching individual learning plans for the majority of staff, which will continue in 2011.
- In 2011, the department hopes to begin a process of rethinking and redesigning the staff Intranet.
YOUTH SERVICES
$ 758,595

Mission
The Youth Services Department fosters lifelong commitment to reading, accessing information, and libraries. The department provides materials and services to children, young adults, families, parents, and caregivers. It advocates for these populations and works cooperatively with other youth-serving agencies and organizations.

Vision
The department strives to connect every young person with reading and the public library, fostering a literate and informed community.

Budget decisions for 2011 build on the successful transitions made for the 2010 budget cycle. With the change to central supervision for 2010, 100% of all branch staff is now providing direct service as opposed to the 10% of existing Youth Services branch hours engaged in supervision work in 2009.

Youth Services preserved the 2006 levy promises for children and families. It focused on three areas of service; early learning, school/public library cooperation, and outreach to communities. The Department rolled out two new initiatives for early learning and early literacy, based on best practices.

1. The restructure of the traditional story time model incorporates the latest research on the value of directed play as part of the story time framework. Staff now offer Story Playtimes at seven locations. In 2011, the Library will include this direction at the University Place Library.

2. In 2010, the department launched the “Our Kids are Ready for Reading: in-home child care training” initiative. The grant runs for two years.

3. The department continues to build on previous marketing efforts. Lily the Ladybug Library collection featuring existing bookmarked items is now in place in libraries and on the Library’s website. Lily attended the Seattle Mariner’s Mascot game on behalf of the Library System.

The department’s 2011 focus will include:

- Continuing to build and expand services for tweens, students in 4th-6th grades. The department will continue to offer FETCH in conjunction with KBTC and SCRATCH and Lego programs, as appropriate.

- Maintaining work with school districts to apply for the Washington State Library/LSTA sponsored Student Success grants. The Library is involved in three new Student Success grants. The Library is also working with Communities in Schools of Lakewood on a Twenty-First Century grant for Tillicum Elementary that is focused on literacy.

- Adding photography to the modified Our Own Words contest, which is now the Our Own Expressions contest, which offers a writing, art, and now photography contest for teenagers.

- Offering teen services as a morphed into a more consultant model to libraries.
COMMUNICATIONS
$ 608,962

Mission
The Communications Department directs Pierce County Library System’s strategic communications and image; increases and enhances public awareness and library use by consulting with customers, conducting market research, and producing a variety of media.

Vision
The Communications Department consistently and effectively positions the Library System as a highly valued resource.

With the Communications Department’s 2011 balanced scorecard, premised on the Library’s systemwide balanced scorecard, and Pierce County Library System’s 2011 Marketing and Communications Plan as guidance, the Communications Department will move forward with its vision to consistently and effectively position the Library as a highly valued resource.

To move toward this vision some of the key initiatives outlined in the department’s balanced scorecard include:

• Direct mail and other tools to reach target markets, with a goal to realize a 2% return on investment, which is the industry standard for targeted direct mail.
• Develop checklist of communications content and detail considerations for internal customers to better prepare work order requests and improve the overall project process.

As outlined in the Library’s 2011 Marketing and Communications Plan, in 2011, the Library System will focus its marketing and communications efforts to promote and advance its key benefits to communities and offerings and services to meet the needs of individuals. The Library System will market priorities that focus on its overall communication goals. Some of the communication activities will include enhancing tools and processes for strategic and cohesive communications, while being proactive and dynamic. The plan focuses on communication channels supported by public opinion research, i.e. the tools customers and potential customers cite as their primary methods to receive information about library services.

The Marketing and Communications Plan involves all staff to accomplish comprehensive marketing results.

Marketing and Communications Plan Goals
• Position the Library System consistently and effectively as a highly valued community resource.
• Use tactical marketing and communication strategies and tools successively to promote the Library System’s value to communities and overall service offerings.
• Employ marketing and communication activities to grow library customers.
Key Marketing Activities for 2011

• Involving the community with the moving and opening of the Milton/Edgewood Pierce County Library to Surprise Lake Square.
  o Number of people at grand opening. Goal: 300
  o Number of news stories. Goal: 2

• Planning for and celebrating the opening of the new University Place Pierce County Library.
  o Number of people at grand opening. Goal: 650
  o Number of news stories. Goal: 3

• Engaging residents in library services in Fife.
  o Number of people at grand opening. Goal: 500
  o Number of news stories. Goal: 2

New Activities for 2011

• Develop and implement communications to announce new telephone number. Update key ongoing printed communications.

