LINCOLN COUNTY
LIBRARY DISTRICT

BUDGET COMMITTEE MEETING AND PUBLIC HEARING
May 12, 2020

Time: 12:00 p.m.
Place: Phone 1-669-900-9128 or 1-253-215-8782
Enter code when prompted: 860 3590 8485

Call to Order	Brian Fodness, President Lincoln County Library District Board
Roll Call & Establish Quorum	MaryKay Dahlgreen, District Director and Secretary to the Board
Welcome & Ground Rules & Housekeeping	MaryKay Dahlgreen
Introductions	Everyone
Election of Budget Committee Chair	Brian Fodness Facilitates
Budget Presentation	MaryKay Dahlgreen, Budget Officer
Public Comments – 2 minutes per person	Budget Committee Chair Facilitates
Discussion, Approval, Set Tax Rate – will need motions to approve budget as presented or as revised (whichever is applicable) and to approve the tax rate at the current $0.2465 per $1,000 of assessed value and the local option levy rate of $.0900 per $1,000 of assessed value.	Budget Committee Chair Facilitates
Adjournment	Budget Committee Chair

FORM
LB-20

RESOURCES

General Fund

(Fund)

Lincoln County Library District

(Name of Municipal Corporation)

	Historical Data					2020-2021			
	Actual		Adopted Budget This Year Year 2019 - 2020		RESOURCE DESCRIPTION	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 2017-2018	2018-2019							
1	$ 202,542	$ 264,824	$ 161,320	1	Available cash on hand* (cash basis) **or**	$ 200,000			1
2				2	Net working capital (accrual basis)				2
3		$ 44,924	$ 40,000	3	Previously levied taxes estimated to be received	$ 40,000			3
4	$ 33	$ 980	$ 100	4	Interest	$ 1,000			4
5				5	Transferred IN, from other funds				5
6				6	**OTHER RESOURCES**				6
7	$ 4,222	$ 4,236	$ 4,300	7	Ready to Read Grant	$ 4,400			7
8	$ 58,469	$ 16,511	$ 10,000	8	State Forestry	$ 10,000			8
9		$ 23,052	$ 15,000	9	Lincoln County Law Library	$ 13,000			9
10	$ 20,390	$ 22,253	$ 25,000	10	Chinook Library Network Payments	$ 22,000			10
11	-	$ -	$ -	11	Dolly Parton Imagination Library	$ -			11
12	$ 5,138	$ 2,159	$ -	12	Carryover-TBCC Courier Funds	$ -			12
13	$ 5,325	$ 8,039	$ 1,000	13	Miscellaneous	$ 4,000			13
14	$ -	$ -	$ 7,000	14	Siletz-Carryover				14
15	$ -		$ 10	15	Siletz-Interest	$ 25			15
16	$ 141	$ 2,163	$ 500	16	Siletz-Miscellaneous	$ 500			16
17		$ 1,000	$ 1,000	17	Siletz-City of Siletz	$ 1,000			17
18				18					18
19				19					19
20				20					20
21				21					21
22				22					22
23				23					23
24				24					24
25				25					25
26				26					26
27				27					27
28				28					28
29	$ 296,260	$ 331,475	$ 265,230	29	Total resources, except taxes to be levied	$ 295,925	$ -	$ -	29
30			$ 1,276,772	30	Taxes estimated to be received	$ 1,308,507			30
31	$ 1,261,927	$ 1,308,287		31	Taxes collected in year levied				31
32	**$ 1,558,187**	**$ 1,639,762**	**$ 1,542,002**	32	**TOTAL RESOURCES**	**$ 1,604,432**	**$ -**	**$ -**	32

150-504-020 (rev 10-16)

*The balance of cash, cash equivalents and investments in the fund at the beginning of the budget year

FORM
LB-30

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

General Fund

Administration

Lincoln County Library District
(name of Municipal Corporation)

