

# 2024 KCLS Budget



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## 2024 Annual Budget

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# LIBRARY DISTRICT OVERVIEW

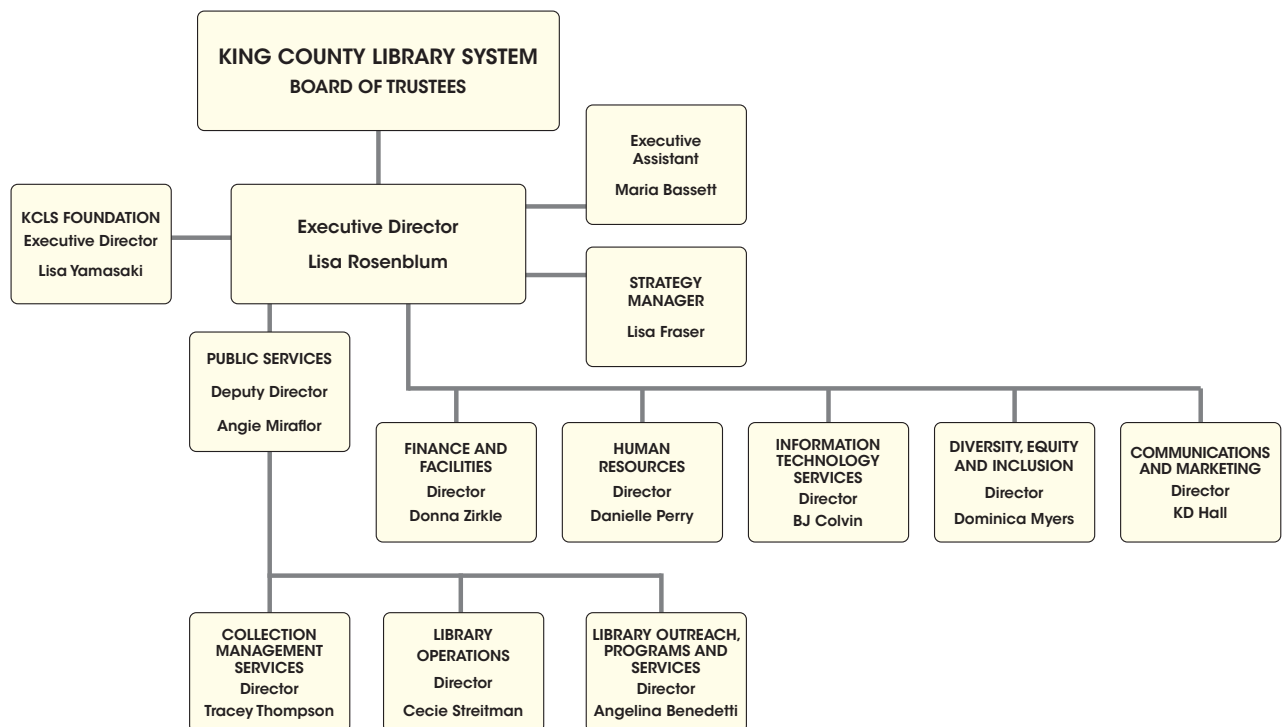
## 2024 Annual Budget

The King County Library System serves approximately 1.5 million residents across more than 2,300 square miles of King County, Washington. KCLS is consistently ranked as one of the busiest libraries in the country. With 50 libraries located in 38 distinct urban, suburban and rural communities, KCLS typically circulates more than 20 million items and welcomes approximately 10 million visitors annually.

KCLS was established in 1942 as an independent taxing district and is governed by a seven-member Board of Trustees in accordance with RCW 27.12.192. Board of Trustee members are appointed by the King County Executive and confirmed by the King County Council. The Board of Trustees hires the Executive Director, adopts the Library District's annual operating budget, sets an annual property tax levy and approves the District's long-range strategic plan. Trustees serve voluntarily and agree to uphold the Mission, Vision and Values of the King County Library System.

The Executive Director oversees the annual operating budget and keeps the KCLS Board of Trustees apprised of the Library District's financial and operational status. Responsible for the overall strategic direction and leadership of the District, the Executive Director ensures that KCLS operates within its approved budget while providing relevant programs, services and materials that meet the needs of the diverse communities the Library System serves.

The Executive Director's Leadership Team includes the Deputy Director of Public Services; and the Directors of Collections Management Services; Communications and Marketing; Diversity, Equity and Inclusion; Finance and Facilities; Human Resources; Information Technology Services; Library Operations; and Library Outreach, Programs and Services. The Strategy Manager and KCLS Foundation Executive Director are also members of the Leadership Team.



## 2024 KCLS BOARD OF TRUSTEES



Jeff Gudat



Harish Kulkarni



Srini Raghavan



Ann Repass



Verna Seal



Lalita Uppala



Laura Valenziano

## KCLS ADMINISTRATION



Lisa Rosenblum  
KCLS Executive Director





# EXECUTIVE DIRECTOR'S SUMMARY

## 2024 Annual Budget

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December 13, 2023

To the King County Library System Board of Trustees,

I am pleased to present the King County Library System's Budget for the Fiscal Year 2024, which includes KCLS' annual Operating Budget and five-year Capital Investment Plan (CIP).

The 2024 Budget reflects a continued focus on the overarching strategic goals that guide our work: Communities of Inclusion and Belonging; Responsive and Inspirational Service; Organizational Excellence; and Strategic Communication. Building on the work done in 2023 to establish a new five-year plan, the 2024 Budget funds key strategic initiatives and projects that further expand programs and services to support operational improvements. It creates internal efficiencies and enhances experiences for patrons and staff, all developed through an equity lens.

### Budget Funding

As an independent taxing district, KCLS has a General Fund comprised predominately of property tax revenue that is collected and distributed by the King County Treasurer twice a year, in April and October. To sustain ongoing operations during the gap in revenue collection between the end of the year and the following April, KCLS relies on a minimum Ending Fund Balance (EFB), which is equal to 120 days of operating expenditures. Maintaining an adequate fund balance is a vital component of KCLS' comprehensive financial planning. In addition, based on a risk assessment, the KCLS Board of Trustees adopted a Financial Reserve Policy in June 2023 that established an Operational Contingency Reserve equal to 15% of operating revenues of the prior fiscal year, and a \$5 million Building Reserve. The balances of each Reserve will be reviewed for sufficiency as part of the annual budget process. The reserve policy can be used at the discretion of the Board of Trustees to ensure continuation of services and ability to meet expenses under scenarios of economic distress or unforeseen events.

### Budget Challenges

Historically, KCLS' operational expenditures have significantly outpaced revenues. While there are several contributing factors, the statewide Initiative 747 has had a critical impact. Initiative 747 limits annual revenue growth to 1%, yet in August 2023, the U.S. Bureau of Labor and Statistics showed a 5.4% increase in the cost of goods and services over the past year. The effect of inflation on salaries and healthcare benefits, the hiring of more staff to expand open library hours, increased fuel costs, and escalations in contracted maintenance services have a cumulative impact on the budget. At the current rates of inflation, KCLS returns to its pre-Covid 2019 budget strategy of funding more than it is receiving in order to provide basic services.

The Library System has typically passed a levy lid lift measure every eight years up to 2002, the last being in 2010. Voter approval of a new levy lid lift would increase revenue and allow KCLS to sustain library operations during projected high inflation for several more years. However, continuing global and local financial impacts have led KCLS to postpone the measure yet again, adding to budgetary pressures.

In 2024, total General Fund expenditures are budgeted at \$152.7M, reflecting an 8.5% increase over the previous year.

## 2023 Successes

In 2023, KCLS kicked off a new five-year strategic cycle that focuses on a more intentional, inclusive and sustainable organization, while actively expanding services and building our workforce. Analysis and planning projects provided essential insights about new needs in our communities, information about post-pandemic workforce needs, and ideas for improving internal efficiency and effectiveness. At the same time, we expanded open hours and increased services.

### Noteworthy successes included:

#### Responsive, Inspirational Service

- Expanded library open hours by 23.6% as compared with 2022, resulting in greater accessibility to library services across our service area. Eighteen libraries are now open seven days a week, and most others are open Monday-Saturday. The changes included extended weekday and evening hours. To support this expansion, KCLS hired more than 75 Public Services Assistants (PSAs) to provide front-line service to patrons.
- Created community-focused work plans for each Region of the KCLS service area that draw on information from the 2022 Diversity, Equity and Inclusion (DEI) assessment, demographics reports, existing community partners and other local sources. The work plans set goals for developing new connections and partnerships as part of KCLS' commitment to co-creating services with communities impacted by systemic inequities.
- Hired a new position—World Language Coordinator—and designated an existing Materials Selector position to focus on World Language collection development, increased World Language Story Times and expanded The Welcoming Center, resulting in improved services to linguistically diverse communities throughout the district.
- Developed a Service Strategy to focus and align library services as part of KCLS' transition from a pandemic-era service model. This plan supports development of more community-led services, sets parameters for success and serves as a roadmap for more than 40 new librarians hired in 2023.

#### Communities of Inclusion and Belonging

- Joined a growing number of public libraries nationwide that have eliminated overdue fines. After a thorough analysis of financial, operational and public service impacts, a proposal to cease charging overdue fines and clear existing fine balances was approved by the KCLS Board of Trustees in April 2023.
- The KCLS Board of Trustees reaffirmed their commitment to Intellectual Freedom by approving an updated Material Evaluation Policy that details KCLS' role in providing access to a wide selection of materials to meet the diverse and varied interests and values of our communities. KCLS updated related procedures for responding to individuals' concerns about materials in the collections.
- Obtained a \$20,000 grant for the Carnation Library from the American Library Association that provides community outreach and accessibility resources to help them better serve people with disabilities. Staff conducted community learning sessions to prioritize the accessibility needs of the community and will make upgrades to the library based on that input.

- Expanded services to unstably housed people to increase access to resources and information. Increased the number of trained specialists with lived experience to build connections among key community stakeholders and partner organizations.
- Assessed KCLS buildings for accessibility, condition, sustainability and alignment with community needs through a combination of expert review and community input. The resulting recommendations will inform work to be implemented over the next several years.
- Installed pick-up lockers to compliment the already existing book drop at Normandy Park City Hall so that residents can conveniently collect and return library materials that they have requested. This project also installed free Wi-Fi at that location, bringing enhanced library services.

## Organizational Excellence

- Recognized as one of the top libraries in the United States by the Institute for Museum and Library Services (IMLS). KCLS was named as a finalist for the prestigious National Medal for Museum and Library Service, one of only 15 libraries to receive the honor, and the sole finalist from Washington state.
- Received a National Endowment for the Humanities (NEH) Climate Smart Humanities Organizations Challenge Grant that will allow us to hire a Climate Consultant who will evaluate climate adaptation and mitigation strategies for KCLS resulting in a formal Climate Action Plan. The grant will provide more than \$130,000 over two years.
- Analyzed organizational structure and staffing mix to more effectively meet community needs, improve resource stewardship, expand workforce diversity and improve customer service. Completed reorganizations in central administrative departments, implemented hiring plans and launched new training options to support the changes.
- Developed and implemented a survey to measure employee engagement that will inform KCLS' ability to attract and retain employees. The survey also helps establish a baseline for monitoring future changes in employee engagement metrics.
- Completed a classification and compensation study that included a market comparison analysis and review of all position descriptions. Implementation of initial changes took place in fall 2023, and future impacts have been reflected in the 2024 Budget.
- Collection Management Services conducted a Lean assessment of the workflows for intake and processing of new materials, significantly reducing the time it takes for items to get on library shelves and to patrons.
- Received the Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for the third consecutive year. This award recognizes KCLS' budget documentation as having met stringent criteria and excelling as a policy document, financial plan, operations guide and communication tool.



## Strategic Communication

- Held *StaffCon: A Day of Learning*, which offered a unique opportunity for staff working at all KCLS locations to build connections while developing essential knowledge and skills. All staff members were able to choose from among 30 topics in learning paths that included Innovation, KCLS Core Values, Leadership and Staff Well-Being. Approximately 600 staff attended.
- Launched a new Help Desk product that established a primary point of contact for most staff requests to departments that provide internal support services. By moving to a single communication system for all requests, resolution will happen more quickly and trends can be tracked more effectively, improving overall operational performance.

## 2024 Budget Highlights

The 2024 Budget integrates DEI values into KCLS' existing Strategic Framework, providing a refreshed strategic direction through 2027.

In this second year of KCLS' five-year strategic cycle, the focus is on implementation. The planning, assessment and preparation of 2023 have laid the groundwork for bringing residents back to the Library in 2024. Increased open hours and elimination of barriers such as overdue fines demonstrate KCLS' commitment to accessibility. All community libraries will implement localized work plans that build connections and ensure services are co-created with partners to bring maximum benefit to communities most impacted by systemic inequity.

In 2024, KCLS will continue our commitment to supporting student success and lifelong learning. Already strong in this area, we will intentionally focus on services that help residents meet their educational goals. Across our service area, 8% of adults do not have a high school diploma, known to be a factor in determining economic independence. Two programs at KCLS provide a path to obtaining an accredited high school diploma. In-person and online tutoring and other learning activities continue to support learners of all ages.

Access to information is an essential service of the public library. KCLS kicked off a year-long Freedom to Read celebration in fall of 2023, continuing through 2024. Highlighting the role of the library in providing every person with access to ideas and information that align with their values, Freedom to Read will include community events as well as staff learning activities.

KCLS will continue to invest in organizational changes that encourage innovation. Our grant-funded Data Engineer position—one of the first for a public library system—is operationalized in the 2024 Budget. While that position focuses on building a robust data warehouse, a new Data Analyst position will provide in-depth studies and data-informed recommendations to support decision-making. The data analyst is part of a restructured Strategy Department that supports innovation and improves organizational performance through grant writing, project management, evaluation and strategy alignment.

Our ongoing commitment to staff development also ensures that KCLS will remain a forward-thinking organization. An extensive catalog of staff training is planned for 2024, including courses to support DEI initiatives as well as classes in design thinking and change management. Staff will also have opportunities to explore cutting-edge topics such as Artificial Intelligence (AI) through participation in work groups that monitor innovations and make recommendations for new services and organizational improvements.

As a leader in the public library community, KCLS will begin work on several multi-year projects that will benefit residents in our district while creating resources that help other organizations. One of these is development of a Climate Action Plan. KCLS received more than \$130K in grant funding to evaluate climate adaptation and mitigation strategies, resulting in a formal plan that will be shared with other libraries through presentations and publications.

## Conclusions

The 2024 Budget represents the second year of integrating the KCLS Strategic Framework with recommendations from the DEI Assessment. While continuing the core activities that KCLS provides, this budget supports key changes that will make KCLS more inclusive and representative of all the communities we serve. At the same time, improvements in efficiency and effectiveness will ensure that KCLS remains an excellent steward of resources. It is a solid operational plan balanced by a continued focus on prudent fiscal management.

Sincerely,



Lisa G. Rosenblum, KCLS Executive Director



# 2023-2027 STRATEGIC FRAMEWORK

## 2024 Annual Budget

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King County Library System's (KCLS) Strategic Framework reflects its commitment to public service that enhances lives, forges connections and strengthens communities. Building on the work done in 2023 to establish a new five-year plan, the 2024 Budget funds key strategic initiatives and projects that further expand programs and services in support of operational improvements. It creates internal efficiencies and enhances experiences for patrons and staff, all developed through an equity lens.

### FOCUS

**To create opportunities through meaningful connections.**

KCLS will do this by connecting people with information, services and community-centered spaces; by providing equitable avenues to build the skills and knowledge needed for success; and by creating points of connection for building communities of inclusion and belonging.

### Mission

**To inspire the people of King County to succeed through ideas, interaction and information.**

### Vision

**A world in which knowledge allows diverse communities to prosper and grow.**

### Values

**Knowledge; Intellectual Freedom; Diversity, Equity and Inclusion; Professional Ethics; Stewardship and a Service Mindset.**

### Commitments

**Customer service through helpful and expert staff; a robust and diverse collection of books and resources; responsive programs and services; and welcoming library spaces.**



## GOALS

### **Responsive, Inspirational Service**

KCLS offers customized pathways to exciting, relevant opportunities that inspire innovation, creativity, learning and reflection. KCLS connects with people and organizations to leverage community strengths and enhance experiences.

### **Communities Of Inclusion And Belonging**

KCLS continually works to increase equity, strengthen bonds and support individual and community identities by embracing and reflecting the diversity of our communities.

### **Organizational Excellence**

KCLS has clear priorities and effective practices; high-performing leadership and staff; financial stability and a healthy culture. KCLS measures performance and uses what it learns to make sound decisions.

### **Strategic Communication**

KCLS communication is clear, timely and intentional. Residents, partners and supporters recognize KCLS as an essential contributor to their lives. Staff uses internal standards, practices and tools that inform, educate and build connections.

## **Centering Communities Most Impacted By Systemic Inequities**

With the completion of its comprehensive 2021-22 DEI Assessment, KCLS has intentionally leaned into its core values of diversity, equity and inclusion by adding the four DEI strategic pillars of Systems, Co-Creation, Well-Being and Accountability to its Strategic Framework. These strategic pillars work together to weave a connection between the principle of centering communities most impacted by systemic inequities, and the implementation of KCLS services and projects.

### **Pillar #1: Systems**

#### **Systematically apply a DEI lens to internal processes and resources.**

To effectively serve and welcome diverse communities into the libraries, KCLS must have appropriate internal infrastructure and support in place.

### **Pillar #2: Co-Creation**

#### **Co-create and evaluate services with most impacted communities.**

KCLS should proactively engage communities most impacted by systemic inequities at every stage of public service design and development.

### **Pillar #3: Well-Being**

#### **Adopt a trauma-informed approach to staff well-being.**

Staff who are cared for, valued and who feel a sense of belonging in the workplace, are best positioned to create that same environment for patrons.

### **Pillar #4: Accountability**

#### **Communicate DEI accountability to the public.**

KCLS must communicate its DEI goals and progress clearly and proactively. Doing so keeps the organization publicly accountable for its commitments to its most impacted communities.

## 2024 INITIATIVES

The Budget includes funding for key initiatives that align with KCLS' four strategic goals.

### Responsive, Inspirational Service

- Provide resources and expertise to support formal and informal learning for all ages.
- Reimagine collections to increase accessibility and align with local community needs and interests.
- Expand and improve services that support readers to enhance and increase patrons' use of library collections.
- Implement a new Service Strategy to refocus KCLS' offerings for a post-pandemic world.



### Communities of Inclusion and Belonging

- Refine and improve services to the many language communities in the KCLS service area.
- Celebrate Freedom to Read, a year-long celebration of the role public libraries play in providing every person with access to ideas and information that align with their values.
- Address the loneliness epidemic through interactive programs that build connections, especially for older adults.
- Expand volunteer opportunities in KCLS' community libraries.



