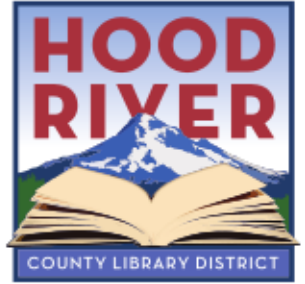


Budget Committee Meeting Agenda

Tuesday, May 8, 2018, 6.00p
Jean Marie Gaulke Community Meeting Room
502 State St, Hood River
Budget officer: Rachael Fox



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|--|-------|
| I. Nomination and election of Chair | |
| II. Additions/deletions from the agenda (ACTION) | Chair |
| III. Conflicts or potential conflicts of interest | Chair |
| IV. Budget message | Fox |
| V. Presentation of proposed budget | Fox |
| i. General Fund | |
| ii. Capital Equipment Reserve Fund | |
| iii. Grants Fund | |
| VI. Public comment | Chair |
| VII. Budget Committee questions and deliberations | Chair |
| VIII. Approval of budget (ACTION) [if applicable] | Chair |
| IX. Recess or adjournment | Chair |

2018-19 budget notes

May 8, 2018

Prepared by Budget Officer Rachael Fox



Thank you all for agreeing to serve once again on the Library District Budget Committee. Our Budget Committee is composed of the Library District Board of Directors plus five additional individuals. The members are Jen Bayer, Amber Bello, Karen Bureker, Brian Hackett, Monica Zorza Hockett, Megan Janik, Sara Marsden, Lani Roberts, Jean Sheppard, and Erick VonLubken.

Our current fiscal year is composed of three funds:

- *General Fund*: This fund is where most of the action happens. It includes most of the District's major income (namely, tax revenue) and expenses.
- *Capital Equipment Reserve Fund*: This fund is used for major capital improvements or purchases of physical items that last beyond a few years. These could include significant building repairs, renovations, furniture, shelving, or large equipment. Examples of purchases out of this fund are replacement for a small section of our roof, replacement of our HVAC's control box, shelving, and new networking equipment.
- *Grants Fund*: This fund is used for special-purpose grants, such as those given to us by foundations, as well as donations from our two affiliate nonprofit support groups: the Friends of the Hood River County Library and the Hood River County Library Foundation. Expenditures from this fund are for purposes outlined in the grants or donations. Typically, this fund is estimated high to take advantage of potential grant opportunities.

We no longer use the Sage Library System Fund. This fund was used to pay the Sage Systems Librarian and his associated expenses. While he administratively was our employee, this person actually worked for the benefit of our entire library consortium and as such is not a part of our regular operations. All costs were reimbursed. The fund was dissolved by resolution at the end of fiscal year 2016-17 and the remaining funds were transferred to the General Fund. We will continue to show the fund history for the next two years.

Each fund is divided into at least two sections: resources (i.e. income) and requirements (i.e. expenditures). Those are then divided into individual line items, such as fines & fees or taxes (for income) or office supplies or building maintenance (for expenditures).

The attached budget sheets are made on forms provided by the State of Oregon and are submitted once they are approved. The budget process is as follows:

1. The budget is prepared by District staff.

502 State Street
Hood River · OR 97031

541 386 2535

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2. It is presented to the Budget Committee by the Budget Officer (me).
3. You recommend changes to the Budget and pass a resolution formally recommending the Budget to the Board of Directors.
4. The Board of Directors makes changes to the budget and then formally approves it in June.
5. The final adopted budget is submitted to the appropriate authorities.

We have one Budget Committee meeting scheduled for Tuesday, May 8, 2018, 6.00-8.00p in the Columbia Room of Hood River Library. If needed, we can recess the meeting and continue it on Tuesday, May 15, 6.00-7.00p, at the same location.

For your assistance, following the budget message, I go through the budget line-by-line below, noting rationales for the numbers as well as the reason for any changes. In addition to the budget and these notes, I have included several attachments to help you evaluate the proposed budget:

- *Attachment I:* The District's Strategic Goals for 2016-21
- *Attachment II:* Current and proposed salary schedules
- *Attachment III:* 2018-19 proposed personnel costs
- *Attachment IV:* Historical utility use
- *Attachment V:* Our most recent financial statements, March 2018
- *Attachment VI:* A recommended motion to approve the budget
- *Attachment VII:* Financial Management Policy

Please let me know if you have any questions or would like additional information to help with your deliberations. I can be contacted at rachael@hoodriverlibrary.org or 541-387-7062.

Budget message

The 2018-19 fiscal year is Hood River County Library District's eighth operational year. The District has come a long way since it first reopened in July 2011. It features a wide range of services including free public Internet, programs for all ages, a vibrant collection, an actively-used meeting room, and much more. Compared to similarly-sized libraries, our District is among the top performers for programs, attendance at programs, additions and expenditures on the collection.

In fiscal years 2015-2016 and 2016-2017, there was a large increase in personnel costs. This increase, coupled with the yearly transfer to the Capital Equipment Reserve Fund, created more in expenditures than revenue. The District had \$41,539 more in expenditures than revenue in the 2015-2016 fiscal year, due to payroll for July 2016 was paid in June 2016. This occurred due to an early deposit date because the payroll date fell on the weekend. In fiscal year 2016-17, the District was projected to spend \$40,000 more in expenditures, than revenue but due to cutbacks made during the fiscal year, the District spent \$22,777 more in expenditures than revenue.

There was ample funds in the Unappropriated Ending Fund Balance to cover the costs. In fiscal year 2017-18 we needed to get back in line to having the expenditures equal the

revenue. This is due to the fact the District is being affected by minimum wage increases. Last year's budget tightened personnel costs and decreased expenditures in Materials and Services. With careful planning, seeking alternative funding, and efficiently using funds, the District was able to absorb the increased costs and is back on track to continue to meet the needs of our community with high quality service.

The main changes proposed this year will be increasing our collection development budget to slightly above the level before we made cut backs. Also, I will propose an increase in personnel funds in the area of substitutes and a slight increase in staff hours to devote to marketing.

Looking toward the future, it is bright. The downtown Urban Renewal District will be dissolved by FY 20-21. It has been in effect for 20 years. Beginning with the FY 20-21 budget the library district will receive \$39,000 more dollars in revenue, in addition to our regular tax revenue we receive each year. In addition, the District received an unexpected donation of \$82,945 in fiscal year 2017-18 from a former library employee who passed away. The money was deposited into the General Fund.

Compared to similarly-sized libraries, our District is among the top performers for programs, attendance at programs, additions and expenditures on the collection, and efficient use of limited funds. This budget helps ensure that we continue and add to our success of recent years.

General Fund

Strategic goals

Our budget should reflect our strategic goals. The Board hired library consultant Penny Hummel to craft the District's 2016-21 strategic plan (see the draft as Attachment I). Here are the five main areas of focus and how the budget addresses them.

1. *Create a stable and permanent presence in Odell.*

The District has focused on Odell since the libraries reopened. The community is the only significantly-populated area of the county without a physical library branch. Like the rest of the valley, it is predominantly Latino, a group historically underserved by the library pre-closure. The District has reached out to Odell. We have a Bilingual Outreach Specialist who works 32 hours per week. About eight months ago, we had a long-time staff member move into this position, after her predecessor moved on to another organization. She has been making new connections in the community and building upon relationships already established. She is a regular presence at meetings and events. She worked with a consultant to develop a strategic plan to provide services in Odell. She will spend a large portion of her time and focus on Odell.

We also conduct programming in Odell, including partnering with the Mid Valley Elementary School to provide programs. This summer we will partner with the Mercado in Odell to provide a summer reading program and pop up library. We will also partner with other organizations in Odell to offer ESL and technology classes. We are working on establishing a partnership with the Mid Valley Elementary School to

rent out a space in their new library. This will provide a permanent location for the branch and a consistent time to provide library services each week.

For the third year in a row, we are using a grant from the Oregon State Library to provide weekly bus service, June through August, between Odell and the Hood River Library. In Hood River, staff provide early literacy programming, free books, snacks, and more. The bus has been well-received, averaging about fifteen bus users per visit and even more program attendees. We are using our annual State Library grant for this program.

2. *Expand services to tweens and teens.*

Teens were one of our target populations in our original strategic goals. We have active teen volunteers in the Teen Speak advisory group and Literary Trivia Challenge committee. In fiscal year 2016-17, the District hired a Teen Services Librarian. Prior to this, the position was held by a library assistant. Our Teen Services Librarian has increased programming: crafts, SAT aide, movies nights and a robust teen summer reading program. Our budget will allocate a fair portion to the program budget to funds for teen programs. She has weeded the teen collection and orders materials she feels are of interest and relevant to the teens in our community. She is building a relationship with the local high school and attending other events in the community to expand outreach. She now recruits and manages teen volunteers at the library.

3. *Expand outreach activities to continue to grow the library's active users.*

Outreach already is a massive part of what the District does. As was mentioned, there is a dedicated Bilingual Outreach staff member. In addition, our Director and Assistant Director are actively involved in many organizations such as the Lions, Rotary, Cascade Locks Action Team, Chamber of Commerce, Soroptimist, and more. Children's and teen staff are regular presences at area schools. The Assistant Director, who coordinates adult programming, visits monthly to senior living facilities in Hood River. This year, the Assistant Director will work on providing service to those experiencing homelessness and the homebound. Staff plan to continue these efforts and have the programming budget and off-desk time to support them.

4. *Increase library awareness throughout the county.*

Marketing has been a large effort of the District since reopening. Once reopened, staff greatly increased the amount they communicate with local media and individuals. Events are covered regularly in the *Hood River News* and are mentioned on radio stations. Flyers are put up all around the community. The District uses social media on several platforms to get out the word.

