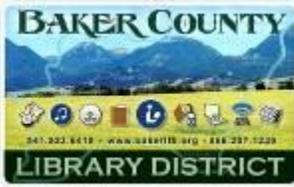


**Baker County Library District**  
**2016-2017 Budget Committee**  
**Meeting Minutes**

Wednesday, May 25, 2016, 6:00 – 8:00 pm

<p><b>Call To Order</b></p>	<p>Gary Dielman, President of the Library Board of Directors called the meeting to order at 5.04pm. The meeting was held in the Riverside Meeting Room at the Baker County Public Library, 2400 Resort Street, Baker City, Oregon.</p> <p>All five of the Library Board of Directors was present including Gary <b>Dielman</b>, Nellie <b>Forrester</b>, Betty <b>Palmer</b>, Kyra <b>Rohner-Ingram</b>, and Della <b>Steele</b>. Budget Committee Members present included Aletha <b>Bonebrake</b>, Linda <b>Collier</b>, Joy <b>Leamaster</b>, and Maryalys <b>Urey</b>. Also present at the meeting was Perry <b>Stokes</b>, Budget Officer and Library Director; and Christine <b>Hawes</b>, Business Manager.</p>
<p><b>Elect Budget Committee Chair</b></p>	<p>Dielman asked for nominations for the Chair position. Forrester nominated Bonebrake; Steele seconded. Dielman asked for other nominations. There were no further nominations given. Dielman asked Bonebrake if she was willing to chair the meeting; Bonebrake accepted. Nominations were closed. Dielman called for a vote on the nomination of Bonebrake as the Chair for the Budget Committee Meeting; passed unanimously.</p>
<p><b>Agenda</b></p> <p><b>Potential Conflicts of Interest</b></p>	<p>Bonebrake asked for additions or changes to the agenda. None were given.</p> <p>Bonebrake said that Committee Members are required to declare any conflicts or potential conflicts of interest. She disclosed that she has a daughter on staff, but she does not intend to speak for her in any way. She did not create the budget and feels that she can remain unbiased. Bonebrake asked for any other declarations. There were no further conflicts stated.</p>
<p><b>Presentation of Proposed Budget by Budget Officer</b></p>	<p>Bonebrake asked Stokes to present the proposed budget.</p> <p>Stokes thanked everyone for attending the meeting and for their participation on the Budget Committee. He noted the Committee Packet has grown substantially this year. His goal is not only to provide adequate information to the Committee but to be open and transparent with library operations for the general public. He acknowledged the Hood River County Library District and its Director Buzzy Nielsen for providing an excellent model and information he has incorporated. Stokes said he was encouraged by the recent vote to renew the local option levy. It passed by an overwhelming 83%, as compared to 5 years ago when it had 65% support. This shows a vote of confidence in all the excellent work of the library crew.</p> <p>Stokes said that he has provided supplies and calculators that the committee may need for the meeting. There are also some refreshments provided.</p> <p>Stokes said that this year he will be doing something different. The narrative has been expanded significantly. The packets were mailed to the committee members in advance of the meeting so that they could read over the documents included prior to the meeting. It is assumed that members have already read</p>



# Baker County Library District

2016-2017 Budget Committee

## Meeting Minutes

Wednesday, May 25, 2016, 6:00 – 8:00 pm

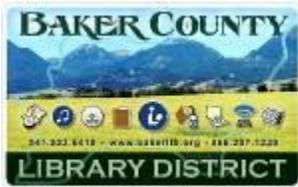
through the documents included in the packets. With that in mind, he won't be reading the Budget Message verbatim; he will review highlights of the message and documents only. He invited the Committee to ask questions at any time during his presentation.

The **Budget Message** summarizes the budget and gives an overview of the goals for the fiscal year. The "*Other Uses*" Fund is used to manage grants and reserves. The *Sage Library System Fund* is relatively new. The Library District took this over from Eastern Oregon University. It is self-funded and going well. Stokes noted one error on document sent out: Attachment II, the Sage contingency figure is listed in the wrong column. The *General Fund* is adjusted as needed through the fiscal year. Funds are moved to the book budget when it becomes apparent that additional revenue is available or other categories have excess funds. In general, he feels it is best to reference the original adopted budget. In some cases, comparison to the revised budget helps explain some of budgeting decisions.

