Sno-Isle Libraries
BOARD OF TRUSTEES

October 15, 2024, 5:30 p.m.
Sno-Isle Libraries Service Center
7312 35th Ave NE
Marysville, WA 98271

Webinar Link: **Join the meeting now**
Telephone Dial-in: +1 872 239 6205
Phone Conference ID: 517 112 224#

Special Meeting Agenda

1) **Call to Order**
2) **Land Acknowledgement**
3) **Roll Call**
4) ***Approval of Agenda**
5) **Unfinished Business**
   a) 2025 Budget Discussion – Executive Director Lois Langer Thompson and Finance Director Janella Lewis. Attachments 1-4
6) ***Adjournment**

*Denotes Board of Trustees action item.

To request accommodation for an event, email accessibility@sno-isle.org or visit sno-isle.org.

SNO-ISLE LIBRARIES

2025 Budget Timeline

2024 TIMELINE FOR 2025 BUDGET

OCTOBER 15, 2024

Date	Milestone	Meeting Type
September 23, 2024	Staff present 2025 budget introduction.	Regular meeting
October 15, 2024	Board of Trustees hold 2025 budget work session.	Special meeting
October 28, 2024	Staff present overview of proposed 2025 budget. Board holds public hearing on the regular property tax levy. RCW 84.55.120 Board passes resolution regarding the regular property tax levy. RCW 84.55.010	Regular meeting
November 25, 2024	Board conducts final review and adoption of 2025 budget. RCW 27.12.210	Regular meeting
November 29, 2024	Staff submit 2025 budget to Snohomish and Island counties. RCW 84.52.020	N/A
January 2025	Board of Trustees approve Joint Levy Certification for 2025 taxes. WAC 458-19-010	Special meeting

The timeline is subject to change.

2025 Proposed Budget Discussion

OCTOBER 15 , 2024

Introduction

The 2025 proposed budget was developed based on the goals presented to the Board at the September 2024 Board of Trustees meeting.

2025 Budget Goals

Library staff focused the proposal on building a budget with the following principles in mind:

- Equity
- Accessibility
- Organizational Sustainability

Sno-Isle Libraries Strategic Goals

- Enhance **library services** so that everyone can engage in experiences they value.

- Create **inspiring spaces** so that customers and staff experience spaces that are welcoming, inclusive, easy-to-use, and support current and emerging library use.

- Optimize **library funding** so that we can continue to be good stewards of our finances, ensure long-term financial stability, and work to secure additional private and state funds.

- **Invest in our people and organization** so that we are resilient, equitable and regenerative and our staff have the support and resources they need.

SNO-ISLE LIBRARIES

2025 Proposed Budget Discussion
OCTOBER 15 , 2024

Sources of Funds Overview

Beginning Cash

Beginning Cash is the target cash balance in the Library District's General Operating Fund at year end that carries forward into 2025. Levied property taxes are due on April 30 and October 31 each year. Ending each year with ample cash allows for the funding of library services until the receipt of first-half property taxes in April.

Transfers from Reserve Funds

There are no planned transfers from reserve funds at this time.

Revenues

The proposed total revenues for 2025 are estimated to increase.

Taxes

- *Property Tax Revenue*
    The library is subject to a statutory levy growth limit of 101% or 100% plus the rate of annual inflation (implicit price deflator), whichever is less. This year the implicit price deflator is greater than 1%.
- *Other taxes*
    Other taxes include timber and excise taxes, and a small increase is anticipated.

Grants

Di minimis change in overall grant revenue.

Other

- *Investments*
    Increase due to growth in actual investment revenue based on reserve funds balances and interest rates.
- *Donations*
    Overall increase due to increase in support from Foundation. Most of the growth in 2025 will be offset by additional FTE costs.
- *E-Rate*
    No increase is anticipated based on the *Universal Service Administrative Company* (USAC) E-Rate.
- *Miscellaneous*
    Miscellaneous revenues are from rebates received from vendors, customers paying for lost materials, print and copier services, contract fees from cities, and other general revenue.

