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

APPROVAL OF AGENDA
Ron Higgs moved approval of the Board Meeting agenda. Lalita Uppala seconded and the motion passed unanimously.

APPROVAL OF BOARD MINUTES
Anne Repass moved approval of the October 28, 2020 Board Meeting minutes as amended. Robin McClelland seconded, and the motion passed unanimously.

PUBLIC COMMENT
There was no public comment during the regular meeting.

FINANCE REPORT
October revenues year to date were $114.2M, reflecting 88.1% of the total revenues budget. Year-over-year revenues decreased $4.4M, or -3.7% compared to the prior year.

October expenditures year to date were $91.6M, representing 69.2% of the total expenditures budget with 83.33% of the budget year completed. Year-over-year expenditures decreased $8.3M, or -8.3%.

Expenditures in the Capital Investment Program (CIP) in October were $2.6M, reflecting 51.3% of the total CIP budget, with largest expenditures in the following categories: Supplies (62.7% of the category budget expended); Repairs and Maintenance (60.7%); and Professional Services (53.6%).

RECESS REGULAR MEETING
Pamela Grad asked for a motion and second to recess the regular meeting to open a public hearing per RCW 84.55.120 to consider increases in property tax revenue for the Library District’s 2021 budget. Ron Higgs moved approval of the motion and Robin McClelland seconded. All voted in favor and the motion passed unanimously.

PUBLIC HEARING
Executive Director Lisa Rosenblum said the 2021 Budget addresses the challenges of trying to anticipate unforeseen expenditures during a pandemic and mitigating the effects of a budget deficit due to a postponed levy lid lift. All departments reduced operating expenditures in 2020 and those budgeted savings are carried over to 2021.
Finance Director Nicholas Lee said the Board of Trustees is authorized to request a tax levy on property to fund library services as presented in the District’s annual budget. The tax levy is limited to a factor equal to 101%, or 100% plus the Implicit Price Deflator (IPD), whichever is less. The IPD has been determined to be 0.60%, making the limit factor 100.60% in 2021. For KCLS to request the additional 0.40% revenue, which equates to approximately $500K, the Board must adopt a resolution declaring substantial need, as provided by RCW 84.55.0101.

When considering KCLS long-range planning, revenue growth is projected at approximately 2% per year over the next five years compared to expenditure growth in the range of 4%-4.5%. The deficit will push KCLS to fall below its ending fund balance minimum threshold near the end of 2024.

KCLS revenue is predominately comprised of property tax. In 2021, property tax will comprise 98% of the total revenue budget since Other Revenue, which includes patron fines and fees, is not included in the 2021 budget. Additionally, revenue derived from new construction reflects a 0.2% decline over the previous year based on projections from the King County Office of Economic Forecast Analysis that predicts a decline or negative growth trend in new construction over the next two years.

Staff considers it prudent for the Board to declare a substantial need, which impacts the accompanying property-tax resolutions presented to the Board for approval.

Pamela Grad opened the hearing for public comment, which are found in the Board packet under Written Reports.

RECONVENE REGULAR MEETING
Pamela Grad asked for a motion and second to close the public hearing and reconvene the regular meeting. Lalita moved approval of the motion and Anne Repass seconded. All voted in favor and the motion passed unanimously.

APPROVAL OF MONTHLY EXPENDITURES
Ron Higgs moved approval of Payroll expenditures for October in the amount of $4,122,336.11: (10/02) Ck#00200238-00200265; 346161407-346162714; (10/16) Ck#00200266-00200295; 348876585-348877889; (10/30) Ck#00200296-00200323; 351599629-35160094. Robin McClelland seconded, and the motion passed unanimously.

Anne Repass moved approval of General Fund #0010 expenditures for October in the amount of $4,148,811.89: (10/08) Ck#0030123-0030152; (10/12) Ck#0030153-0030248; (10/14) Ck#012556;1130249-1130278; (10/14) Ck#5012557-5012560;1130279-1130284; (10/16) Ck#5012561(10/19) Ck#1130285-1130374; (10/22) Ck#5012562;1130375-1130407; (10/23) Ck#1130408-1130483; (10/27) Ck#5012563; (10/28) Ck#5012564-5012568;1130484-1130485; (10/28) Ck#1130486-1130554; (10/30) Ck#1130555-1130571; (11/03) Ck#5012569;1130572-1130595; (11/04) Ck#5012570. Lalita Uppala seconded and the motion passed unanimously.

RESOLUTION 2020-05 DECLARATION OF SUBSTANTIAL NEED
Ron Higgs moved approval of Resolution 2020-05 as presented. Robin McClelland seconded. All voted in favor and the motion passed unanimously.

RESOLUTION 2020-06 PROPERTY TAX REVENUE INCREASE
Anne Repass moved approval of Resolution 2020-06 Property Tax Revenue Increase. Lalita Uppala seconded and the motion passed unanimously.

RESOLUTION 2020-07 PROPERTY TAX LEVY
Srini Raghavan moved approval of Resolution 2020-07 Property Tax Levy. Robin McClelland seconded, and the motion passed unanimously.

DIRECTOR’S REPORT
Lisa Rosenblum said a ribbon-cutting ceremony was held at the Bothell Library to unveil KCLS’ new locker systems, installed at the Bothell and Covington Libraries. Locker usage at Bothell is at one-third capacity. Covington is at one-third capacity, but service started two weeks later.
Lisa also reported that Covington Library had the most General Election ballots returned of the 21 ballot drop box locations at KCLS libraries, but the honor goes to Bellevue Library which surpassed Covington by 258 ballots. For all ballots returned to any drop box in King County, 23% were returned to a KCLS library location.

Libraries had been given the go-ahead to open to the public at 25% capacity after last month’s Safe Start plan update. Governor Inslee’s most recent announcement does not change that, but KCLS will take a tempered approach during the current period, when case counts are increasing. KCLS will continue to update the public on reopening plans through normal communication channels, including kcls.org and social media networks.

Robin McClelland said she appreciates the feedback the Board received from a patron who requested that KCLS retain subscriptions for print magazines. She said she agrees and feels that print magazines are still an essential resource for many.

In response to a question from Anne Repass, Lisa said when possible, she would encourage a hybrid of both live and virtual programming once libraries fully reopen to the public.

Lalita Uppala said that she would like to request that KCLS host focus groups with immigrant and refugee populations once planning resumes for a levy lid lift.

Ron Higgs said he would like to see KCLS offer more programs for Veterans.

TRUSTEES REPORT
Board President Pamela Grad welcomed Srinivasa Raghavan to the KCLS Board. Mr. Raghavan is an IT software developer and entrepreneur and is currently employed by Microsoft as General Manager of the Microsoft Teams group. He is passionate about reading and lifelong learning, and as someone who has benefited from libraries over the years, said there is no better way of giving back than to use his technical skills to help build equitable library services for all communities. He thanked everyone for the warm welcome.

ADJOURNMENT
The meeting adjourned at 6:21pm.

Pamela Grad, President

Ron Higgs, Secretary