

Washington State Auditor's Office
Financial Statements Audit Report

Yakima County Rural Library District

Audit Period
January 1, 2008 through December 31, 2009

Report No. 1005455

Issue Date
April 18, 2011



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

April 18, 2011

Board of Trustees
Yakima County Rural Library District
Yakima, Washington

Report on Financial Statements

Please find attached our report on the Yakima County Rural Library District's financial statements.

We are issuing this report in order to provide information on the District's financial condition.

Sincerely,

**BRIAN SONNTAG, CGFM
STATE AUDITOR**

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with *Government Auditing Standards*

**Yakima County Rural Library District
January 1, 2008 through December 31, 2009**

Board of Trustees
Yakima County Rural Library District
Yakima, Washington

We have audited the financial statements of the Yakima County Rural Library District, Yakima County, Washington, as of and for the years ended December 31, 2009 and 2008, and have issued our report thereon dated March 24, 2011.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audits, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of the District's compliance with certain

provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management and the Board of Trustees. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is fluid and cursive, with the first name "Brian" and last name "Sonntag" clearly distinguishable.

BRIAN SONNTAG, CGFM
STATE AUDITOR

March 24, 2011

Independent Auditor's Report on Financial Statements

Yakima County Rural Library District January 1, 2008 through December 31, 2009

Board of Trustees
Yakima County Rural Library District
Yakima, Washington

We have audited the accompanying financial statements of the Yakima County Rural Library District, Yakima County, Washington, for the years ended December 31, 2009 and 2008. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the District prepares its financial statements on the basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Yakima County Rural Library District, for the years ended December 31, 2009 and 2008, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an

integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is stylized with large, sweeping loops and a prominent initial "B".

BRIAN SONNTAG, CGFM
STATE AUDITOR

March 24, 2011

Financial Section

**Yakima County Rural Library District
January 1, 2008 through December 31, 2009**

FINANCIAL STATEMENTS

Resources and Uses Arising from Cash Transactions – 2009
Resources and Uses Arising from Cash Transactions – 2008
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YAKIMA VALLEY LIBRARIES
Fund Resources and Uses Arising From Cash Transactions
For the Year Ended December 31, 2009

Code	Description	<i>Actual Amount</i>					
		<i>General Fund 001</i>	<i>Cumulative Reserve 002</i>	<i>Trust Fund 003</i>	<i>Capital Funds 004</i>	<i>Facility Fund 005</i>	<i>Technology Fund 006</i>
	<i>Beginning Net Cash and Investment</i>	2,608,857	727,335	54,423	400,959	244,986	638,091
	<i>Revenues and Other Sources</i>						
310	Taxes	5,886,595	0	0	0	0	0
330	Intergovernmental Revenues	198,000	0	0	0	0	0
340	Charges for Goods and Services	27,869	0	0	0	0	0
350	Fines and Forfeits	68,389	0	0	0	0	0
360	Miscellaneous	62,736	13,362	16,554	7,364	4,495	11,726
390	Other Financing Sources	15,116	0	0	0	0	0
	Total Revenues and Other Sources	<u>6,258,706</u>	<u>13,362</u>	<u>16,554</u>	<u>7,364</u>	<u>4,495</u>	<u>11,726</u>
	<i>Total Resources</i>	<u>8,867,563</u>	<u>740,697</u>	<u>70,977</u>	<u>408,323</u>	<u>249,481</u>	<u>649,817</u>
	<i>Operating Expenditures</i>						
572	Library Services	5,734,158	0	8,029	0	0	0
591	Debt Service	0	0	0	0	0	0
594	Capital Expenditures	446,549	0	0	0	0	0
598	Total Expenditures	<u>6,180,708</u>	<u>0</u>	<u>8,029</u>	<u>0</u>	<u>0</u>	<u>0</u>
596	Other Financing Uses	0	0	0	0	0	0
	<i>Total Expenditures and Other Uses</i>	<u>6,180,708</u>	<u>0</u>	<u>8,029</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Excess (Deficit) of Resources Over Uses	<u>2,686,855</u>	<u>740,697</u>	<u>62,948</u>	<u>408,323</u>	<u>249,481</u>	<u>649,817</u>
380	Non Revenues	0	0	0	0	0	0
580	Non Expenditures	0	0	0	0	0	0
	<i>Ending Net Cash and Investments</i>	2,686,855	740,697	62,948	408,323	249,481	649,817

The accompanying notes are an integral part of this financial statement.

