CALL TO ORDER
President Pamela Grad called the meeting to order at 5pm.

APPROVAL OF AGENDA
Robin McClelland moved approval of the Board Meeting agenda. Anne Repass seconded and the motion passed unanimously.

APPROVAL OF BOARD MINUTES
Anne Repass moved approval of the January 29, 2020 Board Meeting minutes. Max Harned seconded and the motion passed unanimously.

PUBLIC COMMENT
Helen Stanwell said she wants the Board to know the negative impact that the reduction of free printing will have on students, especially those who live in homes where English is not spoken and who struggle in school. She is a retired Social Studies teacher and has seen a deterioration of books in classrooms. One young lady she tutors is in the 7th grade in the Renton School District and is not allowed to take her science textbook home. The girl struggles with English and multi-syllable words. The student told Ms. Stanwell that if she could copy pages from the book, she could use her Arabic translator to determine the meaning of what she reads. Ms. Stanwell said it’s even worse in the Federal Way School District, which doesn’t have Social Studies textbooks at all due to budget cuts. Instead, teachers copy pages from the text books and the quality is not good. She asked why KCLS is cutting printing at a time when teachers are making copies of text books. She said it violates the Library’s mission and is a terrible thing to do.

Stefan Sharkansky is a Bellevue Library Advisory Board member speaking on his own behalf. He said restoring KCLS’ operating levy rate to $0.50 per $1,000 of assessed value represents a 55% increase and will cost the average Bellevue homeowner over $500 per year. At the same time, the monthly Dashboard in the Board packet indicates that library use is declining, circulation is down 7% over the last year and 20% from five years ago, and library visits in 2019 were the lowest since 2008. Additionally, growth in digital downloads now represents one-third of total circulation, yet acquisition is only 3% of KCLS’ entire budget. The lion’s share of the budget is for personnel costs, which continue to rise to keep branches open. He said it doesn’t seem fair or reasonable to raise the levy rate 55% when there is very little benefit to most users who just want access to digital materials. He noted that other districts are planning property tax levies and have expressed surprise and concern about how KCLS’ plan will impact their respective districts. He said it will be tough sell to voters and suggested that KCLS hold off until it has done its due diligence. Instead of talking to just die-hard library supporters, staff should be talking to elected officials and the public, a large number of whom will be skeptical of a tax increase.
FINANCE REPORT

Total general fund revenue for fiscal year-end 2019 were $127.6M and reflect 101.8% of the total revenues budget. Year-over-year total revenues received were up $3.1M or 2.5%.

Total general fund expenditures for fiscal year-end 2019 were $124.5M and reflect 95.9% of the total expenditures budget. Year-over-year expenditures were up $3.2M or 2.6%.

Total expenditures in the Capital Investment Program (CIP) for fiscal year-end 2019 were $4.13M and reflect 104.8% of the total CIP expenditures budget, as follows:
  - Major Maintenance expenditures of $2.44M were 107.5% of the total budget for the category.
  - New Construction/Remodel expenditures of $700K were 100.5% of the total budget for the category.
  - Replacement expenditures of $990K were 101.8% of the total budget for the category.

Final 307 Fund expenditures for the Kent Panther Lake and Boulevard Park Libraries were $7.2M and reflect 95% of the total budget for the respective projects.

January revenue was $400K and reflects 0.3% of the total revenue budget. KCLS receives property tax in April and October.

January expenditures were $11.3M, representing 85.9% of the total expenditures budget with 8.3% of the budget year completed. Year-over-year expenditures increased $552K or 5.1%.

Expenditures in the Capital Investment Program (CIP) in January were 0.2% of the total CIP budget.

APPROVAL OF MONTHLY EXPENDITURES

Max Harned moved approval of Payroll expenditures for January in the amount of $4,471,285.84:
  - January 1-15 (01/03) Ck#175063-075122; 010001-011229 and January 16-31 (01/17) Ck#175123-175182; 030001-031225 (01/31) Ck#175183-175241; 050001-051237. Anne Repass seconded and the motion passed unanimously.

Anne Repass moved approval of General Fund #0010 expenditures for January in the amount of $5,168,972.52: Travel Advances - Ck#1413-1414; (01/16) Ck#5011993-5011996;1125324-1125330;1125331-1125339; (01/21) Ck#5011997;5011998-5012009;1125340-1125436; (01/23) Ck#5012010;1125437-1125458;1125459-1125498(01/23) Ck#1125499-1125509; (01/24) Ck#1125510; (01/27) Ck#1125511-1125605;1125606-1125643;1125644-1125705; (01/27) Ck#1125706-1125718;1125719-1125735;5012011-5012039; (01/27) Ck#5012040-5012047;5012048-5012082;5012083-5012099; (01/27) Ck#5012100-5012121; (01/30) Ck#5012122-5012125;1125736-1125741; (02/03) Ck#5012126;1125742-1125836;1125837-1125892; (02/03) Ck#1125893-1125916; (02/05) Ck#1125917-1125952; (02/06) Ck#5012127;1125953; (02/10) Ck#1125954-1126005;1126006-1126069;1126070-1126080; (02/10) Ck#1126081-1126114;5012128-5012157;5012158-5012202; (02/11) Ck#5012203;5012204; Voids - Ck#. Max Harned seconded and the motion passed unanimously.