Despite these efforts, staff have encountered difficulties with creating a brand and promoting beyond the basic areas we have already covered. We do not have a designated staff member for marketing. We currently have four different staff members doing marketing, which presents difficulties in ensuring consistency and having a unified message.

Our aim is to unify the voice and the style of our materials to create a brand for the

library. We worked in fiscal year 2017-18 to streamline the process but found we do not have enough staff time to devote to boost our marketing. I will propose a slight increase in hours for our Operations Assistant to devote toward marketing and streamlining the process. He currently creates banners for the website and flyers for programs. He will expand his duties to post regularly on social media to promote our electronic databases, regular library services, and more. He will also update the library website with new information and highlight services and programs.

Staff also see our outreach activities as important ways of promoting the libraries. We will purchase a new banner to place at all our outreachevents. Fortunately, the Friends and Foundation groups are quite strong, and they help the District get out the word.

5. *Continue to develop the library as a cultural and educational hub for people of all ages and backgrounds.*

This goal ties closely with the other four strategic goals. All of the District's activities help with these goals, particularly our healthy programs budget and significant outreach activities. There is additional money in the adult programs budget to have concerts and related events. Partnerships will continue to be a critical source of our programming as well.

At the end of fiscal year 2017-18, we will launch our Makerspace program. It's an exciting way to expand on ur education programming for all ages. It's innovative and will tie into the STEAM programming already happening in the gorge, including our school district. Staff are collaborating with other organizations providing these services to gather ideas and share resources to best serve our communities.

Finally, there has been a careful balance of services and open hours since the District reopened. The libraries are not open as many hours as similarly-sized ones. Partially this is due to funding levels. However, the Board committed early on that the District should not sacrifice the quality of services for additional open hours. As such, staff have time and budget to do the tasks necessary to keep the libraries vibrant: buy new materials, reach out to the community, run programs, do the back end work to keep things running smoothly, and more. The proposed budget continues in this vein, while also striving for staff to be efficient with their time and resourceful with their budgets.

Overall, the proposed 2018-19 budget moves the District in a positive direction to fulfill the strategic goals. It gives staff the resources they need to carry out the plan.

Staffing expenses

The proposed personnel costs for FY 2018-19 is \$615,148 compared to \$595,588 budgeted for FY 2017-18. The actual projected personnel costs for FY 2018-19 is estimated to be \$590,000 and FY 2017-18 is estimated to be \$558,000. There were no additions to the staff in fiscal year 2017-18, except three on-call substitutes, which share a pool of funds. The increase in personnel expenses are explained below:

- *Minimum wage:* The District's positions will be affected by the Oregon minimum wage

increases starting in 2020-2021. Currently, the first step of the lowest paid classification is \$11.30/hour (See attachment II). To ensure the District complies with the minimum wage increases, I propose a two part approach. First part, we move our lowest paid position from Clerk I to Clerk II status in fiscal year 2020-21. This position is currently 12 hours per week. We can create more responsibility for this position to bring it up to level of the Clerk II position. The second part, we offer a Cost of Living increase at least three of the four following years, this will ensure our lowest paid salary will be above the minimum wage level of \$13.50 by July 1, 2022.

- *Cost-of-living-increase for staff:* As explained above, I propose the District offers a 2.8% increase which is the average increase of the Western Region CPI in 2017.
- *Health Insurance increases:* There is a \$500 increase to health insurance line item from \$99,000 to \$99,500. In May of this fiscal year, we will break one full-time position into two part-time positions, eliminating health care benefits of \$8,000.

We budget for all staff members who receive health insurance to use the entire amount the District offers. This will cover any staffing changes throughout the year. Right now we only have three positions, which the District covers the staff member's entire family. Seven employees receive benefits for a single person or VEBA benefits.

The current projection for staff benefits is \$78,063 for the year, which includes a projected 10% increase in health care costs for staff members who fall under the maximum cap. This is an increase from FY 2017-18 of the actual projected amount \$72,644. In fiscal year 2017-18, we spent less on health care because two staff members left the District and two current staff members moved into new positions. This resulted in not paying health benefits for three months while the two employees completed their trial periods.

- *Staff changes:* In order to save money for the District, during last fiscal year, we reduced our Bilingual Outreach Specialist position from 40 to 32 hours per week and our Operations Specialist position from 40 to 30 hours per week. In addition, we will change one full-time Public Service Clerk position into two part-time positions in May.

This year, I propose increasing our Operations Assistant position from 30 to 32 hours per week to assist with increasing our marketing efforts in the District. This is an area we need to boost our efforts, but do not have staff time to designate to this area. This will increase expenses for this position about \$2,000 for the year.

I also recommend increasing our Public Service Clerk Substitute position from FTE .25 to FTE .5. This will greatly assist in coverage for our regular staff while they take vacation and sick leave. I received feedback from staff throughout the year that we were often short handed. This will increase cost about \$7,000 for the year. This position can easily be adjusted in future years, since we do not guarantee hours for this position and it's on-call.

I also recommend having a substitute budget for our Cataloging Specialist position,

which averages 2 hours per week. This is the one position, due to specialized training, we need to have coverage if our regular staff member is on vacation or sick leave. This will increase the budget about \$2,000 for the year. This position can also be eliminated in future years because of the on-call nature.

- Step increases: This year, we budgeted for each staff member to have a step increase. In fiscal year 2017-18, we put a freeze on all step increases. While we do not plan to give all staff members a step increase, this allows the flexibility to chose a staff member to have an increase at their annual review, and the flexibility to give a new employee a higher step, if the position opens during the year.

Capital Equipment Reserve Fund

This fund will carry over around \$95,000 from last fiscal year. I propose we limit spending in the Capital Equipment Reserve Fund to essential projects this year. I recommend transferring \$25,000 this year from the General Fund to the Capital Equipment Reserve Fund. These funds will come from the carry over of the unexpected donation from our former library employee. We will use \$5,000 to bring the account back up to \$100,000. The rest of the funds will be used for the following:

- Repairing benches gardens - \$5,000
- Cleaning and sealing areas of the exterior building - \$5,000
- Painting historic windows exterior building - \$5,000
- Painting damaged areas (regular use) of the interior building - \$5,000

Long-term, there are other projects to consider in following fiscal years. These items were noted in our 2014 facilities plan as well as observations from staff. This year, my focus will be creating a detailed plan to address the upcoming facilities projects and ensuring we have adequate funding for these projects. We currently have \$100,000 contingency for emergencies, \$100,000 carry over in the capital fund, and \$58,000 in carry over from the unexpected library employee donation for future projects.

- Repainting the Hood River Library interior (\$40,000-50,000). The Children's area was repainted as part of the Library Foundation's fundraising efforts, which will lower this estimate.
- Replacing roof (\$15,000-20,000). Between 2023-2033, the single ply Hood River Library roof will need to be replaced. It is showing wear in areas. The slate shingle roofing should not need to be replaced until 2043-2053 and will cost between \$10,000 to \$20,000.
- According to the Facilities Maintenance Report, the central air handling/condensing unit typically does not require replacement as a whole. Individual components such as the fan motor and compressors are items that typically need replacement and last 8 to 15 years. The cost for replacement is \$10,000 for compressor replacement and \$3,000 for motor replacement. We had one unit replaced at the end of fiscal year 2016-17. I will work with our vendor to estimate the replacement schedule on the other unit.

Grants Fund

The District is fortunate to receive several grants and donations throughout the year. Not the least of these are the monies given to us by the Friends of the Library and Library Foundation. Between them, they add about \$60,000 to \$75,000 annually to improve the District's services. Friends and Foundation money is done through the Grants Fund to allow us to better track it.

There also are several regular grants that the District receives as well as grants that are carryovers from the 2017-18 fiscal year. Carryovers include the 2018 Ready to Read grant (an Oregon State Library grant used for reading readiness), Library Foundation funds for digital and newspapers subscriptions, Friends of the Library funds for our Summer Reading programs, and grant funds from our newspaper digitization projects. Other outstanding grants will be expended by June 30.

The Grants Fund also includes several grants that the District hopes to receive. These include rehabilitating the historic exterior of Hood River Library, and other unanticipated opportunities. This fund usually is budgeted optimistically to take advantage of grant opportunities as they arise. However, if the grants are not received, subsequent expenditures are not incurred, either.

Sage Library System Fund

The District used to employ a staff member, the Sage Systems Librarian, who actually works for the library consortium, Sage Library System. Sage operates through fiscal agents, primarily Baker County Library District. The Systems Librarian left his position in February 2017 and the Baker County Library District is now be the fiscal agent for the position. The fund was dissolved at the end of fiscal year 2016-17.

Conclusion

Overall, this budget keeps the District on a positive path of better serving the community's needs for library and literacy services. It supports the District's new strategic goals and prepares for upcoming changes in the future.

Line-item analysis

Below are line item details on the District's three funds.

General Fund - Resources

- *1 - Cash on hand:* This amount assumes monthly operating expenditures at \$77,500 per month. This does not include the \$25,000 Capital Equipment Reserve Transfer (which will be funded by the unexpected donation received fiscal year 2017-18) and unexpended contingency.
- *2 - Previously levied taxes:* These amounts are based on this year's receipt of taxes from previous fiscal years. For 2018-19, this includes taxes that were not paid from 2011-2018.
- *3 - Interest:* Interest varies, so the District does not rely on it heavily. Public funds are restricted in terms of how they can be invested, so funds are all invested in the Local Government Investment Pool (LGIP) with Hood River County.
- *4 - Fines and fees:* These are generated from late fines, lost item charges, copies and

printouts, out-of-area library card fees, and miscellaneous other items. This assumes \$1,125 in revenue per month.