### Organizational Excellence

- Improve the security of KCLS' physical and online environments.
- Balance care of staff, services to patrons and fiscal stewardship through new staffing strategies.
- Improve standards for employee on- and off-boarding.
- Develop staff knowledge and skills that add value to the patron experience.
- Develop a Climate Action Plan for KCLS.



### Strategic Communication

- Finalize reorganization of Communications and Marketing Department.
- Expand opportunities for patron feedback on library services.
- Build out internal Help Desk knowledge base to streamline requests for assistance.



# STRATEGIC INITIATIVES

## 2024 Annual Budget

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### Responsive, Inspirational Service

#### Provide resources and expertise to support formal and informal learning for all ages

Learning throughout life has been shown to increase brain function, build connections with others, and increase feelings of fulfillment. KCLS is intentionally focusing in this area for 2024 by offering a suite of services to help patrons meet their educational goals. For K-12 students, our highly successful Study Zone tutoring and learning activities will continue to be offered both in person and online. That will be supplemented by Brainfuse, a fully online service that offers one-on-one, real-time tutoring for students in grades K to 12 as well as college students and adult learners. For adults, KCLS has launched Career Online High School, an opportunity for adults to complete their high school education through an accredited online program. This joins Plaza Comunitaria, a similar high school completion program for Spanish speakers.

#### Reimagine collections to increase accessibility and align with local community needs and interests

Library patron needs changed during and after the pandemic. KCLS will begin planning updates to collections at several libraries in 2024 to meet these changing needs. Centering the DEI Initiative 2.6, *Evaluate and reimagine library collections and spaces to foster understanding and belonging among and between communities*, this exploratory project will evaluate three libraries. The project will incorporate information from the DEI Assessment; Accessibility Audit; World Language Evaluation Project; staff and patron feedback, and circulation data to plan size, spacing and organization of collections. This is a study project and full implementation will begin in 2025.



#### Expand and improve services that support readers

Research shows that reading brings a range of benefits to individuals and society. In 2024, KCLS will undertake a review of current services that support readers, including readers' advisory, development of booklists, and support to book groups. The project will incorporate community data and feedback to ensure that any changes reflect current needs. The resulting refresh of these core library services will enhance and increase patrons' use of library collections.

#### Implement a new Service Strategy to refocus KCLS' offerings for a post-pandemic world

In 2024, the Library Outreach, Programs and Services Department and Public Services teams will review all services, in all formats and for all ages, to bring them into alignment with the Service Strategy developed in 2023. Outcomes-based evaluation metrics will be determined for each service, to measure the benefits to participants. To support community-centric programs, Librarians will learn techniques and methods for co-creating programming with community partners.



## **Communities of Inclusion and Belonging**

### **Refine and improve services to language communities**

More than 30% of residents in KCLS' service area speak a language other than English as their first language. Among those, there is a wide range of Englishspeaking skills. In 2024, KCLS will engage in a World Language community assessment, centering Limited English Proficiency (LEP) communities. This assessment provide valuable data on these populations, from which future services will be developed. KCLS will also create new supports and processes to ensure that staff are well-prepared to serve these patrons.

### **Celebrate Freedom to Read**

KCLS will kick off a yearlong celebration of Freedom to Read in October 2023, which will carry through to September 2024. The campaign will focus on intellectual freedom and the role that libraries fill in protecting First Amendment rights. Community events will bring attention to the importance of intellectual freedom and a patron's right to read, view or hear library materials. Staff will engage in activities to build knowledge about intellectual freedom and about the legal aspects of the First Amendment.

### **Address the loneliness epidemic through interactive programs**

KCLS is an essential "third place" where people can come together around a shared interest or topic and begin to build relationships that increase feelings of connection and decrease loneliness. This is especially critical for older adults who make up nearly 20% of residents in the KCLS service area. To fill this gap, we will offer a range of in-person and online programs in three topic areas that are of proven interest: digital literacy, the arts, and authors. These will include SilverKite Community Arts workshops, Gentle Tech digital literacy classes, more than 40 book groups, and guided discussions led by trained facilitators at Wisdom Cafes.

### **Expand volunteer opportunities in libraries**

Volunteering brings together individuals who value civic engagement through community service, forging meaningful connections in the process. Prior to the pandemic, volunteers provided valuable assistance with operational tasks in community libraries. Re-establishing these opportunities for community members to contribute to their libraries will be a priority in 2024.

## **Organizational Excellence**

### **Improve security of KCLS' physical and online environments**

Security of physical and online environments has always been a priority for KCLS. In 2024, we will repurpose one management position in the Information Technology Services department as a Cybersecurity Manager to ensure adequate resources are dedicated to securing systems. We will also begin to implement a badged entry system in all buildings that will replace traditional keys and provide more detailed information about access patterns.

### **Balance care of staff, services to patrons, and fiscal stewardship**

KCLS will undertake several activities in 2024 to optimize staffing, service and stewardship. The Operational Staffing Support (OSS) Program will allow internal part-time staff to pick up additional hours or shifts, specifically when there is a need to fill temporary gaps in library staffing coverage. To refine our understanding of staffing needs, a consultant will complete a comprehensive assessment of the staffing model, focusing on workflow and staffing levels at our community libraries.

## **Improve standards for employee on- and off-boarding**

KCLS will convene an inter-departmental team to build better standards in staff on- and offboarding. This will enhance employee engagement and experience when beginning and ending employment with KCLS and support supervisors in their leadership roles. Onboarding processes will help new hires better understand their roles, feel more valued, and increase their productivity and performance. Offboarding processes will seek to improve solicitation of feedback for organizational improvement, to show appreciation of departing employees, and enhance stewardship and security of public property.

## **Develop staff knowledge and skills for added value to patrons**

KCLS is strategically investing in staff skills and knowledge to improve our ability to provide innovative services that meet changing patron needs. A robust collection of trainings that started in 2023 will continue to support our DEI initiatives. To grow KCLS' capacity for innovation, training on change management and design thinking will be added. Implementation of these concepts will be supported by developing focused work groups such as an Artificial Intelligence (AI) Exploration Team.



## **Strategic Communication**

### **Finalize reorganization of Communications and Marketing Department**

In 2024, KCLS will begin to realize benefits from reorganizing the Communications and Marketing department. Key changes in 2023 included incorporating responsibility for the KCLS website and social media, and reallocating salary to fund a Communications and Marketing Manager. This year, the department will allocate funds for a Graphic Specialist position and revive a Communications and Marketing Intern position, which was not filled during the pandemic.

### **Expand opportunities for patron feedback on library services**

KCLS values feedback from our patrons and community members. In 2024, several projects will increase opportunities to provide input. A transition from paper to electronic comment forms will improve access and reliability while making the review process more efficient. The launch of new tools to collect data on customer satisfaction will support continuous improvement goals. Updated evaluations for in-person and online programs will help align them with the new Service Strategy.

### **Build out internal Help Desk knowledge base to streamline requests for assistance**

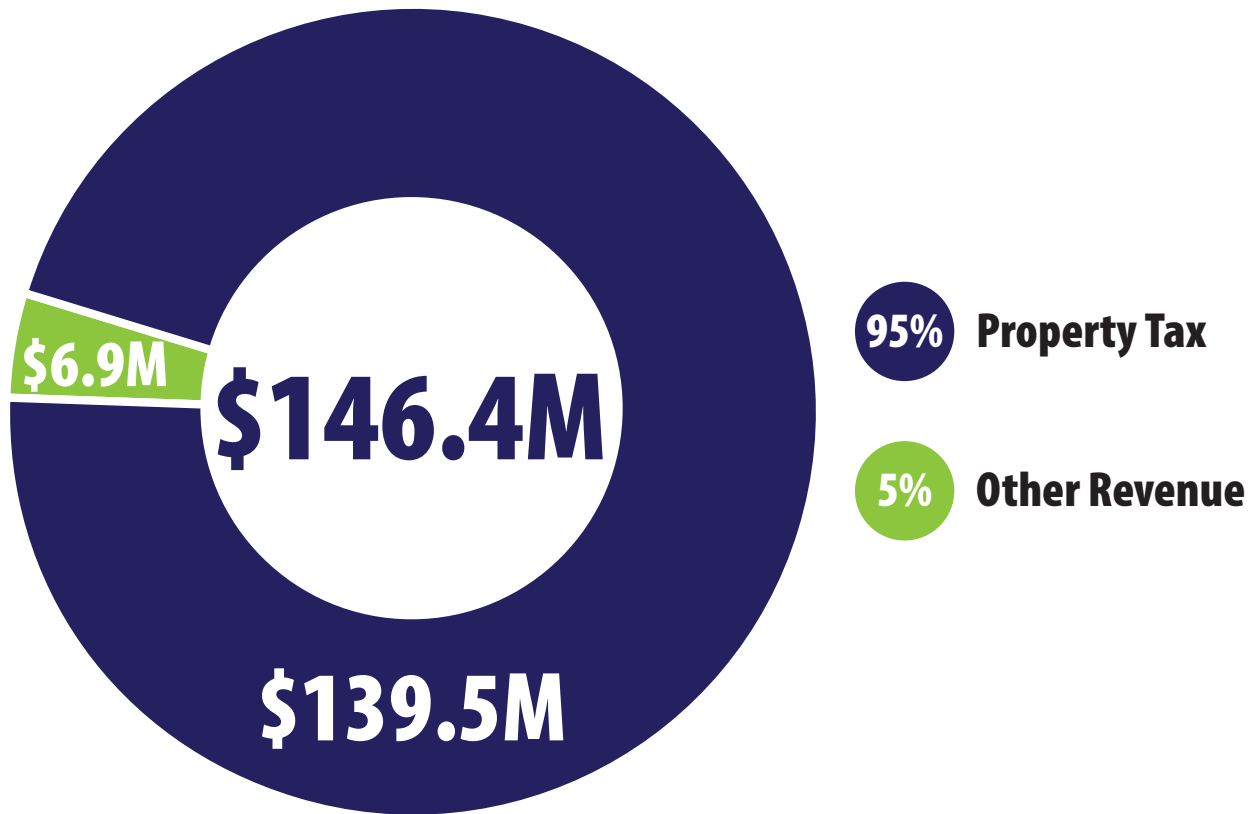
In fall of 2023, KCLS implemented a new internal help desk product to make requests for help from support departments more user-friendly and intuitive. A new feature of the product is a knowledge base, a resource where staff will find answers to common questions without generating a help ticket. In 2024, departments will expand their knowledge base content, further improving internal customer service.

# GENERAL FUND OVERVIEW

## 2024 Annual Budget

### KCLS BUDGET REVENUE (\$146.4M) BY SOURCE

In 2024, total general fund revenue is projected at \$146.4M. KCLS revenue is relatively stable year to year, as it is predominantly comprised of property tax. Annual growth in property tax revenue is restricted to 1% over the prior year; plus any increase in revenue derived from new construction. Other revenue sources include, but are not limited to, grant funding, investment interest and eRate subsidies. Intergovernmental revenue is received from other government entities, for example, state timber tax.

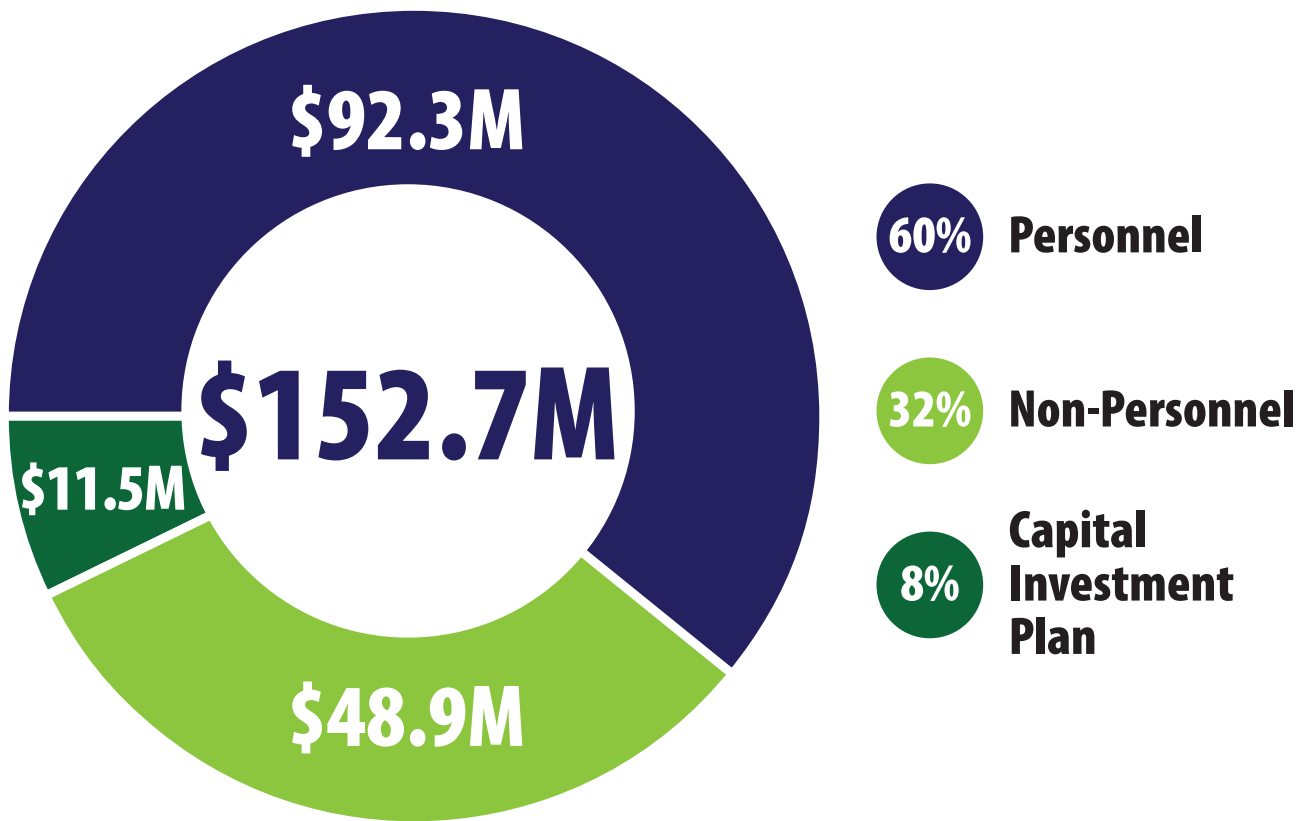




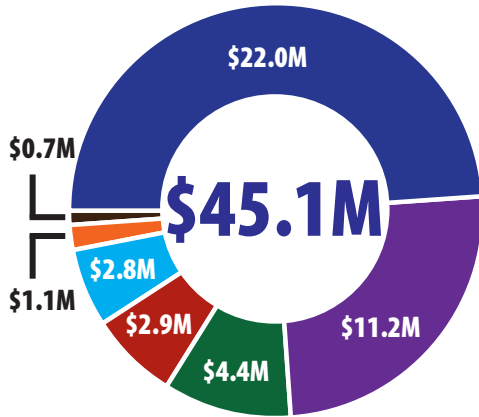
## KCLS BUDGET EXPENDITURES (\$152.7M) BY CATEGORY

Personnel expenditures account for 60% of total budgeted expenditures, and include salaries and benefits for 1,016 employees, or 807 Full-Time Equivalent (FTE) employees.

Non-personnel expenditures account for 32% of total budgeted expenditures. The 2024 Budget also includes \$11.5M in funding for the Finance & Facilities and Technology Capital Investment Plan (CIP) to cover anticipated major expenditures for ongoing maintenance and upkeep of the Library District's capital assets.

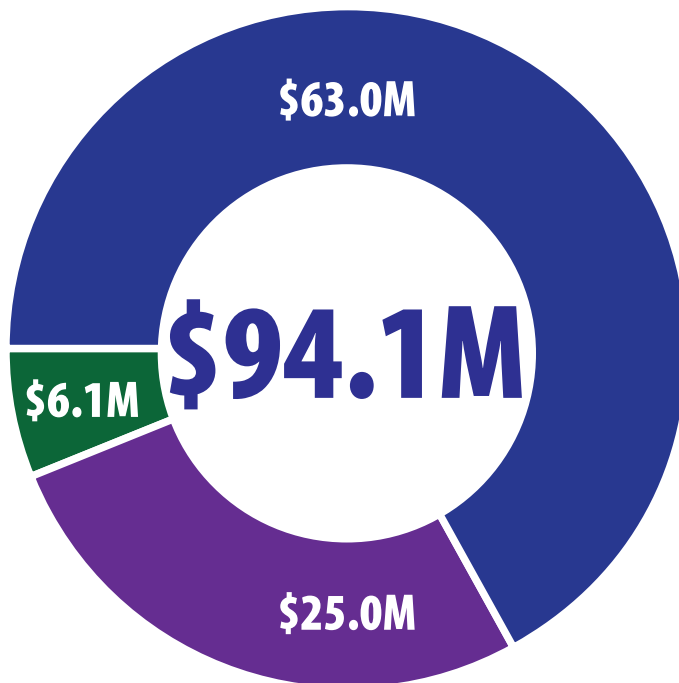


## ADMINISTRATIVE BUDGET BY DEPARTMENT



- 49%** Finance & Facilities
- 25%** Information Technology Services
- 10%** Human Resources
- 7%** Communications & Marketing
- 6%** Executive
- 2%** Diversity, Equity & Inclusion
- 1%** KCLS Foundation

## PUBLIC SERVICES BUDGET BY DEPARTMENT



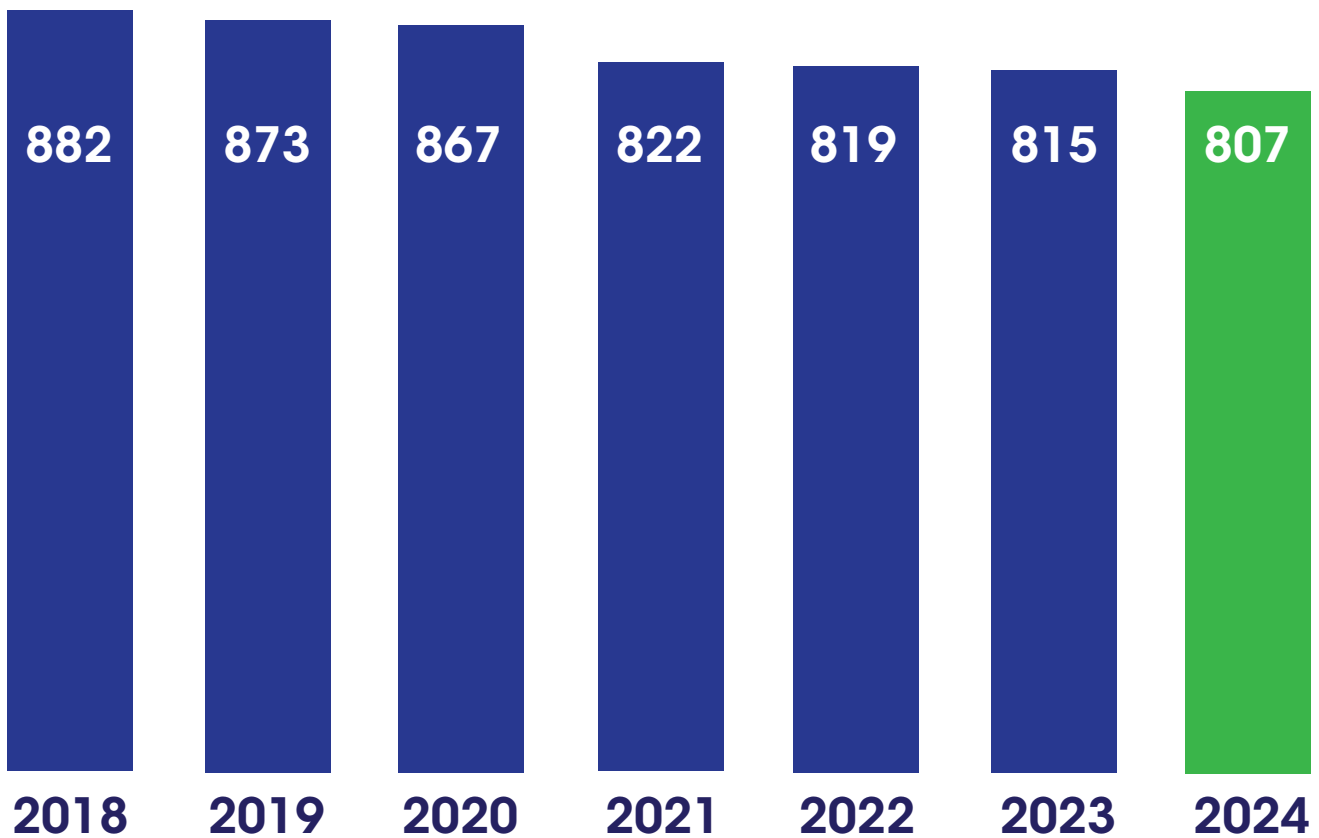
- 67%** Library Operations
- 27%** Collection Management Services
- 6%** Library Outreach, Programs & Services

Charts above exclude Capital Investment Plan and Grant expenditures.