• Coordinate and conduct public opinion research using direct phone call and online surveys to gather information from residents regarding services and budget priorities.
**FINANCE**

$ 1,027,649

*Mission*

Administer a fiscally responsible system to support the Library.

*Vision*

Be a valued partner, providing responsive, contemporary financial services with ethical standards.

The Pierce County Library System’s Finance Department is responsible for stewardship of public funds. It created an accountable, auditable fiscal process to ensure that the Library accomplishes financial responsibilities and objectives. The Finance Department is responsible for balanced budgeting, governmental fund accounting, payroll, purchasing, accounts payable and receivables including managing collections of customer late fees and fines. The department coordinates most purchasing within the Library. It uses co-operative purchasing agreements and Washington State approved or managed contracts to get the best value in supplies and materials, public works, and consulting arrangements. The Finance Department also manages the payment process, including auditing and issuing warrants for all approved invoices. The department is also responsible for all required Local, State and Federal tax returns and schedules for the Library.

With the department’s balanced scorecard as a guide it continually strives to enhance the efficiency and automation within the department. It is moving towards a paperless accounts payable system and looking to implement a self-serve payroll timesheet process. These two plus other departmental initiatives promise to save time and increase efficiencies system-wide.

**2011 Goals**

- Final implementation of an Electronic Document Management (EDM) system.
- EDM will help PCLS to become a more efficient, less paper using, more green Finance Department.
- Implementing an online timesheet application fully integrated in the payroll system.
- Doubling purchase card use to at least 15%, thereby reducing expensive manual purchase order use.
- Complete a successful Washington State fiscal audit.

To help ensure that the Library is managing payments effectively, the Library began using the nationally recognized Dun and Bradstreet monitoring system. The scores help manage the timeliness of payments and identify vendors that require extra attention. A few of the Library’s recent scores include:

- Credit Score Class = 1 (Probability of Severely Delinquent Payment is lower than the average among businesses in Dun and Bradstreet’s Database).
- Quarterly PAYDEX = 78 (3 days beyond terms); Industry Median is 76 (6 days beyond terms).
- The department has determined that of the 12,000 invoices processed as of October 2010, the Library has an on-time payment rate of 99.5%.
**FUND DEVELOPMENT**

$ 243,273

“We donate because Pierce County Library is a sound investment.”
— Lisa Korsmo, 2010-11 Foundation President

**Mission**
To raise, manage, and allocate funds to support Pierce County Library System and enhance library services and programs that are not funded by taxes.

**Vision**
The Foundation provides significant and sustainable funding for key Library programs.

**Case for Support**
The Pierce County Library Foundation benefits the community by extending essential library programs to targeted underserved sectors of diverse and growing populations.

Foundation funding allows Pierce County Library System to add resources as well as initiate and enrich literacy and outreach programs beyond the scope of traditional funding sources.

The Pierce County Library Foundation is the fundraising arm of the Library System. The Foundation is an independent 501(c)3 organization with an active 20-member board of directors who advocate for Pierce County Library in the community and serve as ambassadors for the Foundation, building relationships with individuals, businesses, and organizations and encouraging support for the Library.

The Development Department addresses the balanced scorecard objectives of diversifying funding and improving public awareness and knowledge about the programs and services of the Pierce County Library System.

By nurturing a culture of philanthropy, the department links library priorities, community needs, and donor wishes. In addition to administering the work of the Pierce County Library Foundation, staff carries out sponsorship, grant writing, and planned giving functions and acts as a catalyst for community and donor engagement for the Library System.

**2010-2011 Goals**

- *Strengthen fundraising activity:* The Pierce County Library Foundation seeks the support of the community by way of annual giving, major gifts, sponsorships, grants, and planned giving. The Foundation seeks to increase its circle of donors and funding by 5% over last year.

- *Communicate with donors in more ways:* The Pierce County Library Foundation reaches out to donors and prospective donors through direct mail, BookEnds newsletter, Your Library online newsletter, Facebook, e-mail, listserv, and Web page. Donors are recognized at two events, A Literary Evening and a pre-event reception prior to Pierce County READS. The Foundation will introduce a special-issue proud donor library card and brown bag lunches at library locations with selected donors.
• **Resume a successful University Place Library Campaign**: With the prospect of a new library for University Place, the Foundation entered into a furnishings and fixtures campaign with a campaign committee of University Place residents and library supporters to raise $500,000 - $750,000 for the new library. Campaign funds will be used to add innovative features and technology to benefit the community, especially children, teenagers, businesses, and organizations. In August 2010, the campaign reached the $500,000 mark.