- *5 - Donations:* Donors tend to give to the Library Foundation or Friends of the Library. Any donations given specifically to the District, which are few, go into the Grants Fund. Overages at the cash register (such as someone giving \$1 for \$0.75 in copies) are given to the Friends.
- *6 - Intergovernmental revenue:* The revenue in this line item was for the Sage Systems Librarian, which now is in its own fund.
- *10 - Taxes estimated to be received:* Figured based on an assessed value of countywide property at \$2,365,145,583, multiplied by the District millage rate of 0.39, and assuming 5% uncollectible taxes. This estimated amount is a 4.95% increase over last year's estimate. This exceeds the 3% tax increase cap imposed by Measure 50 due to new development in the County or additional properties added to the tax rolls.

General Fund - Expenditures

Personal Services

- *3-10 – Salaries:* See above for a discussion of changes here.
- *13 - Retirement:* Employees regularly scheduled for more than twenty hours per week participate in a 403(b) retirement plan. The District contributes 6% of the employee's salary and will match up to an additional 3% of the employee's own contributions. This figure assumes 9% contributions by the District for all eligible employees. There is a decrease in expenses for retirement since we will not pay for retirement for one full-time position.
- *14 - FICA:* Calculated at 7.65% of payroll.
- *15 - Workers' compensation insurance:* Based on calculations from the recent workers' compensation renewal from Special Districts Association of Oregon (SDAO).
- *16 - Health insurance:* Calculated assuming a \$1,000 monthly cap for each employee. The cap is unchanged from last year.
- *17 - Unemployment insurance:* Calculated at 1.3% of payroll, based on the rate given by the State of Oregon.

Materials & Services

- *23 – Bank charges:* This line item includes miscellaneous bank fees as well as the monthly charge for the employee direct deposit program.
- *24 - Building rental:* Includes current leases for Cascade Locks and Parkdale branches. This is an increase from last year, because we only paid six months rent for the Cascade Locks new space. I estimate we will spend \$14,000 in rent this year. I added an extra \$3,000 in case we start paying rent on a new space in Odell.
- *25 - Building maintenance:* General building maintenance including repairs, electrical work, plumbing, light bulbs, fire extinguisher upkeep, and more.
- *26 - HVAC:* This line item includes the cost of maintaining the heating and cooling system at Hood River Library. It involves work by a local firm as well as occasional regular and on-call maintenance by an outside firm for advanced projects. This also includes repairing parts on the 14 remote VAV units showing regular wear and tear. They will need to have parts replaced over the next few years.

- *27 - Elevator:* There is a maintenance contract for the Hood River Library elevator.
- *28 - Telephone:* This line item includes the cost for the District's VOIP and landline telephones. It assumes \$408 in monthly costs (Hood River, Parkdale, Cascade Locks), which includes a policy to reimburse certain employees partially for the cost of using their mobile phones, the use of which is important for their positions.
- *29 - Internet:* This line item includes the cost for bandwidth for the District's facilities. There is an increase in cost due to paying for internet in our new Cascade Locks space.
- *30 - Collection development:* This line item is how for collection materials including books, DVDs, audiobooks, electronic resources, and more. Part of the collection development money is in the Grants Fund, along with the Friends and Foundation donations, as those two groups help fund some library operations. The Collection Development budget was reduced last fiscal year to get back on track. It originally was reduced \$20,000 to \$55,000. A supplemental budget was passed which increased the budget to \$62,000. The Friends and Foundation contributed \$13,000 FY 2017-18. I suggest we get back on track and reabsorb this cost and slightly increase the budget to \$78,000.
- *31 - Technology:* This line item assumes replacement of 20% of all public and staff computers, miscellaneous other technology needs and the cost of our website, email, design program and eNewsletter program. The District still maintains the Linux operating system, which allows costs to remain low. Our IT Specialist is also efficient and quick which keeps our costs low. He is resourceful in finding us low cost computers and monitors. I recommend increasing this line item \$1,000 to account for an increase in costs.
- *32 - Accounting and auditing:* Includes the quoted amounts for auditing and accounting services.
- *33 - Courier:* This line items represents the cost of moving materials between our three locations and Hood River Valley High School. Currently the District pays mileage to volunteers.
- *34 - Custodial services:* Our current rate is \$1,823/month through March 31st. This budget amount assumes a 5% increase afterward. This cost covers Hood River Library.
- *35 - Technical services:* Includes the annual cost for our out-of-Sage interlibrary loan service as well as our catalog record download service.
- *36 - Library consortium:* Includes annual membership, which is the amount the Sage Library System will charge libraries of the District's size next fiscal year. We have a slight increase in cost.
- *37 - Copiers:* \$66/month for copier and coin acceptor lease, \$50 per quarter for copies.
- *38 - Elections:* This is a biannual expense happening on odd-numbered years.
- *39 - Furniture and equipment:* These funds are used to purchase furniture and small equipment that doesn't qualify as capital. This line item has been increased due to the District used Foundation donations last year to update furniture at the Hood River Library.
- *40 - Property and liability insurance:* Amount based on estimates from SDAO. This will be a decrease from the budget last year. The amount budgeted last year was based upon an estimate from the previous year, which was an anomaly because it included

- an increase due to the transfer of ownership.
- *41 - Georgiana Smith Memorial Gardens:* As the managing entity for the Gardens, the District uses these funds for professional bed maintenance, tree trimming, grass cutting, snow removal, irrigation, and other associated costs. I recommend increasing the amount to prepare for any unexpected weather like snow removal costs and more pruning of our large trees to get them up to healthy state.
 - *42 – Legal Services:* This covers the fees for our legal counsel Reuben Cleveland. Cleaveland reviews our contracts and policies.
 - *43 - Professional Services:* In 2015-16, the District hired a strategic planning consultant from this line item.
 - *44 - Membership dues:* Includes memberships in local organizations and professional societies. Includes dues for the Chamber of Commerce, Gorge Technology Alliance, Gorge Nonprofit Collaborative, Libraries of Eastern Oregon, Hood River Rotary, Hood River Lions, Soroptimists, Oregon Library Association, American Library Association, Public Library Association, and Library Leadership & Management Association.
 - *45 – Miscellaneous:* This covers items which do not fit into a category like our new tradition of an annual volunteer appreciation party.
 - *46 – Postage/freight:* This covers postage for items we lend and borrow from outside our SAGE system, items we need to return, and postage for library business.
 - *47 – Printing:* This covers cost of printing our bookmarks and our soon to be released informational brochure.
 - *48 - Programs:* This line item includes the costs for hiring performers and buying supplies for programs. A portion of it is in the Grants Fund, as the Friends donate annually to the Summer Reading Program. Includes amounts for Summer Reading and other program costs. District programming has increased dramatically. It is an area where the District particularly excels when compared to peer libraries.
 - *49 - Advertising:* Most recruitment-related expenses fit under this category. This also includes some money for additional advertising to promote District collections and services. I recommend increasing funds in this category so we can pay to advertise more in the community and on social media platforms.
 - *50 – Office supplies:* The District has made a concerted effort to reduce the number of office supplies needed.
 - *51 - Travel:* Includes travel to trainings, programs, outreach activities, and hotel expenses.
 - *52 - Training:* Includes registration for training events such as Sage classes and the Oregon Library Association conference. This year, I'm focusing on creating a formal training schedule and program for staff. I recommend increasing the line item to help accomplish this goal.
 - *53 - Board development:* This line item is used for Board training expenses, such as attendance at the Special Districts Association of Oregon conference.
 - *54 – Parking reimbursement –* This fund is to reimburse volunteers for parking fees they accrue while volunteering in the Hood River Library.
 - *55-58 - Utilities:* The amounts budgeted are based on actual costs, with room for a possible increases in utilities. There is still some money built in for a colder-than-normal winter.
 - *62 - Transfer to capital reserve:* Used for capital projects. There is an equivalent

revenue in the Capital Equipment Reserve Fund. I recommend a transfer of \$25,000. These funds will come from our unexpected donation last year of \$82,945. It will leave \$57,945 from the donation in the Unappropriated Ending Fund Balance for use in future fiscal years.

- *65 - Contingency:* This money is set aside in case something unforeseen arises, such as major facilities issues. Best practices are that contingency should equal about 10% of the fund total. If these funds aren't used, which they haven't been for the last few years, they are rolled back into the budget for the following fiscal year.
- *68 - Vacation reserve:* These liabilities are employees' unused vacation and holiday leave. If an employee is no longer employed by the District, these amounts are paid out to them. The Board felt it prudent to create a reserve fund to help pay for such liability should an employee(s) depart. Per the Financial Management Policies (attachment VII), the reserve amount should equal at least 75% of current outstanding liabilities. Employees are capped at rolling over only 80 hours into a new fiscal year, pro-rated based on a 40-hour workweek, so the District's long-term liabilities are limited.
- *70 - Unappropriated ending fund balance:* This amount is ample to get the District from July through half of November 2019, especially if contingency is not used. At a projected \$77,500/month, the District would need \$348,750. This fiscal year, the District has averaged around \$71,225 per month (with the \$28,000 Capital Equipment Reserve Transfer equal around \$73,550 per month).

The UEFB is higher this year than in years past due to the unexpected donation of \$82,945. The UEFB in fiscal year 2017-18 was \$336,443 before the Supplemental Budget was passed and the UEFB was raised to \$413,176. Within the past several years, UEFB has been getting closer to actual operating needs so that the District is fully using the allotment of taxes the public gives it. This year the projected expenditures, minus the Capital Equipment Transfer which will come from the carryover from the unexpected donation, will equal close to the expected revenue.

Capital Equipment Reserve Fund

Resources

- *2 - Cash on hand:* Carryover from previous years.

Requirements

- *9 - Capital outlay:* Capital expenditures for projects noted in the above discussion.