## GENERAL FUND OVERVIEW

The 2024 Budget proposes investments that will continue to inspire KCLS patrons and staff, and a further expansion of library operations. This includes increasing library open hours, filling open and reorganized positions equal to 807 FTEs, and increasing the Capital Investment budget by 77%.

## KCLS BUDGETED FULL-TIME EQUIVALENTS



# ECONOMIC OUTLOOK

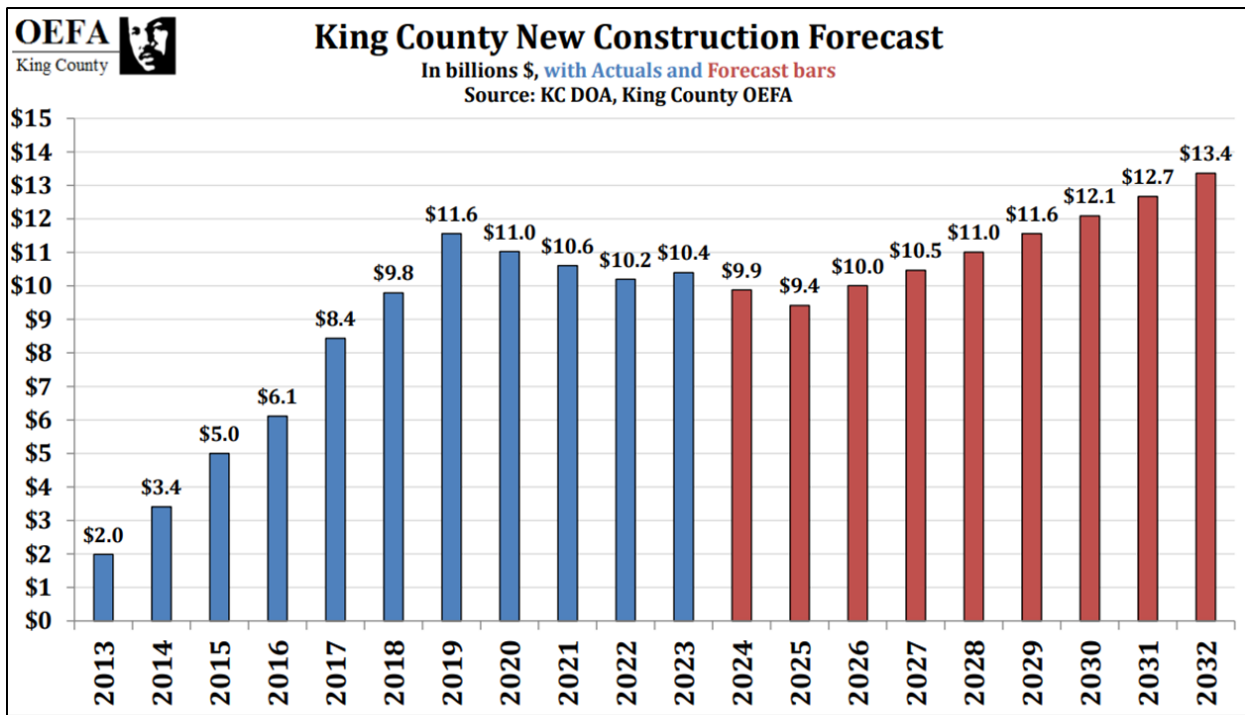
While property tax, which accounts for 96% of KCLS’ revenue, is a relatively stable funding source, the passage of Initiative 747 in 2001 restricts the growth in annual revenue to the lesser of 1% or the Implicit Price Deflator (IPD), plus any additional tax revenue generated from new construction.

The IPD is a figure used to measure inflation for personal consumption expenditures for the United States; it is published for the most recent twelve-month period by the U.S. Bureau of Economic Analysis of the U.S. Department of Commerce by September 25 of the year before the taxes are payable.

In the event the IPD falls below 1%, the Board of Trustees must approve a resolution declaring a substantial need in order to receive the full 1% increase in property tax revenue. For purposes of this budget, the IPD is reported to be 3.67 (greater than 1%) and, therefore, KCLS requires no such resolution to increase its property tax levy by 1%.

When factoring in forecasted new construction revenue based on available economic data from King County, growth in forecasted property tax revenue is anticipated to be 2.3% in 2024.

Considering all revenue sources, KCLS estimates a 4.0% increase for the 2024 Budget period.

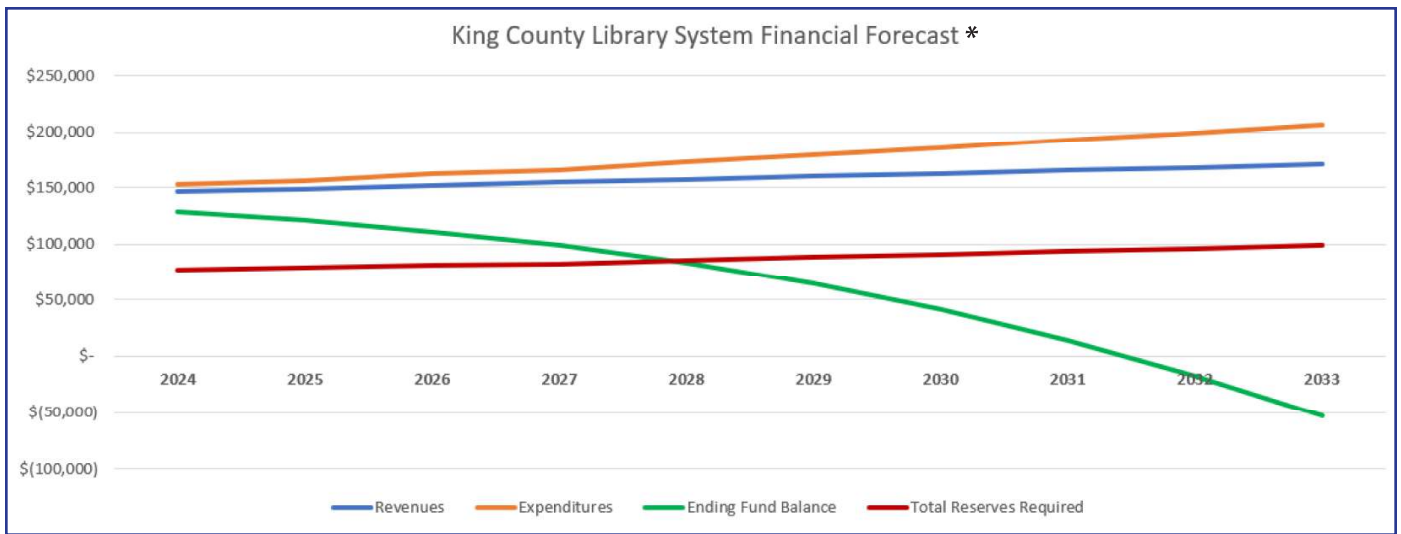




# LONG-RANGE FINANCIAL PLANNING

Maintaining an adequate fund balance is a critical component of KCLS' long-range financial planning. KCLS receives property tax revenue from the county treasurer only twice per year in April and October. In order to bridge this gap, KCLS must maintain a minimum Ending Fund Balance (EFB) equal to 120 days of operating expenditures to ensure funds are available at fiscal year-end to cover operating expenditures through April of the following year (Appendix: General Fund Balance Policy). Additionally, KCLS has Reserves requirement at 15% of annual revenues and building reserves for unforeseen events, following industry's best practices and recommendations.

Based on historical budget trends, KCLS estimates personnel costs to increase at a rate of 3%-4% annually due to contractual cost of living adjustments (COLA), budgeted salary step increases, and inflation of healthcare premiums, PERS contributions, FICA and other benefits-related costs. Expenditures in the CIP budget are subject to similar inflationary pressure. With projected operating expenditures outpacing annual revenue growth, KCLS will dip below its Total Reserves requirements in 2028–2029.



\* In \$1,000's

# 2024 BUDGET PLANNING SCENARIO

	2023 Budget (in \$1,000's)	% Change	2023 Year-End Forecast* (in \$1,000's)	% Change Between 2023 Budget and 2024 Budget	2024 Budget (in \$1,000's)
<b>Beginning Fund Balance</b>	\$ 119,108		\$ 119,108		\$ 135,515
Property Tax	\$ 136,445	0.0%	\$ 136,445	2.3%	\$ 139,539
KCLS Foundation/Grants	\$ 1,422	2.6%	\$ 1,459	33.9%	\$ 1,904
Erate Reimbursement	\$ 460	52.6%	\$ 702	182.6%	\$ 1,300
Fines	\$ 245	-73.4%	\$ 65	-100.0%	\$ -
Investment Interest	\$ 500	567.9%	\$ 3,340	300.0%	\$ 2,000
Lost Material/ Contracts	\$ 774	9.0%	\$ 844	-18.3%	\$ 633
MISC. Revenue	\$ 474	-15.0%	\$ 403	13.2%	\$ 536
Timber/Other Tax	\$ 421	0.0%	\$ 421	18.8%	\$ 500
<b>Total Revenue</b>	<b>\$ 140,741</b>	<b>2.1%</b>	<b>\$ 143,679</b>	<b>4.0%</b>	<b>\$ 146,412</b>
<b>Personnel Expense</b>					
Salaries	62,622	-10.1%	56,319	7.2%	67,151
Benefits	25,014	-19.2%	20,216	0.6%	25,166
<b>Sub-total Personnel</b>	<b>\$ 87,637</b>	<b>-12.7%</b>	<b>\$ 76,535</b>	<b>5.3%</b>	<b>\$ 92,317</b>
<b>Expenses-Other</b>					
Library Material	14,610	0.0%	14,610	5.5%	15,419
Repairs and Maintenance	13,326	0.0%	13,326	4.0%	13,859
Insurance/Lease/Utilities/Communications	7,488	0.1%	7,497	4.5%	7,823
Professional Services	4,748	0.0%	4,748	11.7%	5,302
Supplies	2,975	0.0%	2,975	-0.5%	2,959
Capital FFE/Intergov./Reserve/MISC/TransOut	1,670	-71.9%	470	0.4%	1,677
Travel/Advertise/Staff Dev.	1,781	0.0%	1,781	2.8%	1,831
<b>Sub-total Non-personnel</b>	<b>\$ 46,599</b>	<b>-2.6%</b>	<b>\$ 45,408</b>	<b>4.9%</b>	<b>\$ 48,870</b>
<b>Capital Investment Plan</b>					
Facilities CIP	4,173	-23.2%	3,203	87.2%	7,812
ITS CIP	2,332	-8.9%	2,125	58.2%	3,690
<b>Sub-total CIP</b>	<b>\$ 6,505</b>	<b>-18.1%</b>	<b>\$ 5,328</b>	<b>76.8%</b>	<b>\$ 11,502</b>
<b>Total Expenses</b>	<b>\$ 140,741</b>	<b>-9.6%</b>	<b>\$ 127,271</b>	<b>8.5%</b>	<b>\$ 152,690</b>
<b>Total Surplus/(Deficit)</b>	<b>\$ -</b>		<b>\$ 16,408</b>		<b>\$ (6,278)</b>
<b>Ending Fund Balance</b>	<b>\$ 119,108</b>		<b>\$ 135,515</b>		<b>\$ 129,237</b>

\*Estimated Forecast based on the actual revenue and expenditure as of 11/15/2023

# REVENUE AND EXPENSE DEFINITIONS

## 2024 Annual Budget

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### REVENUE DEFINITIONS

**Contracts:** Revenue from institutional library in the King County Juvenile Detention Center. The contract renews each year.

**E-Rate:** The Schools and Libraries (E-Rate) Program provides discounts to assist eligible schools and libraries to obtain affordable internet access and telecommunications services. E-Rate funds the following service types: Data Transmission Services and/or Internet Access; Internal Connections; Managed Internal Broadband Services, and Basic Maintenance of Internal Connections. KCLS utilizes an independent E-Rate consulting firm that completes and files the application needed to secure funding for eligible services every year.

**Fines and Fees:** Revenue obtained from fines for overdue library materials. Revenue obtained from fines for overdue library materials, or fees assessed for damage to Library property. (KCLS no longer charges fines for overdue materials as of May 2023).

**Investment Interest:** KCLS belongs to the King County Investment Pool that invests cash reserves for all county agencies, special districts and other public authorities. The investment portfolio in the pool complies with the county investment policies and state law, and only invests in certain types of highly rated securities, including certificates of deposit, U.S. Treasury obligations, federal agency obligations, municipal obligations, repurchase agreements and commercial paper.

**KCLS Foundation:** Since 1991, the King County Library System Foundation (KCLSF) has provided financial support from private donors for library programming that goes beyond what is possible with public funding. This allows KCLS to extend the reach of critical library programs and services across the county so that all communities can thrive. It includes:

- Launching pilot programs to provide services for populations in need. For example, Wi-Fi hotspots in areas with limited internet access.
- Providing consistent funding for programs that are offered year-to-year, such as Summer Meals for students who lose access to free-and-reduced-price lunch programs when schools are closed.
- Supporting library construction projects in some of King County's most underserved communities.

**Lost Materials:** Revenue obtained from fees assessed for damage to or loss of library property.

**Miscellaneous Revenues:** Sales of General Fixed Assets; Sales of Taxable Merchandise; Refunds/Credits; Donations; KCLS Foundation Postage reimbursements and Found Money.

**Other Taxes:** Includes the Leasehold Excise Tax. The state of Washington imposes a 12.84% Leasehold Excise Tax on the act or privilege of occupying or using publicly owned, or specified privately owned, real or personal property (RCW 82.29A.030).

**Allocation of Leasehold Excise Tax:** Leasehold Excise Taxes imposed by cities and counties are credited against the 12.84% state Leasehold Excise Tax. This credit is applied in layers, which is to say the county rate (with a maximum rate of 6%) is credited against the state rate, and the city rate (with a maximum rate of 4%) is credited against the county. For example, if the county imposes its maximum of 6% and no city has imposed a Leasehold Excise Tax, the county will receive 6% countywide and the state will receive the remaining 6.84%. However, if a city also imposes its 4% maximum rate, the city will receive 4% and the county will receive 2% within the incorporated area. The county would still receive its full 6% for the unincorporated areas, and the state would receive the remaining 6.84% countywide.

**Photocopies:** Revenue obtained from patrons utilizing KCLS photocopiers and printers.

**Private Timber Tax:** The state of Washington timber harvesters pay an excise tax on the value of timber harvested, whether on private or public lands. The State Department of Revenue collects the funds and distributes revenue back to the county of origin, less prorated administrative costs, which in turn distributes the revenue to local taxing districts. In place of property taxes, timber owners pay this 5% excise tax on timber harvested, with 1% distributed to the state and the remaining 4% to counties. KCLS qualifies for this revenue since it is a taxing district, which has forestlands within the boundaries of the Library System service area. The primary revenue distribution is made quarterly in February, May, August and November, which explains why a large amount came to KCLS in May. The King County Treasurer distributes the revenues to the local taxing districts according to a formula prescribed in the law, which includes factors of number of acres of forestland available in a district's area and assessed values of the land.

**Property Tax:** An Ad Valorem Tax on real estate property, based upon the value of the property. Property Tax provides the majority of KCLS revenue. Annual growth in Property Tax revenue is restricted to 1% over the prior year, and the increase in revenue is derived from new construction. The county treasurer collects and distributes the revenue to KCLS twice a year in April and October.

## EXPENSE DEFINITIONS

**Advertising:** Promotion of KCLS programs, services and initiatives through social media, print, radio, broadcast and digital marketing.

### **Communications:**

Data: King County I-NET and data connections in various areas not currently supported by I-NET. Includes ongoing data costs for mobile devices used by staff, and funds to strengthen connectivity to the KCLS Service Center at Preston.

Voice: Telephones, fax, cell, radio and cordless phones; telephone system hardware upgrades; directory listings and conversion of phone systems to King County I-NET. Includes repair and improvements to existing phone systems throughout KCLS.

**Insurance:** Property and casualty coverage for all locations as well as Directors and Officers, Fiduciary and Liability Insurance coverage. Coverage for all fleet, maintenance and public services vehicles.