	Historical Data					Budget For Next Year 2020-2021			
	Actual		Adopted Budget		REQUIREMENTS FOR:				
	Second Preceding Year 2017-2018	First Preceding Year 2018-2019	This Year 2019-2020		(Name of Org. Unit or Program & Activity)	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
1				1	PERSONNEL SERVICES				1
2	$ 179,341	$ 196,617	$ 197,285	2	LCLD staff Salaries	$ 207,113			2
			$ 61,367	3	Siletz Staff Salaries	$ 60,585			3
4			$ 15,000	4	Lincoln County Law Library Staff	$ 13,000			4
5	$ 89,073	$ 91,253		5	Payroll Taxes	$ 25,000			5
6		$ 480		6	Payroll Fees	$ 1,937			6
7	$ 78,734	$ 55,242	$ 104,000	7	Benefits	$ 26,200			7
8	**$ 347,148**	**$ 343,592**	**$ 377,652**	8	**TOTAL PERSONNEL SERVICES**	**$ 333,835**			8
9	**4.65**	**4.65**	**4.65**	9	**Total Full-Time Equivalent (FTE)**	**4.65**			9
10				10	MATERIALS AND SERVICES				10
11	$ 125	$ 23,645	$ 29,454	11	Professional Services	$ 15,000			11
12	$ 65,330	$ 39,155	$ 81,795	12	General Office Expenses	$ 85,000			12
13	$ 6,660	$ 9,893	$ 15,490	13	Membership/Training/Travel	$ 15,000			13
14	$ 6,053	$ 6,337	$ 16,600	14	Operating Fees and Insurance	$ 16,600			14
15	$ 82,512	$ 92,854	$ 86,100	15	Library Development	$ 100,000			15
16	$ 830,981	$ 856,710	$ 870,261	16	Library Reimbursement	$ 874,855			16
17				17					17
18				18					18
19				19					19
20				20					20
21				21					21
22				22					22
23				23					23
24				24					24
25				25					25
26				26					26
27	**$ 991,661**	**$ 1,028,594**	**$ 1,099,700**	27	**TOTAL MATERIALS AND SERVICES**	**$ 1,106,455**	**$ -**	**$ -**	27
28				28	CAPITAL OUTLAY				28
29		$ 10,000		29	Furniture and Equipment				29
30			$ 35,000	30	Van Replacement	$ 60,000			30
31	$ 48,773		$ 29,650	31	Operating Contingency	$ 104,142			31
32				32					32
33				33					33
34				34					34
35	**$ 48,773**	**$ 10,000**	**$ 64,650**	35	**TOTAL CAPITAL OUTLAY**	**$ 164,142**	**$ -**	**$ -**	35
36	**$ 1,387,582**	**$ 1,382,186**	**$ 1,542,002**	36	**ORGANIZATIONAL UNIT / ACTIVITY TOTAL**	**$ 1,604,432**	**$ -**	**$ -**	36

150-504-030 (Rev 11-18)

LINCOLN COUNTY
LIBRARY DISTRICT

2020-2021 Budget Message and Narrative

The Lincoln County Library District (LCLD) funding comes from the local option tax ($0.0900 per $1,000) as well as the permanent tax rate ($.2465 per $1000). A renewal of the local option tax for the same rate was on the ballot in November 2019 and was passed. This will ensure the continued collection of the funds for the next five years.

LCLD is a special tax district that works with our library partners in Lincoln County to ensure that all residents of Lincoln County have access to excellent library services. The district boundaries are all of Lincoln County except the cities of Toledo, Newport, Lincoln City, and Yachats. There is a five-member elected Board, two of those positions will be on the ballot for the May 2021 election.

There are 4.65 FTE staff employed by LCLD. Two are full time professional librarians (Director and Technical Services Coordinator), two courier drivers deliver materials to our partner libraries daily, Monday through Friday. LCLD administers the Siletz Library and employs 3 part time staff who keep the library open 5 days a week (Tuesday 2-4, Wednesday – Saturday 10-6).

There have been a number of issues that required resolving since the Director began in August 2018 and those will be reflected in the budget documents. The other variable that the District will be facing is the Covid-19 pandemic and the fallout from that. We are fortunate that our funding comes directly from the tax payers and we are not competing with other departments for funding. However, we need to be watchful of both the movement of the total assessed value and the potential non-payment of property taxes. Based on other economic downturns those changes to District revenue will probably need to be addressed in the 2021-2022 budget year.

MaryKay Dahlgreen
District Library Director

Overview of the LCLD FY 2019-2020 Budget

General Fund – Resources

- Cash on Hand
  - This sees us through until taxes are received in November.

- Previously levied taxes
  - This has not been segregated for the last several years and so has been estimated at last year's level. We will be segregating these consistently in the future. In 2019-2020 to date, we have collected $50,905 in previously levied taxes.

- Interest
  - This is interest earned on our tax receipts. We are still interested in and will be exploring joining the Local Government Investment Pool sponsored by the Oregon Department of Treasury.

- Ready to Read Grant
  - This funding from the state of Oregon general fund is based on the population of children ages 0-14 in the LCLD service area, including Siletz. The cities of Lincoln City, Toledo, and Newport each receive the funding for their service area. Square mileage of service area is also taken into consideration. LCLD uses these funds to enhance summer reading programs for all our partner libraries.

- State Forestry
  - This funding is distributed by the County based on timber harvests on private land. It does fluctuate from year to year.

- Lincoln County Law Library
  - We have an agreement with the County Counsel to handle payroll for the County Law Library staff person and they provide us with election assistance. They do not serve as our legal counsel. We are reimbursed for the payroll expenditures, including our payroll costs.

- Dolly Parton Imagination Library
  - Nothing has been proposed for 2020-2021. Our fiscal agent, United Way of Linn, Lincoln and Benton Counties, has informed us that we have sufficient funds to continue the program through the 2020-2021 fiscal year.