Grants Fund

Resources

- *2 - Cash on hand:* Carryover of Foundation funds, Ready to Read 2018 grant monies, and Newspaper Digitization projects.
- *3 - Grants (specific purposes):* Includes potential grants as described above.
- *4 - Friends of the Library donations:* The Friends contribute to collection development, programming, equipment, and other library expenses.
- *5 - Library Foundation donations:* The Foundation anticipates giving \$60,000 this fiscal year toward magazine subscriptions and electronic resources and a TBD project for

the 2019 Feast of Words fundraiser.

- *6 - Pat Hazelhurst Fund donations:* The District has an endowment at the Gorge Community Foundation, named in honor of long-time library supporter Pat Hazelhurst. This fund must dispense some of its funds to the library annually.

Requirements

- *13 - Library Assistant II:* Anticipated funds from the Library Foundation Feast of Words 2018 to pay for personnel to staff the Odell pop up library at the Mercialdo in Odell June through August.
- *15 – Clerk I:* Anticipated funds from the Ready to Read Grant 2018 to pay for salary of two teen volunteers for the payroll for the months of June through August.
- *26 – Materials and services:* The Friends and Foundation contribute toward collection development, the Summer Reading Program, new furniture and technology, and much more. In addition, some funds have been built in to take advantage of unanticipated grant opportunities.
- *36 - Capital outlay:* Projects to create a new space in Odell and rehabilitate the old parts of Hood River Library.
- *44 - Unappropriated ending fund balance:* This year, there is no unappropriated ending balance for the Grants Fund. Since the UEFB cannot be spent per state law, the District needs the ability to spend out its grants by the end of the fiscal year should the need arise.

GENERAL FUND
Resources

	Historical Data				RESOURCES DESCRIPTION	Budget for Next Year 2018-19		
	Actual			Adopted Budget This Year 2017-18		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
	Second Preceding Year 2015-16	First Preceding Year 2016-17	YTD actuals 3/31/18					
1	597,340	555,801	831,526	515,000	Available cash on hand	615,000		
2	23,619	13,921	11,257	15,000	Previously levied taxes estimated to be received	15,000		
3	4,565	6,302	7,281	4,000	Interest	7,000		
4	13,061	15,474	11,670	12,000	Fines and fees	13,500		
5	-	15	82,945	82,945	Donations	-	-	-
6	-	-	-	-	- Intergovernmental revenue	-	-	-
7	-	-	-	-	- Miscellaneous revenue	-		
8								
9	638,585	591,513	944,679	628,945	Total resources, except taxes to be levied	650,500	-	-
10				834,953	Taxes estimated to be received	876,286		
11	788,107	817,665	830,145		Taxes collected in year levied			
12	1,426,692	1,409,178		1,463,898	TOTAL RESOURCES	1,526,786	-	-

GENERAL FUND
Detailed Requirements

	Historical Data				REQUIREMENTS FOR: Hood River County Library District	Budget for Next Year 2018-19		
	Actual			Adopted Budget This Year 2017-18		Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Body
	Second Preceding Year 2015-16	First Preceding Year 2016-17	YTD 3/31/2018					
					LIBRARY OPERATIONS			
1					PERSONAL SERVICES			
2					Salaries			
3	4,979	5,788	4,434	6,858	Library Clerk I	7,195	-	-
4	71,363	75,799	65,355	88,353	Library Clerk II	97,865	-	-
5	81,946	49,923	32,156	48,751	Library Assistant I	52,294	-	-
6	83,810	102,124	66,730	89,302	Library Assistant II	86,051	-	-
7	30,751	50,372	46,572	65,957	Librarian I	69,170	-	-
8	41,581	44,621	39,662	52,998	Librarian II	55,557	-	-
9	76,065	65,630	52,877	70,658	Library Director	74,090	-	-
10	390,495	394,257	307,786	422,877	<i>Total Salaries</i>	442,222	-	-
11								
12					Benefits			
13	27,775	33,253	24,402	34,364	Retirement	32,647	-	-
14	27,860	32,239	23,437	32,350	FICA	33,830	-	-
15	1,122	2,607	(97)	1,500	Workers' compensation insurance	1,200	-	-
16	66,258	68,074	54,236	99,000	Health insurance	99,500	-	-
17	4,666	5,300	3,412	5,497	Unemployment insurance	5,749	-	-
18	127,681	141,473	105,390	172,711	<i>Total benefits</i>	172,926	-	-
19					-			
20	518,176	535,730	413,176	595,588	TOTAL PERSONAL SERVICES	615,148	-	-
21					Total Full Time Equivalent (FTE)*	11.075		
					LIBRARY OPERATIONS			

22					MATERIALS AND SERVICES		
23	193	265	83	250	Bank charges	300	
24	3,700	4,800	5,375	9,000	Building rental	17,000	
25	11,627	6,696	7,111	15,000	Building maintenance	15,000	
26	11,691	14,057	10,875	12,000	HVAC	17,000	
27	1,830	2,090	1,460	2,000	Elevator	2,300	
28	4,819	3,602	2,879	4,000	Telephone	4,900	
29	5,099	5,121	3,900	5,500	Internet	6,400	
30	77,905	66,889	41,798	62,000	Collection development	78,000	
31	4,911	8,073	4,068	10,000	Technology	11,000	
32	29,300	21,612	16,475	25,000	Accounting and auditing	26,000	
33	1,475	2,121	1,164	3,000	Courier	3,000	
34	20,891	22,879	16,407	24,000	Custodial services	24,000	
35	3,015	2,927	3,562	4,000	Technical services	4,000	
36	11,340	11,567	11,914	12,000	Library consortium	12,300	
37	976	1,240	722	1,500	Copiers	1,400	
38	-	3,063	-	-	Elections	3,200	
39	3,167	1,513	561	2,000	Furniture and equipment	5,000	
40	4,254	10,874	8,192	11,500	Property and liability insurance	10,000	
41	16,472	28,539	16,847	21,000	Georgiana Smith Memorial Gardens	24,000	
42	2,575	2,815	1,788	3,000	Legal Services	3,000	
43	12,307	-	96	-	Professional services	-	
44	3,323	3,393	2,456	4,000	Membership dues	4,000	
45	451	3,417	516	1,000	Miscellaneous	1,000	
46	685	846	657	1,000	Postage/freight	1,000	
47	659	607	145	1,000	Printing	1,000	
48	18,727	22,028	7,631	20,000	Programs	20,000	
49	1,154	635	342	1,000	Advertising	2,000	
50	13,477	14,088	9,055	15,000	Office supplies	15,000	
51	5,759	5,385	1,988	5,000	Travel	5,000	
52	1,546	1,472	2,520	1,500	Training	3,000	
53	1,127	-	614	1,500	Board development	1,500	
54	-	-	400	1,000	Parking reimbursement	1,000	
55	17,203	17,717	14,779	20,000	Electricity	21,000	
56	1,387	1,804	1,080	1,500	Garbage	1,600	
57	5,497	5,729	4,017	10,000	Natural gas	10,000	
58	4,173	4,259	4,034	4,700	Water and sewer (building)	5,000	

59								
60	302,715	302,123	205,511	314,950	TOTAL MATERIALS & SERVICES	359,900	-	-
61								
62	50,000	40,000	28,000	28,000	TRANSFER TO CAPITAL RESERVE	25,000		
63								
64	-	-	-	100,000	CONTINGENCY	100,000		
65								
66	870,891	877,853	646,687	1,038,538	Total expenditures	1,100,048	-	-
67								
68		3,499	3,499	13,400	Vacation Reserve	12,000		
69	555,801	533,024			Ending Balance (Prior Years)			
70				411,960	UNAPPROPRIATED ENDING FUND BALANCE	414,738	-	-
71	1,426,692	1,410,877		1,463,898	TOTAL REQUIREMENTS	1,526,786	-	-

CAPITAL EQUIPMENT RESERVE FUND
Resources and Requirements

This fund is authorized and established by Resolution No. 2013-14.008 on May 20, 2014, for the following specified purposes: capital outlay for land acquisition, building construction/improvements, installation and repair of major building systems, and depreciable equipment.

Fund review year: 2021

Hood River County Library District

	Historical Data				REQUIREMENTS DESCRIPTION	Budget for Next Year 2018-19		
	Actual			Adopted Budget This Year 2017-18		Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Body
	Second Preceding Year 2015-16	First Preceding Year 2016-17	YTD 3/31/2018					
1					RESOURCES			
2	97,830	103,636	99,095	100,000	Cash on hand	95,000	-	-
3	654	804	1,169	400	Interest	1,000	-	-
4	50,000	40,000	28,000	28,000	Transfer from General Fund	25,000	-	-
5								
6	148,484	144,440	128,264	128,400	TOTAL RESOURCES	121,000	-	-
7								
8					REQUIREMENTS			
					LIBRARY OPERATIONS			
9	44,848	41,445	3,900	60,000	Capital outlay	75,000	-	-
10								
11	103,636	102,995			Ending balance (prior years)			
12				68,400	RESERVED FOR FUTURE EXPENDITURE	46,000	-	-
13	148,484	144,440		128,400	TOTAL REQUIREMENTS	121,000	-	-