**Intergovernmental:** Washington State Auditor fees; state and county purchasing pools membership fees; and other government membership and service fees.



**Library Materials–Capitalized:** Additions to the KCLS materials collection that KCLS owns and which will exist for longer than one year.

**Library Materials–Non-Capitalized:** Additions to the KCLS materials collection that KCLS does not own or which will not exist for longer than one year.

**Miscellaneous:** Includes Ad Valorem expenses. An Ad Valorem tax is charged by state and municipal governments and is based on the assessed value of a product or property. The most common Ad Valorem tax is the property tax, which is charged on real estate and personal property. Other miscellaneous expenses include book repair, banking fees, membership fees, interest and penalties.

**Operating Lease:** Lease expenditures include base rent, copier leases, the shared portion of tax, Common Area Maintenance (CAM), insurance and utilities for all the leased buildings.

**Professional Services:** Services provided by third party vendors or consultants including network services, computerized reference services, on-site security, ergonomic consultations, health and safety consultations, payroll and benefit related consultations, major system workflow enhancements services, courier services, legal consultations and other general professional consultation or contract services.

**Repairs and Maintenance:** Includes all contracted repair and maintenance services, outside contracts call-out services for all buildings, assets, vehicles, furniture and equipment.

**Reserve:** Contingency funds supporting the Library District’s response to unforeseen expenses.

**Staff:** Includes salaries, benefits, retirement contributions, FICA and other taxes.

**Staff Development:** Expenses that improve employees’ existing competencies and skills and develop new skills to support the organization’s goals, such as workshops, specialty trainings, seminars, conferences, tuition assistance and other general trainings.

**Supplies:** Expenditures for materials, supplies, contractual services, fees and other services.

**Travel:** Reimbursement to staff to defray the costs of travel to professional conferences and events and for using personal vehicles while conducting KCLS business.

**Utilities:** Utilities expenditures include electricity, gas, water, garbage and recycling, sewage management, etc.

*Note: Certain prior year balances have been reclassified to conform to the current year presentation. Such reclassifications did not affect total revenues or expenditures.*



# DEPARTMENT OVERVIEWS

## 2024 Annual Budget

### EXECUTIVE

The King County Library System Executive Director oversees KCLS’ annual operating budgets and keeps the KCLS Board of Trustees apprised of the Library District’s financial and operational status. Responsible for the overall strategic direction and leadership of the District, the Executive Director ensures that KCLS operates within its approved budget while providing relevant programs, services, resources and materials that meet the needs of the diverse communities KCLS serves.

### CHANGES FOR 2024

A reorganization of two positions in the Executive Department in 2023 reduced the base salary expense for 2024, while increasing alignment with organizational needs. A Deputy Director position was converted to the Organizational Strategy Manager, which oversees the three staff members in the Strategy Department. An Organizational Performance Project Manager position was converted to a Data Analyst position.

In 2024, the Strategy Department will undertake several projects that support KCLS’ goal of Organizational Excellence:

- Conduct a study of the usage of in-person and online reference services to improve delivery and inform staff development.
- Improve the process and supports for staff who apply for grants to fund library services.
- Expand use of a consistent organizational methodology for change management to improve adoption of new products, procedures and processes while more effectively supporting staff through transitions.
- Lead a cross-departmental advisory team to explore opportunities and impacts of artificial intelligence (AI).
- Transition the existing paper form used to collect patron feedback to an online format, to improve patron access, reliability of response tracking and process efficiency.

	2024 BUDGET	FY2024
<b>Expenses</b>		
Salaries/Benefits		\$1,297,085
Intergov./Reserve/Misc./TransOut		\$1,225,100
Professional Services		\$200,000
Supplies		\$12,400
Travel/Advertising/Staff Development		\$98,000
<b>EXPENSES TOTAL</b>		<b>\$2,832,585</b>

# EXECUTIVE

	ACTUALS	2023 BUDGET	2024 BUDGET		
	2022	FY2023	FY2024	Variance 2024-2023	Percent
<b>Expenses</b>					
Salaries/Benefits					
Benefits	\$130,185	\$290,713	\$276,717	-\$13,996	-4.8%
Salaries	\$552,874	\$967,099	\$1,020,368	\$53,269	5.5%
<b>SALARIES/BENEFITS TOTAL</b>	<b>\$683,059</b>	<b>\$1,257,812</b>	<b>\$1,297,085</b>	<b>\$39,273</b>	<b>3.1%</b>
Intergov./Reserve/Misc./TransOut					
Miscellaneous	\$24,537	\$24,100	\$25,100	\$1,000	4.1%
Reserve	-	\$1,200,000	\$1,200,000	\$0	0.0%
<b>INTERGOV./RESERVE/MISC./TRANSOUT TOTAL</b>	<b>\$24,537</b>	<b>\$1,224,100</b>	<b>\$1,225,100</b>	<b>\$1,000</b>	<b>0.1%</b>
Professional Services					
Professional Services	\$20,993	\$235,000	\$200,000	-\$35,000	-14.9%
<b>PROFESSIONAL SERVICES TOTAL</b>	<b>\$20,993</b>	<b>\$235,000</b>	<b>\$200,000</b>	<b>-\$35,000</b>	<b>-14.9%</b>
Supplies					
Supplies	\$8,996	\$12,400	\$12,400	\$0	0.0%
<b>SUPPLIES TOTAL</b>	<b>\$8,996</b>	<b>\$12,400</b>	<b>\$12,400</b>	<b>\$0</b>	<b>0.0%</b>
Travel/Advertising/Staff Development					
Staff Development	\$4,914	\$93,000	\$92,000	-\$1,000	-1.1%
Travel	\$577	\$6,000	\$6,000	\$0	0.0%
<b>TRAVEL/ADVERTISING/STAFF DEVELOPMENT TOTAL</b>	<b>\$5,492</b>	<b>\$99,000</b>	<b>\$98,000</b>	<b>-\$1,000</b>	<b>-1.0%</b>
<b>EXPENSES TOTAL</b>	<b>\$743,076</b>	<b>\$2,828,312</b>	<b>\$2,832,585</b>	<b>\$4,273</b>	<b>0.2%</b>



# COLLECTION MANAGEMENT SERVICES

The Collection Management Services (CMS) Department builds an extensive collection that is responsive to the needs of KCLS communities. CMS selects, orders, catalogs, prepares and distributes digital and physical materials, with the goals of removing barriers, and providing a collection that reflects local communities. CMS is committed to supporting KCLS’ values of inclusion and belonging by offering diverse materials.

## CHANGES FOR 2024

- Begin replacement of four Automated Material Handling (AMH) machines at community libraries
- Conduct Warehouse Evaluation Study
- Continue to identify and support needs of World Language speakers
- Reimagine collections at three libraries
- Review services that support collections
- Launch Celebrate Freedom to Read campaign

	2024 BUDGET	FY2024
<b>Expenses</b>		
Salaries/Benefits		\$7,635,176
Intergov./Reserve/Misc./TransOut		\$10,000
Insurance/Lease/Utilities/Communications		\$92,220
Library Material		\$15,418,634
Professional Services		\$1,067,284
Repairs and Maintenance		\$640,442
Supplies		\$152,704
Travel/Advertising/Staff Development		\$11,900
<b>EXPENSES TOTAL</b>		<b>\$25,028,360</b>





# COLLECTION MANAGEMENT SERVICES

	ACTUALS	2023 BUDGET	2024 BUDGET		
	2022	FY2023	FY2024	Variance 2024-2023	Percent
<b>Expenses</b>					
Salaries/Benefits					
Benefits	\$1,556,456	\$2,175,497	\$2,122,266	-\$53,231	-2.4%
Salaries	\$4,353,329	\$5,228,579	\$5,512,910	\$284,331	5.4%
<b>SALARIES/BENEFITS TOTAL</b>	<b>\$5,909,784</b>	<b>\$7,404,076</b>	<b>\$7,635,176</b>	<b>\$231,100</b>	<b>3.1%</b>
Intergov./Reserve/Misc./TransOut					
Miscellaneous	\$3,226	\$20,000	\$10,000	-\$10,000	-50.0%
<b>INTERGOV./RESERVE/MISC./TRANSOUT TOTAL</b>	<b>\$3,226</b>	<b>\$20,000</b>	<b>\$10,000</b>	<b>-\$10,000</b>	<b>-50.0%</b>
Insurance/Lease/Utilities/Communications					
Communications	\$68,120	\$87,000	\$92,220	\$5,220	6.0%
<b>INSURANCE/LEASE/UTILITIES/COMMUNICATIONS TOTAL</b>	<b>\$68,120</b>	<b>\$87,000</b>	<b>\$92,220</b>	<b>\$5,220</b>	<b>6.0%</b>
Library Material					
Library Material - Non Cap.	\$5,371,804	\$5,987,447	\$6,563,000	\$575,553	9.6%
Library Material - Cap.	\$8,035,701	\$8,622,680	\$8,855,634	\$232,954	2.7%
<b>LIBRARY MATERIAL TOTAL</b>	<b>\$13,407,505</b>	<b>\$14,610,127</b>	<b>\$15,418,634</b>	<b>\$808,507</b>	<b>5.5%</b>
Professional Services					
Professional Services	\$965,050	\$1,125,120	\$1,067,284	-\$57,836	-5.1%
<b>PROFESSIONAL SERVICES TOTAL</b>	<b>\$965,050</b>	<b>\$1,125,120</b>	<b>\$1,067,284</b>	<b>-\$57,836</b>	<b>-5.1%</b>
Repairs and Maintenance					
Repairs and Maintenance	\$11,267	\$749,498	\$640,442	-\$109,056	-14.6%
<b>REPAIRS AND MAINTENANCE TOTAL</b>	<b>\$11,267</b>	<b>\$749,498</b>	<b>\$640,442</b>	<b>-\$109,056</b>	<b>-14.6%</b>
Supplies					
Supplies	\$130,260	\$130,260	\$152,704	\$22,444	17.2%
<b>SUPPLIES TOTAL</b>	<b>\$130,260</b>	<b>\$130,260</b>	<b>\$152,704</b>	<b>\$22,444</b>	<b>17.2%</b>
Travel/Advertising/Staff Development					
Staff Development	\$5,238	\$14,320	\$8,400	-\$5,920	-41.3%
Travel	\$228	\$3,000	\$3,500	\$500	16.7%
<b>TRAVEL/ADVERTISING/STAFF DEVELOPMENT TOTAL</b>	<b>\$5,466</b>	<b>\$17,320</b>	<b>\$11,900</b>	<b>-\$5,420</b>	<b>-31.3%</b>
<b>EXPENSES TOTAL</b>	<b>\$20,500,678</b>	<b>\$24,143,401</b>	<b>\$25,028,360</b>	<b>\$884,959</b>	<b>3.7%</b>



# COMMUNICATIONS AND MARKETING

The Communications and Marketing (CM) Department crafts, designs and disseminates internal and external communications aimed at promoting, increasing and driving awareness of KCLS. The department manages the Library System’s brand and reputation, including crisis management. It manages media outreach and partnerships; public relations and social media; government relations; branding and marketing, advertising, reports and promotional materials. CM also creates campaigns and champions KCLS initiatives, including Diversity, Equity and Inclusion and Intellectual Freedom.

## CHANGES FOR 2024

- Website Content will transition from the Online Services Department (OLS) to Communications and Marketing.
- A reorganization will shift an Organizational Performance Project Manager position within the Strategy Department to a Communications and Marketing Manager position in CM. Further budget allocation has been made for a Graphics Specialist position in 2024.
- Restore CM Internship position.
- With social media responsibilities now under CM's purview, budget includes associated expenses for social media posting and analytic tools, Cision and BiblioEmail services.
- Enhanced Professional Services funding will include costs for social media podcast hosting and video transcription services to ensure ADA compliance.
- Increased funding for operating supplies addresses the need for additional promotional items, supporting libraries in their community outreach efforts.
- Increased staff development funds support specialized training, professional growth for CM staff, and public records training.
- Allocate funds for special events such as Friends Day 2024.
- Adjusted travel expenses acknowledge remote meetings and telecommuting via Teams or Zoom.

	2024 BUDGET
	FY2024
<b>Expenses</b>	
Salaries/Benefits	\$2,113,937
Intergov./Reserve/Misc./TransOut	\$2,400
Professional Services	\$158,160
Supplies	\$203,197
Travel/Advertising/Staff Development	\$463,995
<b>EXPENSES TOTAL</b>	<b>\$2,941,689</b>

# COMMUNICATIONS AND MARKETING

	ACTUALS	2023 BUDGET	2024 BUDGET		
	2022	FY2023	FY2024	Variance 2024-2023	Percent
<b>Expenses</b>					
Salaries/Benefits					
Benefits	\$367,533	\$497,016	\$545,561	\$48,545	9.8%
Salaries	\$1,102,346	\$1,374,647	\$1,568,376	\$193,729	14.1%
<b>SALARIES/BENEFITS TOTAL</b>	<b>\$1,469,879</b>	<b>\$1,871,663</b>	<b>\$2,113,937</b>	<b>\$242,274</b>	<b>12.9%</b>
Intergov./Reserve/Misc./TransOut					
Miscellaneous	\$1,800	\$1,625	\$2,400	\$775	47.7%
<b>INTERGOV./RESERVE/MISC./TRANSOUT TOTAL</b>	<b>\$1,800</b>	<b>\$1,625</b>	<b>\$2,400</b>	<b>\$775</b>	<b>47.7%</b>
Professional Services					
Professional Services	\$42,062	\$115,160	\$158,160	\$43,000	37.3%
<b>PROFESSIONAL SERVICES TOTAL</b>	<b>\$42,062</b>	<b>\$115,160</b>	<b>\$158,160</b>	<b>\$43,000</b>	<b>37.3%</b>
Supplies					
Supplies	\$127,439	\$194,440	\$203,197	\$8,757	4.5%
<b>SUPPLIES TOTAL</b>	<b>\$127,439</b>	<b>\$194,440</b>	<b>\$203,197</b>	<b>\$8,757</b>	<b>4.5%</b>
Travel/Advertising/Staff Development					
Staff Development	\$1,890	\$5,275	\$25,407	\$20,132	381.6%
Travel	\$342	\$3,500	\$3,588	\$88	2.5%
Advertising	\$399,487	\$400,000	\$435,000	\$35,000	8.8%
<b>TRAVEL/ADVERTISING/STAFF DEVELOPMENT TOTAL</b>	<b>\$401,719</b>	<b>\$408,775</b>	<b>\$463,995</b>	<b>\$55,220</b>	<b>13.5%</b>
<b>EXPENSES TOTAL</b>	<b>\$2,042,900</b>	<b>\$2,591,663</b>	<b>\$2,941,689</b>	<b>\$350,026</b>	<b>13.5%</b>



# DIVERSITY, EQUITY AND INCLUSION

The Diversity, Equity and Inclusion (DEI) Department is responsible for developing and strengthening a holistic DEI strategy that embodies KCLS’ Mission, Vision and Values by embedding a shared vision of equity and creating an environment that embraces diverse perspectives and experiences across all levels of the organization.

## CHANGES FOR 2024

- Personnel expenditures (Salaries and Benefits) reflect no personnel changes from 2023 and represent a full team of three Coordinators (Social Impact, World Language and Library Access), two Specialists (Spanish Language and DEI Projects), the Department Director and Division Assistant. These roles will guide and support the organization’s strategic initiatives for increasing diverse community participation and improving responsive service to patrons and communities most impacted by marginalization and structural inequities.
- Non-personnel operating costs will increase due to Professional Services compared to 2023, which will include a World Language community assessment focused on Limited English Proficiency (LEP) communities, consultant fees for developing an Accessibility Plan, and increased costs associated with heritage events, language translation and interpretative services.

	2024 BUDGET	FY2024
<b>Expenses</b>		
Salaries/Benefits		\$957,693
Professional Services		\$117,863
Supplies		\$7,000
Travel/Advertising/Staff Development		\$14,000
<b>EXPENSES TOTAL</b>		<b>\$1,096,556</b>





# DIVERSITY, EQUITY AND INCLUSION

	ACTUALS	2023 BUDGET	2024 BUDGET		
	2022	FY2023	FY2024	Variance 2024-2023	Percent
<b>Expenses</b>					
Salaries/Benefits					
Benefits	\$119,749	\$259,238	\$256,838	-\$2,400	-0.9%
Salaries	\$381,846	\$692,749	\$700,855	\$8,106	1.2%
<b>SALARIES/BENEFITS TOTAL</b>	<b>\$501,595</b>	<b>\$951,987</b>	<b>\$957,693</b>	<b>\$5,706</b>	<b>0.6%</b>
Professional Services					
Professional Services	\$104,603	\$126,500	\$117,863	-\$8,637	-6.8%
<b>PROFESSIONAL SERVICES TOTAL</b>	<b>\$104,603</b>	<b>\$126,500</b>	<b>\$117,863</b>	<b>-\$8,637</b>	<b>-6.8%</b>
Supplies					
Supplies	\$5,520	\$17,000	\$7,000	-\$10,000	-58.8%
<b>SUPPLIES TOTAL</b>	<b>\$5,520</b>	<b>\$17,000</b>	<b>\$7,000</b>	<b>-\$10,000</b>	<b>-58.8%</b>
Travel/Advertising/Staff Development					
Staff Development	\$2,498	\$11,000	\$11,000	\$0	0.0%
Travel	\$969	\$3,000	\$3,000	\$0	0.0%
<b>TRAVEL/ADVERTISING/STAFF DEVELOPMENT TOTAL</b>	<b>\$3,468</b>	<b>\$14,000</b>	<b>\$14,000</b>	<b>\$0</b>	<b>0.0%</b>
<b>EXPENSES TOTAL</b>	<b>\$615,186</b>	<b>\$1,109,487</b>	<b>\$1,096,556</b>	<b>-\$12,931</b>	<b>-1.2%</b>



# FINANCE AND FACILITIES

Finance and Facilities divisions are responsible for financial operations, providing timely financial statements, auditing, capital asset management, and fiduciary control over all Library District assets. The finance staff is a trusted partner in providing transparency, accountability, and strategic financial planning that support the fiscal sustainability of the King County Library System.

The Finance Department is comprised of the following divisions:

**Accounting:** Maintains accounting records, produces financial reports and annual financial statements; safeguards assets, and implements appropriate financial controls in compliance with Generally Accepted Accounting Principles (GAAP) and the Government Accounting Standards Board (GASB).

**Budget:** Supports leadership in organizational financial planning and provides independent financial analysis on a wide range of issues and projects. Leads annual operating and capital budget planning and develops long-range financial plans and forecasts. Acts as a liaison for insurance claims and certificates of insurance. Provides budgeting and cost analysis for staff positions.

