

TIMBERLAND REGIONAL LIBRARY
SPECIAL BOARD OF TRUSTEES MEETING
415 Airdustrial Way S.W., Olympia, WA 98501

September 30, 1981

M I N U T E S

BOARD MEMBERS PRESENT:

Alice Harris, Chair - Mason County
Shirleen Johnson - Member-at-Large
Elmer F. Keiski - Thurston County
Donald L. Law - Member-at-Large
Dorothy Voegel - Grays Harbor County

BOARD MEMBERS EXCUSED:

Larry Parsons - Lewis County
Paul Polillo - Pacific County

STAFF PRESENT:

Louise E. Morrison, Library Director
Virginia Barton, Associate Director for Research & Planning
Sally Loken, Assistant Director for Central Services
Tom Mayer, Supervisor-Personnel Administration
Michael Crose, Business Manager
Jim Horan, Youth Services Coordinator

Herbert H. Fuller, Timberland Attorney
Liane Bascou, Board Recording-Secretary

GUEST PRESENT:

Perry Newell

Mrs. Harris called the meeting to order at 7:40 p.m. Mrs. Morrison introduced new staff member, Jim Horan, Youth Services Coordinator. Mr. Horan said he is enjoying his new job and has been busy visiting the Timberland libraries with Mrs. Stough. He said that everywhere he has gone, staff members have taken him aside and discussed youth services with him, asking him questions, telling him of problems, and he said he hopes this will continue. Mr. Keiski introduced his guest, Perry Newell, who has indicated an interest in being considered to serve on the TRL Board when Mr. Keiski's term is up the end of this year. Mr. Keiski said he personally endorses Mr. Newell to the County Commissioners.

1982 Budget Considerations

Mr. Crose said that he is not prepared this evening to present the Board with what he would consider a final operating budget for 1982. He said he has not received the figures needed from Thurston County yet because of their scheduling of computer runs.

Mr. Crose said that the Board adopted a preliminary 1982 budget on August 20, 1981 in the amount of \$5,466,710 which represents the best optimal budget as staff saw it at that time. He said that, unfortunately, that figure is not attainable.

Therefore, Mr. Crose said he has cut that figure back by about 9% to a total of \$4,958,848 which as far as he is concerned represents the "best case" figure. Mr. Crose said he is currently working to cut that figure back to about \$4,686,152, which represents a cut of \$780,558 from \$5,466,710 which is about a 14% reduction. He said that when he has the information from Thurston County, he will be able to determine the levy rate for 1982 and come up with firm figures. Mr. Crose reminded the Board that the determination of the levy rate not only affects the property taxes, but also affects the revenue received from forest excise taxes and state forest yield. He said it appears, however, that the levy rate will be somewhere between 37¢ and 39¢ per \$1,000 of assessed valuation. This is a drop from 41.28¢ which was levied for 1981. Mr. Crose said that Timberland can anticipate that the levy rate will continue to drop by a more substantial percentage than it has in the past.

Mr. Keiski said that there will be demands on the budget that will come about because of the bargaining process (which he said the Board will discuss in Executive Session) as far as what the Union is asking, the impact it will have on the budget, and the Board's response. Mrs. Johnson asked what is built into this preliminary budget in terms of wage increase next year for TRL employees. Mr. Crose said that he thinks this should be addressed in the Executive Session. Mrs. Johnson said that she is personally saddened at the possible 37¢ levy rate for 1982. Mr. Law asked if this preliminary budget includes the possible sale of coupon warrants for the circulation system, and what the interest rate would be on coupon warrants. Mr. Crose said that the rate is currently at 13%. Mrs. Morrison stated that interest on coupon warrants would not be due in 1982. Mr. Law asked when Timberland anticipates the sale of coupon warrants should occur. Mr. Crose replied that it will probably occur the first part of 1982 and interest will not be due until 1983. Mrs. Morrison said that the way the law is written, the Board may be able to include the first year's interest in the total amount and she suggested that perhaps Mr. Fuller could check into the coupon warrant law. Mr. Law said he assumes this preliminary budget does not incorporate possible funding from the Washington Public Power Supply System. Mr. Crose said it does not. Mr. Law asked when the final budget adoption meeting is set. Mr. Crose said he would like to postpone a decision on the final budget until the December meeting. He said a lot will depend on the direction the contract cities take with the options which have been made available to them. It will also depend on unanticipated amounts of forest revenue received for the balance of the year. He said that Timberland has been fortunate this year in that unanticipated revenue amounts have been considerably higher this year than in the past. Mr. Crose said he will then have a better handle on what Timberland will have to carry over into the 1982 fiscal year.