**2010-2011 Current Funding Priorities**

- Summer Reading Program
- Our Own Expressions Teen Writing and Art Contest
- Pierce County READS
- Emergent Readers Literacy Training and Assessment
- Business and Career Centers—Mobile Laptop Labs
- University Place Library Campaign
- Pierce County Library’s collection of books and resources
**HUMAN RESOURCES**

$ 487,142

*Mission*
The Human Resources Department responds to the changing needs of internal and external customers while advancing the strategic goals and interest of the Library System.

*Vision*
The Human Resources Department is a trusted resource and strategic partner for employees and management.

The Human Resources Department began 2010 with the installation of an online job board system. This system allows applicants to set up user accounts and store application data, which they can then use to apply for multiple open positions. In addition to being a convenience for applicants, this system has significantly reduced the data entry required by staff. Also as an efficiency for applicants and staff, the department began administering pre-employment screening tests online versus in person.

These advancements were well-timed, because 2010 brought with it a record number of applicants. As of September 30, 2010 the Human Resources Department had processed 1,681 applications for employment and tested 818 candidates. This is 53% more applicants than YTD 2009 and 23% more than YTD 2008.

Other areas of focus in 2010 were negotiations for the 2010-2012 Collective Bargaining Agreement, understanding the new laws and their impacts on the Library regarding health care reform, completion of a long-term archiving project in compliance with Washington State records-retention guidelines, the revitalization of the Library System’s homebound delivery volunteer program, and improvements in department workflow and efficiency.

In 2011 the department is looking forward to working with the Finance and Information Technology departments to implement the Human Resources Web Services module of the Library’s HRIS/Payroll software, which will allow employees and their supervisors to access basic personnel information confidentially online. HR Web Services will enable the Library System to introduce online timesheets for all employees later in the year.
INFORMATION TECHNOLOGY
$ 1,914,927

Mission
Information Technology manages information and provides access to Information and Technology for the Library and the communities the Library serves.

Vision
The Information Technology Department is a trusted technology leader, promoting and supporting change that meets customers’ needs.

The IT Plan for 2010 adhered to the following operating principles for managing the Library’s technology. These principles are outlined in the IT Technology Plan, and are consistent and supported with the department’s balanced scorecard.

- Customer-driven information technology program.
- Cost-conscious procurements of technology equipment and services.
- Satisfactory delivery of technology solutions and upgrades.
- Enhanced performance, security, and stability of the network and computer resources.
- IT programs that contribute to the Library’s balanced scorecard.
- Professional administration of technology through project management and systems analysis.

The IT Department will work on a number of initiatives and projects in 2011 that will align with the strategies identified in the IT Balanced Scorecard:

Serve the Customer
The IT Department continues to sharpen its customer focus with some initiatives aimed at enhancing the customer experience. A sample of these projects includes:

1. Enhancing and expanding the Help Desk with features such as a knowledge base, improved work order system, and the ability to perform remote desktop support. Also, beginning transition to a system wide contact center.
2. Implementing a print management system for customers to help eliminate waste and provide for higher quality printing and shorter wait times.
3. Providing the ability for Wi-Fi users to print.
4. Implementing a mobile PAC to allow the online catalog to be available on hand-held devices, such as cell phones.
5. Replacing the telephone system with a modern VoIP phone system with Unified Communications.

Run the Business
The business of IT involves keeping the many technology systems at PCLS functioning smoothly. Functions such as e-mail support, security management, and software updates are part of the daily work of IT. In 2011 staff will conduct the following recurring tasks to keep technology current:
1. Replacing one quarter of all computers at the Library every year to maintain the reliability and functionality of the computers.

2. Upgrading the desktop operating systems to the latest version (Windows 7).

3. Upgrading the desktop software to Office 2010 and Internet Explorer 8.

4. Upgrade to the latest release in the Library System Software Polaris 4.0.

**Manage Financial Resources**

The IT Department seeks to be a good steward of the public’s money. It examines all maintenance contracts and renegotiates or cancels, as needed, to provide the best value to the taxpayer.