**Purchasing:** Manages purchases of goods and services; provides information regarding purchasing policies and bid requirements; prepares and issues Requests for Proposals (RFPs) and provides contract support for large purchase requests.

**Facilities:** Oversees building and grounds maintenance. This includes 50 libraries and two administrative buildings; repair and preventive maintenance; capital leases (buildings and vehicles); building remodel and renovation; and fleet vehicle management. Facilities closely monitors other on-site contracted services to comply with Washington State’s prevailing wage regulations.

## CHANGES FOR 2024

- Full support of KCLS’ Green initiatives, utilizing a Procure to Pay tool (Esker), which includes Accounts Payable Automation, Vendor & Expense Management and Contracting modules.
- KCLS focuses on preserving its investment in facilities, structures, and maintenance. In 2023, completing a full Facilities Condition Assessment has improved Capital Investment Planning for major maintenance expenditures.
- Contracted services agreements are negotiated every three years to control repair and maintenance costs that would be prohibitive if scheduled on an on-call basis.
- Finance manages a rolling 10-year calendar of scheduled facility upkeep to avoid long-term deterioration of assets.

	2024 BUDGET	FY2024
<b>Expenses</b>		
Salaries/Benefits		\$4,195,436
Capital - FFE/Improvement/Software		\$0
Intergov./Reserve/Misc./TransOut		\$427,740
Insurance/Lease/Utilities/Communications		\$6,259,818
Professional Services		\$263,000
Repairs and Maintenance		\$10,030,380
Supplies		\$720,367
Travel/Advertising/Staff Development		\$85,000
<b>EXPENSES TOTAL</b>		<b>\$21,981,741</b>

# FINANCE AND FACILITIES

	ACTUALS	2023 BUDGET	2024 BUDGET		
	2022	FY2023	FY2024	Variance 2024-2023	Percent
<b>Expenses</b>					
Salaries/Benefits					
Benefits	\$898,063	\$1,093,824	\$1,082,356	-\$11,468	-1.0%
Salaries	\$2,715,708	\$2,922,898	\$3,113,080	\$190,182	6.5%
<b>SALARIES/BENEFITS TOTAL</b>	<b>\$3,613,770</b>	<b>\$4,016,723</b>	<b>\$4,195,436</b>	<b>\$178,713</b>	<b>4.4%</b>
Capital - FFE/Improvement/Software	\$692,000	\$0	\$0	\$0	-
Intergov./Reserve/Misc./TransOut					
Intergovernmental	\$96,535	\$98,500	\$103,730	\$5,230	5.3%
Miscellaneous	\$353,119	\$315,000	\$324,010	\$9,010	2.9%
Reserve	-	\$0	\$0	\$0	-
<b>INTERGOV./RESERVE/MISC./TRANSOUT TOTAL</b>	<b>\$449,654</b>	<b>\$413,500</b>	<b>\$427,740</b>	<b>\$14,240</b>	<b>3.4%</b>
Insurance/Lease/Utilities/Communications					
Insurance	\$911,559	\$960,000	\$1,140,080	\$180,080	18.8%
Operating Lease	\$1,839,622	\$2,545,500	\$2,673,931	\$128,431	5.0%
Utilities	\$2,111,359	\$2,383,300	\$2,445,807	\$62,507	2.6%
<b>INSURANCE/LEASE/UTILITIES/COMMUNICATIONS TOTAL</b>	<b>\$4,862,540</b>	<b>\$5,888,800</b>	<b>\$6,259,818</b>	<b>\$371,018</b>	<b>6.3%</b>
Professional Services					
Professional Services	\$237,471	\$283,000	\$263,000	-\$20,000	-7.1%
<b>PROFESSIONAL SERVICES TOTAL</b>	<b>\$237,471</b>	<b>\$283,000</b>	<b>\$263,000</b>	<b>-\$20,000</b>	<b>-7.1%</b>
Repairs and Maintenance					
Repairs and Maintenance	\$9,618,494	\$9,872,200	\$10,030,380	\$158,180	1.6%
<b>REPAIRS AND MAINTENANCE TOTAL</b>	<b>\$9,618,494</b>	<b>\$9,872,200</b>	<b>\$10,030,380</b>	<b>\$158,180</b>	<b>1.6%</b>
Supplies					
Supplies	\$353,447	\$607,800	\$720,367	\$112,567	18.5%
<b>SUPPLIES TOTAL</b>	<b>\$353,447</b>	<b>\$607,800</b>	<b>\$720,367</b>	<b>\$112,567</b>	<b>18.5%</b>
Travel/Advertising/Staff Development					
Staff Development	\$13,375	\$62,000	\$71,000	\$9,000	14.5%
Travel	\$5,285	\$7,500	\$7,500	\$0	0.0%
Advertising	\$9,157	\$20,000	\$6,500	-\$13,500	-67.5%
<b>TRAVEL/ADVERTISING/STAFF DEVELOPMENT TOTAL</b>	<b>\$27,817</b>	<b>\$89,500</b>	<b>\$85,000</b>	<b>-\$4,500</b>	<b>-5.0%</b>
<b>EXPENSES TOTAL</b>	<b>\$19,855,193</b>	<b>\$21,171,523</b>	<b>\$21,981,741</b>	<b>\$810,218</b>	<b>3.8%</b>



## HUMAN RESOURCES

The Human Resources (HR) Department develops and delivers programs and services that support the employee experience and provides regulatory and strategic guidance to the Library System. Departmental teams are responsible for recruitment, selection and onboarding of new employees; classification and compensation; benefits and safety; payroll and leave administration; labor and employee relations; and learning and professional development. HR oversees administration of the Library System's four Collective Bargaining Agreements (CBAs) with the Washington State Council of County and City Employees, AFSCME Council 2 AFL-CIO. In 2024, KCLS enters the final year of three-year contracts and begins negotiations for replacement CBAs.

### CHANGES FOR 2024

- Invest in leadership competency development through individualized assessment, training and coaching for organizational health and employee success.
- Evaluate and refresh employee onboarding and offboarding processes and programs for employee experience, readiness and security of business functions.
- Improve leave-administration oversight, designation and tracking through migration from spreadsheets to databases.
- Refocus Tuition Assistance benefits to a cohort model, centering staff most impacted by systemic inequalities. Improve access to educational opportunities and resources for professional growth and long-term careers at KCLS.
- Increase access to tools and equipment for organizational responsiveness to employee accommodation needs.
- Move first aid and disaster supply replenishment to Human Resources. Expand emergency resources available to communities through participation in the Stop the Bleed program, in collaboration with the King County Office of Emergency Management.
- Enhance critical incident response with on-site counseling, staff communication and access to blood-borne pathogen exposure testing following significant workplace issues.
- Contract with language-testing vendor for speaking, listening and writing assessments to administer employee World Language stipends, and candidate screening in hiring processes where World Language proficiency is required.
- Participate nationally in industry job fairs and associated memberships for continued market penetration in hiring processes.
- Engage services of executive search firm for hiring of director positions, including anticipation of relocation costs for national searches.
- Prepare with legal counsel for labor negotiations of all four collective bargaining agreements to occur in 2024.

# HUMAN RESOURCES

	2024 BUDGET	FY2024
<b>Expenses</b>		
Salaries/Benefits		\$2,833,554
Intergov./Reserve/Misc./TransOut		\$5,700
Professional Services		\$475,000
Supplies		\$244,200
Travel/Advertising/Staff Development		\$862,100
<b>EXPENSES TOTAL</b>		<b>\$4,420,554</b>

	ACTUALS	2023 BUDGET	2024 BUDGET	Variance 2024-2023	Percent
	2022	FY2023	FY2024		
<b>Expenses</b>					
Salaries/Benefits					
Benefits	\$525,507	\$762,099	\$735,177	-\$26,922	-3.5%
Salaries	\$1,570,509	\$1,958,908	\$2,098,377	\$139,469	7.1%
<b>SALARIES/BENEFITS TOTAL</b>	<b>\$2,096,016</b>	<b>\$2,721,007</b>	<b>\$2,833,554</b>	<b>\$112,547</b>	<b>4.1%</b>
Intergov./Reserve/Misc./TransOut					
Miscellaneous	\$2,807	\$4,000	\$5,700	\$1,700	42.5%
<b>INTERGOV./RESERVE/MISC./TRANSOUT TOTAL</b>	<b>\$2,807</b>	<b>\$4,000</b>	<b>\$5,700</b>	<b>\$1,700</b>	<b>42.5%</b>
Professional Services					
Professional Services	\$242,844	\$486,000	\$475,000	-\$11,000	-2.3%
<b>PROFESSIONAL SERVICES TOTAL</b>	<b>\$242,844</b>	<b>\$486,000</b>	<b>\$475,000</b>	<b>-\$11,000</b>	<b>-2.3%</b>
Supplies					
Supplies	\$132,394	\$159,175	\$244,200	\$85,025	53.4%
<b>SUPPLIES TOTAL</b>	<b>\$132,394</b>	<b>\$159,175</b>	<b>\$244,200</b>	<b>\$85,025</b>	<b>53.4%</b>
Travel/Advertising/Staff Development					
Staff Development	\$196,772	\$772,200	\$749,700	-\$22,500	-2.9%
Travel	\$16,077	\$52,200	\$61,400	\$9,200	17.6%
Advertising	\$27,966	\$43,500	\$51,000	\$7,500	17.2%
<b>TRAVEL/ADVERTISING/STAFF DEVELOPMENT TOTAL</b>	<b>\$240,815</b>	<b>\$867,900</b>	<b>\$862,100</b>	<b>-\$5,800</b>	<b>-0.7%</b>
<b>EXPENSES TOTAL</b>	<b>\$2,714,876</b>	<b>\$4,238,082</b>	<b>\$4,420,554</b>	<b>\$182,472</b>	<b>4.3%</b>





# INFORMATION TECHNOLOGY SERVICES

Information Technology Services (ITS) supports the implementation, management and maintenance of KCLS' technology infrastructure. This includes data networks; telephone and email systems; hardware and software; cybersecurity; website development; audio/visual equipment; systems analysis and application development. The ITS Department ensures that KCLS' technology infrastructure and assets are comprehensive, responsive to public and staff needs and provide an excellent user experience.

## CHANGES FOR 2024

- The ITS budget will increase partially due to the transfer of software subscription costs from Collection Management Services, and increased utilization of E-Rate-funded network improvements.
- Expenditures for 2024 largely represent a maintenance budget for ITS to continue providing critical and non-discretionary services, including KCLS' main application systems and network and server infrastructure. ITS is reducing the number of patron PC devices in service beginning in 2024, based on utilization data and requests to free up space for alternative uses in the community libraries. This reduction will be repurposed for alternative patron facing technologies, such as improved audio/visual equipment in meeting spaces.
- ITS will be hiring an additional software developer in 2024, and repurposing one management position as a Cybersecurity Manager to ensure adequate resources are dedicated to securing systems. These costs are offset by a reduced reliance on professional services currently used to address the needs in these areas, and by other efficiencies in purchasing and requisitions currently.
- Because part of the ongoing access control project costs have trended higher than expected, an increase to the 2024 and 2025 budgets has been included to ensure that the project can be completed in a timely manner.

	2024 BUDGET
	FY2024
<b>Expenses</b>	
Salaries/Benefits	\$5,303,359
Insurance/Lease/Utilities/Communications	\$1,470,423
Professional Services	\$661,200
Repairs and Maintenance	\$3,187,722
Supplies	\$430,666
Travel/Advertising/Staff Development	\$155,450
<b>EXPENSES TOTAL</b>	<b>\$11,208,820</b>

# INFORMATION TECHNOLOGY SERVICES

	ACTUALS	2023 BUDGET	2024 BUDGET		
	2022	FY2023	FY2024	Variance 2024-2023	Percent
<b>Expenses</b>					
Salaries/Benefits					
Benefits	\$928,230	\$1,068,212	\$1,367,245	\$299,033	28.0%
Salaries	\$2,925,188	\$3,120,628	\$3,936,114	\$815,486	26.1%
<b>SALARIES/BENEFITS TOTAL</b>	<b>\$3,853,418</b>	<b>\$4,188,841</b>	<b>\$5,303,359</b>	<b>\$1,114,518</b>	<b>26.6%</b>
Capital - FFE/Improvement/Software	\$83,224	-	-	\$0	-
Insurance/Lease/Utilities/Communications					
Communications	\$991,160	\$1,065,600	\$963,668	-\$101,932	-9.6%
Operating Lease	\$498,207	\$446,755	\$506,755	\$60,000	13.4%
<b>INSURANCE/LEASE/UTILITIES/COMMUNICATIONS TOTAL</b>	<b>\$1,489,367</b>	<b>\$1,512,355</b>	<b>\$1,470,423</b>	<b>-\$41,932</b>	<b>-2.8%</b>
Professional Services					
Professional Services	\$819,812	\$916,700	\$661,200	-\$255,500	-27.9%
<b>PROFESSIONAL SERVICES TOTAL</b>	<b>\$819,812</b>	<b>\$916,700</b>	<b>\$661,200</b>	<b>-\$255,500</b>	<b>-27.9%</b>
Repairs and Maintenance	\$2,055,078	\$2,704,733	\$3,187,722	\$482,989	17.9%
Supplies					
Supplies	\$531,718	\$769,506	\$430,666	-\$338,840	-44.0%
<b>SUPPLIES TOTAL</b>	<b>\$531,718</b>	<b>\$769,506</b>	<b>\$430,666</b>	<b>-\$338,840</b>	<b>-44.0%</b>
Travel/Advertising/Staff Development					
Staff Development	\$53,931	\$151,370	\$149,450	-\$1,920	-1.3%
Travel	\$1,688	\$6,500	\$6,000	-\$500	-7.7%
<b>TRAVEL/ADVERTISING/STAFF DEVELOPMENT TOTAL</b>	<b>\$55,619</b>	<b>\$157,870</b>	<b>\$155,450</b>	<b>-\$2,420</b>	<b>-1.5%</b>
<b>EXPENSES TOTAL</b>	<b>\$8,888,236</b>	<b>\$10,250,005</b>	<b>\$11,208,820</b>	<b>\$958,815</b>	<b>9.4%</b>



# KING COUNTY LIBRARY SYSTEM FOUNDATION

The King County Library System Foundation’s (KCLSF) mission is to provide support beyond public funding for initiatives and resources that enable KCLS to better serve the needs of our communities through advocacy, fundraising and grant-making.

## Funding Priorities

Accessibility and Inclusion

Library Innovation

Literacy and Learning

Community Services and Outreach

## CHANGES FOR 2024

- Increase in professional services due to inflation.

	2024 BUDGET	FY2024
<b>Expenses</b>		
Salaries/Benefits		\$639,248
Professional Services		\$24,000
Supplies		\$1,849
Travel/Advertising/Staff Development		\$2,121
<b>EXPENSES TOTAL</b>		<b>\$667,218</b>



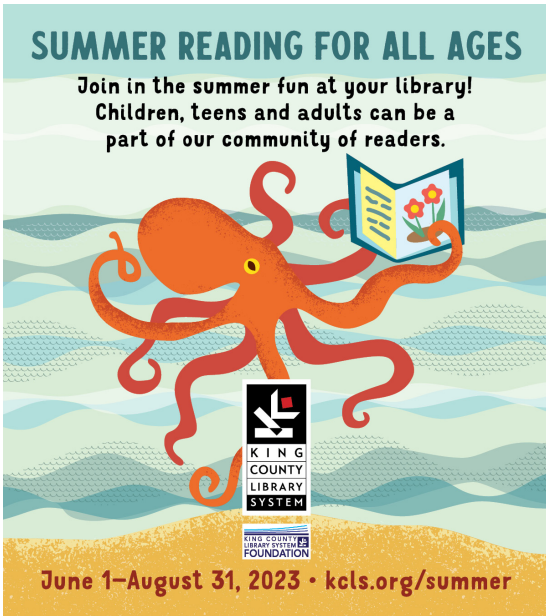


# KING COUNTY LIBRARY SYSTEM FOUNDATION

	ACTUALS	2023 BUDGET	2024 BUDGET		
	2022	FY2023	FY2024	Variance 2024-2023	Percent
<b>Expenses</b>					
Salaries/Benefits					
Benefits	\$109,498	\$166,735	\$153,289	-\$13,446	-8.1%
Salaries	\$405,377	\$485,735	\$485,959	\$224	0.0%
<b>SALARIES/BENEFITS TOTAL</b>	<b>\$514,875</b>	<b>\$652,470</b>	<b>\$639,248</b>	<b>-\$13,222</b>	<b>-2.0%</b>
Capital - FFE/Improvement/Software	\$134,141	-	-	\$0	-
Insurance/Lease/Utilities/Communications	\$3,431	-	-	\$0	-
Professional Services					
Professional Services	\$128,953	\$18,648	\$24,000	\$5,352	28.7%
<b>PROFESSIONAL SERVICES TOTAL</b>	<b>\$128,953</b>	<b>\$18,648</b>	<b>\$24,000</b>	<b>\$5,352</b>	<b>28.7%</b>
Supplies					
Supplies	\$12,657	\$1,761	\$1,849	\$88	5.0%
<b>SUPPLIES TOTAL</b>	<b>\$12,657</b>	<b>\$1,761</b>	<b>\$1,849</b>	<b>\$88</b>	<b>5.0%</b>
Travel/Advertising/Staff Development					
Travel	\$1,093	\$2,020	\$2,121	\$101	5.0%
<b>TRAVEL/ADVERTISING/STAFF DEVELOPMENT TOTAL</b>	<b>\$1,093</b>	<b>\$2,020</b>	<b>\$2,121</b>	<b>\$101</b>	<b>5.0%</b>
<b>EXPENSES TOTAL</b>	<b>\$795,150</b>	<b>\$674,899</b>	<b>\$667,218</b>	<b>-\$7,681</b>	<b>-1.1%</b>



## 2024 KCLS FOUNDATION GRANT SUMMARIES



### **All Ages Summer Reading | \$242,000**

Summer Reading provides opportunities for patrons to learn, develop skills, and connect with their libraries through reading. Summer Reading includes activities such as reading challenges, in which young people read or listen to audiobooks for prizes, as well as programs with community partners designed to cultivate literacy and a lifelong love of reading and learning.

### **Community Creators | \$18,000**

The Community Creators project offers opportunities for people to influence library services and impact their communities. The project aims to amplify community voices through responsive and transparent collaboration with local library staff. KCLS invites communities to share ideas for connection-focused library programs and services. Local librarians select one or more ideas, then partner with Community Creators to bring the ideas to life.

### **Connect: Wi-Fi Hotspots and Laptops (Digital Equity) | \$150,000**

KCLS provides digital connectivity through hotspots and laptop lending to patrons, partnering with more than 25 community organizations. This program provides connectivity for 500 Wi-Fi hotspots and 300 laptops, serving more than 3,750 patrons annually.