Mrs. Morrison said that Timberland is supposed to have its levy rate set and in to the counties no later than the Wednesday next following the first Monday in October and that is why a budget meeting is scheduled the last part of September. She said that the Board could instruct her to send this "best case" figure as a revision with a notation to the County Commissioners that since Timberland does not have assessed values from all five counties, the Board cannot set the levy rate. Mrs. Morrison suggested that if the figures come in from Thurston County next Monday or Tuesday, they might do the same as they have in the past and she could either poll the Board by telephone or have a conference call wherein the Board could set the levy. She said she could then notify the County Assessors by telephone and mail out verification to the county officials.

Mrs. Voege asked what the impact on Timberland has been with regard to timber revenue, considering what has happened in the timber industry and with housing starts down. Mr. Crose said the Forest Excise Tax fund "A" distribution is based upon the levy rate and distribution of the Reserve Fund account is based on a share of the total as determined by the Department of Revenue. This year the Department of Revenue is not even going to provide taxing districts with estimates and has advised Timberland to approximate 15% less than received in 1981. Mr. Crose said he has budgeted minimal amounts from state forest yield and stumpage. He said that although the levy rate has dropped considerably, the levy rates of other taxing districts have also dropped considerably. Mrs. Harris said Timberland has received more from forest taxes this year than foreseen. Mr. Crose stated that private forest yield is taxed differently than forest excise tax. He said he thinks that with the economy being the way it is, people have been forced to harvest their forest yield sooner. Mr. Crose said he does not conceive that this will happen again in 1982 and Timberland cannot budget that way.

Mrs. Harris asked the Board's decision on a telephone poll, or conference call, or another meeting to set the levy rate. Mr. Law said he would prefer a conference call if it can be arranged. Mr. Fuller stated that he thinks it would be best if the Board set a date and time certain for a conference call and anyone would be welcome to come to Mrs. Morrison's office during this conference call. Mr. Crose suggested Thursday, October 8.

81-74 SHIRLEEN JOHNSON MOVED THAT THE BOARD SCHEDULE A CONFERENCE CALL ON THURSDAY, OCTOBER 8, 1981, AT 10:00 A.M. TO SET THE 1982 LEVY RATE. DON LAW SECONDED THE MOTION.

Mr. Fuller suggested that the Board may want to recess this meeting tonight rather than adjourn until this conference call. Mrs. Johnson suggested that perhaps an evening call would be better. Mrs. Voege said she would not be available that evening. Mr. Keiski said he would be in a class at 10:00 a.m. and he has a break at 11:35 a.m.

SHIRLEEN JOHNSON AMENDED HER MOTION TO SET THE TIME OF THE CONFERENCE CALL AT 11:35 A.M. MOTION CARRIED.

Mr. Law said it would be helpful if the Board could have gross revenue trends traced for the past 5 years, possibly breaking it down by components, and the same for expenditures. Mr. Crose said this would be possible for him to put together by the October 15 meeting since he already has a lot of this information put together. Mr. Keiski suggested that it would be valuable to have some sort of chart of this for the general public.

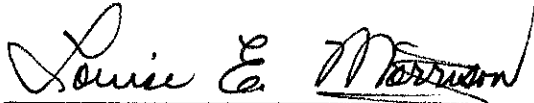
Mrs. Morrison stated that she would with the Board's permission send a letter to the five Boards of County Commissioners advising them that the Board has met and is unable to adopt the levy rate at this time because they do not have complete figures. She said she will advise them that Timberland has trimmed its initial preliminary budget from \$5,466,710 to \$4,958,848 and that there will probably be further cuts. She said she will further advise them that at such time as final figures are available, the Board will adopt the final budget and the counties will receive the final budget at the end of the year. Mr. Keiski said the County Commissioners should also be advised that Timberland is in the process

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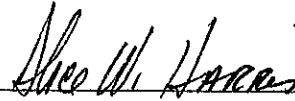
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of collective bargaining with the employees and is assessing its service patterns and it is Timberland's intention not to reduce services, if possible. Mrs. Morrison was instructed to contact the five Boards of County Commissioners.

The meeting recessed until the conference call on October 8 at 11:35 a.m. Mrs. Harris called for an Executive Session to discuss Union Contract parameters.



SECRETARY



CHAIR