The IT Department also seeks additional funding to support the technology needs of the Library System. One substantial source of funding is E-Rate. The primary service sought is for telephone service to support customers and Internet access for public computers. IN 2010, E-rate provided the Library with more than $100,000 in funding commitments.

Microsoft, through vendor Tech Soup, generously donates software for servers and public computers.
The Blue Mosque by Jesse M., 1st Place 7th/8th Grade Winner of the 2010 Our Own Expressions General Drawing Contest
GLOSSARY

ALA:
American Library Association. The premier association for libraries in the United States, which include all forms of libraries (e.g., public, K-12, higher education, corporate). See also PLA, WLA.

AWC:
Association of Washington Cities. An organization that serves Washington cities, providing among many services such as conferences, training, research, and networking.

BALANCED SCORECARD:
A Harvard-developed strategic decision-making system for businesses, government, and non-profit. The Balanced Scorecard is a method for setting an organization’s measurable priorities based on a process of defining strategies, and then putting those into four perspectives: customer, operations, employee growth, and financial.

BUDGET, FINAL (OR FINAL BUDGET, FB):
A fiscal year’s budget approved by the Board of Trustees upon second reading and final passage, which occurs during the December Board meeting.

BUDGET, MID-YEAR (OR MID-YEAR ADJUSTMENT, MYA):
A fiscal year’s revised budget of revenues and expenditures approved by the Board of Trustees during the summer.

CAPITAL IMPROVEMENT FUND:
An accounting fund category for which the Library uses to pay for capital improvement projects.

CAPITAL IMPROVEMENT PROJECT:
A project that improves a major aspect of the Library.

CAPITAL IMPROVEMENT PLAN (CIP):
The list of capital improvement projects approved by the Board of Trustees for current and future years.

CASH FLOW ANALYSIS:
A financial tool used by the Library for multi-year financial planning purposes. The Library uses it primarily to determine how much cash is required to be set aside in the general and capital funds in order to pay bills during the first four months of the next three fiscal years.

CF or CIF:
Capital Fund, or Capital Improvement Fund. See CAPITAL IMPROVEMENT FUND.

CIPA:
Children’s Internet Protection Act. This Federal Act requires that institutions receiving reimbursements for telecommunications costs, through the federally administered E-Rate program, implement an Internet filtering policy.

CIRCULATION:
A library statistical figure counting the number of items checked out during a specific period, usually the calendar year. Below is Pierce County Library’s historical circulation statistics:

Figure 17 - Annual Circulation History: 1946 – 2010

COLA:
Cost of Living Adjustment. The adjustment applied by an organization to all of its salary and wage tables, usually by a percentage tied to a local or national inflationary index. Due to ongoing labor negotiations for a new contract, the COLA has not been set by time of print. The expiring labor agreement had 90% of the July to July Seattle-Tacoma-Bremerton CPI-U, and has minimum and maximum caps. See also CPI-U and IPD. In July 2009, the CPI-U was recorded as -0.4%.

CONTINGENCY:
Monies set aside in the General Fund to manage long-term cash needs or respond to emergencies.

CPI-U:
*Consumer Price Index-Urban Workers.* The CPI-U is an inflationary index used to establish the Cost of Living Adjustment to wages and salaries. CPI’s are established at a national level and throughout the nation and states at regional levels. By time of print, the Library was still in labor negotiations for a new contract. The expiring contract uses the July to July Seattle-Tacoma-Bremerton version. See also COLA and IPD.

DEBT-SERVICE FUND:
An accounting fund category for which the Library uses to pay off public debt, such as bonds.

EDEN:
A computerized integrated fund accounting system provided by Tyler Corporation. The EDEN system is used to manage the Library’s finances and human resources records. EDEN succeeded Bi-Tech in 2007.

EXPRESS CHECKOUT:
A means for providing patrons the ability to checkout materials by themselves. Express Checkout stations are used across the country in various retail stores, such as Fred Meyer and Home Depot. Express Checkout is being implemented along with merchandizing. See also MERCHANDISING.

FTE:
Full-Time Equivalent. The equivalent of a full-time position in the Library, defined as working 40 hours per week.

GENERAL FUND:
An accounting fund category for which the Library uses to receive revenues and pay for ongoing operations.