### **Connecting Older Adults Online: Digital Literacy, the Arts and Authors | \$30,000**

KCLS Older Adult Programming takes a holistic approach to providing learning opportunities that build the digital skills necessary in today's world, as well as arts and humanities activities necessary for emotional well-being as people age. These programs include classes on digital literacy that are specifically tailored for aging adults; social connections with peers and community, and the opportunity to meet and learn from authors attuned to the older adult population.

### **Design Thinking Training | \$136,105**

Design Thinking is a creative mindset encompassing innovation, empathy and risk-taking. KCLS is entering into a post-COVID culture, providing an opportunity to reevaluate current processes, and to consider how to further develop innovative programs, conduct outreach and enhance services. Having staff trained in design thinking techniques can help the organization think beyond what has been done in the past, building a culture that is not afraid to try and to learn from new experiences.



### **Expansion of Services for Patrons Experiencing Food Insecurity | \$25,000**

KCLS provides books and programming to five food bank locations in Issaquah. A librarian works with the food banks to determine the best programming for patrons, including Story Times, food literacy, and community resource navigation.

### **Grade Level Reading OTTER & Sasquatch Awards | \$90,000**

KCLS partners with schools across the county to support literacy skills and generate excitement for reading. Librarians work directly with teachers to implement this program, providing the classroom with OTTER and Sasquatch nominee books for students to read and discuss. The students then vote for their favorite. Book sets are distributed using an equity lens, which prioritizes books for schools that are under-resourced. Kids receive stickers, a notebook, and a bookmark that also serves as a voting slip.

### **LGBTQIA + Intergenerational Peer Programming | \$15,000**

Research has shown that LGBTQIA+ individuals lack intergenerational connections. According to research, these relationships are vital for helping younger and older people strengthen a sense of identity and build connections to their identity group. Through this program, a team of KCLS librarians and staff will collaborate with community organizations to lay the framework, co-design, and host a series of intergenerational LGBTQIA+ programming.

### **Patron Engagement Data, Measurement and Experimentation Enablement | \$42,350**

KCLS will further its position as a leader in patron engagement and library data science by helping to fund BiblioCommons' shared patron data model and measurement system for public libraries as a founding partner. In this role, KCLS will influence the requirements for this product to align with KCLS' strategic needs and goals. KCLS has identified several benefits for patrons and the Library, including improved patron engagement with BiblioCommons products; access to raw, anonymized patron usage data from these products; and shared data tools and reports to better understand, experiment with, and compare patron engagement efforts. Through this project, all public libraries and patrons will benefit from published research on patron engagement drivers and measurements.

### **Peers in Libraries | \$381,000**

Peers in Libraries connects with library patrons who may face barriers to having their basic needs met and/or who are experiencing housing insecurity, are impacted by addiction, have mental health concerns, and/or are living with HIV/AIDS. The program offers services, support, and resources to help move people toward stability and improved health.



### **Raising a Reader | \$12,000**

Raising a Reader is a nationally recognized family engagement and book delivery program. It is based on research showing that children’s literacy increases when parents and children are engaged in regular book-sharing at home, and when children have high-interest books that are developmentally appropriate and have diverse representation. Raising a Reader helps families develop, practice, and maintain home literacy routines by providing books and encouraging a routine of book-sharing.



### **Study Zone | \$151,000**

Study Zone is a volunteer-led program aimed at supporting K-to-12 learning in a consistent and positive environment. Study Zone includes tutors, Math Club, Reading Buddies, and Kids & Teen Talk Time. These programs provide homework help, reading and math practice. English language learners can practice English conversation and reading with their peers and get homework help from multilingual tutors.

### **Supportive Services to Unhoused Patrons | \$55,000**

KCLS provides resources and programming to community locations such as tent cities, shelters, day centers, treatment clinics, food banks, and subsidized housing. Services include book and magazine distribution; hotspot/laptop lending; provision of themed activity kits; and the early literacy programs Ready Set Kindergarten and OTTER & Sasquatch Awards.

### **The Welcoming Center | \$87,800**

King County’s large and diverse immigrant population contributes to the social and economic vibrancy of KCLS communities. The Welcoming Centers are points of connection that provide wrap-around services while affirming that all libraries are places of belonging.

### **Writers of Color | \$40,200**

The Writers of Color grant funds a series of online programs featuring high-profile BIPOC authors. A BIPOC community leader from King County moderates each event. The goal of the series is for adult readers to see themselves and their lives reflected in KCLS’ author programs.

## GRANTS AWARDED BY EXTERNAL FUNDERS FOR 2024

### **American Library Association (ALA)**

#### **Transforming Communities Small & Rural Library Grant | \$20,000**

**(Awarded in 2023 for 2024 Spending)**

KCLS was awarded a grant from ALA to identify and address barriers to accessing spaces and services at the Carnation Library. The project includes funding for community needs assessment as well as implementation of changes to the building and/or services. Carnation Library was selected using a combination of demographic data, known accessibility barriers, and alignment with the grant requirements. This grant award spans multiple years.

### **Mellon Foundation Memory Lab Grant | \$143,855**

The King County Library System Foundation was awarded a five-year \$800,000 grant from the Mellon Foundation. This grant will enable KCLS to create two Memory Labs at the Bellevue and Federal Way Makerspaces. KCLS will work with community partners to gather, amplify, and preserve the stories of patrons who have been impacted by systemic inequities, and language, and cultural barriers. The project will focus on two key audiences: Asian Americans and their descendants who were displaced from their homes and farms in the Bellevue area during World War II, and immigrants and refugees who now call King County home. This grant award spans multiple years.

### **NEH Climate Smart Humanities Organization Grant | \$264,604**

**(Includes \$50,000 match from KCLS Foundation)**

King County Library System received a Climate Smart Humanities grant from the National Endowment for the Humanities (NEH) to hire a climate consulting firm to lead the Library in creating a climate action plan. The project will include assessing our current carbon footprint and identifying adaption and mitigation strategies that are in alignment with federal, regional, state, Tribal, and county climate goals. This grant award spans multiple years.



# LIBRARY OPERATIONS

The Library Operations Department is responsible for the day-to-day operations at all KCLS community libraries. This department works closely with the Regional Managers to ensure that libraries function efficiently and effectively to deliver services to patrons. Operations oversees community library operating hours, staffing and library workflow procedures. Operations works in partnership with all KCLS administrative departments, particularly the Facilities Department, to make sure that buildings are safe, accessible, well-maintained, and with Human Resources, to guarantee sufficient staff to keep community libraries open.

The Operations staff consists of the Director of Operations, Division Assistant of Operations and the Community Conduct Coordinator. In the libraries, staffing is comprised of nine Regional Managers, their respective Regional Management Teams (which vary in size), as well as the Librarians, Public Services Assistants, Library Technical Assistants and Library Pages who report to them.

## CHANGES FOR 2024

- **Supplies Budget–Public Services**

The 2024 budget reflects a 10% increase to community library budgets to account for inflation, patron printing and the increase in open hours.

- **Operational Support Program (OSS): Public Services Staff**

The Operational Staffing Support (OSS) Program allows for internal part-time staff to pick up additional hours or shifts, specifically when there is a need to fill temporary gaps in coverage

- **Professional Services–Consultant: Staffing Model Evaluation**

An outside consultant will be hired to do a comprehensive assessment of the staffing model, focusing on workflow and staffing levels at community libraries.

- **Professional Services–Security**

The security budget has been increased to continue providing security resources for community libraries, and to expand support as needs arise.

	2024 BUDGET
	FY2024
<b>Expenses</b>	
Salaries/Benefits	\$62,001,970
Intergov./Reserve/Misc./TransOut	\$500
Insurance/Lease/Utilities/Communications	\$200
Professional Services	\$620,000
Repairs and Maintenance	\$0
Supplies	\$310,501
Travel/Advertising/Staff Development	\$90,800
<b>EXPENSES TOTAL</b>	<b>\$63,023,971</b>



# LIBRARY OPERATIONS

	ACTUALS	2023 BUDGET	2024 BUDGET		
	2022	FY2023	FY2024	Variance 2024-2023	Percent
<b>Expenses</b>					
Salaries/Benefits	\$46,023,529	\$59,084,102	\$62,001,970	\$2,917,868	4.9%
Intergov./Reserve/Misc./TransOut					
Miscellaneous	\$855	\$1,000	\$500	-\$500	-50.0%
<b>INTERGOV./RESERVE/MISC./TRANSOUT TOTAL</b>	<b>\$855</b>	<b>\$1,000</b>	<b>\$500</b>	<b>-\$500</b>	<b>-50.0%</b>
Insurance/Lease/Utilities/Communications					
Communications	\$6	\$200	\$200	\$0	0.0%
<b>INSURANCE/LEASE/UTILITIES/COMMUNICATIONS TOTAL</b>	<b>\$6</b>	<b>\$200</b>	<b>\$200</b>	<b>\$0</b>	<b>0.0%</b>
Professional Services	\$282,828	\$400,000	\$620,000	\$220,000	55.0%
Supplies	\$313,810	\$335,220	\$310,501	-\$24,719	-7.4%
Travel/Advertising/Staff Development					
Staff Development	\$338	\$20,000	\$20,000	\$0	0.0%
Travel	\$18,454	\$70,800	\$70,800	\$0	0.0%
<b>TRAVEL/ADVERTISING/STAFF DEVELOPMENT TOTAL</b>	<b>\$18,792</b>	<b>\$90,800</b>	<b>\$90,800</b>	<b>\$0</b>	<b>0.0%</b>
<b>EXPENSES TOTAL</b>	<b>\$46,639,820</b>	<b>\$59,911,322</b>	<b>\$63,023,971</b>	<b>\$3,112,649</b>	<b>5.2%</b>





## **PUBLIC SERVICES: LIBRARY OUTREACH, PROGRAMS AND SERVICES**

The Library Outreach, Programs and Services (LOPS) Department includes Adult and Community Services; Youth and Family Services, and Mobile Services.

The Adult and Community Services Department includes services for adults, older adults and adult learners; Health and Social Services, and Information Services, including Ask KCLS. Ask KCLS provides information and resources to patrons connecting with the Library System by email and phone.

The Youth and Family Services Department includes services for early learners, children and teens; the library at the Judge Patricia H. Clark Children and Family Justice Center (CCJFC); provides system support for community partnerships and volunteers; and supports Study Zone, an in-person and online service that offers homework help to students in grades K to 12.

Mobile Services provides outreach to patrons who are not able to access a community library. Mobile Services include home visits; Library2Go with outreach to youth, families and childcare providers; and Traveling Library Center who provide service to older adults and adults with disabilities.

### **CHANGES FOR 2024**

- In 2023, KCLS returned to its full complement of in-person library programming, while continuing online programming and expanding new health and social services programming. The 2024 LOPS budget adds support for in-library programming and continues to refine the online service model.
- KCLS conducted a mass recruitment for new librarians in 2023, filling 42 librarian positions within Children's, Teen, Adult and Makerspace specialties. The 2024 LOPS budget increases Individual Development to support continuing education opportunities for all librarians.
- In support of the DEI Strategic Plan, community library teams will be trained to use a Customer Relationship Management (CRM) tool for community partnerships. LOPS will continue to explore and design services to meet the needs of BIPOC, LGBTQ+, Disability, Houseless, immigrant and refugee communities. This includes continued support for World Languages Story Times, online and in-person.
- Public Services teams will design and evaluate all services, in all formats and for all ages, to support a new Services strategy launched in 2023. This will include training in the co-creation of programming with community partners, and determining program success with outcomes-based evaluations.
- The Health and Social Services team, which supports the Peers in Libraries program, will explore introducing Social Work interns to community libraries. These intern opportunities would be cost-neutral to KCLS.
- Re-purpose a vacant Program Coordinator position to support services for economic empowerment and digital equity. This position is already funded in the 2024 budget.
- Refresh Makerspace supplies and Maker Kits for use in library or outreach events. Increase budget to cover the cost of Brainfuse Free Online Tutoring, which offers one-on-one, real-time tutoring for students in grades K-12, college and adult learners.
- The Education Supply budget will be increased 18% to refresh and replace Study Zone supplies.

• Other budget priorities are made possible through grants from the KCLS Foundation. The following LOPS-led projects have been approved for 2024 funding.

- All Ages Summer Reading
- Connect: Wi-Fi Hotspots and Laptops (Digital Equity)
- Connecting Older Adults Online: Digital Literacy, the Arts and Authors
- Expansion of Services for Patrons Experiencing Food Insecurity
- Peers in Libraries
- Raising a Reader
- Study Zone: Expanding K-12 Learning Support
- Supporting Grade Level Reading: OTTER & Sasquatch Award
- Supportive Services to Unhoused Patrons
- Writers of Color

	2024 BUDGET	FY2024
<b>Expenses</b>		
Salaries/Benefits		\$5,215,050
Capital - FFE/Improvement/Software		\$0
Intergov./Reserve/Misc./TransOut		\$6,000
Library Material		\$0
Professional Services		\$731,000
Repairs and Maintenance		\$0
Supplies		\$106,635
Travel/Advertising/Staff Development		\$23,000
<b>EXPENSES TOTAL</b>		<b>\$6,081,685</b>

	ACTUALS	2023 BUDGET	2024 BUDGET	Variance 2024-2023	Percent
	2022	FY2023	FY2024		
<b>Expenses</b>					
Salaries/Benefits	\$5,024,659	\$5,487,879	\$5,215,050	-\$272,829	-5.0%
Capital - FFE/Improvement/Software	\$271,937	\$0	\$0	\$0	-
Intergov./Reserve/Misc./TransOut	\$4,040	\$6,000	\$6,000	\$0	0.0%
Insurance/Lease/Utilities/Communications	\$7,635	-	-	\$0	-
Library Material	\$492,382	\$0	\$0	\$0	-
Professional Services	\$482,490	\$707,000	\$731,000	\$24,000	3.4%
Repairs and Maintenance	\$374,357	\$0	\$0	\$0	-
Supplies	\$68,474	\$96,795	\$106,635	\$9,840	10.2%
Travel/Advertising/Staff Development	\$12,032	\$20,700	\$23,000	\$2,300	11.1%
<b>EXPENSES TOTAL</b>	<b>\$6,738,005</b>	<b>\$6,318,374</b>	<b>\$6,081,685</b>	<b>-\$236,689</b>	<b>-3.7%</b>

# FIVE-YEAR CAPITAL INVESTMENT PLAN (CIP)

## 2024 Annual Budget

The Five-Year Capital Investment Plan (CIP) is a plan for purchasing capital expenditures over a period of five years to meet capital needs arising from the long-term work program. It sets forth each project or other contemplated expenditure and specifies the full resources estimated to be available to finance the project. The Board of Directors appropriates the projects scheduled for the first year of the plan at the same time as the operating budget. The projects scheduled in the next four years of the CIP are included for planning purposes. The information in the prior and future years are intended only to show the complete cost of a project that may be partially undertaken in a year not included in the five-year plan.

### DEFINING CAPITAL INVESTMENT PLAN EXPENDITURES

For purposes of the CIP a project is generally defined to possess all, some, or one of the following characteristics:

- Exceeds a cost of \$100,000
- Involves
  - Totally new physical construction.
  - Development of a major technology system (technology system is defined as “an integrated set of hardware, software and processes working cohesively to perform a business function”).
  - Reconstruction designed to gradually and systematically replace an existing facility or system on a piecemeal basis.
  - Replacement of a major component of an existing facility or technology system.
  - Acquisition of land or structures.
- Involves KCLS funding in whole or in part, or involves no KCLS funds but is KCLS’ responsibility for implementing, such as a 100% grant-funded project.
  - Eligible costs include
    - Studies/plans that determine the feasibility and/or support the preliminary design of future CIP projects.
    - Pre-design, design, development, right-of-way, construction, inspection, and/or testing.
    - Staff and consultants to deliver the capital project.

### The Capital Investment Plan (CIP) is divided into 2 sections

Information Technology Services (ITS) CIP budget

Facilities Management Services (FMS) CIP budget.

CAPITAL INVESTMENT PLAN	FY2024	FY2025	FY2026	FY2027	FY2028
FMS-CIP	\$7,812,000	\$5,878,000	\$6,210,000	\$5,782,000	\$5,505,000
ITS-CIP	\$3,690,453	\$2,968,650	\$2,246,175	\$2,496,116	\$2,816,419
<b>TOTAL CAPITAL INVESTMENT PLAN</b>	<b>\$11,502,453</b>	<b>\$8,846,650</b>	<b>\$8,456,175</b>	<b>\$8,278,116</b>	<b>\$8,321,419</b>

# KCLS CAPITAL INVESTMENT PLAN INFORMATION TECHNOLOGY SERVICES

2024–2028

## INFORMATION TECHNOLOGY SERVICES

The Information Technology Services CIP budget for 2024 covers computer replacements, network improvements and other technology system, equipment upgrades and technology equipment innovation across the System.

CAPITAL INVESTMENT PLAN	FY2024	FY2025	FY2026	FY2027	FY2028
<b>ITS-CIP</b>					
Patron Technology Refreshment	846,250	911,000	846,128	785,400	847,540
Network Improvement	834,853	475,000	184,900	285,000	630,000
Branch Security	731,000	395,000	100,000	100,000	100,000
Branch Security - 2023 Carry Forward	60,000				
Staff Technology Refreshment	430,850	484,650	478,147	498,800	465,775
Staff Laptop Refreshment	255,000	260,000	262,000	265,000	272,000
Patron Programming	150,000	160,000	175,000	234,416	248,604
JDE Tool Upgrade	105,000	150,000	60,000	175,000	85,000
Badging System	85,000	83,000	85,000	90,000	102,500
Badging System - 2023 Carry Forward	70,000				
Disaster & Recovery	45,000	50,000	55,000	62,500	65,000
Disaster & Recovery - 2023 Carry Forward	77,500				
<b>TOTAL ITS-CIP</b>	<b>3,690,453</b>	<b>2,968,650</b>	<b>2,246,175</b>	<b>2,496,116</b>	<b>2,816,419</b>



# KCLS CAPITAL INVESTMENT PLAN FINANCE AND FACILITIES

2024–2028

## FINANCE AND FACILITIES

The Finance and Facilities CIP budget covers major maintenance expenditures, such as roof replacement, HVAC upgrades or replacement of Automated Materials Handling equipment. It also includes furniture and carpet replacement, minor interior remodels or construction.

In 2024, Finance and Facilities will focus on HVAC upgrades and roof replacements in multiple libraries based on condition assessments performed in 2023 and Energy Service Company (ESCO) compliance, remodeling various library restrooms, and updating fire alarm panels and LED lighting for compliance with WA State’s Climate Commitment Act and the Strategic Climate Action Plan.