YAKIMA VALLEY LIBRARIES
Fund Resources and Uses Arising From Cash Transactions
For the Year Ended December 31, 2008

<i>Description</i>	<i>General Fund</i> <i>001</i>	<i>Cumulative Reserve</i> <i>002</i>	<i>Actual Amount</i>			
			<i>Trust Fund</i> <i>003</i>	<i>Capital Funds</i> <i>004</i>	<i>Facility Fund</i> <i>005</i>	<i>Technology Fund</i> <i>006</i>
<i>Beginning Net Cash and Investment</i>	2,150,551	702,035	39,000	472,008	236,751	893,076
<i>Revenues and Other Sources</i>						
Taxes	5,741,162	0	0	0	0	0
Intergovernmental Revenues	183,301	0	0	0	0	0
Charges for Goods and Services	22,680	0	0	0	0	0
Fines and Forfeits	67,701	0	0	0	0	0
Miscellaneous	181,580	25,300	15,423	15,575	8,235	25,060
Other Financing Sources	390,387	0	0	0	0	0
Total Revenues and Other Sources	6,586,811	25,300	15,423	15,575	8,235	25,060
<i>Total Resources</i>	8,737,362	727,335	54,423	487,583	244,986	918,136
<i>Operating Expenditures</i>						
Library Services	5,475,569	0	0	0	0	0
Debt Service	0	0	0	0	0	0
Capital Expenditures	653,432	0	0	0	0	0
Total Expenditures	6,129,001	0	0	0	0	0
Other Financing Uses	0	0	0	86,624	0	280,045
Total Expenditures and Other Uses	6,129,001	0	0	86,624	0	280,045
Excess (Deficit) of Resources Over Uses	2,608,361	727,335	54,423	400,959	244,986	638,091
Non Revenues	495	0	0	0	0	0
Non Expenditures	0	0	0	0	0	0
Ending Net Cash and Investments	2,608,856	727,335	54,423	400,959	244,986	638,091

The accompanying notes are an integral part of this financial statement.

Yakima Valley Regional Library
Notes to Financial Statements
January 1, 2009 through December 31, 2009

NOTE 1 – Summary of Accounting Policies

The Yakima Valley Regional Library is a special purpose government that provides library services to the general public and is supported primarily through property taxes. The Regional Library District was formed on March 1, 1951, and is operated under Chapter 27.12 RCW, the laws of the state of Washington applicable to a library district.

A. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The District's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the District:

Governmental Fund Types

General Fund – This fund is the primary operating fund of the District. It accounts for all financial resources except those required or elected to be accounted for in another fund. Prior to 2006, capital projects were also budgeted and paid for through the General Fund. In 2006, separate capital project funds were set up in order that the General Fund reflects the current day to day operating expenditures of the Library District.

Capital Projects

Cumulative Reserve Fund – These funds account for financial resources that are designated for the acquisition or construction of general government capital projects. This fund was established in 1959 at the Yakima Library District when the Yakima City Treasurer transferred all Reserve Funds of the library to the Yakima County Treasurer. In 1975 the Library Board of Trustees passed a motion that the funds of this account be used for acquisition of materials, land, or capital improvements.

Capital Carry Forward Fund – This fund is for projects that are not complete.

Facility Fund – As of December 2005, the District owns two buildings: the Downtown Yakima Building and the Sunnyside Library Building. The Board of Trustees determined in 2006 that it was essential to establish a Facility Fund to plan for deferred and future maintenance of the Library buildings, and other District facility needs.

Technology Fund – With the increasing demand from the public to provide high speed access to a wide range of programs and databases, and to support computer access and labs throughout the District, it is essential to set aside funds for upgrades to the computer system as outlined in the Technology Assessment Report conducted in 2007.

Special Revenue Funds

These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for designated purposes.

The Library is the beneficiary of two trust funds that earn revenue on behalf of the parties for which the trust was established. The principal of the trusts is not owned by the Library, and is not recorded in the financial statements.

Plath Trust

The Library receives an income distribution once a year equal to the minimum of 37.5 percent of the total trust earnings for that year. The Plath Trust funds are to be used for the benefit of employees toward career advancement and learning in the field of library sciences and services. The fund equity represents the excess of annual distributions and earnings over expenditures. The principal of the trust is held by an outside trustee. In the event that the trust must be discontinued, any amounts remaining are to be divided proportionately among the beneficiaries. In 2009 the Library received a \$15,500 distribution. There were \$8,028.75 in disbursements from this fund in 2008. The ending balance of the Plath Fund at December 31, 2009 including interest was \$62,948.03. The Plath Fund is maintained as a separate fund account with the Yakima County Treasurer's Office.