SPECIAL FUND
Resources and Requirements
GRANTS FUND

	Historical Data				REQUIREMENTS DESCRIPTION	Budget for Next Year 2018-19		
	Actual			Adopted Budget This Year 2017-18		Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Body
	Second Preceding Year 2015-16	First Preceding Year 2016-17	YTD 3/31/2018					
1					RESOURCES			
2	62,010	88,140	51,396	45,000	Cash on hand	45,000	-	-
3	33,062	7,292	8,583	150,000	Grants (specific purposes)	100,000	-	-
4	17,674	6,850	10,800	15,000	Friends of the Library donations	20,000	-	-
5	60,045	2,017	50,433	85,000	Library Foundation donations	100,000	-	-
6	-	-	-	2,000	Pat Hazelhurst Fund donations	5,000	-	-
7								
8	172,791	104,299	121,212	297,000	TOTAL RESOURCES	270,000	-	-
9								
10					REQUIREMENTS			
11					LIBRARY OPERATIONS			
12					Personal services			
13					- <i>Salaries</i>		-	-
14	12,210	69	-		- Library Assistant II	2,000	-	-
15				1,000	Clerk I	5,000		
16								
17	1,099	-			<i>Benefits</i>			
18	930	-			- Retirement	-	-	-
19	3,408	-			- Health insurance	-	-	-
20								
21	204	-			- Other personal services	500	-	-
22								
23	17,851	69	-	1,000	Total personal services	7,500	-	-
24								
25					LIBRARY OPERATIONS			
26					Materials and services			
27	12,479	15,414	17,283	29,000	Collection development	30,000	-	-
28	-	-	-	7,000	Technology	15,000	-	-
29	11,214	9,105	12,600	15,000	Programs	25,000	-	-
30	4,684	5,199	25,756	55,000	Furniture and equipment	40,000	-	-

31	12,964	9,896	13,217	44,000	Other materials and services	40,000	-	-
32							-	-
33	41,341	39,614	68,856	150,000	Total materials and services	150,000	-	-
34							-	
35					LIBRARY OPERATIONS			
36	25,459	13,220	-	146,000	Capital outlay		-	-
37					Technology	12,500		
38					Furniture and equipment	40,000		
39					Other materials and services	60,000		
40						112,500		
41								
42								
43	88,140	51,396			Ending balance (prior years)			
44					- UNAPPROPRIATED ENDING FUND BALANCE		-	-
45	172,791	104,299		297,000	TOTAL REQUIREMENTS	270,000	-	-

SAGE LIBRARY SYSTEM FUND
Resources and Requirements

Hood River County Library District

	Historical Data				REQUIREMENTS DESCRIPTION	Budget for Next Year 2018-19		
	Actual			Adopted Budget This Year 2017-18		Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Body
	Second Preceding Year 2015-16	First Preceding Year 2016-17	YTD 3/31/2018					
1					RESOURCES			
2	-	3,878	-	-	Cash on hand	-		
3	56,839	46,459	-	-	Intergovernmental revenue	-		
4								
5	56,839	50,337	-	-	TOTAL RESOURCES			
6								
7					REQUIREMENTS			
8					Personal Services			
9					<i>Salaries</i>			
10	39,876	35,660	-	-	Librarian I	-		
11								
12					<i>Benefits</i>			
13	3,885	2,884	-	-	Retirement	-		
14	3,028	2,706	-	-	FICA	-		
15	102	27	-	-	Workers' compensation insurance	-		
16	4,958	3,331	-	-	Health insurance	-		
17	513	403	-	-	Unemployment insurance	-		
18								
19	52,362	45,011	-	-	Total personal services	-		
20								
21					Materials and services			
22	-	-	-	-	Membership dues	-		
23	599	-	-	-	Travel	-		
24	-	128	-	-	Training	-		
25	-	-	-	-	Other materials and services	-		
26								
27	599	128	-	-	Total materials and services	-		
28								
29	-	-	-	-	Contingency	-		
30								

31	3,878	-		Ending balance (prior years)			
32				- UNAPPROPRIATED ENDING FUND BALANCE	-		
33	52,961	45,139		- TOTAL REQUIREMENTS	-		

Hood River County Library District Strategic Goals 2016 – 2021

1. *Create a stable and permanent presence in Odell.*

- Evaluate effectiveness of current bus pilot and determine next steps.
- Develop a service plan and explore collaboration with prospective partners.
- Expand adult literacy and ESL opportunities for Spanish speakers.

2. *Expand services to tweens and teens.*

- Facilitate creative learning opportunities and provide a venue (at the library and/or online) for them to showcase their work.
- Modify teen space to address their needs.
- Revitalize the teen advisory group.
- Improve outreach to teens.

3. *Expand outreach activities to continue to grow the library's active users.*

- Connect with diverse audiences (and create connections between diverse communities) with large scale community events.
- Develop collections, services and programs targeted to nonusers.
- Reach out to vulnerable populations (including the homebound and homeless) through ongoing staff outreach.

4. *Increase library awareness throughout the county.*

- Expand alternative ways of promoting library news (including targeted and word of mouth marketing) to increase participation and attendance.
- Implement consistent branding to highlight all library sponsored events and activities.
- Effectively communicate the positive impact of the library district and develop a plan for long-term funding sustainability.

5. *Continue to develop the library as a cultural and educational hub for people of all ages and backgrounds.*

- Provide access to diverse resources to meet the community's diverse needs.
- Offer literary events, musical concerts and other expressions of community creativity.
- Offer access to current and relevant technology.
- Continue to strengthen ongoing partnerships with other service providers, businesses, nonprofits and educational institutions.
- Ensure that the Friends of the Library and the Library Foundation continue to thrive as library support organizations.
- Explore options for maximizing the library's open hours.

Salary Schedule, 2018-19
(Personnel Polices, Appendix A)

Steps:	1	2	3	4	5	6	7
Clerk I	\$11.30	\$11.52	\$11.75	\$11.99	\$12.23	\$12.47	\$12.72
	\$23,499	\$23,962	\$24,440	\$24,939	\$25,438	\$25,938	\$26,458
Clerk II	\$12.99	\$13.25	\$13.52	\$13.79	\$14.07	\$14.35	\$14.64
	\$27,019	\$27,560	\$28,122	\$28,683	\$29,266	\$29,848	\$30,451
Library Assistant I	\$15.59	\$15.90	\$16.22	\$16.54	\$16.87	\$17.21	\$17.55
	\$32,427	\$33,072	\$33,738	\$34,403	\$35,090	\$35,797	\$36,504
Library Assistant II	\$17.93	\$18.29	\$18.66	\$19.03	\$19.41	\$19.80	\$20.20
	\$37,294	\$38,043	\$38,813	\$39,582	\$40,373	\$41,184	\$42,016
Librarian I	\$21.52	\$21.95	\$22.39	\$22.84	\$23.30	\$23.77	\$24.25
	\$44,762	\$45,656	\$46,571	\$47,507	\$48,464	\$49,442	\$50,440
Librarian II	\$26.19	\$26.71	\$27.24	\$27.78	\$28.34	\$28.91	\$29.49
	\$54,475	\$55,557	\$56,659	\$57,782	\$58,947	\$60,133	\$61,339
Library Director	\$34.92	\$35.62	\$36.33	\$37.06	\$37.80	\$38.56	\$39.33
	\$72,634	\$74,090	\$75,566	\$77,085	\$78,624	\$80,205	\$81,806

Range approved by the Board of Directors,
Steps established by Library Director, May 8, 2018

**Salary Schedule, 2017-18
(Personnel Polices, Appendix A)**

Steps:	1	2	3	4	5	6	7
Clerk I	\$10.99	\$11.21	\$11.43	\$11.66	\$11.89	\$12.13	\$12.37
	\$22,859	\$23,317	\$23,774	\$24,253	\$24,731	\$25,230	\$25,730
Clerk II	\$12.64	\$12.89	\$13.15	\$13.41	\$13.68	\$13.95	\$14.23
	\$26,291	\$26,811	\$27,352	\$27,893	\$28,454	\$29,016	\$29,598
Library Assistant I	\$15.17	\$15.47	\$15.78	\$16.10	\$16.42	\$16.75	\$17.09
	\$31,554	\$32,178	\$32,822	\$33,488	\$34,154	\$34,840	\$35,547
Library Assistant II	\$17.44	\$17.79	\$18.15	\$18.51	\$18.88	\$19.26	\$19.65
	\$36,275	\$37,003	\$37,752	\$38,501	\$39,270	\$40,061	\$40,872
Librarian I	\$20.93	\$21.35	\$21.78	\$22.22	\$22.66	\$23.11	\$23.57
	\$43,534	\$44,408	\$45,302	\$46,218	\$47,133	\$48,069	\$49,026
Librarian II	\$25.48	\$25.99	\$26.51	\$27.04	\$27.58	\$28.13	\$28.69
	\$52,998	\$54,059	\$55,141	\$56,243	\$57,366	\$58,510	\$59,675
Library Director	\$33.97	\$34.65	\$35.34	\$36.05	\$36.77	\$37.51	\$38.26
	\$70,658	\$72,072	\$73,507	\$74,984	\$76,482	\$78,021	\$79,581

Range approved by the Board of Directors,
Steps established by Library Director, May 2, 2017

Salaries, 2018-19

COLI: 2.8%

Insurance: \$1,000

ID	Position	FTE	Current FT Salary	Proposed Salary	Prorated Salary	Current Insurance	Insurance Assume 10% increase	Proposed Insurance monthly cap	Retirement
Shelver	Clerk I	0.300	\$22,859	\$23,982	\$7,195				
Public Service Clerks (FT)	Clerk II								
		1.000	\$26,291	\$27,560	\$27,560	\$6,110	\$6,721	\$12,000	\$2,480
Public Service Clerks (PT & subs)		2.500	\$27,352	\$28,122	\$70,305				
Children's Services Assistant	Assist I	0.750	\$32,178	\$33,738	\$25,304	\$9,000	\$9,000	\$9,000	\$2,277
Operations Assistant	Assist I	0.800	\$32,178	\$33,738	\$26,990	\$6,110	\$6,721	\$10,000	\$2,429
Collection Development Specialist	Assist II	0.625	\$37,752	\$39,582	\$24,739	\$3,983	\$4,426	\$7,500	\$2,226
Outreach Specialist	Assist II	0.800	\$37,752	\$38,501	\$30,801	\$10,000	\$10,000	\$10,000	\$2,772
Cataloging Specialist	Assist II	0.750	\$36,275	\$38,043	\$28,532	\$6,110	\$6,721	\$9,000	\$2,568
Cataloging Specialist	Assist II	0.050	\$38,501	\$39,582	\$1,979	\$0	\$0	\$0	\$0
Children's Services Librarian	Lib I	0.750	\$43,534	\$45,656	\$34,242	\$9,000	\$9,000	\$9,000	\$3,082
Teen Services Librarian	Lib I	0.750	\$44,408	\$46,571	\$34,928	\$6,110	\$6,721	\$9,000	\$3,144
Assistant Director	Lib II	1.000	\$52,998	\$55,557	\$55,557	\$6,110	\$6,721	\$12,000	\$5,000
Library Director	Director	1.000	\$70,658	\$74,090	\$74,090	\$12,000	\$12,000	\$12,000	\$6,668
						\$74,534	\$78,031		
Total FTE		11.075			\$442,222			\$99,500	\$32,647