## CIP EXPENDITURES AND RESOURCES

CAPITAL INVESTMENT PLAN	FY2024	FY2025	FY2026	FY2027	FY2028
<b>FMS-CIP</b>					
BE ESCO Project	1,080,000				
BE ESCO Project - 2023 Carry Forward	570,000				
IS HVAC upgrade	650,000				
BE AMH machine replacement	528,000				
RE HVAC Upgrade	475,000				
SC Computer Room AC unit	450,000	1,850,000			
SC Space Reconfiguration	450,000				
SC Space Reconfiguration - 2023 Carry Forward	400,000				
JACE Hardware and Software/Install at remaining sites	446,000				
RE AMH machine replacement	418,000				
IS Roof Replacement	400,000				
IS AMH machine replacement	397,000				
Keyless Entry	350,000				
BO AMH machine replacement	346,000				
Blueridge Lighting Panels at Remaining Sites	300,000				
Vehicle Replacement	180,000	100,000			
WL Carpet replacement (entire site)	172,000				
BO Fire Alarm Panel Update	100,000				
DU Boiler Install	100,000				
AMH Replacement at Remaining Approx. 11 sites		1,800,000			
GEO Loop/ Boiler Heat Radiant Improvements		500,000			
AU HVAC Upgrade		500,000			
Blueridge Lighting Panels at Remaining Sites		260,000			
MV Soft seating, tables, chairs		246,000			
AU Carpet Replacement		242,000			
AU Soft seating, tables, chairs		222,000			
SC Parking lot gate replacement		100,000			
Electrical and Gas Meters Upgrades		58,000			
PR Central Sorter Replacement			2,500,000		
SC HVAC Upgrade			750,000		
Electrical and Gas Meters Upgrades			450,000		
WL Replace Rooftop units			450,000		
FR Soft seating, tables, chairs			285,000		
CO Carpet replacement (entire site)			274,000		



# FINANCE AND FACILITIES

## CIP EXPENDITURES AND RESOURCES

CAPITAL INVESTMENT PLAN	FY2024	FY2025	FY2026	FY2027	FY2028
<b>FMS-CIP</b>					
SA Carpet Replacement			237,000		
CO Soft seating, tables, chairs			222,000		
BO Soft seating, tables, chairs			222,000		
KL Soft seating, tables, chairs			222,000		
FR Carpet Replacement			198,000		
LF Soft seating, tables, chairs			159,000		
CR Carpet replacement (entire site)			141,000		
BD Carpet Replacement			100,000		
BE 1st & 2nd Floors Restrooms				600,000	
RE Restrooms remodels				575,000	
FW Carpet replacement (entire site)				533,000	
SA Soft seating, tables, chairs				494,000	
IS Restrooms remodels				400,000	
CO Restrooms remodels				380,000	
RE Carpet Replacement				325,000	
RE Remodel 3 Meeting rooms				300,000	
SC Floors 1-3 Space Reconfigurations				250,000	
KM Soft seating, tables, chairs				250,000	
NW Carpet Replacement				250,000	
SN Carpet Replacement				200,000	
DU Soft seating, tables, chairs				200,000	
BU Fire Alarm System Updates				150,000	
CO Fire Alarm System and Panel Updates				150,000	
RB Fire Alarm System and Panel Updates				150,000	
CO Parking Lot Reseal				125,000	
CA Soft seating, tables, chairs				125,000	
BD Soft seating, tables, chairs				125,000	
BP Roof Overlay				100,000	
LH Children's seating				100,000	
SC Elevator Modernizations					900,000
KT Replace Rooftop units					550,000
VV Roof Replacement					300,000
WL Restrooms remodels					300,000
RH Carpet Replacement					230,000
WT Roof Replacement					200,000
Fire Alarm Upgrades					125,000
AU Roof Replacement					500,000
CO Lighting Upgrades					550,000
CO HVAC Upgrade					500,000
TU HVAC Upgrade					450,000
NB Restrooms remodels					300,000
Bothell Carpet Replacement					350,000
TU Carpet Replacement					250,000
<b>TOTAL FMS-CIP</b>	<b>7,812,000</b>	<b>5,878,000</b>	<b>6,210,000</b>	<b>5,782,000</b>	<b>5,505,000</b>



# POLICIES AND GLOSSARY

## 2024 Annual Budget

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### GENERAL FUND BALANCE POLICY

#### Section I. Introduction

##### Purpose and Overview

The Fund Balance Policy for the King County Rural Library District ("KCLS") is established to address an inherent mismatch in operational cash flow due to timing of receiving revenues versus payment of expenditures. This policy includes direction regarding fund balance consistent with KCLS' mission and the strategic focus of the KCLS Board of Trustees ("Board of Trustees"). Adherence to the policy is essential to ensure that KCLS maintains a sound financial position and adequate operational funding.

#### Section II. Scope

Washington State Law (RCW 27.12.210) authorizes the Board of Trustees to undertake all actions necessary for the orderly and efficient management and control of KCLS' finances. The establishment of fund balance requirements is a critical element of comprehensive fiscal planning. The Board of Trustees recognizes the importance of setting policy to guide and direct the administration of financial fund balance requirements. The scope of this policy is to appropriately guard the sound fiscal condition of KCLS so that it may continuously deliver on its mission and commitments to the communities served.

#### Section III. Fund Balance Guidelines

Maintaining an adequate fund balance is a vital component of KCLS' comprehensive financial planning. Establishing a minimum Ending Fund Balance creates a sustainable financial forecast where resources are available at fiscal year-end to meet ongoing operating needs in the coming year. Property taxes are collected and distributed by the county treasurer twice per year—in April and October. Maintaining an adequate fund balance allows KCLS to bridge the operational expenditures that occur in the interim period.

KCLS shall maintain a minimum Ending Fund Balance equal to 120 days of operating expenditures of the prior fiscal year.

#### Section IV. Roles and Responsibilities

**Board of Trustees** It is the responsibility of the Board of Trustees to:

Approve and oversee the implementation of this Fund Balance Policy.

Approve budgets sufficient to provide for fund balance levels in compliance with policy levels.

Provide oversight for a review and updates made to this policy.

**Finance Director** has primary responsibility for management of fund balance for KCLS.

The Finance Director shall be responsible for the following tasks:

Manage withdrawals, transfers, and deposits related to fund balance.

Annual reports of KCLS fund balances levels to the Board, including any proposed changes to policy amounts.

#### Section V. Other Policies

##### Reserve and Fund Balance Policy Review

KCLS shall review and update its Fund Balance Policy, as necessary, but not than less than once every four years.

The Library Finance Director or designee shall provide the Board of Trustees with an annual summary of fund balances and recommendations for any proposed changes to fund balance amounts. The Board of Trustees shall typically consider such changes, if any, in conjunction with the review and adoption of the annual KCLS budget; however, changes may be considered at any Board of Trustees meeting.

## CAPITAL INVESTMENT PLAN POLICIES

A number of important policy considerations are the basis for the Capital Investment Plan (CIP). These policies provide guidelines for all financial aspects of the CIP, and ultimately affect the project selection process.

- A. Relationship of Long-Range Plans to the CIP Plan:** To the extent possible, projects included in the CIP are based upon formal long-range plans that have been adopted by the Board. This ensures that KCLS' Capital Investment Plan, which is the embodiment of the recommendations of these individual planning studies, is responsive to the officially stated direction of the Board.
- B. Establishing CIP Priorities:** KCLS uses the following basic CIP project prioritization and selection process.
1. Each CIP program area establishes criteria to be used in the prioritization of specific projects submitted for funding. These specific criteria are developed in conjunction with Board priorities.
  2. The Finance Department determines revenue projections available to the CIP and the amount of resources available for new projects for each new five-year plan.
  3. CIP program area managers<sup>1</sup> recommend an expenditure plan to the Finance Department and Executive Director, which includes all capital costs and any applicable maintenance and operations (M&O) and/or required short-term financing costs. Program area managers are responsible for the cost estimates of their proposed programs, including future M&O costs related to the implementation of completed projects.
  4. The Finance Department and Executive Director evaluate the various CIP projects and select those with the highest priority.
  5. Within the available funding, the highest priority projects are then selected and input into the Preliminary CIP.
  6. A Preliminary CIP plan is recommended to the Board by the Executive Director along with the operating budget recommendations.
  7. The Board reviews the Operating and Preliminary CIP Plan, holds a Public Budget Hearing(s), makes desired alterations, and then officially adopts the budget and establishes related appropriations as a part of KCLS' annual budget process.

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<sup>1</sup> CIP program area managers are responsible for developing new programs to support the strategic direction of the organization. Creating and managing long-term goals. Developing a budget and operating plan for the program. Developing an evaluation method to assess program strengths and identify areas for improvement.

**C. Types of Projects Included in the CIP:** The CIP will display, to the maximum extent possible, all major capital projects in which KCLS is involved. While the following criteria may be used as a general guide to distinguish which projects should be included or excluded from the CIP plan, there are always exceptions which require management’s judgment. For purposes of the CIP plan, a project is generally defined to possess all, some, or one of the following characteristics:

1. Exceeds a cost of \$100,000.
2. Involves:
  - a. Totally new physical construction.
  - b. Development of a major technology system (technology system is defined as “an integrated set of hardware, software and processes working cohesively to perform a business function”).
  - c. Reconstruction designed to gradually and systematically replace an existing facility or system on a piecemeal basis.
  - d. Replacement of a major component of an existing facility or technology system.
  - e. Acquisition of land or structures.
3. Involves KCLS funding in whole or in part, or involves no KCLS funds but is KCLS’ responsibility for implementing, such as a 100% grant-funded project.

Eligible costs include:

- a. Studies/plans that determine the feasibility and/or support the preliminary design of future CIP projects.
- b. Pre-design, design, development, right-of-way, construction, inspection, and/or testing.
- c. Staff and consultants to deliver the capital project.

**D. Preserve Existing Capital Infrastructure Before Building New Facilities:** It is KCLS’ practice to ensure that adequate resources are allocated to preserve KCLS’ existing infrastructure before targeting resources to build new facilities that also have operating and maintenance obligations. This practice addresses the need to protect KCLS’ historical investment in capital facilities and to avoid embarking on a facility enhancement program, which when coupled with the existing facilities requirements, KCLS cannot afford to adequately maintain.

**E. New Facilities Should Be of High Quality, Low Maintenance, Least Cost:** This practice has guided the development and execution of the CIP plan through an emphasis on lowest life-cycle cost. Projects should only be built if the necessary funding to operate them is provided. Also, priority is given to new facilities that have minimal ongoing maintenance costs so as to limit the impact upon both the CIP and the operating budget.

- F. Public Input for Capital Projects:** KCLS makes a serious commitment to public involvement. Involvement occurs at the long-range plan development stage, during CIP review and adoption, during master planning processes, during design and construction of specific projects, and through public processes associated with library advisory boards. If projects themselves call for an extensive public outreach effort, allowing those most closely effected to influence the design of the projects. While public input is essential to the successful implementation of the CIP, KCLS staff and Board must also remain conscious of the overall effect upon costs when responding to requests of project stakeholders<sup>1</sup>.
- G. Basis for Project Appropriations:** During the Board's annual CIP plan review, the Board will appropriate the estimated project costs for the year for all projects in the CIP. Subsequent adjustments to appropriation levels for amendments to the CIP may be made by the Board at any time by a voice vote.
- H. Balanced CIP plan:** The CIP is a balanced five-year plan. This means that for the entire five-year period, revenues will be equal to project expenditures in the plan. It is anticipated that the plan may have more expenditures than revenues in single years of the plan, but this imbalance will be corrected through the use of interim financing as needed. However, over the life of the five-year plan, all planned interim debt will be repaid and all plan expenditures, including interest costs on interim debt will be provided for with identified revenues. Any project funding plan, in which debt is not retired within the current five-year plan, must have specific Board approval.
- I. Scoping and Costing Based on Predesign Study:** It has proven difficult to develop accurate project scopes, cost estimates, and schedules on which no preliminary engineering or public involvement has been done. To address this problem, some projects are initially proposed and funded only for preliminary engineering and planning work. This funding will not provide any monies to develop final plans, specifications, estimates to purchase land, or to construct the projects. However, generally, an estimated amount, sufficient to cover these costs based on a rough preliminary estimate can be earmarked within the program area.
- J. Maintenance and Operating (M&O) Costs:** Proposals for CIP project funding shall include the estimated future M&O cost, to provide full cost disclosure. Such M&O costs anticipated to be incurred in the upcoming year should be included in operating budget proposals for funding consideration.
- K. Applicable Project Charges:** CIP projects should reflect all costs that can be clearly shown to be necessary and applicable. Staff charges to CIP projects will be limited to time spent actually working on those projects and shall include an overhead factor to cover the applicable portion of that person's operating cost.
- L. Required Project Features and Financial Responsibility:** If a proposed project will cause a direct impact on other publicly-owned facilities, i.e. parking structures, an equitable shared and funded cost plan must be coordinated between the affected agencies or program areas.
- M. Predictability of Project Timing, Cost, and Scope:** The predictability of timing and costs of projects is important to specific communities. Once a project has been approved by the Board in the adoption of the budget and CIP, project scheduling is a priority to maintain.

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<sup>1</sup> Project Stakeholders are internal staff or affected community members that are involved with the development/implementation of the project.



**N. Library Capital Facility Area (LCFA):** This policy limits the use of LCFAs to specific instances. Examples of when future LCFAs may be formed are as follows: 1) when a specific community desires to accelerate development of a certain planned improvement; 2) when a specific community desires a higher standard of improvement than KCLS' project contemplates; or 3) when a specific community requests assistance in LCFA formation to fund a new library facility or facility improvement, which may or may not have KCLS funding involved. If KCLS funding is proposed by the project sponsors (community members), they shall so request of the Board (through KCLS Executive Director) in writing before any LCFA promotion activity begins. KCLS Executive Director shall analyze such request within 45 days and report any conclusions and recommendation to the Board for their consideration. The Board shall by motion affirm or deny the recommendation. The Board's affirmative motion to financially participate shall expire in 180 days, unless the project sponsors have submitted a sufficient LCFA petition by that time.

On capital projects whose financing depends in part on an LCFA, interim financing will be issued to support the LCFA's portion of the project budget at the same time or in close proximity to the issuance of the construction contract. The amount of the interim financing shall be the current estimate of the final assessment roll as determined by the administering department.

In the event that the project is 100% LCFA funded, interim financing shall be issued either in phases (i.e., design phase and construction phase) or up front in the amount of the entire estimated final assessment roll, whichever means is estimated to provide the lowest overall cost to the project as determined by the Finance Department.

**O. Use of Debt in the CIP:** The CIP is viewed as a long-term program that will continually address capital requirements far into the future. As such, the use of long-term debt has been minimized, allowing KCLS to put money into actual projects that benefit KCLS patrons rather than into interest payments to financial institutions. To that end, this policy limits debt to short-term obligations, primarily for cash flow purposes. Debt incurred will be paid back before the end of the current CIP. Finance staff monitors CIP cash flow regularly and utilize fund balances to minimize the amount of borrowing required. Projected financing costs are included within a project in the CIP. There are exceptions to this policy for extraordinary circumstances, where long-term debt may be issued to achieve major KCLS goals that otherwise could not be achieved, or would be delayed an unacceptable amount of time.

**P. Finance Director's Authority to Borrow:** The Finance Director is authorized to initiate interim and long-term borrowing measures, as they become necessary, as identified in the current CIP plan.

- Q. CIP Plan Update and Amendment:** The CIP plan will be updated at least annually as a part of KCLS' annual budget process. The Board may amend the CIP plan at any time if a decision must be made and action must be taken before the next CIP review period. The Board has delegated authority to KCLS Executive Director to administratively approve CIP plan adjustments, except for changes in project scope or changes that total more than 10 percent of a project's adopted CIP budget (unless a 10 percent adjustment is less than \$10,000). The Board has further authorized KCLS Executive Director to administratively approve the acceleration of project schedules so long as they can be accomplished without causing cash flow problems and with the understanding that any controversial issues would be brought before the Board. All project additions or deletions must be approved by the Board.
- R. Formalization of Monetary Agreements:** All agreements between KCLS and other agencies shall be in writing specifying the financial terms of the agreement, the length of the agreement, and the timing of any required payments. Formalization of these agreements will protect KCLS' interests. Program areas shall make every effort to promptly request any reimbursements that are due KCLS. Where revenues from outside jurisdictions are ongoing, these requests shall be made at least quarterly, unless alternative arrangements are approved by KCLS Executive Director.
- S. Projected Grant Revenues:** At the Finance Director's discretion, grant-funded capital expenditures are budgeted prior to the specific grant award. KCLS overhead or indirect costs for grant-funded programs will be included in all grant proposals, where permitted. With grant-funded capital acquisitions, KCLS will attempt to recover ongoing M&O costs, and replacement costs associated with the acquisition.
- T. Projected Revenues from Future Land Sales:** KCLS recognizes that KCLS-owned land is an asset that can be sold to finance CIP projects with approval from the Board. With this in mind, KCLS shall cautiously allow land sale proceeds to be used as a funding source. The land shall be valued based on an appraisal performed either by Facilities Management Services Department or an outside appraisal company. A conservative value shall be used to provide a cushion for economic shifts. The timing of the proceeds shall be estimated based on the length of time the property is likely to be on the market. However, if the land does not sell in a timely manner or its value turns out to be overestimated, then the program area must either reallocate revenue sources from other projects within its area, find an agreeable replacement funding source, or cease work on the project, if possible.
- U. Land Sale Remnants:** At times, KCLS is left with property remnants following the completion of a project. These remnants represent an asset to KCLS. If the project selling the land remnants is still active, the revenue from the sale shall be receipted as land sale proceeds in the project, therefore serving to partially offset costs. If the project is already completed at the time of the remnant sale, the land sale proceeds will be receipted into the associated fund or General Fund.

# KCLS RESERVE POLICY

Adopted June 28, 2023

## Section I. Introduction

### Purpose and Overview

This Reserves Policy (this “Policy”) for the King County Rural Library System (“KCLS”) is established to properly classify the reserved cash and investments in KCLS’s Governmental Funds (the “Reserves”, described herein), document the allowable uses for the Reserves, and specify how the Reserves will be managed. Reserves are limited in use to such designated purposes, and any transfers and disbursements of Reserves must comply with all restrictions placed on the Reserves described herein. Reserve Balances are available to address unexpected expenditures or revenue shortfalls.

