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The Kitsap Regional Library Board of Trustees said Tuesday they support a continued effort to plan for a possible levy increase proposal on the November ballot.

The statement of board consensus came after a two-hour study session in which the board was briefed on preparations that have already been made and on a detailed financial plan for the 10 years following a possible levy increase.

“Whether the economic situation improves or not, we are seeing increasing demand for our services and we are not seeing the problems with our buildings diminishing,” said KRL Board President Teresa McDermott, who represents Central Kitsap on the Board.

But McDermott and other board members said they still want to see what economic changes may take place between now and July and whether other governmental entities decide to place tax measures on the fall ballot. The board has until Aug. 10 to inform the county auditor that KRL wishes to place a tax increase proposal on the Nov. 2 general election ballot.

The library’s budget, which is slightly less than \$10 million per year, is almost entirely funded by local property taxes. In recent years, the system has made a series of cuts to bring spending in line with the annual limit on its levy increase. Those cuts have included reduced hours at all 9 branch libraries, cuts in spending on books and other materials the public can borrow, cuts in the technology budget, deferring maintenance needs of the system and a one-year salary freeze for every KRL employee in 2009.

State law allows libraries to collect up to 50 cents per \$1,000 of assessed valuation on property in the district, but the annual limit to the library’s levy increase has brought KRL’s tax rate down to 32 cents. The proposed measure would ask voters to lift the levy increase limitation in 2011, allowing KRL to raise its tax rate to about 44.5 cents per \$1,000. Increases in the following years would be subject to the 1 percent annual levy increase limit.

If placed on the ballot and approved by a majority of voters, the proposal would result in the library having an additional \$3.6 million per year in revenue. The owner of a \$250,000 home would pay \$31.25 per year in additional property taxes.

KRL Chief Financial Officer Bob Goldstein outlined a 10-year financial plan for how that additional money would be spent.

About \$17.5 million over 10 years would be directed toward operations, including:

- Adding back hours of operation, six hours per week at each of the nine branches, including reopening on Saturday mornings
- Increasing spending on the library's collection. This would reduce wait times for books many patrons want and eventually increase the overall size of the library's collection.
- Restoring live online homework help for Kitsap County students. This service was eliminated because of recent budget cuts.
- Increasing staff and covering expanded operations at Silverdale and Kingston as the two new, expanded libraries in those communities open
- Expanding technology spending, including money for computers and software, the catalog system and the KRL web site
- Enhancing programs and services at all the KRL branches
- Building KRL's financial reserves so that the system has enough cash on hand to pay for a month's spending

The library system would use about \$18.5 million over the first 10 years for capital projects, including:

- Building a new library branch in Silverdale, to open in 2013
- Building a new library branch in Kingston, to open in 2015
- Earmarking funds to help the city of Port Orchard build a new library facility
- Creating a pool of money that will help the other entities that own the buildings that house KRL branches to perform needed capital improvements, pay for energy efficiencies or expand.

The two new libraries would be paid for with cash or with short-term bonds. KRL has hired local architectural firm Rice Fergus Miller to verify the system's cost estimates for the two new libraries and assure the public that the levy can fund the projects promised if the levy passes.

KRL owns the Sylvan Way and Silverdale branch library buildings. The other seven are owned by Kitsap County; the cities of Port Orchard, Bremerton and Poulsbo; the S'Klallam Tribe; and non-profit organizations on Bainbridge Island and in Manchester. KRL has asked each of the building owners to identify specific building needs that could be addressed with money from the levy.

Kitsap Regional Library has not had a voter approved levy increase since 1979. The system requested an 18-cent levy increase in May 2007, but that proposal was defeated.

Library Director Jill Jean told the KRL Board that a campaign committee to support the levy has been formed and is beginning to organize a campaign effort.