Boaz Trust

The Library generally receives an income distribution once a year. The amount varies yearly based on trust earnings. An outside trustee holds the principal of the trust. \$8,370.29 was received in 2009. Money from the trust is restricted for the purchase of new books. The Boaz Fund is incorporated as part of the General Fund and is included in the operating cash balance.

B. Basis of Accounting

The District reports financial activity using the revenue and expenditure classifications, statements and schedule contained in the Cash Basis Budgeting, Accounting and Reporting System (BARA) manual. This basis of accounting and reporting is an other comprehensive basis of accounting (OCBOA) that is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of fixed assets, nor allocation of depreciation expense. Inventory, including collection materials, is expensed when purchased.

C. Cash

It is the District's policy to invest all temporary cash surpluses. The amount is included on the statement of resources and uses arising from cash transactions as net cash and investments.

D. Deposits

The District's deposits (and certificates of deposit) are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission.

E. Collection Materials

Collection materials (books, magazines, video, audios, etc.) are recorded as operating expenditures when purchased.

F. Capital Assets

Capital assets are long-lived assets of the District and are recorded as capital expenditures when purchased.

G. Compensated Absences

Vacation pay may be accumulated up to 240 hours for full time employees and is payable upon separation or retirement if the employee is in good standing and has provided two weeks notice at time of termination. Vacation is not payable to employees who terminate prior to completion of the six-month trial period. Sick leave may be accumulated up to 960 hours for full time employees. Upon retirement only, employees receive payment for one-quarter of unused sick leave. Once per year, any employee eligible to earn sick leave may convert sick leave earned and accrued to vacation leave at the ratio of four hours of sick leave to one hour of vacation to a maximum of sixty-four hours of sick leave per calendar year. The employee must maintain a minimum balance of ninety-six sick leave hours at the time of the conversion and may not have used more than twenty-four sick leave hours during the previous twelve months.

NOTE 2 – INVESTMENTS

The District's investments are held by the Yakima County Treasurer as its agent in the District's name. Investments by type at December 31, 2009 were as follows:

Fund Name	Activity	Amount
General Fund 001	TIP Investment Pool	\$2,637,385.00
Cumulative Reserve		
Fund 002	TIP Investment Pool	730,880.00
Plath Trust Fund 003	TIP Investment Pool	62,500.00
Capital Carry Forward		
Fund 004	TIP Investment Pool	403,000.00
Facility Fund 005	TIP Investment Pool	246,000.00
Technology Fund 006	TIP Investment Pool	641,520.00
	Total of all investments	<u>\$4,721,285.00</u>

NOTE 3 – Long Term Debt

As of December 31, 2009, the Yakima Valley Regional Library had no long term debt.

NOTE 4 – Pension Plans

Substantially all of the District's full-time and qualifying part time employees participate in the PERS 1, PERS 2, or PERS 3 plans administered by the Department of Retirement System, under cost-sharing multiple-employer public employee defined benefit retirement systems. Actuarial information is on a system-wide basis and is not considered pertinent to the District's financial statements. Contributions to the systems by both employee and employer are based on gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the state Department of Retirement Systems annual financial report. A copy of this report may be obtained at:

Department of Retirement Systems
Communications Unit
PO Box 48380
Olympia, WA 98504-8380

NOTE 5 – District Notes

In 2007 a Technology Assessment was performed to review and evaluate the current information technology infrastructure. A multi-year plan was recommended which includes a three-phase implementation process of replacing and upgrading technology resources to improve performance and provide better quality library services to the citizens of Yakima county as well as Library staff. Upgrades include hardware, software, personnel, as well as replace the existing Wide Area Network (WAN), which is on the point of failure and requires an immediate fix. Estimated costs for Phase I which include the wide area network, the local area network, workstation upgrades and replacements, peripherals, network control and security replacements, server upgrades and replacements, and recommended staffing and support additions are at \$809,000. The Technology Fund has been set aside to help cover these costs. Significant progress was accomplished on this project in 2008. With the exception of wireless technology, the technology plan was almost complete in 2009.

In 2007 the District conducted an assessment of the Downtown Yakima Branch. The assessment determined that significant repair and upgrade to the HVAC, electrical, and modified staff space would be essential for optimal efficiency of staff and services. In 2008 the Trustees approved a temporary relocation of designated staff to a space in the Liberty building until a district wide solution could be determined. Facility and strategic planning will be conducted in 2010 and 2011.

