

Tuesday, April 23, 2019
LIBRARY BUDGET REPORT
SILVER FALLS LIBRARY DISTRICT

Silver Falls Library Program Room
410 S. Water St., Silverton, Oregon

Committee Members Present:

Wayne Suggs
Michael Milhausen
Chris Mayou
Chris Childs
Jeff Gunter
Jim Voss
Doug Tedrow
Ingrid Green

Staff Present:

Christy Davis, Director
Stacy Higby

Public Present:

Committee Members Absent:

Bill Wilson
Kathy Beutler

CALL TO ORDER

Board President Suggs called the meeting to order at 6:02 p.m.

INTRODUCTIONS

Doug Tedrow's term expired 6/2018 but he has volunteered to serve another term.

Motion: To reinstate Doug Tedrow for another three-year term.

(Motion by: Chris Mayou. Second by: Michael Milhausen.)

Vote: Unanimously in favor.

SELECTION OF BUDGET COMMITTEE CHAIR

Jim Voss nominated Doug Tedrow for Budget Committee Chair, who accepted.

REVIEW OF AGENDA

No changes

BUDGET MESSAGE AND PRESENTATION

Motion: To dispense with the reading of the entire message as no members of the public are present.

(Motion by: Wayne Suggs. Second by: Chris Childs.)

Vote: Unanimously in favor.

PUBLIC COMMENT

None.

REVIEW OF PROPOSED BUDGET

Discussion of the proposed budget included the following, based on questions from the Committee:

- Will the Dolly Parton Imagination Library cost the Library anything and if so, where is it in the budget? No, the Kiwanis is providing the funding and the Library is providing the manpower.
- PERS unfunded liability –The District’s unfunded liability (UAL) is \$711,477 according to PERS. The State legislature has a bill in committee to offer a 25% match to districts making at least a 25% lump sum payment. Paying down 25% of the District’s UAL is included in the proposed budget. Because of increasing taxes collected and timber revenue, and the potential matching funds, this is a good time to make such a payment. However, if the State does not approve the bill during the 2019-20 fiscal year, the District will roll over that amount, so that we can take advantage of the match, which will be approximately \$44,000 for a payment of \$177,870.
- Governor Brown has a proposal dealing with the PERS total unfunded liability which may or may not pass. If there is a provision to force employers to pay down their UALs more aggressively, the District may have to make changes to our current level of service. However, if there is no such provision, Director Davis suggests the District create a plan to pay off our UAL in 8-10 years.
- The Requirements side of the proposed budget includes the UAL lump sum payment and the 25% match from the State, but that amount is not shown on the Resources side. Since the matching funds will not be deposited into the District’s account, but instead go straight from the State to PERS, it should not appear on either side of the proposed budget. Staff will adjust the UAL payment line down to \$177,870, which will increase the *Reserved for Future Expenditures* line to \$292,099.
- The *Building Maintenance* line has been increased to \$55,000 to include replacement of about 40% of the roof, the potential replacement of 2 HVAC units should they fail, plus the District’s regular building maintenance needs.
- The amount budgeted for *Interest* has been increased from \$12,000 in the current year to \$20,000 in the proposed budget. This is still a conservative estimate. The interest rate for the Local Government Investment Pool (LGIP) account has gone from 1.7% to 2.75% in the last year, and the amount received in the current year-to-date is already \$23,000.
- The amount expected to be received from *Fees and Fines* has been decreased by \$5,000 because we hope to stop charging overdue fines for youth patrons under age 19 who are checking out youth materials as part of a nationwide trend to reduce disenfranchising children who depend on adults to return materials on time because they cannot drive themselves to the Library.
- FTE (Full Time Employees) is going down by .5 because the Business Administrative Assistant retired and wasn’t replaced. Instead small adjustments were made to the duties of other staff members.
- The amount budgeted for *Equipment Maintenance* was decreased because the District will be cancelling the service contract for the security gates in favor of paying for any maintenance calls. The proposed budget allows for 2 service calls during the fiscal year.
- The amount budgeted for *Children’s Programs* has been increased so that the District can provide more outreach, add technology for STEAM lab, make Summer Reading Program more robust, and add a sensory story-time. The metrics of participation are trending up. Those

metrics are kept in an annual report for the State Library. The District has also started using a national survey software that measures impact rather than just participation.

- Asked by Committee Member: What didn't you add that you wish you could have? Future budgets may include expanding Friends Of the Library or starting a library foundation, expanding services to Scotts Mills, making changes to the building to make it larger and more user friendly, investing in property next door (Fisher Building), and other capital improvements, but our current building maintenance and PERS UAL take priority.

APPROVAL OF PROPOSED BUDGET

Motion: To approve the proposed budget as adjusted.
(Motion by Chris Childs. Second by: Jim Voss).
Vote: Unanimously in favor.

APPROVAL OF TAX RATE OF \$0.5748 PER \$1000 OF ASSESSED VALUE

Motion: To approve the tax rate of \$0.5748 per \$1000 of assessed value as presented.
(Motion by: Jim Voss. Second by Michael Milhausen).
Vote: Unanimously in favor.

ADJOURNMENT

Motion: To adjourn the Budget Committee Meeting at 6:56 p.m.
(Motion by: Wayne Suggs. Second by: Chris Childs.)
Vote: Unanimously in favor.

Approved: _____ (date)

Wayne Suggs
President, Library Board of Directors
Silver Falls Library District