Stokes stated that the proposed budget will maintain the high quality of public services that our patrons expect while operating efficiently and responsibly. On page 5 & 6, beginning at **Summary of Significant Features**, tax revenues are budgeted at **3.5% growth**, with the prior two fiscal years actual grown at over 4%. The Sage Agency Fee will be increased this year which is effectively a discount on the district's Sage membership for its administrative role. One big change in revenue is the discontinued outsourcing of the technology manager resulting in a \$3,000 decrease in general fund revenue. All of the library partners have all found local sources. Other revenues remain relatively stable.

Changes in expenditures include a new subscription for inter-library loan vendor, expansion of literacy & summer reading programs and network infrastructure project at the main library funded through Federal E-Rate program. Personnel costs, he noted, have been skewed in the past few years due to retirements, deferred hiring and restructuring of certain positions. The district also needs to resume growing its reserve fund in order to operate debt free each year from July until tax revenues are disbursed in November.

Bonebrake asked about *earthquake coverage* mentioned in the notes. Stokes said that Kevin Bell, the district's Insurance Agent, recently advised the board to add an earthquake policy to its insurance coverage. Flood coverage was added about 4 years ago; the earthquake coverage is anticipated to cost about the same. Bell said that an earthquake is anticipated at level 9 and our area will be affected. Stokes said a quake at that level will break windows and items will fall off of shelves. He looked at a tool on OPB, putting in the quake level and our location. The board has the option of adopting that insurance policy, but he has budgeted for it.



## Baker County Library District

2016-2017 Budget Committee

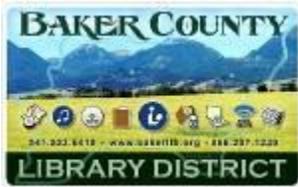
### Meeting Minutes

Wednesday, May 25, 2016, 6:00 – 8:00 pm

Stokes moved back to the overview attached to the Budget Committee document, he went through **Personnel Services** highlights. He is proposing a 2% Cost-of-Living increase to staff salaries this year. He referenced a graph in the document giving the history on District COLI against the Western Region Consumer Price Index. For several years the district has not been able to keep pace with even the small rate of inflation, resulting in salary depreciation for staff. This year it should match inflation if not slightly make up for some loss. Last year, in compliance with Affordable Care Act requirements the district terminated its practice of paying in-lieu payments for staff opting out of group health insurance. A couple of staff salaries have been adjusted to compensate for increased duties. The Children's Services Specialist resigned in February; that position had been less than full time at 34 hours a week and was reinstated to a 40 hour position with the new hire. The Technology Manager is no longer servicing other libraries, so the cost has increased about \$2,800 with the loss of those contracts. The Vacation Substitute line title has been changed to Temporary Staff Pool; the budget has been increased as this line will include subs, seasonal help, and other assigned duties for special projects.

In **Materials & Services (M&S)**, the *Book budget* is starting out at a "healthy" level of \$94,000 (that is \$1,500 over the prior year starting level). He is looking at a new database offering virtual magazines; database subscriptions are reviewed annually for use. The *Database budget* is currently about \$12,000. He believes usage could benefit if better advertised and is considering a new resource for marketing /public training. The *cost for Inter-Library Loans (ILL)* is increasing slightly (\$800) since Eastern Oregon University system discontinued its Sage membership. Facility maintenance will remain stable at \$33,000. The district needs to re-establish a heating & AC service provider; its prior vendor went out of business. The library has begun working with OTEC, the local power company, to *covert library lighting fixtures from fluorescent bulbs to LED*. That program will be presented to the board when more details are known.

Bonebrake asked how that will work in the budget – will a rebate be received after the work is completed? Stokes confirmed that a rebate is his understanding of the program. Forrester asked if the lighting will make a difference in the deterioration of things in the library. Stokes replied that he didn't believe it would; the new lighting will be somewhat brighter and reach farther down to the lower shelves but shouldn't damage materials like sunlight. Continuing on with M&S highlights, Stokes said that he has added \$1,000 to custodial as he hopes to expand the scope of work. This contract will be put out for bid. *Computer Maintenance budget* will remain stable. The Makers Club is approved to become a regular program; after its successful trial, it is being moved out of the computer budget to programs. The *Travel & Training budget* includes sending two staff to Oregon Library Association conference. Bonebrake asked if we had sent a board member. Dielman said that they have been invited but have not gone. Rohner-Ingram said two of the board members attended a