The Administration recommended replacement of the 50 year old HVAC system in the Yakima Central Library building due to extensive repair and remanufacture of obsolete components in 2008 and 2009. An emergency replacement was declared by the Trustees. An RFQ to replace the system was issued in the spring of 2010. The estimated cost for the replacement is approximately \$700,000. A state of the art product by Mitsubishi was selected with an estimated 5.7 years return on investment based on reduced energy costs.

The Board of Trustees determined that the funding for the lease of the Summitview Library would be a better investment in a building that was owned by the District. In 2009 the Trustees approved the purchase of property in West Valley to build a new library building in West Valley to replace the current Summitview Library. The funding for the current lease will be applied to a mortgage payment. The purchase of the property was in process at the end of 2009 for proposed sale amount of \$410,000. Plans to review financing options will be discussed later in the year. The Trustees have set a limit of not more than \$2,000,000 for the construction of the West Valley Library Building.

Yakima Valley Regional Library
Notes to Financial Statements
January 1, 2008 through December 31, 2008

NOTE 1 – Summary of Accounting Policies

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A. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The District's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the District:

Governmental Fund Types

General Fund – This fund is the primary operating fund of the District. It accounts for all financial resources except those required or elected to be accounted for in another fund. Prior to 2006, capital projects were also budgeted and paid for through the General Fund. In 2006, separate capital project funds were set up in order that the General Fund reflects the current day to day operating expenditures of the Library District.

Capital Projects

Cumulative Reserve Fund – These funds account for financial resources that are designated for the acquisition or construction of general government capital projects. This fund was established in 1959 at the Yakima Library District when the Yakima City Treasurer transferred all Reserve Funds of the library to the Yakima County Treasurer. In 1975 the Library Board of Trustees passed a motion that the funds of this account be used for acquisition of materials, land, or capital improvements.

Capital Carry Forward Fund – This fund is for projects that are not complete.

Facility Fund – As of December 2005, the District owns two buildings: the Downtown Yakima Building and the Sunnyside Library Building. The Board of Trustees determined in 2006 that it was essential to establish a Facility Fund to plan for deferred and future maintenance of the Library buildings, and other District facility needs.

Technology Fund – With the increasing demand from the public to provide high speed access to a wide range of programs and databases, and to support computer access and labs throughout the District, it is essential to set aside funds for upgrades to the computer system as outlined in the Technology Assessment Report conducted in 2007.

Special Revenue Funds

These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for designated purposes.

The Library is the beneficiary of two trust funds that earn revenue on behalf of the parties for which the trust was established. The principal of the trusts is not owned by the Library, and is not recorded in the financial statements.

Plath Trust

The Library receives an income distribution once a year equal to the minimum of 37.5 percent of the total trust earnings for that year. The Plath Trust funds are to be used for the benefit of employees toward career advancement and learning in the field of library sciences and services. The fund equity represents the excess of annual distributions and earnings over expenditures. The principal of the trust is held by an outside trustee. In the event that the trust must be discontinued, any amounts remaining are to be divided proportionately among the beneficiaries. In 2008 the Library received a \$14,000 distribution. There were no disbursements from this fund in 2008. The ending balance of the Plath Fund at December 31, 2008 including interest was \$54,423. The Plath Fund is maintained as a separate fund account with the Yakima County Treasurer's Office.

Boaz Trust

The Library generally receives an income distribution once a year. The amount varies yearly based on trust earnings. An outside trustee holds the principal of the trust. \$18,208 was received in 2008. As of December 31, 2008, the ending balance is \$93,029.16. Money from the trust is restricted for the purchase of new books. The Boaz Fund is incorporated as part of the General Fund and is included in the operating cash balance.

B. Basis of Accounting

The District reports financial activity using the revenue and expenditure classifications, statements and schedule contained in the Cash Basis Budgeting, Accounting and Reporting System (BARA) manual. This basis of accounting and reporting is an other comprehensive basis of accounting (OCBOA) that is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of fixed assets, nor allocation of depreciation expense. Inventory, including collection materials, is expensed when purchased.

C. Cash

It is the District's policy to invest all temporary cash surpluses. The amount is included on the statement of resources and uses arising from cash transactions as net cash and investments.

D. Deposits

The District's deposits (and certificates of deposit) are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission.

E. Collection Materials

Collection materials (books, magazines, video, audios, etc.) are recorded as operating expenditures when purchased.