SNO-ISLE LIBRARIES

2025 Proposed Budget Discussion

OCTOBER 15 , 2024

Use of Funds Overview

Operations

- *Salaries*
  Increase 2.0 Full Time Equivalents (FTE).
  Increase for a cost-of-living adjustment and anniversary increases for staff within pay range.
- *Benefits*
  Increase of 20% for Premera benefits package.
  Increase of 10% for Kaiser Permanente benefits.
  Increase of 4% for dental benefits.
- *Materials*
  Increase for opening day collection for Lake Stevens and increased cost for digital collection costs.
- *Professional & Contract Services*
  Decrease in selected professional services.
- *Software & Licensing Fees*
  Overall decrease.
- *Office & Operating Supplies*
  De minimis change for postage, computer & printer supplies, and general supplies.
- *Equipment & Furnishings*
  Decrease in library furniture purchases.
- *Strategic Initiatives*
  No change for support for emerging services expenditures including Services to Spanish Speakers, Mobile STEM, Tribal partnerships, and other emerging services.
- *Communication Equipment and Services*
  Decrease in technology expenditures.
- *Maintenance & Repairs*
  Increase for building maintenance and repair.
- *Utilities*
  Increase in electric, gas, and recycling costs.
- *Rentals & Leases*
  Increase in rental and lease costs.
- *Training*
  Di minimis change in training resources.
- *Insurance*
  Increase in premiums for commercial, liability, and cybersecurity coverages.
- *Miscellaneous*
  Increase in programming and partnership expenditures.

SNO-ISLE LIBRARIES

2025 Proposed Budget Discussion

Capital Outlay

Increase for library capital projects for Lake Stevens, Langley, and Mariner Community Campus. Decrease in land purchases due to completion of purchase in 2024.

Transfers to Reserve Funds / Ending Cash

Transfer funds from Ending Cash to the Building Fund to support the upcoming capital project in Arlington.
Transfer funds from Ending Cash to the Levy Reserve Fund to support long-term sustainability of the budget.

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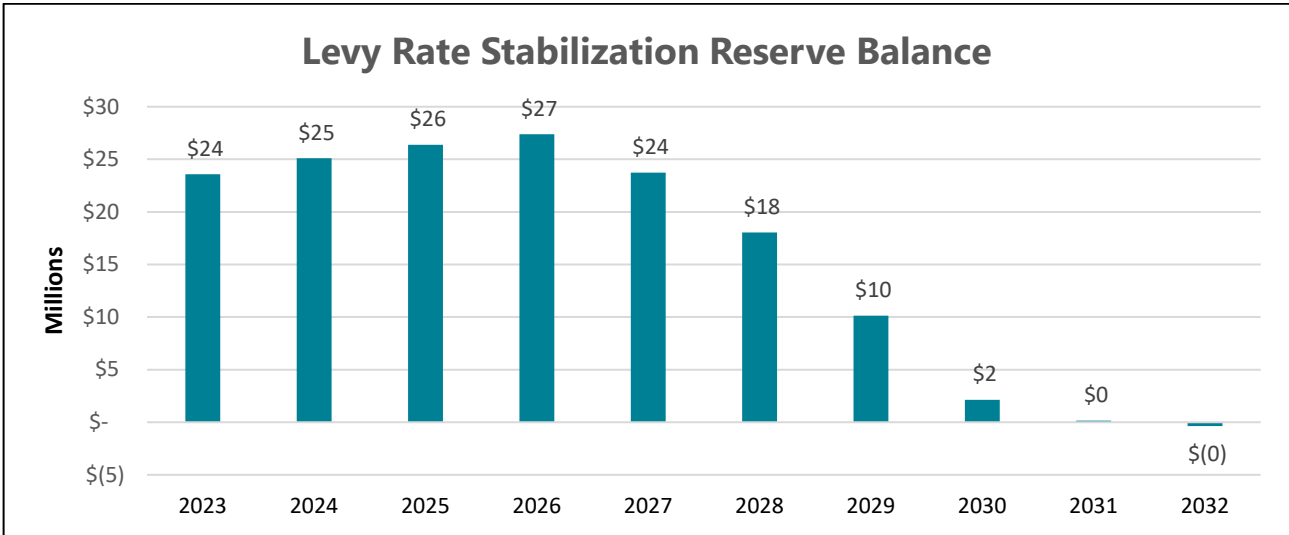
2025 Proposed Budget Discussion

OCTOBER 15 , 2024

Reserve Funds

Unrestricted (Designated)

- Building
- Equipment Technology Refresh
- Land Acquisition
- Levy Rate Stabilization
- Unemployment Compensation

Levy Rate Stabilization – Unrestricted (Designated) Fund

Levy Rate Stabilization Reserve Balance

SNO-ISLE LIBRARIES

2025 Proposed Budget Discussion

Unrestricted (Designated – Required Sufficiency) – Overview

The Board has set sufficiency targets on three fund balances to meet policy objectives: Emergency, Self-Insurance, and Vacation & Sick Leave Liability.