\$574,369

Utilities, 2017-18

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
Electricity													
<i>Kwh</i>	17,040	17,680	21,600	16,720	12,640	12,960	14,480	12,280	14,320	9,760			149,480
<i>Cost</i>	\$1,802.66	\$1,886.56	\$2,207.78	\$1,744.66	\$1,370.30	\$1,383.04	\$1,500.51	\$1,404.54	\$1,478.98	\$1,120.38			\$15,899.41
Garbage													
<i>Cost</i>	\$119.96	\$119.96	\$119.96	\$119.96	\$119.96	\$119.96	\$119.96	\$119.96	\$119.96	\$119.96			\$1,199.60
Internet													
<i>Hood River</i>	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74			\$3,267.40
<i>Parkdale</i>	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00			\$1,000.00
Natural gas													
<i>Units</i>	121	92	203	287	396	712	1124	623	726	452			4736
<i>Therms</i>	150.9	113.5	244.4	343.0	471.6	853.0	1347.7	773.8	874.8	557.3			5730.0
<i>Cost</i>	\$153.37	\$119.28	\$238.62	\$328.77	\$426.89	\$739.01	\$1,173.41	\$707.43	\$724.70	\$483.67			\$5,095.15
Telephone													
<i>AT&T</i>	\$24.44	\$24.44	\$24.44	\$24.57	\$24.57	\$24.57	\$24.63	\$24.63	\$24.63	\$25.08			\$246.00
<i>CenturyLink</i>	\$58.96	\$58.93	\$58.93	\$59.32	\$59.32	\$51.97	\$59.47	\$59.42	\$59.42	\$59.19			\$584.93
<i>County</i>	\$240.35	\$242.80	\$240.20	\$238.10	\$243.94	\$242.73	\$243.97	\$249.18	\$243.97	\$238.85			\$2,424.09
Water - Building													
<i>1K gallons</i>	7	8	9	5	26	6	7	5	5	11			89
<i>Cost</i>	\$376.56	\$405.02	\$409.72	\$390.42	\$489.62	\$395.62	\$400.32	\$390.92	\$390.92	\$419.12			\$4,068.24
Water - Gardens													
<i>1K gallons</i>	111	160	271	208	64	2	0	0	0	0			816
<i>Cost</i>	\$278.50	\$405.18	\$660.48	\$515.58	\$184.34	\$41.78	\$37.18	\$37.18	\$37.18	\$37.18			\$2,234.58
TOTAL	\$3,457.10	\$3,664.47	\$4,362.43	\$3,823.55	\$3,321.11	\$3,400.85	\$3,961.56	\$3,395.37	\$3,481.87	\$2,905.09	\$0.00	\$0.00	\$35,773.40

Utilities, 2016-17

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
Electricity													
<i>Kwh</i>	11,200	14,960	15,600	15,600	13,040	14,160	15,760	13,760	13,520	12,800	13,120		153,520
<i>Cost</i>	\$1,307.43	\$1,606.59	\$1,643.69	\$1,589.05	\$1,358.59	\$1,455.68	\$1,554.87	\$1,427.07	\$1,403.97	\$1,336.49	\$1,391.01	\$1,642.57	\$17,717.01
Garbage													
<i>Cost</i>	\$116.16	\$138.29	\$116.59	\$116.59	\$116.59	\$116.59	\$116.59	\$117.58	\$117.58	\$117.58	\$117.58	\$119.96	\$1,427.68
Internet													
<i>Hood River</i>	\$324.95	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$326.74	\$3,919.09
<i>Parkdale</i>	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$1,200.00
Natural gas													
<i>Units</i>	0	0	0	23	372	978	1484	994	705	522	337	198	5613
<i>Therms</i>	0.0	0.0	0.0	0.0	460.2	1186.3	1751.1	1173.9	9436.0	646.8	416.9	243.9	15315.1
<i>Cost</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,085.92	\$1,575.18	\$1,049.02	\$791.45	\$598.38	\$395.86	\$129.90	\$5,625.71
Telephone													
<i>CenturyLink</i>	\$116.26	\$59.07	\$59.07	\$58.91	\$58.96	\$58.96	\$58.96	\$58.85	\$58.85	\$59.01	\$58.96	\$58.96	\$764.82
<i>County</i>	\$236.90	\$231.71	\$246.50	\$239.15	\$243.75	\$237.09	\$229.23	\$238.07	\$234.39	\$239.92	\$238.84	\$240.35	\$2,855.90
<i>Parkdale</i>	\$73.45	\$73.45	\$24.38	\$24.38									
Water - Building													
<i>1K gallons</i>	7	7	8	6	26	0	5	0	11	6	6	6	88
<i>Cost</i>	\$365.09	\$380.99	\$385.42	\$376.56	\$465.16	\$292.39	\$372.13	\$372.13	\$376.56	\$376.56	\$376.56	\$376.56	\$4,516.11
Water - Gardens													
<i>1K gallons</i>	117	187	185	155	57	1	0	0	0	0	0	51	753
<i>Cost</i>	\$265.02	\$444.94	\$440.56	\$374.86	\$160.24	\$37.60	\$35.41	\$35.41	\$35.41	\$35.41	\$37.60	\$147.10	\$2,049.56
TOTAL	\$2,831.81	\$3,288.33	\$3,318.57	\$3,181.86	\$2,830.03	\$3,710.97	\$4,369.11	\$3,724.87	\$3,444.95	\$3,190.09	\$3,043.15	\$3,142.14	\$40,075.88

**HOOD RIVER COUNTY
LIBRARY DISTRICT**

**Compiled Financial Statements
March 31, 2018**

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Onstott, Broehl & Cyphers, P.C.
Certified Public Accountants

KENNETH L. ONSTOTT, c.p.a.
JAMES T. BROEHL, c.p.a.
RICK M. CYPHERS, c.p.a.

WILLIAM S. ROOPER, c.p.a. retired

MEMBERS:
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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Hood River County Library District
Hood River, Oregon

Management is responsible for the accompanying financial statements of Hood River County Library District, which comprise the balance sheet – cash basis as of March 31, 2018, and the related statement of revenues, expenditures and changes in fund balance – cash basis for the one month and nine months then ended, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures and the statement of cash flows ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the District's assets, liabilities, equity, revenues, and expenditures. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained on pages 4 through 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Onstott, Broehl & Cyphers, P.C.
April 12, 2018

Hood River County Library District
Balance Sheet - Cash Basis
March 31, 2018

ASSETS

	<u>General Fund</u>	<u>Grants Fund</u>	<u>Capital Equipment Reserve Fund</u>	<u>Total</u>
Current Assets:				
Cash in bank - Columbia State Bank	\$142,019			\$142,019
Cash with Hood River County	687,377	\$52,356	\$128,264	867,997
Petty cash	416			416
Accounts receivable	1,714			1,714
Total Current Assets	<u>831,526</u>	<u>52,356</u>	<u>128,264</u>	<u>1,012,146</u>
TOTAL ASSETS	<u><u>\$831,526</u></u>	<u><u>\$52,356</u></u>	<u><u>\$128,264</u></u>	<u><u>\$1,012,146</u></u>

LIABILITIES & FUND BALANCES

Liabilities				
Current Liabilities				
Payroll liabilities	\$1,891			\$1,891
Total Current Liabilities	<u>1,891</u>	<u>0</u>	<u>0</u>	<u>1,891</u>
Total Liabilities	<u>1,891</u>	<u>0</u>	<u>0</u>	<u>1,891</u>
Fund Balances:				
Unassigned	<u>829,635</u>	<u>52,356</u>	<u>128,264</u>	<u>1,010,255</u>
TOTAL LIABILITIES & FUND BALANCES	<u><u>\$831,526</u></u>	<u><u>\$52,356</u></u>	<u><u>\$128,264</u></u>	<u><u>\$1,012,146</u></u>

See Independent Accountants' Compilation Report

HOOD RIVER COUNTY LIBRARY
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Cash Basis
For the Nine Months Ended March 31, 2018