HAPLR:
*Hennen’s American Public Library Rating.* An index that rates public libraries of similar size based on a number of indicators, such as expenditures per capita and cost per circulation. The summarized version of the {REVISE:} 2008 HAPLR ratings of 2006 fiscal year data is available at (HAPLR skipped 2007 due to late data): http://www.haplr-index.com/HAPLR08_CorrectedVersionOctober8_2008.pdf

ILS:
*Integrated Library System.* A mission-critical electronic data processing system that provides turnkey automation of a library’s catalog and patron transaction system. PCLS uses the Polaris ILS.

IPD:
*Implicit Price Deflator.* The national index used in Washington State for purposes of establishing the lawful property tax levy rate for revenues. Under Initiative 747 passed in 2001 (the Washington State Legislature held a special session on November 29, 2007 to enact into law the court-overturned language of Initiative 747), if the IPD is less than 1%, the Board of Trustees must take action to levy the full 1%. If the IPD is more than 1%, the Board does not need to take action and the Library receives the full 1% levy rate. (During the November 2009 Board of Trustees meeting, the Board elected not to override the IPD. See also COLA and CPI-U.)

Levy Lid-Lift:
An election by the voters to restore funding for the taxing districts, including Pierce County Library System. The Library put Proposition 1 on the ballot for the 2006 September election, which was subsequently passed by nearly 56% of the voters. Proposition 1 restored Library funding to 48 cents per $1000 of the district’s assessed property value.

MERCHANDISING:
A new activity and term for which the Library devotes resources to display and promote the collection and branches. Merchandising is being implemented along with the Express Checkout. See also EXPRESS CHECKOUT.

MILL RATE (MILLAGE):
The effective levy rate for a taxing district. If the millage rate is 0.5000, then the effective levy rate is 50¢ per $1000 of assessed value. The millage rate is calculated every year by county’s assessor/treasurer’s office for the taxing district, upon release of the preliminary and final certifications of property tax revenues.

MLS/MLIS:
*Masters of Library Science/Masters of Library and Information Sciences.* The graduate degree required in the industry to be called ‘Librarian’. MLIS adds focus to information technology as part of the definition of being a librarian.

OCLC:
*Online Computer Library Center.* A nonprofit, membership, computer library service and research
organization dedicated to the public purposes of furthering access to the world’s information and reducing information costs. OCLC provides services to locate, acquire, catalog, lend and preserve library materials.

**OPAC:**
*Online Public Access Computer.* A PC in the branches dedicated for patrons to use to access the Internet or other electronic resources, such as the online catalog or other electronic information sources. PCLS OPACs also offer patrons access to office automation applications such as word processing and spreadsheets.

**PAC:**
*Processing and Administrative Center.* The facility of the Library’s various departments, such as HR, Finance, and Collection Services.

**PCLS:**
*Pierce County Library System.* A junior taxing district that provides library services to residents in the Pierce County taxing district.

**PEBB:**
*Public Employees Benefits Board.* The state-managed organization that administers benefits, such as medical and dental coverage, and life insurance. The Library participates in PEBB’s medical insurance program. See also WCIF.

**PERS:**
*Public Employees Retirement System.* PERS is managed by the state’s Department of Retirement, and is offered to all retirement-eligible employees. There are three plans, PERS 1, PERS 2, and PERS 3, only of which PERS plans 2 and 3 are available to employees.

**PLA:**
*Public Libraries Association.* The association for public libraries. PLA’s parent organization is ALA. See also ALA, WLA.

**POLARIS:**
The new online catalog system developed and sold by GIS Information Systems Corporation. Polaris provides staff and patrons electronic access to the catalog, and manages all transactions from materials purchase, cataloguing, circulation, and final disposal.

**OPERATING BUDGET:** See GENERAL FUND.

**WCIF:**
*Washington Counties Insurance Fund.* An insurance pool that provides medical and dental coverage, and life insurance. The Library participates in the WCIF dental/life insurance program. See also PEBB.

**WIFI:**
*Wireless Fidelity, or Wireless.* This contemporary technology provides a computer user to use a computer, most often a laptop, to access the Internet or other network resources without the need for a physical network cable. WiFi technology most often is referred to as IEEE standard 802.11a/b/g/n, which is the same technology used for cordless phones. The effective WiFi distance between a laptop and the source antenna is usually limited to around 100 feet. In library nomenclature, WiFi has come to mean providing computer owners the ability to bring in their laptops into branch premises and access the Internet via the library’s network.

