

**Budget Committee
Meeting Minutes**

Tuesday, May 9, 2023, 6:00pm

Jean Marie Gaulke Community Meeting Room

502 State St, Hood River

Budget officer: Rachael Fox

Meeting notes prepared: Rachael Fox and Mo Burford

Present: Rachael Fox (Staff), Mo Burford (Staff), Jen Bayer, Karen Bureker (Zoom), Brian Hackett, Megan Janik, Andrea Krol, Sara Marsden, Lani Roberts, and Angela Schock (Zoom).

I. Nomination and election of Chair

Library Director Rachael Fox called the meeting to order at 6:01pm. The committee conducted introductions. Roberts nominated Bayer to serve as Committee Chair. Marsden seconded. The motion carried unanimously.

I. Additions/deletions from the agenda (ACTION)

Bayer

Roberts moved to approve the agenda as presented. Hackett seconded. The motion carried unanimously.

II. Conflicts or potential conflicts of interest

Bayer

None stated.

III. Budget message

Fox

No questions or comments from committee to report.

IV. Presentation of proposed budget

Fox

V. General Fund

- Kroel inquired about the reason behind the significant carryover in cash on hand and whether there are any negative consequences of holding such a large amount of cash. Fox clarified that the increased carryover was a result of multiple factors, including the rise in property value and the conclusion of an Urban renewal district. Furthermore, an unexpected donation of \$83,000 and the cost reduction brought about by the pandemic for two years contributed to the increased cash balance. Additionally, the District has adopted a fiscally conservative and prudent approach, always taking into account the estimated tax revenue. Fox emphasized that the District aims to align the estimated taxes with the actual amount received, now that a reserve has been established.
- Marsden inquired about the previous year's revenue, to which Fox responded that there was a 6.2% increase in tax revenue. For the current year, she is budgeting for a 5% increase.
- Janik expressed interest in understanding the preparations required for the upcoming Westside urban renewal district. In response, Fox clarified that conducting additional research is essential to gain a comprehensive understanding of the implications and specific requirements associated with the new district. The exact cost for the District has not been

determined at this stage. However, Fox assured that she intends to carry out thorough research and present a detailed plan regarding the budget preparations in the coming year.

- Hackett voiced his concern about the perceived excessive amounts being requested. In response, Bayer inquired about the duration of the urban renewal. Hackett promptly replied that it would last for thirty years. Fox then provided an estimation, mentioning that it would amount to approximately six million dollars but this estimate could change.
- Roberts admitted her lack of knowledge about urban renewal. Fox proceeded to explain that urban renewal involves freezing the tax base at a fixed rate for a specific area of the county. The funds generated from this frozen tax base are then utilized for making various improvements, including housing, roads, and more. Adding to Fox's explanation, Bayer clarified that urban renewal is a program authorized by state law and implemented by cities or counties. It enables the focused allocation of revenues to enhance the designated urban renewal district.
- Bayer indicated that the District has sufficient funds to cover capital projects for the next twenty years, and suggested the possibility of utilizing more of the carry-over funds. However, Hackett expressed the importance of saving for additional services, emphasizing that the District is unable to raise the tax rate. Hackett emphasized the need to prioritize sustainability. Building upon this, Bayer mentioned that the District receives increased tax revenues each year, which presents an opportunity to consider expanding services. Fox chimed in, mentioning that the District gradually adds services throughout the year as the clarity on tax revenue improves.
- Bayer inquired about whether the Pat Hazlehurst endowment was a part of the Friends organization. Fox responded, stating that she believed the name had been changed to the Friends of the Library Pat Hazlehurst endowment.
- Bayer observed that there appeared to be \$75,000 in grants, suggesting that it should be utilized. Fox responded by confirming that the plan was to allocate a significant portion of the funds towards the bookmobile and other projects in the works like the front entrance restoration.
- **Discussion Salaries**
 - Roberts expressed gratitude to Fox for advocating for salary raises, acknowledging that it is an expensive town to reside in. Fox responded by highlighting the collaborative efforts of herself, the board, and the budget committee in working towards increasing wages. The objective was to address the cost-of-living challenges and rectify the lower pay identified in the salary analysis conducted a few years ago.
 - Hackett inquired about the legislature passing a minimum wage law that would be implemented annually. Fox confirmed this to be true. Hackett expressed his dismay. Bayer interjected, emphasizing that implementing such a law presents an opportunity to assist the staff in coping with the rising cost of living. Hackett stated that it complicates matters, to which Bayer responded that it provides flexibility in the face of increasing living costs.

Hackett acknowledged the point but noted that it doesn't assist in managing a fixed budget, as they are unable to raise taxes.