## Baker County Library District

2016-2017 Budget Committee

### Meeting Minutes

Wednesday, May 25, 2016, 6:00 – 8:00 pm

board training hosted here in Baker City. The *Youth Services budget* has been expanded to include youth programs for teens, adoption of the Art Camp summer programs in Halfway, and the addition of the Makers Club program. The change that the LED lighting project may have on the *Utilities budget* is not known at this time; that program is still being researched. The *Debt Service line* is the debt payments for the Resort Street project two years ago, of which, the Library is one of the largest property owners. And finally, the Contingency budget will increase to approximately \$225,000.

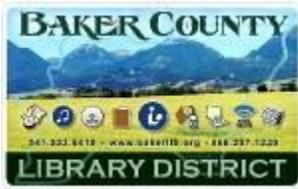
Stokes said that marketing will be one of his 2016-17 fiscal year focuses. He is looking at new logo development, use of social media, and a new resource to promote library databases, programs and resources available for patron use. He is also looking at outsourcing collection services to an agency that specializes in library collections. The agency offers a free trial period that he would like to take advantage of. He and staff do not have enough time to escalate collections on a systematic basis.

Stokes directed attention to the Legal Budget Sheets included in the packets. These are the fundamental documents to be submitted to the County. Form LB-20 Resources and LB-31 Requirements for the General Fund. Form LB 10 is used for both "Other Uses" Fund and Sage Library System Fund. The LB-20 Resources has an overall increase of \$51,000. The primary contributors to this increase is the E-Rate Project \$17,000 and an anticipated increase in tax revenues of \$29,800.

Stokes wanted to add a couple comments on the General Fund Form LB-31 Personnel, looking at the budget sheets. The Director's salary will remain the same this fiscal year. In comparison to other libraries, it is at an adequate level. A few changes in the staff are highlighted in yellow. The main changes being the children's staff position restored to full time and the catalog staff person increase for a full year and a step increase. The decrease on line 15 had paid for special projects and was scaled back to regular hours. PERS remains stable this year, but a large increase is anticipated next fiscal year. Social Security costs will increase due to noted wages increases and Insurance costs will remain stable.

Urey asked if the Sage Library System is worth what we put into it. Stokes replied it is "most certainly" worth the cost. He described the Sage function. The system switched from a proprietary catalog system a few years ago to an open source software that decreased the cost and enabled increased control over operation and development. There are two main staff positions, a Sage Administrator and a second Technical Support staff located in Hood River. Both are full-time. He described the benefits of Sage membership to our library district and patrons.