**WLA:**
*Washington Library Association.* The Washington State association for state libraries. See also ALA, PLA.

**WSL:**
*Washington State Library.* The State Library, currently reporting to the Washington State Secretary of the State. WSL provides some branch services, special library services to the state, training for library employees, administration of the K-20 network, and general resources to the library community.
LIBRARY FACILITIES INFORMATION

Construction of the inside of the new University Place Civic Building and Library, opening 2011
### Table 20 - Library Facility Data

<table>
<thead>
<tr>
<th>Library/Facility</th>
<th>Tax Status</th>
<th>Facility Owner</th>
<th>Age of Facility</th>
<th>Floor Space (Square Feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonney Lake</td>
<td>Annexed city, 1993</td>
<td>City of Bonney Lake &amp; PCLS</td>
<td>1982 renovated 1996-97</td>
<td>6,480</td>
</tr>
<tr>
<td>Buckley</td>
<td>Annexed city</td>
<td>PCLS</td>
<td>1991</td>
<td>4,100</td>
</tr>
<tr>
<td>DuPont</td>
<td>Annexed city, 2001</td>
<td>Leased from DuPont Station Partners, LLC</td>
<td>2004</td>
<td>3,610</td>
</tr>
<tr>
<td>Eatonville</td>
<td>Annexed town, 1982</td>
<td>PCLS</td>
<td>1990</td>
<td>4,000</td>
</tr>
<tr>
<td>Fife</td>
<td>Annexed city, 2009</td>
<td>PCLS</td>
<td>To be built in 2011</td>
<td>TBD but likely 6,100</td>
</tr>
<tr>
<td>Graham</td>
<td>Unincorporated Pierce County</td>
<td>PCLS</td>
<td>1992</td>
<td>7,152</td>
</tr>
<tr>
<td>Key Center</td>
<td>Unincorporated Pierce County</td>
<td>PCLS</td>
<td>1976</td>
<td>4,066</td>
</tr>
<tr>
<td>Milton/Edgewood</td>
<td>Annexed city, 1999</td>
<td>Leased from WRP Surprise Lake, LLC</td>
<td>1982 (est) 2011</td>
<td>6,649</td>
</tr>
<tr>
<td>Orting</td>
<td>Annexed town</td>
<td>Town of Orting</td>
<td>1982</td>
<td>2,700</td>
</tr>
<tr>
<td>PAC</td>
<td>Unincorporated Pierce County</td>
<td>PCLS</td>
<td>1992</td>
<td>50,000</td>
</tr>
<tr>
<td>Parkland/Spanaway</td>
<td>Unincorporated Pierce County</td>
<td>PCLS</td>
<td>1990</td>
<td>15,576</td>
</tr>
<tr>
<td>Peninsula</td>
<td>Unincorporated Pierce County</td>
<td>PCLS</td>
<td>1990</td>
<td>15,214</td>
</tr>
<tr>
<td>South Hill</td>
<td>Unincorporated Pierce County</td>
<td>PCLS</td>
<td>1990</td>
<td>20,100</td>
</tr>
<tr>
<td>Steilacoom</td>
<td>Annexed town, 1981</td>
<td>PCLS</td>
<td>1995</td>
<td>4,039</td>
</tr>
<tr>
<td>Summit</td>
<td>Unincorporated Pierce County</td>
<td>PCLS</td>
<td>1992</td>
<td>7,424</td>
</tr>
<tr>
<td>Sumner</td>
<td>Annexed city, 1982</td>
<td>City of Sumner &amp; PCLS</td>
<td>1979 expanded and renovated, 1995</td>
<td>10,600</td>
</tr>
<tr>
<td>Tillicum</td>
<td>Annexed city, 1996</td>
<td>HUD</td>
<td>1985 renovated after water damage, 2004</td>
<td>2,100</td>
</tr>
<tr>
<td>University Place</td>
<td>Annexed city, 1995</td>
<td>Joint ownership between Library and City of University Place</td>
<td>2011 +5,000 sq ft in future</td>
<td>15,000</td>
</tr>
</tbody>
</table>

**TOTAL (with Fife): 217,502**

Sq Ft per Capita: 0.39
Get the Card banner at the Key Center Pierce County Library, a gift from Friends of the Key Center Library.
REFERENCES


Pierce County Library System Budget; 2004 - 2010 Final Budget for Fiscal Year. Pierce County Library System. 2003 - 2009