F. Capital Assets

Capital assets are long-lived assets of the District and are recorded as capital expenditures when purchased. The Library's internal policies declare that any single item with a purchase price of \$5000 or more is to be recorded as a capital expenditure.

G. Compensated Absences

Vacation pay may be accumulated up to 240 hours for full time employees and is payable upon separation or retirement if the employee is in good standing and has provided two weeks notice at time of termination. Vacation is not payable to employees who terminate prior to completion of the six-month trial period. Sick leave may be accumulated up to 960 hours for full time employees. Upon retirement only, employees receive payment for one-quarter of unused sick leave. Once per year, any employee eligible to earn sick leave may convert sick leave earned and accrued to vacation leave at the ratio of four hours of sick leave to one hour of vacation to a maximum of sixty-four hours of sick leave per calendar year. The employee must maintain a minimum balance of ninety-six sick leave hours at the time of the conversion and may not have used more than twenty-four sick leave hours during the previous twelve months.

NOTE 2 – INVESTMENTS

The District's investments are held by the Yakima County Treasurer as its agent in the District's name. Investments by type at December 31, 2007 were as follows:

Fund Name	Activity	Amount
General Fund 001	TIP Investment Pool	\$2,539,700.00
Cumulative Reserve Fund 002	TIP Investment Pool	719,880.00
Plath Trust Fund 003	TIP Investment Pool	53,500.00
Capital Carry Forward Fund 004	Investment Pool	
	TIP	396,500.00
Facility Fund 005	TIP Investment Pool	242,000.00
Technology Fund 006	TIP Investment Pool	631,520.00
	Total of all investments	<u>\$4,583,100.00</u>

NOTE 3 – Long Term Debt

As of December 31, 2008, the Yakima Valley Regional Library had no long term debt.

NOTE 4 – Pension Plans

Substantially all of the District's full-time and qualifying part time employees participate in the PERS 1, PERS 2, or PERS 3 plans administered by the Department of Retirement System, under cost-sharing multiple-employer public employee defined benefit retirement systems. Actuarial information is on a system-wide basis and is not considered pertinent to the District's financial statements. Contributions to the systems by both employee and employer are based on gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the state Department of Retirement Systems annual financial report. A copy of this report may be obtained at:

Department of Retirement Systems
Communications Unit
PO Box 48380
Olympia, WA 98504-8380

NOTE 5 – District Notes

In June of 2008 the Library Director was terminated without cause. The contractual agreement allowed for a six month severance clause including wages and benefits. The final payments were made December of 2008. The Finance and Operations Manager was appointed Interim Director. This position was reaffirmed in December of 2008 with the provision that the Interim Director use

the Plath Fund to obtain a MLIS degree as required by the State of Washington for all Librarians. The Plath Fund is a private endowment for Yakima Valley Libraries set aside for the advancement of Librarians.

In 2007 a Technology Assessment was performed to review and evaluate the current information technology infrastructure. A multi-year plan was recommended which includes a three-phase implementation process of replacing and upgrading technology resources to improve performance and provide better quality library services to the citizens of Yakima county as well as Library staff. Upgrades include hardware, software, personnel, as well as replace the existing Wide Area Network (WAN), which is on the point of failure and requires an immediate fix. Estimated costs for Phase I which include the wide area network, the local area network, workstation upgrades and replacements, peripherals, network control and security replacements, server upgrades and replacements, and recommended staffing and support additions are at \$809,000. The Technology Fund has been set aside to help cover these costs. Significant progress was accomplished on this project in 2008. It is anticipated that the recommendations in the Technology Assessment will be completed in 2009.

In 2007 the District conducted an assessment of the Downtown Yakima Branch. The assessment determined that significant repair and upgrade to the HVAC, electrical, and modified staff space would be essential for optimal efficiency of staff and services. In 2008 the Trustees approved a temporary relocation of designated staff to a space in the Liberty building until a district wide solution could be determined. Facility and strategic planning will be conducted in 2009.



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work in cooperation with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office employees are located around the state to deliver our services effectively and efficiently.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service. We continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

**State Auditor
Chief of Staff
Deputy Chief of Staff
Chief Policy Advisor
Director of Audit
Director of Special Investigations
Director for Legal Affairs
Director of Quality Assurance
Local Government Liaison
Communications Director
Public Records Officer
Main number
Toll-free Citizen Hotline**

**Brian Sonntag, CGFM
Ted Rutt
Doug Cochran
Jerry Pugnetti
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