Stokes commented on General Fund Form LB-31 Materials & Services; primary



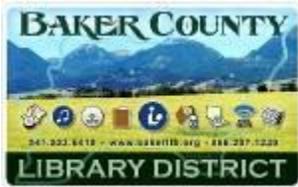
# Baker County Library District

2016-2017 Budget Committee

## Meeting Minutes

Wednesday, May 25, 2016, 6:00 – 8:00 pm

	<p>changes have already been discussed. A couple additional comments on the two major changes included explanation that the Library Service supplies increased this year to \$18,200 due to restocking library cards, envelopes and basic supplies that all came in the same fiscal year. That line is proposed at back back down to historical levels. The Youth Programs is being expanded as we have already discussed. Bonebrake stated that she agreed that the beginning book budget is healthy. Other libraries are not so lucky as they often have to use these funds to operate.</p> <p>Stokes commented on <b>Other Uses Fund</b> LB-10, the grants have been expanded to include a tablets grant and an early literacy grant (known as Vroom). The big change in Technology reserve was used for the first year of the E-Rate project updating the main library network. A refund is anticipated of \$6,500 by September.</p> <p>Stokes commented on <b>Sage Library System Fund</b> LB-10, the major changes are an increase in wages for the Systems Administrator for up to a 3% Cost-of-Living, System support staff (located at Hood River and contracted to Sage), and the cataloging grant is complete as of June 30, so that line decreased. The only Sage grant anticipated will be the LSTA Grant supplementing the courier service costs. Telecommunications is for the online conferencing service GoToMeeting. The Fiscal Agent (Stokes) has a permanent seat on the Sage Council. Dielman asked who the current chair was to which Stokes replied that he was able to pass that duty over to another individual on the council last autumn. Stokes reminded the committee that the district has the authority to make changes to the Sage budget if necessary since it is one of our funds. But this is the budget the Sage Council put together and has approved. Bonebrake asked if the cataloging training made a difference. Stokes replied that is unknown at this time.</p> <p>Stokes said that concluded his presentation and invited questions.</p> <p>Leamaster referred to the Other Funds LB-10 budget, line 6, inquiring what was the \$55,000 in grants and who writes them. Stokes replied that was \$40,000 for a tablet grant and \$10,000 for the Vroom grant. Kat Davis, former Director of Pendleton Public Library, wrote the LSTA tablet grant; he is unsure who wrote the Vroom grant.</p>
<p><b>Public Comment</b></p>	<p>Bonebrake stated that there were no members of the public present for public comment period. All agreed that it was okay to proceed on the Agenda to questions.</p>
<p><b>Budget Committee Questions and Deliberations</b></p>	<p>Bonebrake asked if there were any further questions. Urey said that it took a long time to read the budget agenda and other documents; she felt sure it took a long time for Stokes to write them. Stokes said there were a lot of late nights as usual during “budget season” but he was pleased with the results. Dielman</p>



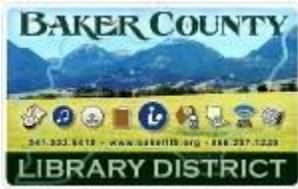
# Baker County Library District

2016-2017 Budget Committee

## Meeting Minutes

Wednesday, May 25, 2016, 6:00 – 8:00 pm

	<p>commented that this was a really good budget meeting and the documents provided were outstanding. Everyone agreed. Stokes thanked those present for their participation.</p>
<p><b>Approval of Budget</b></p>	<p>Bonebrake said that hearing no further questions, the budget is pre and are ready for a motion.</p> <p>Urey made a motion to approve the Baker County Library District budget for the 2016-17 fiscal year as presented.</p> <p>Dielman offered to read aloud the complete “Recommended Budget Committee Motion” to the group for Urey:</p> <p style="padding-left: 40px;">I move to approve the Baker County Library District budget for the 2016-17 fiscal year for the total amount of \$1,865,393 and the amounts per fund as shown below: General Fund \$1,305,633, Other Fund \$191,750, Sage Library System Fund \$368,010, Totaling \$1,865,393 as presented. I also move to approve the tax rate of \$0.5334 per \$1000 of assessed value in support of the General Fund, and a tax rate from the Local Option Levy of \$0.249 per \$1000 of assessed value in support of the General Fund.</p> <p>Rohner-Ingram seconded. Dielman asked for any further discussion; there was none. The motion passed unanimously (Yea – all 9 members present; Nay – none; Abstain – none).</p> <p>Dielman thanked everyone for coming.</p> <p>Bonebrake added a comment that we are lucky there are really no conflicts to resolve. Other boards she sets one often have to discuss and barter over differences. This committee is truly a smooth-operating and enjoyable position to participate in.</p> <p>She reminded everyone to enjoy the refreshments provided.</p> <p>Bonebrake signed the motion that Stokes will turn in to the County with the budget forms that are all due by July 15.</p> <p>Stokes commented that in the future PERS will probably use up any tax increases; he anticipates a \$20,000 increase next year. He is glad to be able to put some programs in place this year and has been focusing on correcting wage inequities for some staff positions. Bonebrake said that the District has everything it needs in place to continue to be successful. The recent levy ballot passing with 83% voter approval was discussed.</p>



**Baker County Library District**  
2016-2017 Budget Committee  
**Meeting Minutes**  
Wednesday, May 25, 2016, 6:00 – 8:00 pm

<b>Next Meeting Date</b>	The additional budget committee meeting scheduled on June 1, 2016 at 5:00pm is not needed. All are invited to regular Board of Directors meeting to be held June 13, 2016 at 6:00pm where the budget will be adopted.
<b>Adjourn</b>	The meeting was adjourned at 6:07pm.  Respectfully submitted,  Perry Stokes, Secretary to the Board  PS/ch