This Policy includes direction regarding the levels of the Reserves consistent with KCLS’s mission and the strategic focus of the KCLS Board of Trustees (the “Board of Trustees”). Adherence to the Policy is essential to ensure that KCLS maintains a sound financial position and adequate contingency funding.

## Section II. Scope

A sound Reserves Policy is an important element to protect KCLS from unexpected financial stress. Under Washington State Law (RCW 27.12.210), the Board of Trustees has exclusive control of KCLS’s finances and is authorized to undertake all actions necessary for the orderly and efficient management and control of KCLS. The establishment of reserves requirements are critical elements of comprehensive fiscal planning and represent tools routinely used to address anticipated and unanticipated economic circumstances. Events that could cause financial stress to KCLS include:

- Economic uncertainties, including recessions in the local, state or national economy;
- Inflation related cost increases (construction, energy, fleet, benefits, salary); and
- Local emergencies and natural disasters, such as earthquakes or public health crisis.

The scope of this Policy is intended to allow the Board of Trustees to authorize withdrawal from the Reserves for the following purposes:

- Significant anticipated or unanticipated operating or capital expenditures;
- Uninsured losses;
- Capital assets and infrastructure repair and replacement;
- Vehicle and equipment failure;
- Unemployment compensation;
- Extraordinary increases in costs of employee benefits;
- Levy expenditures; and
- Other unforeseen events.

The Board of Trustees recognizes the importance of setting policy to guide and direct the administration of financial reserves and Reserves requirements. The scope of this policy is to appropriately provide for the following:

- Enhancement of the sound fiscal condition of KCLS so that it may continuously deliver on its mission and commitments to the communities served;
- Improvement of KCLS's financial flexibility and capability to adapt to change and to permit orderly adjustments to unanticipated events; and
- Establishment of expectations for KCLS financial reserve reporting, review and evaluation.

### **Section III. Reserve Guidelines**

KCLS shall maintain Reserves that are made up of two major components, Operational Reserves and Capital Investment & Maintenance.

The balance of each Reserve will be reviewed for sufficiency as part of the annual budget process. Additions and withdrawals from this fund must be authorized by the Board of Trustees, and may be considered at any Board of Trustees meeting.

#### **Operational Reserves**

##### ***Operation Contingency Reserve***

Established for extraordinary expenditures related to the ongoing operations of KCLS. Any remaining balance of the Operation Contingency Reserve shall be used to mitigate other extraordinary expenditures related to the ongoing operations of KCLS.

- KCLS shall maintain a minimum Operation Contingency Reserve Balance equal to 15% of operating revenues of the prior fiscal year.

#### **Capital Reserves**

##### ***Building Reserve***

Established for building construction, equipment, or maintenance that is essential towards providing a safe and comfortable library facility for patrons and employees or safeguards library assets from further damage or loss. This reserve may be utilized to fund projects, such as building repairs, building and grounds improvements, and furniture and fixtures, and other similar expenditures, as approved by the Board of Trustees.

- KCLS shall maintain a Building Reserve Balance of \$5 million.



## **Section IV. Roles and Responsibilities**

**The Board of Trustees** has responsibilities as follows:

- Approve and oversee the implementation of this Reserves Policy;
- Approve budgets sufficient to maintain the balance in the Reserves at the levels required by this Policy;
- Authorize withdrawals made from the Reserves;
- Authorize replenishment of reserves when after they are used for dedicated purposes
- Provide oversight for a review and updates made to this Policy; and
- Consider such changes to the required Reserve balances or this Policy as may be recommended by the Finance and Facilities Director, typically in conjunction with the review and adoption of KCLS's annual budget; however, changes may be considered at any Board of Trustees meeting.

**The Finance and Facilities Director** has responsibilities as follows:

- Manage withdrawals, transfers, and deposits related to the Reserves;
- Prepare and provide annual reports of the Reserve balances to the Board of Trustees; and
- Make recommendations to the Board of Trustees regarding proposed changes to the required Reserve balance or this Policy as may seem necessary or appropriate from time to time.

## **Section V. Replenishment**

If year-end Reserve balances drop below their established thresholds, the Board of Trustees will develop a replenishment plan to make the Reserves reach their minimum thresholds as established in this policy.

## **Section VI. Other Policies**

### **Policy Review**

The Board of Trustees shall review and update the Reserves Policy, as necessary—but not less than once every four years.



## GLOSSARY

The following are common terms found in budgets, as well as financial terms found in KCLS' budget document.

**Accrual Basis of Accounting:** An accounting method that recognizes revenues when earned and expenses when incurred.

**Ad Valorem:** A basis for levying taxes on property in proportion to its value.

**Adopted Budget:** The financial plan adopted by a governing body which forms the basis for appropriations.

**Allocation:** A distribution of funds or limit on expenditures established for an organizational unit or function.

**Annual Budget:** A budget prepared for a fiscal year.

**Appropriations:** An authorization made by the governing body that permits officials to incur obligations or expenditures against governmental resources.

**Assessed Valuation:** An official value placed upon real estate or other property that is established by a government assessor as a basis for levying taxes.

**Basis of Budgeting:** A basis of accounting used to estimate financing sources and uses in the budget that generally takes one of the three forms: Generally Accepted Accounting Principles (GAAP), cash or modified accrual.

**Benchmark:** A quantifiable performance level used to assess the extent of which department or program objectives are being achieved.

**Benefits:** Employer-paid contributions as part of an employee's overall compensation. Examples include health/dental insurance, retirement benefits and employment security benefits.

**Bond (Debt Instrument):** A written promise to repay a specified debt (called principal or face value) at a specified future date (maturity date) along with periodic interest at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.

**Budget:** A financial plan of operation embodying an estimate of expenditures for a given period, including capital investment expenditures and the proposed means of financing them.

**Budget Calendar:** A schedule of key dates or milestones that an organization follows in the preparation and adoption of its budget.

**Budget Guidelines:** Recommendations with respect to revenue, debt, budget, and organization management as they relate to an organization's ongoing ability to provide services, programs and capital investment.

**Budget Message:** A communication prepared by the organization that articulates the strategies, funding, changes and impacts of the organization's proposed annual budget.

**Budget Year:** An accounting period over 12 consecutive months for which an annual budget is approved. KCLS' budget year follows the fiscal calendar beginning January 1 and ending December 31.

**Capital Investment Plan Budget:** A plan for the proposed acquisition and replacement of long-term assets. A capital investment plan includes a forecast of future needs for new or expanded facilities, proposed locations and a financing plan. The financing plan outlines the costs, revenues and time schedules for each capital investment project.

**Capital Outlay:** An expenditure category that includes purchases of capital equipment such as furniture, vehicles, large machinery and other capital assets.

**Comprehensive Annual Financial Report (CAFR):** An official annual financial report prepared in conformity with Generally Accepted Accounting Principles (GAAP).

**Consumer Price Index (CPI):** A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in cost of living, i.e., economic inflation.

**Contingency:** A budgetary reserve set aside for emergencies or unforeseen expenditures for which no other budget exists.

**Debt Service:** Repayment of principal and interest to holders of an organization's debt instruments.

**Debt Service Fund:** A fund designated for the payment of principal and interest on general obligation bonds and other debt issued by an organization.

**Department:** A basic organizational unit of government which may be subdivided into divisions, programs, groups or activities.

**Encumbrances:** Obligations in the form of purchase orders or contracts that are chargeable to an appropriation and for which a part of the appropriation is reserved. Obligations cease to be encumbrances when paid or when the appropriation expires at the end of the fiscal year.

**Estimated Revenue And Expense:** The revenue or expense projected to be received or expended during a specific time period, usually a fiscal year.

**Expenditures:** Funds spent in accordance with budgeted appropriations on assets, or goods and services obtained.

**Fines and Fees:** Revenue obtained from fines for overdue library materials, or fees assessed for damage to Library property. (KCLS no longer charges fines for overdue materials as of May 2023)

**Fiscal Year:** A 12-month period designated for recording financial transactions.

**Full Faith and Credit:** A pledge by the general taxing authority for the repayment of the debt obligation (typically used in reference to bonds).

**Fund:** An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance:** A "Savings Account" which represents accumulated revenues over expenditures.

**Full-Time Equivalent (FTE):** The ratio of a position in comparison to the amount of time a regular, full-time employee normally works in a year. A full-time employee (1.00 FTE) is paid for 2,080 hours a year. Positions budgeted to work less than full-time are expressed as a percent of full-time. For example, a 0.5 FTE budgeted position will work 1,040 hours.

**Generally Accepted Accounting Principles (GAAP):** Uniform minimum standards and guidelines for financial accounting and reporting that govern the form and content of financial statements.

**Governmental Accounting Standards Board (GASB):** The authoritative accounting and financial standard-setting body for governmental entities.

**General Fund:** A fund for the financial operations of the organization, which are not accounted for in any other source. Principal sources of revenue are property taxes, fines and fees, and charges for services. Primary expenditures in the General Fund are salaries and benefits, program services, library materials and supplies.

**General Obligation:** Bonds for which the full faith and credit of the insuring government are pledged for bonds payment.

**Goal:** A long-range statement of broad direction, purpose or intent, based on the needs of the community.

**Grant:** A cash award given for a specified purpose.

**Interfund Transfers:** Contributions from one fund to another in support of activities of the receiving fund.

**Intergovernmental Revenue:** Revenues from federal grants, state grants and allocations, including consolidated taxes.

**Levy:** An imposition of taxes.

**Modified Accrual Basis:** Used for governmental fund types (general, special revenue, debt service and capital project funds) where revenues and other financial resources are recognized when they become both measurable and available to finance expenditures in the current period when they are incurred.

**Office of Economic and Financial Analysis (OEFA):** An independent agency of King County that produces economic and revenue forecasts.

**Operating Revenues:** Funds that the organization receives as income to pay for ongoing operations. Sources of operating revenue include taxes, fees from specific services, grant revenues and earnings from interest.

**Public Employment Retirement System (PERS):** The retirement system for governmental employees in the State of Washington.

**Performance Measure:** A quantifiable performance standard used to assess the extent to which program objectives are achieved.

**Plan:** A list of actions that management expects to take that is a basis for allocating the organization's resources.

**Program:** A group of related activities to accomplish a major service or core business function for which the organization is responsible.



**Program Activity:** A broad function or group of similar functions that have a common purpose.

**Property Tax:** An Ad Valorem Tax on real property, based upon the value of the property.

**Resources:** Total dollars available for appropriations including estimated revenues, fund transfers and beginning fund balances.

**Revenue:** Income received by the organization in support of a program or service to the community. It includes such items as property taxes, fees, user charges, grants, fines and forfeits, interest income and miscellaneous revenue. (See Operating Revenues.)

**Salaries and Wages:** Expenditures that include salaries, hourly wages, overtime and special pay expenses.

**Services and Charges:** Payments and fees made to vendors for services rendered. These may include printing, professional services, travel and training, communications, public utility services, repair/maintenance and insurance premiums.

**Special Revenue Funds:** Revenues received and used for specific purposes.

**Supplies:** Expenditures for materials, supplies, contractual services, fees and other services.

**Tax:** A compulsory charge levied by a government to finance services performed for the common benefit.

**Vision:** A stated objective that describes an organization's most desirable future state.

# APPENDIX

## 2024 Annual Budget

### BUDGET PROCESS AND CALENDAR

In March of each year, the Finance Department provides the Library Executive Director, Deputy Directors and Finance Director with revenue estimates and KCLS' long-term financial forecast, based on information provided by King County government. This management team constructs a preliminary budget to serve as a starting point for the departmental allocations.

The KCLS General Fund Budget is prepared using the modified accrual basis where revenues and other financial resources are recognized when they become both measurable and available. Expenditures are generally recorded when a liability is incurred.

During the budget process in June, the Finance Director meets with the other department directors to present the Library System's long-term financial forecast, the upcoming year's budget outlook and the budget calendar.

Departmental directors first present their preliminary budgets to their Deputy Director for review in July. In August, they present their updated budgets to the Library Executive Director for more edits and internal approval.

The System's draft budget is then presented to the Library Board of Trustees at its October meeting. In November, a public budget hearing is held during the Board of Trustees monthly meeting and property tax resolutions are approved by the Board and submitted to the King, Snohomish and Pierce County Assessors. The budget is then finalized and adopted by the KCLS Board of Trustees in December.

2023	Task
Tuesday, May 30	Provide Organizational Priorities & Strategic Initiatives
Monday, May 22	Budget to send Position Control files to Department Directors for validation
Thursday, June 1	Department Directors to validate Position Control files received from Budget
Tuesday, June 6	Budget Kick-Off Presentation to KLT
Friday, June 23	OpenGov trainings for Directors & Mngt Team
Friday, June 23	Publish Personnel, Non-Personnel and CIP Budget Proposals to OpenGov (based on 2023 and current Position Control)
Monday, June 26	Budget Kick-Off in OpenGov goes Live
Thursday, July 13	Review current Personnel, Non-Personnel and CIP budget Proposals
Wednesday, July 5	Weekly Budget team "office hours" available for all departments
Friday, July 14	Grants funding priorities and forecast
Mon, July 24	Depts Directors Discussion with Executive Director/Deputy Director
Friday, August 4	Budget Revision post updates from All Departments
Friday, August 11	Budget Deliberations
Thursday, August 17	Departmental Narratives due
Thursday, August 24	Departmental Priorities for 2024 due
Thursday, September 7	Budget Narratives
Thursday, September 7	Submit Preliminary Budget Book Material to Communications and Marketing
Thursday, September 7	Finalize the Budget, Budget Balancing and JDE Upload, Prepare Org Chart and FTE by Department
Friday, October 20	Preliminary Budget Book Review and Revise
Friday, October 20	Publish Preliminary Budget Book
Wednesday, October 25	Preliminary Budget Presentation
Wednesday, November 1	November Leadership Quarterly Presentation
Wednesday, November 15	Public Budget Hearings/Board meeting
Wednesday, December 13	Final Budget is approved by the Board
Thursday, December 14	Post Final Budget Document on KCLS Website



# GENERAL FUND SUMMARY

## REVENUES

	Actual 2022	Budget 2023	Budget 2024	Variance \$	Variance %
<b>Revenue</b>					
<b>Taxes</b>					
Property Taxes	131,176,727	136,444,500	139,538,504	3,094,004	2.3%
Private Timber Tax	60,918	39,996	40,000	4	0.0%
Leasehold Excise Tax	347,585	308,004	308,000	(4)	0.0%
<b>Grants</b>					
Grant Revenues	1,483,681	1,422,372	1,903,914	481,542	33.9%
<b>Intergovernmental Revenues</b>					
State Shared Revenues	67,779	72,996	73,000	4	0.0%
Interlocal Pay & In-Lieu Taxes	12,480				
Intergovernmental Services Revenues	539,106	774,492	774,500	8	0.0%
Charges Goods and Services	255,576	360,696	360,700	4	0.0%
Fines	67,346	245,004		(245,004)	-100.0%
Interest and other Earnings	(1,812,159)	500,004	2,000,000	1,499,996	300.0%
Insurance Premium & Recoveries	577,358				
Lost Materials	111,976	113,004	113,000	(4)	0.0%
Other Financing Sources	1,792,085				
Other Miscellaneous Revenues	613,185	459,996	1,300,000	840,004	182.6%
<b>Revenue Total</b>	<b>135,293,643</b>	<b>140,741,064</b>	<b>146,411,618</b>	<b>5,670,554</b>	<b>4.0%</b>

# GENERAL FUND SUMMARY EXPENSES

	Actual 2022	Budget 2023	Budget 2024	Variance \$	Variance %
<b>Library Operation</b>					
Salaries	51,714,855	62,622,264	67,150,803	4,528,539	7.2%
Personnel Benefits	18,474,234	25,014,384	25,166,061	151,677	0.6%
Supplies	2,276,679	2,975,244	2,975,878	634	0.0%
Staff Development	288,847	1,144,212	1,143,957	(255)	0.0%
Professional Services	3,609,954	4,748,172	5,285,906	537,734	11.3%
Communications	1,070,351	1,152,804	1,056,088	(96,716)	-8.4%
Travel	47,112	163,200	184,209	21,009	12.9%
Advertising	436,610	473,496	503,000	29,504	6.2%
Operating Leases	2,821,736	2,992,248	3,180,686	188,438	6.3%
Insurance	911,559	960,000	1,140,080	180,080	18.8%
Utilities	2,249,703	2,383,308	2,445,807	62,499	2.6%
Repair and Maintenance	12,694,432	13,326,468	13,858,545	532,077	4.0%
Reserves		1,200,000	1,200,000		0.0%
Miscellaneous	390,385	371,724	373,710	1,986	0.5%
Intergovernmental Services	96,535	98,496	103,730	5,234	5.3%
Library Materials	13,910,699	14,610,120	15,418,634	808,514	5.5%
<b>Total Operations</b>	<b>110,993,692</b>	<b>134,236,140</b>	<b>141,187,095</b>	<b>6,950,955</b>	<b>5.2%</b>
<b>CIP</b>					
Facilities CIP	3,852,067	4,173,000	7,812,000	3,639,000	87.2%
ITS CIP	2,448,591	2,332,104	3,690,453	1,358,349	58.2%
<b>Total CIP</b>	<b>6,300,657</b>	<b>6,505,104</b>	<b>11,502,453</b>	<b>4,997,349</b>	<b>76.8%</b>
<b>Total Expenses</b>	<b>117,290,690</b>	<b>140,741,244</b>	<b>152,689,548</b>	<b>11,948,304</b>	<b>8.5%</b>



## 2024 KEY PERFORMANCE INDICATORS (KPIs)

King County Library System monitors a variety of organizational and public service metrics in the course of business. For 2024, KCLS has set targets in the following Key Performance Indicators.

Strategic Goal Area	Description	Target for 2024
<b>Organizational Excellence</b>	<p>Net Promoter Score measures customer satisfaction by understanding the likelihood that patrons would recommend KCLS to friends or colleagues.</p> <p>Possible scores range from negative 100 to positive 100.</p>	<p>Net Promoter Score across all services and programs is above 80.</p>
<b>Responsive, Inspirational Service</b>	<p><i>Student Success and Lifelong Learning</i> was identified as a Service Direction in the KCLS Service Strategy developed in 2023.</p> <p>The related outcome metric is: Participants in KCLS programs will report that they learned something new as a result of taking part.</p>	<p>80% of participants learned something new as a result of attending or participating.</p>
<b>Communities of Inclusion and Belonging</b>	<p><i>Making Meaningful Connections</i> was identified as a Service Direction in the KCLS Service Strategy developed in 2023.</p> <p>The related outcome metric is: Participants or users of KCLS services will feel more connected to others, the community, or the library as a result of taking part.</p>	<p>70% of participants feel a greater sense of connection to others, the community, or the library as a result of their use or participation.</p>







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