	Policy Target/Objective
Emergency	60-90 days of operating expense (excluding materials).
Self-Insurance	At least 16 weeks of program expenditures.
Vacation & Sick Pay Liability	At least 60% of the year-end Vacation & Sick Pay liability.

Restricted

- Darrington Rural Partial County Library District
- Edmonds Building
- Lake Stevens Building
- Lynnwood Building
- Mill Creek Building

SNO-ISLE LIBRARIES

Sno-Isle Libraries Funding Request to Foundation

2025 PRELIMINARY REQUEST

October 1, 2024

Program	2024 Approved	2025 Request	Change
Summer Reading Program	$ 25,000	$ 25,000	$ -
Third Graders Read Together	$ 30,000	$ 30,000	$ -
World Languages Storytime	$ 28,000	$ 30,000	$ 2,000
Silver Kite Programming for Adults	$ 4,800	$ 4,800	$ -
Youth and Adult Online Programs	$ 21,000	$ 21,000	$ -
Library Speaker Consortium	$ 8,500	$ 8,500	$ -
Read-a-Rama	$ 5,000	$ 3,000	$ (2,000)
Program Kits for System-wide reservations	$ 21,500	$ 21,500	$ -
Sno-Isle Reads Together	$ 25,000	$ 25,000	$ -
STARS Trainers	$ 5,000	$ 5,000	$ -
Discover Passes	$ 3,000	$ 6,000	$ 3,000
Strategic Programming Funds	$ 5,000	$ 5,000	$ -
Programming for libraries without Friends groups	$ 2,400	$ 2,400	$ -
LibraryCall - Dial a Story service	$ 3,000	$ 1,500	$ (1,500)
Community Collections	$ 10,000	$ 10,000	$ -
Trudy Sundberg Lecture Series	$ 12,000	$ 12,000	$ -
Nysether Collection	$ 12,000	$ 12,000	$ -
Prime Time	$ 76,000	$ 76,000	$ -
Limitless Network Grant Activities	$ 25,000	$ 25,000	$ -
FAFSA Support Programs		$ 5,000	$ 5,000
Mariner Library Lease	$ 45,000	$ 50,000	$ 5,000
Lakewood Smokey Point Library Lease	$ 50,000	$ 50,000	$ -
Langley Renovation	$ 15,000	$ -	$ (15,000)
Arlington Renovation		$ -	$ -
Capital Projects / Opportunity Fund		$ 100,000	$ 100,000
Total	**$ 432,200**	**$ 528,700**	**$ 96,500**

SNO-ISLE LIBRARIES

ADDENDUM NO. 2025 TO THE MASTER AGREEMENT BETWEEN SNO-ISLE INTERCOUNTY RURAL LIBRARY DISTRICT AND SNO-ISLE LIBRARIES FOUNDATION

DRAFT
October 1, 2024

Purpose
Article III in the 2012 Agreement states: Sno-Isle Libraries (Library District) and the Sno-Isle Libraries Foundation (Foundation) will annually identify the services that the Foundation will provide and the activities that the Foundation will undertake for the benefit of the Library District.

The effective date of this addendum is January 1, 2025.

Services and activities
Sno-Isle Libraries staff and Board of Trustees and the Foundation staff and Board of Directors will work collaboratively on funding opportunities.

The Foundation will make distributions to Sno-Isle Libraries from gifts, grants, donations, and endowments solicited by the Foundation as represented in the funding request from Sno-Isle Libraries and reflected in the Foundation's 2025 budget for programs and services to exceed the amount needed for the net benefit of the Library District.

Net benefit for the Library District includes, but is not limited to the cost of:
* 3.6 FTE Foundation staff
* Library District staff, services, space, and equipment estimated at $44,640.

The actual costs listed above will be finalized following the hiring of staff for the Foundation starting in 2025.

Attachment 1 – Sno-Isle Libraries Foundation 2025 budget request

Sno-Isle Libraries Foundation   **Sno-Isle Libraries**

_____   _____
Christina Kourteva   Lois Langer Thompson
Executive Director   Executive Director
DATE   DATE

_____   _____