

Budget Committee

Meeting Minutes

Tuesday, May 19, 2020, 6.00p

Zoom meeting

Committee Chair: Jen Bayer

Budget officer: Rachael Fox

Present: Rachael Fox (staff), Jen Bayer, Karen Bureker, Brian Hackett, Megan Janik, Sara Marsden, Lani Roberts, Angela Schock, Jean Sheppard, Arwen Ungar (staff), Monica Zorza.

I. Nomination and election of Chair

Board President Jean Sheppard called the meeting to order at 6:07pm. Roberts nominated Bayer to serve as Committee Chair. Marsden seconded. The motion carried unanimously.

II. Additions/deletions from the agenda (ACTION)

Bayer

Sheppard moved to approve the agenda as presented. Hockett seconded. The motion carried unanimously. Roberts asked if people will be able to return materials during the curbside and Fox said yes.

III. Conflicts or potential conflicts of interest

Bayer

None stated.

IV. Budget message

Fox

Fox reviewed the budget message from the meeting packet.

V. Presentation of proposed budget

Fox

i. General Fund

Fox reviewed the different funds of the proposed budget.

Sheppard asked about clarification on the urban renewal and whether taxes are going to be collected and reallocated to the District. Fox said yes. Fox said there is a pause in funding the heights and waterfront renewal districts for this year only due to COVID-19.

Roberts identified a typo: should read Teen Services Librarian Rachel Timmons.

Schock asked for clarification on the bids for the feasibility study. Fox responded that the first round had zero bids and the second had 5 bids. This project has been put on hold as the District staff and District Board sees what happens with the pandemic. It's to-be-determined what steps and whether we can gather information in another way due to the pandemic.

Other ideas were proposed and Bayer stated the group needed to move on to the budget discussion.

Fox mentioned that the funds from the Feast Of Words 2019 fundraiser are still available to be allocated to services to Odell and do not necessarily have to be specifically for the feasibility study.

Fox discussed the fine free proposal that many other libraries have done for years. Fox planned to request this fiscal year that the District goes fine free for all ages. Roberts asked why someone would return an item. Fox described the collection policy for unreturned items which involves patrons being charged for the cost of the item if it is four weeks overdue.

Fox discussed personnel costs and the desire to maintaining wage separation and wanting to not eliminate clerk 1 entry level positions. Schock asked how many people this affects. Fox stated three people. Sheppard discussed the wage compression distance and the potential for reducing the percentages between classifications to address the increase in minimum wage. Fox suggested a wage and salary study of similar libraries/government organizations. Several committee members liked this idea. Fox stated she would conduct a study this fall/winter.

Hackett and Bayer and others mentioned wanting to give staff merit based bonuses if our funding does not appear to be affected by the COVID-19. Fox stated she would look into this option.

Hackett clarified that the 3.6% is addressing both wage compression and Cost of Living Increase. Fox stated it was since the COLI for this fiscal year would have been 2.7%.

Zorza wanted clarification about the cost per employee for the health insurance increase. Fox stated the District budgets the maximum allowed for the staff member/family coverage, which is pro-rated based upon the amount of hours a staff member works per week. Fox stated only three staff members out of nine are currently taking advantage of the full amount. Fox stated the cap for the health insurance has not been raised in four years and she recommended moving from \$1,000 per month to \$1,100.

Fox went through every line item in Materials and Services. Sheppard asked which provider Fox switched to for the Hood River Library. Fox said Hood River Electric Coop. Sheppard asked if patrons pay for copies. Fox said \$.15 per page for black and white and \$.50 per page for color. Hackett asked if there was a way to note which items were adjusted downward due to the pandemic to ensure we have record for next year budget. Fox will address this below. The information is also available in the budget message and notes distributed to the budget committee and posted on the library website.

- Line item
 - 30- Collection Development – This item remained the same. We usually increase each year.
 - 31 -Technology – Remained the same due to possible needs due to COVID-19.
 - 34 – Custodial services: Increase to \$2,000 per month instead of \$1,823 due to increased cleaning and sanitation requirements.

- 46- Postage and freight: Increase to allow for the potential to mail items to patrons unable to visit the library.
- 49 Advertising: Increased the line item due to a need to increase advertising of services due to changes in services/hours.

ii. Capital Equipment Reserve Fund

Bayer asked for clarification regarding the contingency and she thought there was \$100,000 budgeted last fiscal year. Fox stated the board passed two resolutions last year to move contingency funds from the Capital Equipment Reserve Fund to pay for the new HVAC rooftop unit and allow an increase in spending in the Capital Equipment Reserve Fund. The first Resolution 2019-20.04 - Transferring funds between General Fund and Capital Equipment Reserve Fund allowed transferring \$80,000 from contingency in the General Fund to the Capital Equipment Fund. The second Resolution 2019-20.06 - Expending funds Capital Equipment Reserve Fund allowed an increase in Capital Outlay Expenditures from \$75,000 to \$155,000. The following figures list the changes from the originally adopted budget for FY20-21.

- Contingency in the General Fund \$20,000 instead of \$100,000
- Transfer from General Fund to Capital Equipment Reserve Fund \$123,000 instead of \$43,000
- Capital Equipment Reserve Fund expenditures \$155,000 instead of \$75,000

Fox stated she overlooked adding this information to the board packet and will make sure the information is included in the meeting minutes.

Hackett asked if the District could spend additional funds on projects if we receive more tax revenue than anticipated. Fox stated we could spend the funds on personnel as discussed in the General Fund portion. We could also boost our collection and work on the restoration of the front of the Hood River building. Fox stated she would like to take more time to think about the various ways excess funds could be used.

iii. Grants Fund

Fox said that the Grants Fund is an aspirational fund, as it's budgeted for several grants for various projects. If the grants are not received, the funds won't be spent.

Sheppard asked if we could receive another state grant for early literacy. Fox stated we received the Ready to Read grant every year from the State Library of Oregon in the amount of \$5,000. For the past five years we have used the funds for the Odell Library Express Bus. All public libraries in Oregon receive the grant. Since the bus will not be running this year due to COVID-19, Library Staff will reallocate the funds.

VI. Public comment

No public present

Bayer

VII. Budget Committee questions and deliberations

The Budget Committee questions and deliberations were addressed above.

Bayer

Roberts complimented Fox and stated she appreciated her work and she does so much for the library and then putting together this budget is impressive. Zorza stated Fox put together this budget like an accountant. Schock stated this budget is better than some of the other government budgets she has seen. Good work.

VIII. Approval of budget (ACTION)

Bayer

Bayer asked if anyone would like to make a motion noting the changes to the contingency and transfer. Fox stated the budget figures will not change for this fiscal year but she would make sure to include a detailed explanation of the changes to FY19-20 budget. Roberts moved to approve the budget resolution approving the 2020-21 budget, including the tax rate of 0.39 per \$1,000 of assessed property value. The budget was set at the following amounts:

- General Fund: \$1,717,187
- Capital Equipment Reserve Fund: \$125,500
- Grants Fund: \$330,000
- *Total: \$2,172,687*

Marsden seconded. The motion carried unanimously.

IX. Recess or adjournment

Bayer

The meeting adjourned at 8:03pm.