	General Fund	Grants Fund	Capital Equipment Reserve Fund	Total
Revenues:				
Donations and grants	\$82,945	\$64,851		\$147,796
Property tax revenues - current year	830,145			830,145
Property tax revenues - prior year	11,257			11,257
Fines and fees	11,670			11,670
Intergovernmental revenue		4,965		4,965
Interest revenue	7,281		\$1,169	8,450
Miscellaneous	0			0
Total Revenues	<u>943,298</u>	<u>69,816</u>	<u>1,169</u>	<u>1,014,283</u>
Expenditures:				
Personal services:				
Wages and salaries	307,786			307,786
Employee benefits	105,390			105,390
Total Personal Services	<u>413,176</u>	<u>0</u>	<u>0</u>	<u>413,176</u>
Materials and services:				
Bank charges	83			83
Building rental	5,375			5,375
Building maintenance	7,111	13,014		20,125
HVAC	10,875			10,875
Elevator	1,460			1,460
Telephone	2,879			2,879
Internet	3,900			3,900
Collection development	41,798	17,283		59,081
Technology	4,068	129		4,197
Accounting and auditing	16,475			16,475
Courier	1,164			1,164
Custodial services	16,407			16,407
Technical services	3,562			3,562
Library consortium	11,914			11,914
Copiers	722			722
Elections expense	0			0
Furniture and equipment	561	25,756		26,317
Insurance	8,192			8,192
Georgiana Smith Memorial Garden	16,847		3,900	20,747
Legal services	1,788			1,788
Professional services	96			96
Dues and subscriptions	2,456			2,456
Miscellaneous	516			516
Postage and freight	657			657
Printing	145			145
Programs	7,631	12,600		20,231
Advertising	342			342
Supplies - office	9,055	74		9,129
Travel	1,988			1,988
Training	2,520			2,520
Board development	614			614
Parking reimbursement	400			400
Electricity	14,779			14,779
Garbage	1,080			1,080
Natural gas	4,017			4,017
Water & sewer - building	4,034			4,034
Total Materials and Services	<u>205,511</u>	<u>68,856</u>	<u>3,900</u>	<u>278,267</u>
Capital outlay	0	0	0	0
Total Expenditures	<u>618,687</u>	<u>68,856</u>	<u>3,900</u>	<u>691,443</u>
Revenues Over Expenditures	<u>324,611</u>	<u>960</u>	<u>(2,731)</u>	<u>322,840</u>
Other Financing Sources (Uses)				
Operating transfers in	0		28,000	28,000
Operating transfers out	(28,000)			(28,000)
Total Other Financing Sources (Uses)	<u>(28,000)</u>	<u>0</u>	<u>28,000</u>	<u>0</u>
Revenues and Other Financing Sources (Uses) Over Expenditures	<u>296,611</u>	<u>960</u>	<u>25,269</u>	<u>322,840</u>
Fund Balance - July 1, 2017	533,024	51,396	102,995	687,415
Fund Balance - March 31, 2018	<u>\$829,635</u>	<u>\$52,356</u>	<u>\$128,264</u>	<u>\$1,010,255</u>

See Independent Accountants' Compilation Report

HOOD RIVER COUNTY LIBRARY DISTRICT
General Fund
Statement of Revenues and Expenditures - Cash Basis
For the One Month and Nine Months Ended
March 31, 2018

	<u>Current Period</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Annual</u> <u>Budget</u>
Revenues:			
Tax revenues - current	\$3,201	\$830,145	\$834,953
Tax revenues - prior year	908	11,257	15,000
Fines and fees	1,180	11,670	12,000
Interest revenue	982	7,281	4,000
Donations	0	82,945	0
Miscellaneous	0	0	0
Total Revenues	<u>6,271</u>	<u>943,298</u>	<u>865,953</u>
Expenditures:			
Personal services:			
Wages and salaries:			
Library clerk I	459	4,434	6,858
Library clerk II	6,341	65,355	88,353
Library assistant I	3,740	32,156	48,751
Library assistant II	6,231	66,730	89,302
Librarian I	4,812	46,572	65,957
Librarian II	4,416	39,662	52,998
Library director	5,888	52,877	70,658
Other	0	0	0
Payroll taxes and benefits:			
Retirement	2,570	24,402	34,364
Social security	2,422	23,437	32,350
Workers' compensation	23	(97)	1,072
Health insurance	6,136	54,236	99,000
Unemployment insurance	412	3,412	5,497
Total Personal Services	<u>43,450</u>	<u>413,176</u>	<u>595,160</u>
Materials and services:			
Bank charges	0	83	250
Building rental	944	5,375	9,000
Building maintenance	41	7,111	15,000
HVAC	1,605	10,875	12,000
Elevator	165	1,460	2,000
Telephone	328	2,879	4,000
Internet	427	3,900	5,500
Collection development	3,721	41,798	55,000
Technology	151	4,068	10,000
Accounting and auditing	0	16,475	25,000
Courier	0	1,164	3,000
Custodial services	1,823	16,407	24,000

See Independent Accountants' Compilation Report

HOOD RIVER COUNTY LIBRARY DISTRICT
General Fund
Statement of Revenues and Expenditures - Cash Basis
For the One Month and Nine Months Ended
March 31, 2018

	Current Period <u>Actual</u>	Year to Date <u>Actual</u>	Annual <u>Budget</u>
Technical services	58	3,562	4,000
Library consortium	0	11,914	12,000
Copiers	75	722	1,500
Elections expense	0	0	0
Furniture and equipment	0	561	2,000
Insurance	(408)	8,192	11,500
Georgiana Smith Memorial Garden	1,520	16,847	21,000
Legal services	228	1,788	3,000
Professional services	16	96	0
Dues and subscriptions	226	2,456	4,000
Miscellaneous	0	516	1,000
Postage and freight	116	657	1,000
Printing	0	145	1,000
Programs	1,004	7,631	20,000
Advertising	18	342	1,000
Supplies - office	1,086	9,055	15,000
Travel	507	1,988	5,000
Training	955	2,520	1,500
Board development	0	614	1,500
Parking reimbursement	0	400	1,000
Electricity	1,479	14,779	20,000
Garbage	120	1,080	1,500
Natural gas	708	4,017	10,000
Water & sewer - building	391	4,034	4,700
Total Materials and Services	<u>17,304</u>	<u>205,511</u>	<u>307,950</u>
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Contingency	<u>0</u>	<u>0</u>	<u>100,000</u>
Total Expenditures	<u>60,754</u>	<u>618,687</u>	<u>1,003,110</u>
Other Financing Sources (Uses)			
Operating transfers In	0	0	0
Operating transfers out	0	(28,000)	(28,000)
Total Other Financing Sources (Uses)	<u>0</u>	<u>(28,000)</u>	<u>(28,000)</u>
Change in Fund Balance	<u><u>(\$54,483)</u></u>	<u><u>\$296,611</u></u>	<u><u>(\$165,157)</u></u>

See Independent Accountants' Compilation Report

HOOD RIVER COUNTY LIBRARY DISTRICT
Grants Fund
Statement of Revenues and Expenditures - Cash Basis
For the One Month and Nine Months Ended
March 31, 2018

	<u>Current Period</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Annual</u> <u>Budget</u>
Revenues:			
Donations and grants	\$700	\$64,851	\$226,000
Intergovernmental revenue	0	4,965	0
Total Revenues	<u>700</u>	<u>69,816</u>	<u>226,000</u>
Expenditures:			
Personal services	0	0	0
Materials and services:	29,291	68,856	125,000
Capital outlay	0	0	146,000
Total Expenditures	<u>29,291</u>	<u>68,856</u>	<u>271,000</u>
Change in Fund Balance	<u><u>(\$28,591)</u></u>	<u><u>\$960</u></u>	<u><u>(\$45,000)</u></u>

See Independent Accountants' Compilation Report

HOOD RIVER COUNTY LIBRARY DISTRICT
Capital Equipment Reserve Fund
Statement of Revenues and Expenditures - Cash Basis
For the One Month and Nine Months Ended
March 31, 2018

	<u>Current Period</u> <u>Actual</u>	<u>Year to Date</u> <u>Actual</u>	<u>Annual</u> <u>Budget</u>
Revenues:			
Interest revenue	\$170	\$1,169	\$400
Other Financing Sources			
Transfer from General Fund	0	28,000	28,000
Total Revenues and Other Sources	<u>170</u>	<u>29,169</u>	<u>28,400</u>
Expenditures:			
Materials and services	0	3,900	0
Capital outlay	0	0	60,000
Total Expenditures	<u>0</u>	<u>3,900</u>	<u>60,000</u>
Change in Fund Balance	<u><u>\$170</u></u>	<u><u>\$25,269</u></u>	<u><u>(\$31,600)</u></u>

See Independent Accountants' Compilation Report

HOOD RIVER COUNTY LIBRARY
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Cash Basis
Grants Funds
For the Nine Months Ended March 31, 2018

	Newspaper Digitization	SDAO Safety 2016	Foundation Grants	Programs Fund	Friends of the Library	MCMC Grant	RTR 2017	RTR 2018	Total
Revenues:									
Donations and grants	\$0	\$0	\$50,433	\$3,618	\$10,800	\$0	\$0	\$0	\$64,851
Intergovernmental revenue							4,965	4,965	4,965
Total Revenues	0	0	50,433	3,618	10,800	0	0	4,965	69,816
Expenditures:									
Personal services:									
Wages and salaries:									0
Library assistant II									0
Employee benefits:									0
Retirement									0
FICA									0
Workers compensation									0
Health insurance									0
Unemployment insurance									0
Total Personal Services	0	0	0	0	0	0	0	0	0
Materials and services:									
Building maintenance			13,014						13,014
Collection development			11,663	300	4,808	50	462		17,283
Technology			129						129
Programs			1,176	1,393	5,986		4,045		12,600
Furniture and equipment			25,756						25,756
Georgiana Smith Memorial Garden									0
Office supplies									74
Miscellaneous									0
Printing			74						0
Total Materials and Services	0	0	51,812	1,693	10,794	50	4,507	0	68,856
Capital outlay	0	0	0	0		0	0	0	0
Total Expenditures	0	0	51,812	1,693	10,794	50	4,507	0	68,856
Net Change in Fund Balance	0	0	(1,379)	1,925	6	(50)	(4,507)	4,965	960
Fund Balance - July 1, 2017	2,642	3,000	33,876	523	6,798	50	4,507		51,396
Fund Balance - March 31, 2018	\$2,642	\$3,000	\$32,497	\$2,448	\$6,804	\$0	\$0	\$4,965	\$52,356

See Independent Accountants' Compilation Report

Hood River County Library District
Recommended Budget Committee Motion
Fiscal Year 2018-19

I move to approve the Hood River County Library District budget for the 2018-19 fiscal year for the total amount of \$1,917,786 and the amounts per fund as shown below:

<u>Fund</u>	
General Fund	\$ 1,526,786
Capital Equipment Reserve Fund	121,000
Grants Fund	270,000
Total:	<u>\$ 1,917,786</u>

I also move to approve:

- 1) A tax rate of \$0.39 per \$1,000 of assessed value in support of the General Fund

Budget Committee Chairperson Date

Budget Officer Date

Financial Management Policy



I. Accounting System

The District's accounting system shall be designed specifically to:

1. Assemble information on all finance-related transactions and events.
2. Provide the ability to analyze all data collected.
3. Classify data according to the chart of accounts.
4. Record data in the appropriate books of accounts.
5. Report data to management and outside parties in an appropriate format and in a timely manner.
6. Maintain accountability of assets.
7. Retain data according to the State of Oregon's retention schedule for special districts.

