



Baker County Library District

Budget Committee. Meeting Minutes

Wednesday, May 15, 2013, 5:00 – 7:00 pm

Riverside Meeting Room, Baker County Public Library

2400 Resort St, Baker City

Budget Officer: Perry Stokes

Present :

Aletha **Bonebrake**, Linda **Collier**, Gary **Dielman**, Nellie **Forrester**, Joy **Leamaster**, Betty **Palmer**, Kyra **Rohner-Ingram**, Della **Steele**, Perry **Stokes** (staff), Maryalys **Urey**. (10 persons)

I. **Call to Order by President of Library Board** **Dielman**

Dielman called the meeting to order at 5:04 pm, and then asked if any introductions were necessary. Bonebrake introduced herself to Rohner-Ingram. All others were already acquainted. Dielman confirmed that a quorum was present for the conduct of business.

II. **Election of Chair** **Dielman**

Dielman opened the floor to nominations for chair. Forrester asked Linda Collier if she would be willing to serve as chair; Collier declined. Forrester nominated Aletha Bonebrake; Collier seconded. There were no further nominations. Bonebrake was elected chair by acclamation.

III. **Elect Secretary of Budget Committee**

Bonebrake nominated Dielman to serve as chair. Forrester seconded. There were no further nominations. Dielman was elected Secretary by acclamation. Dielman confirmed with Stokes that the meeting was being recorded on audio.

IV. **Budget Message** **Stokes**

After a brief review of packet documents with committee members, Stokes delivered the Budget Message.

He stated that the 2013-14 budget reflects an anemic economy but assumes mostly the same levels of service, with some minor operational reductions intended to mitigate rising personnel cost increases. Per the Baker County Assessor, the assessed value of property in the county is up 3.15% over last year. Stokes' proposed tax revenue is based on this and previous collection rates. Compression on the Local Option Tax revenue has risen in recent years to the point of negating any increase from that source.

Stokes is anticipating a mostly stable year, with a carryover that will fall about a month short of the District operating on its own reserves through next November, when taxes start to arrive again. A Tax Anticipation Note loan will again be needed to bridge the gap.

To offset flat funding and significant increases in employee benefits costs, Stokes proposed to decrease open hours at the main library by 4 hours per week and begin the budget year with cuts to collection development. The proposed books & media budget equates to 8.5% of the total operating budget, almost 1% less than the starting point of the previous budget. Overall, the General Fund Personal Services category is increasing by 6% over the previous year, Materials & Services is decreasing by 3%.

V. **Presentation of proposed budget** **Stokes**

Stokes went over each line item, as presented in the meeting materials.

The Budget Committee had several questions:

- **What is the health insurance liability contingency?**

This is a reserve fund to cover the District's cumulative projected portion of deductibles from employee medical expenses. The District is subscribed to a plan carrying a \$3,000 deductible; ten percent of that deductible (\$300) is the employee's responsibility and the District pays the rest. The high deductible coverage enables the District to retain and transfer any unused funds to General Fund needs, usually Collection Development.



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- **Do all employees have the same insurance plan?**

Yes. All employed for a minimum of 20 regular hours qualify for the same benefits package.

- **What is the employee part of the insurance premium?**

The District pays premiums for benefits qualifying employees in full.

- **What is the Severance Fund?**

This reserve fund pays out unused accumulated sick leave and vacation leave to qualified staff leaving employment.

- **PERS covers a certain number of accumulated unused sick leave. Do PERS qualifying employees get a double benefit?**

Perhaps, yes. The Director will check into whether current policy allows employees to get a double benefit.

- **Have property values in the county gone up significantly in recent years?**

Growth has been low but seems to have bottomed out at about 2% and is on the rise again.

- **Does the cut to hours impact both benefit qualifying staff and non-benefits staff?**

No. Only benefits qualifying staff are affected.

- **Are there savings in benefits costs as well as wages from the cut?**

There is some savings to retirement costs, but insurance is not pro-rated.

- **Why was the position of Facilities Maintenance Specialist created?**

As a result of the economic downturn, in July 2010 Oregon Dept. of Corrections suspended the prison work crew programs upon which the District had depended for the bulk of its building maintenance needs. Library staff struggled to keep up with maintenance needs for over a year but the condition of buildings and grounds were in noticeable decline. In November 2012, a position of 16 hours per week was created to keep the District's multiple properties in good repair.

- **Does the District have any Capital Reserve Funds set aside?**

Yes. The "Other Uses" Special Fund includes \$6,000 set aside for capital projects. The District has a goal of growing that reserve fund but must first achieve enough of a reserve to operate on its own until November without needing a loan.

VI. Public Comment

Bonebrake

There was no public comment.

VII. Budget Committee Deliberations

Bonebrake

Stokes recommended adjusting the "Other Fund" Transferred In line from \$11,000 to \$12,500 to correct an error on the amount of Technology & Election funds transferred from the General Fund with the \$1,500 amount to be allocated into the Memorial expense.

VIII. Approval of Budget (ACTION)

Bonebrake

Urey moved to approve Exhibit A as amended, which adopts the budget in the following amounts:

- General Fund: \$1,172,311
- Other Uses Fund: \$219,231
- Total Budget: \$1,391,542
- It also adopts a tax rate of \$0.5334 per \$1,000 of assessed property value to support the General Fund, and a tax rate from the Local Option Levy of \$0.249 per \$1,000 of assessed property value to support the General Fund.

Rohner-Ingram seconded the motion. The motion carried unanimously.

Stokes obtained members' signatures on a Certificate of Motion & Vote document.

IX. Recess or Adjournment

Bonebrake

The meeting adjourned at 6.36p.