- Chinook Library Network (CLN)
  - The libraries that are part of the network will be billed for their share of the cost of the network. The libraries that are part of CLN are the Lincoln County Library

District (LCLD), Siletz, Toledo, Waldport, Oregon Coast Community College, Tillamook Bay Community College and Clatsop Community College.

- Siletz – Interest

- Siletz – Miscellaneous

    - Siletz collects some money for lost materials and photocopier/printer use and meeting room use. The Siletz library manager may also apply for some small grants during the year to pay for materials and services. This line is open to help make these funds available to the library, with $1,000 as the estimate.

- Siletz – City of Siletz
    - Our contract with the City of Siletz requires them to pay for insurance for the library building and for the Library District to receive $1,000 to reimburse our sewer and water payments to the City.

- Taxes Estimated to be Received
    - This amount is based on an estimate of how much tax revenue we will receive based on our tax rate and property values within the District. This estimate anticipates not receiving about 6% of the taxes. There is some concern that our tax revenue will be going down as a result of the expected economic downturn resulting from the Covid-19 situation. I will be putting together possible reduction scenarios of 10% and 20% which can be put in place if our tax revenues are reduced.

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General Fund-Requirements

- Personnel Services

  LCLD Staff Salaries: This includes two full time salaried employee and two part time staff. The full time employees are the Director and the Technical Services Coordinator. The two part time employees operate the daily courier between partner libraries.

  Siletz: The Siletz Library has 3 people working (two working 12 hours per week and 1 working 24 hours per week). We do not pay health benefits for these employees.

  Law Library Staff: We pay this employee's wages and all appropriate taxes. We are then reimbursed for these expenses by Lincoln County. The amount in the budget is for the entire cost for the employee, not just the wages.

Payroll Taxes: These are Medicare, Social Security and Unemployment taxes that the District pays on behalf of the employees.

Payroll Fees: Payroll company expenses.

Benefits: The cost for health insurance is increasing by 8% in the upcoming fiscal year. We pay an amount equivalent to 6% of an individual's salary into a 457 retirement plan for full-time employees. We currently pay health insurance for one full-time employee, including dental. We also pay life and long term disability for the two full time employees.

- Materials and Services

Professional Services: For professional bookkeeping, accounting, auditing, legal and some IT services in the future. In order to resolve some financial and legal issues our expenditures in this area were high in the last two years. We expect that to stabilize this budget.

General Office Expenses: This includes office expenses such as rent, utilities, postage, mileage, supplies, gas and maintenance for the courier van. We also purchase materials for a professional collection to be used by our partner libraries. We also fund a website platform from this line.

Memberships, Registration, Travel and Training: LCLD pays membership fees in the American Library Association for the two full time staff, OLA membership for the District which includes our Board members, OLA membership for all staff members, SDAO membership and in 2018-2019 we added membership to the American Indian Library Association and the Association of Rural and Small Libraries. We have included funding to allow staff travel to conferences although we will be focusing less on having both full time staff attend both ALA meetings annually and provide opportunities for all staff to attend OLA and other appropriate professional development

Operating Fees/Insurance: We are seeing increases in the insurance costs with Special Districts and we will continue to participate in the best practices program and the pre-loss legal program which help us keep these expenses down. Two Board positions will be up for election in May of 2020 and this line includes election costs that are passed along by Lincoln County.

Library Development: This line includes funding to purchase OCLC cataloging and interlibrary loan subscriptions for Driftwood, Newport, and LCLD. It also includes operations and materials funding for Siletz using the funding the City of Siletz would receive from LCLD if they administered the Library. Other library development projects include summer reading programming and special projects such as the Dolly Parton Imagination Library participation.

Library Reimbursement: 70% or more of the anticipated revenue from Tax Revenue, Previously Levied Taxes, and State Forestry Receipts must be used for library reimbursement. 10% or less can be used for cataloging and courier service. 20% or less can be used for all other Library District expenditures. If we receive more than anticipated in any of these funds during a fiscal year this amount goes to the libraries in the second fiscal year following the receipt of the funds. Usually this amount results in an increase in funding for the libraries. We are required in our contract to provide a reimbursement estimate to the libraries in December. An estimate was made earlier this year anticipating not receiving 4% of property taxes. Our formula for reimbursement is based on Operating Expenditures (35%) and Circulation (65%) so if some libraries have a larger increase in some areas than the other libraries it can significantly affect the reimbursement amounts

Capital Outlay: The 2014 courier van has over 150,000 miles. We are starting to see repair costs increase and drivers need more up to date safety and comfort features, such as back-up cameras.

General Operating Contingency: If an unanticipated need arises in one of the budget areas some of this fund may be used. We also need to have enough funds set aside in the next few years to cover paying for any unused vacation time employees may have when they retire or leave LCLD employment.