The accounting system shall include:

1. A general ledger.
2. Subsidiary journals as necessary, including revenue, expenditures, and payroll.
3. Written documentation supporting, authorizing, and explaining individual financial transactions including invoices, bank statements, purchase orders, payroll, transfers, etc.
4. Any other data deemed necessary to prepare financial statements.

II. Control Policies and Procedures

The District follows these policies and procedures to ensure control and an effective accounting system:

1. All financial transactions shall conform to standard accounting procedures and Oregon Revised Statutes and Administrative Regulations (ORS).
2. All transactions are authorized properly.
3. Duties are segregated. As much as is practical, no single individual should be able to (1) authorize a transaction, (2) record the transaction in the accounting system, and (3) take custody of the assets resulting from the transaction.
4. Accounting records and documentation are designed and maintained properly.
5. Access to assets and records is controlled.
6. Accounting data is reviewed periodically and compared to underlying records.
7. All financial records are retained and secured in accordance with ORS .
8. Records no longer required to be retained are destroyed securely.
9. Payroll records and processing are reviewed periodically.
10. Physical assets are reviewed periodically and an inventory is maintained.
11. The Library Director shall submit the prior month's financial report to the Board of Directors with the packet for the regular monthly meeting.
12. Financial computer systems shall be maintained in a secure environment, accessed only by documented/authorized personnel, and regularly maintained to prevent data loss.
13. Annual audits shall be performed in compliance with ORS and generally accepted accounting principles (GAAP) for governmental entities.

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Hood River · OR 97031

541 386 2535

www.hoodriverlibrary.org

14. The Library Director and any other staff significantly involved in District financial procedures shall be required to take a vacation of at least five consecutive business days.
15. Financial duties shall be rotated to staff not normally involved in financial procedures for at least a consecutive two-week period. This rotation may coincide with the Library Director and other financial staff's mandatory absence.

III. Cash and Purchasing

The District shall follow these specific policies for cash and purchasing:

1. Cash disbursement:
 - Check-signing authority is limited to the Library Director, Assistant Director, Board President, and Board Vice-President.
 - Two signatures are required on each check: the signature of the Board President or Vice-President and the signature of the Library Director or Assistant Director.
 - Some regularly-recurring bills and payments may be paid electronically by the Library Director or designee. Bills and payments authorized to be paid electronically shall be established annually by Board resolution. Invoices must be retained and reviewed by the Board President or Vice-President.
 - Authorization of payment is required by the Library Director or designee.
 - Original invoices shall be attached to checks before signing.
 - Pre-signing any check is prohibited.
 - Blank checks are prohibited.
 - Checks shall be numbered sequentially.
 - The check stock shall contain security safeguards to prevent fraud.
 - The check stock shall be secured and use shall be documented.
 - Voided checks shall be defaced and retained in the financial records.
 - Signature stamps are prohibited.
2. Cash handling
 - Daily cash counts shall be performed.
 - Deposits shall be performed weekly or when cash to be deposited exceeds \$500, whichever comes first.
 - Cash till control and reconciliation shall be standard policy.
3. Management shall review bank account reconciliations monthly.
4. Available surplus funds may be invested according to ORS with the primary consideration being the security of public funds.
5. Banking shall be conducted according to ORS and applicable accounting practices.
6. Purchasing
 - Original invoices shall be required.
 - Employees of the District shall not serve as independent contractors to the District.
 - Employees of the District shall not accept consideration from an outside entity while performing District duties.
7. Vacation reserve
 - The District shall retain a vacation reserve of at least 75 percent of all employees' outstanding vacation and holiday accrual.
8. Expenditures approval
 - The Board of Directors shall approve all expenditures for supplies, materials,

equipment, or any contract obligating the District in excess of \$3,000 with the following exceptions:

- Purchase of emergency services or materials which cannot be delayed until the next Board meeting but exceed \$3,000. Such purchases must be approved by the Board President and comply with ORS.
- Payments of monthly statements, composed of individual invoices not exceeding \$3,000, incurred while conducting regular library business such as purchasing collection materials or office supplies or paying credit statements.
- Regular payments on contracts that have been pre-approved by the Board of Directors.
- The Library Director shall authorize all expenditures or contracts up to \$3,000 except Contracts for legal services.
 - Total expenditures within a budgetary fund category (e.g. Materials and Services) may not exceed the budgeted allocation of that category without prior approval of the Board of Directors.

IV. Credit Cards

The Library Director is authorized to apply for credit cards in the name of the District. District credit cards are subject to the following restrictions and controls:

1. Only the following officials and staff members shall be listed on the District's general purchasing credit card agreements as authorized users:
 - Board President
 - Library Director; and
 - Staff explicitly authorized by the Director.
2. If the District has credit cards used to purchase fuel for District vehicles, only employees who have been approved as drivers may utilize the cards.
3. District credit cards shall only be used for transactions in which writing a check in advance is either difficult or would delay delivery of goods or services during a time of emergency. District credit cards also may be used to facilitate travel by employees and officials on District business. Any use of the credit cards comply with shall the District's Financial Management Policy and travel reimbursement procedures.
4. Use of District credit cards for personal purchases is prohibited.
5. Any official or employee who uses District credit cards shall submit to the Library Director or designee original receipts for all purchases made as soon as practical after the purchase. Each month, the Library Director or designee shall reconcile the receipts submitted with the monthly credit card statements to ensure proper card usage.
6. The Library Director shall ensure that credit card statements are paid in full each month so that no finance charges are incurred. Copies of credit card statements shall be made available to the Board of Directors upon request.

V. Personnel

Employment policies shall include procedures that reasonably protect District assets:

1. Employment applications shall include:
 - A statement that false information or misrepresentation can be cause for disqualification or dismissal.

- A criminal background check with candidate's written approval.
 - Reference checks.
2. Appropriate staff supervision.
 3. Rotation of duties/cross-training.
 4. Communication and confirmation of policies and ethics.
 5. Employee and financial contractor fidelity coverage (bonding) is required (when applicable).

VI. District Assets and Capital Outlay

The Library Director shall not allow assets to be unprotected, inadequately maintained, or unnecessarily risked. Accordingly, s/he may not:

1. Fail to insure against theft and casualty losses to at least 80 percent of replacement value and against liability losses.
2. Subject facilities to improper use or insufficient maintenance.
3. Unnecessarily expose the District, its Board, or staff to claims of liability.
4. Make any purchase (1) contrary to state statutes and regulations concerning conflicts of interest; (2) of over \$500 without having obtained comparative prices and quality; (3) of over \$3,000 without evaluating a balance of long-term quality and cost.
5. Fail to protect intellectual property, information, and files from loss or damage.
6. Receive, process, or disburse funds under insufficient controls to meet the Board-appointed auditor's standards.
7. Fail to follow state law regarding investment of capital assets in secure instruments.

Capital outlay shall include expenditures on the following:

1. Land acquisition or improvement, including improvements and installations on the grounds;
2. Building construction, expansion, or remodeling;
3. Installation, addition, or replacement of major building systems such as heating and cooling, electrical, plumbing, and other services;
4. Shelving;
5. Depreciable equipment, which includes items that have an anticipated useful life exceeding one year, cost \$5,000 or more, retain their original shape and use, and are nonexpendable.

Equipment, including nonexpendable equipment costing less than \$5,000, must be inventoried.

VII. Surplus Property

The Library Director or designee may declare property surplus that is deemed no longer useful to the District. Such property may include all tangible assets such as equipment, materials, supplies, and furniture. Surplus property shall be disposed in the following order of preference:

1. *Recycled internally*: Staff should first deem whether property has use for District purposes other than its original use.
2. *Sold or traded*: If property is deemed to have significant value, it shall be sold or traded for something of equivalent value. Property shall be sold "as is". If property is deemed

of particular use to a library, it shall first be offered for sale to other libraries in the District's consortium or in Oregon. Funds received from sale of property shall be considered miscellaneous income into the fund from which the property was or would have been purchased.

3. *Donated*: If property is deemed to have little value, it shall be offered for donation if it is not cumbersome to do so. Property also may be donated rather than sold if the donation would provide significant good will benefits to the District. If property is deemed of particular use to a library, it shall first be offered for donation to other libraries in the District's consortium or in Oregon. Unless they are considered of particular value, discarded collection materials shall be donated to the Friends of the Hood River County Library.
4. *Discarded*: Property that has no value or cannot be sold, traded, or donated shall be discarded. The District prefers to discard property with a service that recycles all or a portion of the property. Otherwise, the District shall discard property through its regular waste disposal service.
 - Hazardous substances shall be discarded in accordance with proper safety procedures.

Any electronic equipment that stores documents, licensed software, copyrighted material, personal information about District patrons, staff, or Board members, or other sensitive information shall be erased before being disposed per this policy.

Approved by the Board of Directors, March 15, 2011
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