- Bayer inquired about the reason for having part-time staff instead of hiring more full-time employees. Fox responded, acknowledging that their budget is fixed, but they have been able to find team members who prefer part-time work. Bayer followed up by asking about turnover within the staff. Burford clarified that while there is turnover among substitutes, the rest of the position experiences low turnover.
- Roberts inquired about the parking location of the bookmobile and whether it is safe. Fox reassured Roberts by confirming that they have a highly reliable alarm system in place. Marsden then asked about the presence of electronics on the bookmobile. Fox clarified that they do not carry electronics on the bookmobile, focusing solely on books. Burford chimed in, explaining that they have modular units that are easily movable and can be swapped out as needed.
- **Building Maintenance**
 - Fox read section from board packet. No comments or questions.
- **INTERNET**
 - Fox read section from budget committee packet. No comments or questions.
- **COLLECTION DEVELOPMENT**
 - Fox read section from budget committee packet. No comments or questions.
- **TECHNOLOGY**
 - Fox read a section from the budget committee packet. Schock raised a question, asking if we were under budgeting for technology, considering that we have been consistently exceeding the budget each year. Fox acknowledged the point and explained that additional laptops and other items were purchased during the COVID-19 period and in recent years. Fox expressed gratitude for Schock's input and agreed with their judgment. Fox suggested increasing the budget to \$14,000. Schock agreed, saying, "I agree."
- **ACCOUNTING**
 - Fox read section from budget committee packet. No comments or questions.
- **CUSTODIAL**
 - Fox read section from budget committee packet. No comments or questions.
- **TECHNICAL SERVICES**
 - Fox read section from budget committee packet. No comments or questions.
- **LIBRARY CONSORTIUM**
 - Fox read section from budget committee packet. No comments or questions.
- **COPIERS**

- Fox read section from budget committee packet. No comments or questions.
- **ELECTIONS**
 - Fox read a section from the budget committee packet. Roberts inquired about the election and asked for whom it was being conducted. Fox responded, stating that the election was for library board members.
- **FURNITURE**
 - Fox read section from budget committee packet. No comments or questions.
- **PROPERTY AND LIABILITY INSURANCE**
 - Fox read section from budget committee packet. No comments or questions.
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- **GEORGIANA SMITH MEMORIAL GARDEN**
 - Fox read section from budget committee packet. No comments or questions.
- **LAWYER**
 - Fox read section from budget committee packet. No comments or questions.
- **PROFESSIONAL SERVICES**
 - Fox read section from budget committee packet. No comments or questions.
- **MEMBERSHIP DUES**
 - Fox read section from budget committee packet. No comments or questions.
- **MISCELLANEOUS**
 - Fox read section from budget committee packet. No comments or questions.
- **POSTAGE AND FREIGHT**
 - Fox read section from budget committee packet. No comments or questions.
- **PRINTING**
 - Fox read section from budget committee packet. No comments or questions.
- **PROGRAMS**
 - Fox read section from budget committee packet. No comments or questions.
- **RECRUITMENT**
 - Fox read section from budget committee packet. No comments or questions.
- **OFFICE SUPPLIES**
 - Fox read section from budget committee packet. No comments or questions.
- **TRAVEL**
 - Fox read section from budget committee packet. No comments or questions.

- **TRAINING**
 - Fox read section from budget committee packet. No comments or questions.
- **BOARD DEVELOPMENT**
 - Fox read section from budget committee packet. No comments or questions.
- **PARKING REIMBURSEMENT**
 - Fox read section from budget committee packet. No comments or questions.
- **UTILITIES**
 - Fox read section from budget committee packet. No comments or questions.
- **CAPITAL RESERVE/CONTINGENCY**
 - Fox read section from budget committee packet. No comments or questions.
- **VACATION RESERVE**
 - Fox read section from budget committee packet. No comments or questions.
- **BALANCE**
 - Bayer inquired about the significant balance of the projected Unassigned Ending Fund Balance (UEFB) for FY 2023-24 compared to the estimated expenditures. Fox clarified that the plan is to spend less than what was projected. Hackett mentioned that the projected amount includes a contingency. Fox confirmed this, and Bayer commented that it now makes more sense. Janik asked if there was a question, to which Fox replied affirmatively, saying, "Yes."

VI. Capital Equipment Reserve Fund

Fox

- Fox read section from budget committee packet.
- Bayer inquired if the mentioned amount includes a \$100,000 buffer. Fox responded by clarifying that the Contingency is allocated within the general fund, while the capital fund is reserved for capital purchases.
- Fox mentioned that there is room to utilize more of the capital projects fund.
- Bayer pointed out the absence of designated expenses. Realizing her mistake, Fox expressed gratitude to Bayer and acknowledged that she would include a \$75,000 allocation for next year's expenditure.
- Schock sought clarification, confirming that they were discussing the blank entry in the budget. Fox confirmed this to be accurate.

VII. Grants Fund

Fox

- Fox read section from budget committee packet. No comments or questions.

VIII. Public comment

Bayer

There were no members from the public present.

IX. **Budget Committee questions and deliberations**

Bayer

Bayer complimented, "Exceptionally well-prepared! Impressive. Just one small error."

Roberts remarked, "Excellent work! Well executed."

Schock praised, "As always, outstanding job."

X. **Approval of budget (ACTION)**

Bayer

Roberts made motion to approve the budget. Marsden seconded. The motion carried unanimously.

XI. **Recess or adjournment**

Bayer

The meeting was adjourned at 7:35pm.