Robin McClelland moved approval of Capital Project Fund 2005 #3070 expenditures for January in the amount of $35,161.00: (02/03) Ck#3074026-3074027. Anne Repass seconded and the motion passed unanimously.

APPROVAL OF EXECUTIVE DIRECTOR’S SALARY FOR 2020

Interim Human Resources Director Danielle Perry said that when the Board approved a 2% general wage increase for staff, a separate action was necessary to adjust the Executive Directors’ salary by the same amount. Danielle asked the Board to approve a motion to increase the Executive Director’s salary 2% for fiscal year 2020, retroactive to January 1, 2020.

The motion was so moved by Anne Repass and seconded by Robin McClelland. All voted in favor and the motion passed unanimously.
**PROPOSED LEVY LID LIFT**

Executive Director Lisa Rosenblum said that KCLS receives 96% of its revenue through a tax levied on property at a rate per $1,000 of assessed value (AV). While assessed values may increase significantly from one year to the next, the amount of revenue that libraries can receive cannot exceed 1% over the previous year based on limits imposed by Washington state law. As operating expenditures increase at a faster pace than 1%, KCLS’ financial strategy has always anticipated the eventual need for a “Levy Lid Lift” to boost revenue.

With a current levy rate of $0.32 per $1,000 of AV, KCLS is proposing a ballot measure that would restore the levy rate to the maximum allowable $0.50 per $1,000 of AV for collection in 2021. If approved, the base for revenue growth will be reset to sufficiently maintain library operations at current levels for approximately eight years. For the owner of a $500,000 home, the cost would be an additional $90 in 2021, or $7.50 per month.

Lisa introduced attorney Dan Gottlieb from Hillis Clark Martin Peterson to present the Resolution containing the ballot proposition. Mr. Gottlieb has provided legal counsel to KCLS on public finance matters for 25 years.

Mr. Gottlieb said that Resolution 2020-01 contains all of the language that the State legislature requires to put a measure on the ballot asking voters to raise the lid on the library’s operational levy rate, and that putting a proposition to voters is one of the most important duties of the Board of Trustees. The Resolution has five parts: 1) the Board of Trustees’ finding for the need to raise the levy rate to $0.50 per $1,000 of assessed value; 2) a request to the Director of Elections to call a special election on August 4 to submit the Proposition to voters; 3) a request to include the Proposition in the Voters Pamphlet and an agreement by KCLS to pay the associated costs; 4) a statement authorizing KCLS’ Executive Director to submit the Resolution to the Department of Elections; and, 5) a statement that the Resolution is effective immediately upon adoption.

Mr. Gottlieb said that if the Board approves the Resolution, the document must be submitted by May 8 to the Department of Elections in King, Pierce and Snohomish Counties, as KCLS provides library service to residents in portions of the latter counties. The language KCLS suggests for the Proposition has been used successfully by other Library Districts, but county prosecutors have final say over how the ballot measure will be written. In answer to Trustee McClelland’s question, the last sentence of the Proposition which reads, “The resulting dollar amount of the 2021 levy would be used for the purpose of computing subsequent levy limitations as provided by chapter 84.55 RCW,” was written on the advice of the State Department of Revenue based on language regulated by Washington state statute.

Mr. Gottlieb said the Library District must identify both the Pro and Con Committees; otherwise the County will appoint them. Statements for the Voters Pamphlet are written by the Committees and must abide by the rules of King County Elections. The decision to put the measure on the ballot in August rather than November was on the advice of KCLS’ levy consultants. A simple majority is required for the measure to pass.

Lisa Rosenblum said staff recommends that the Board approve Resolution 2020-01 authorizing KCLS to place the Levy Lid Lift measure on the ballot.

**RESOLUTION 2020-01**

*Anne Repass moved approval of Resolution 2020-01 as presented. Max Harned seconded and the motion passed unanimously.*

Government Relations Manager John Sheller said the Board of Trustees have the right to engage in political activities related to the levy. He shared rules from the Public Disclosure Commission to guide what they can and cannot do within their official capacity as Trustees, as well as what they can do on their own personal time as private citizens.

The KCLS Foundation, as a private 501(c) 3 organization, will conduct its own independent campaign targeted at voters.
DIRECTOR’S REPORT
The Literary Lions Gala on March 7 is sold out.

Lisa was invited to attend the 2020 Knight Foundation Library Directors’ meeting in Miami, Florida on February 23-24 to explore the increasing role of libraries in the digital age.

The Vashon Friends of the Library held their annual miniature golf fundraiser in the Vashon Library February 7-8. Proceeds support library programs and activities.

KCLS Reel Fest is scheduled for March 20. The event will showcase short videos that answer the question, “What Does the Library Mean to You?”

TRUSTEES REPORT
Anne Repass said she had the privilege of attending a presentation by the International Rescue Committee (IRC) where refugees new to the state of Washington talked about how they have been assisted by the organization. She said she was pleased to hear a spontaneous comment during the presentation about how much King County Library System has done in partnership with IRC to support refugees in our communities.

Robin McClelland said KCLS has been talking about a levy lid lift for eight years and thanked staff for all the work that has gone into the effort to keep the Board informed about public finances, starting with the Board Retreat in 2018 with King County Assessor John Wilson to attorney Dan Gottlieb's expert advice.

ADJOURNMENT
The meeting adjourned at 6:10pm.

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Pamela Grad, President      Ron Higgs, Secretary