



UCSLD FY2020-2021 Budget Narrative

The Umatilla County Special Library District (UCSLD) is a tax funded special district which funds library services. The UCSLD includes all of Umatilla County except for the city of Hermiston. The tax funds are distributed to 11 city libraries and one school/public library through agreements made between the UCSLD and the cities and school district. Hermiston Public Library, through a similar agreement, serves the residents of the rural area outside of the Hermiston city boundaries.

The UCSLD Board and staff work in partnership with the 12 libraries to ensure that the residents of the UCSLD have access to excellent library service.

Overview of the UCSLD Budget Funds

The UCSLD budget has four funds:

- General Fund
- Resource Sharing Fund
- Outreach Fund
- Capital Reserve Fund

The General Fund is the administrative fund for the maintenance and operation expenses of the UCSLD. This fund covers maintenance and operation of the district offices – staff salaries and benefits, administrative and office costs, staff training and travel, audit and fiscal management, etc. The expenses for capital outlay – computers and equipment – are made out of this fund. This fund also shows the receipt of tax funds and community service fees and the special payment distribution out to the 12 public libraries. It also shows the transfers made to the Resource Sharing and Outreach funds.

The UCSLD distributes 80% of the tax and community service fee income to the libraries in the District through a contract with the cities and one school district. With the remaining 20%, the operations of the UCSLD are paid for, as well as several expenses paid on behalf of the libraries. There are transfers made throughout the year to the Resource Sharing and Outreach funds from the General Fund.

The Resource Sharing Fund shows income and expenses that are paid, either for the libraries directly or are a service provided by the UCSLD for the 12 libraries' staff members. Expenses include: the libraries' membership in the Sage Consortium, access to the Library2Go-Oregon Digital Library Consortium, third-day courier service, two full day, all-staff inservices and an all day inservice open to members of library boards and city councils. The UCSLD provides the complete cataloging in the Sage system for eight libraries within the district and supports the other four libraries at varying levels on an as-needed basis. Training provided for the libraries'

staff and board members is in the fund. Finally, building awareness of the libraries in the UCSLD comes from this fund.

The Outreach Fund, which replaced the Take Off fund in 2018-19 covers expenses for direct library services to residents of the district that cannot use a public library easily. This fund not only covers the early literacy program, Take Off! which includes a car, and it also covers any outreach events that the UCSLD helps the public libraries with their outreach programs on an as needed basis.

The Capital Reserve Fund was authorized and established by resolution for the following specified purpose: Provide capital for major capital expenditures. The fund was renewed in FY19-20.

Overview of the UCSLD FY19-20 Budget

General Fund – Resources

Because of the COVID-19 pandemic, we do not know what to anticipate in revenues and expenditures this next year. I have been very conservative in what I think we will receive and also in our expenditures. Several of our vendors gave us large increases for this next year and our budget numbers will reflect this.

- Cash on Hand
 - This money sees us through until taxes are received in November. These numbers are reviewed with our accountant. We budget and spend so that we have enough to see us through without taking out a loan.
- Interest
 - We have received about \$1,000 over what was budgeted as of April 2020. I am not increasing the amount for next year, as I am not sure what tax revenues we will have.
- Community Service Fees
 - These are funds that we receive from new businesses that were started under the State's Strategic Investment Program. We receive an amount of money each year in lieu of taxes for a certain number of years. The remaining windmill project funds are decreasing about 15% each year. Added to that are the Community Service Fees that we started receiving last year. This current year, we received \$71,187 in total. Next year, I am anticipating \$69,480.
- Other income
 - Reimbursements and fees paid to the UCSLD
- Tax Revenue
 - We have two sources of tax revenue: Taxes estimated to be received in 2020/2021 and taxes that were previously levied. We leave the previously levied taxes at \$55,00 – some years we get more and some years we get less.
 - When the pandemic stay home save lives directives began, I contacted the Umatilla County Assessor to get his best guess on whether there would be changes to our tax income. He felt that we could expect a 3% increase (I had originally been estimating a 5% increase). Currently,

with only two months left to receive tax income, we are only \$34,633 under what we budgeted. We got really close this year.

General Fund – Expenditures

- All UCSLD staff salaries and wages and benefits are included in the General Fund.
 - There is a proposed 3% increase on current staff salaries.
- Health insurance costs are anticipated to increase a little over 4% with some decreases in dental and vision premiums
- PERS costs did not increase last budget year, but they are going up this year. Tier1/Tier2 for one employee will be 20.54% and for OPSRP for two employees will be 13.98%. These were significant increases. This year, for example, our OPSRP costs were 0.59%. Our Tier1/Tier2 costs were 9.42%.
- Employer paid taxes were increased as I am unsure what our unemployment tax and other state taxes will be. The State is estimating a 17% decrease in budgets across State agencies, and so I budgeted a larger amount for our employer paid taxes.
- Board Expenses – These stayed the same. We don't generally spend too close to the amount.
- Elections – We have two open positions, and our election costs last year for three positions were over \$6,000. For this coming year, it will depend on how many other districts are running elections at the same time, so I budgeted more in that category.
- Ads and notices are increased for the additional election noticing, as well as our usual budget noticing
- The audit will increase based on June 30, 2020 CPI amount according to the auditor.
- SDAO premium costs were not finalized, but we were told to anticipate anywhere from a 15% to 22% increase. This year, we paid \$2,585.
- Legal expense is always kept at about the same amount. We have legal work planned on our agreements with the cities.
- Fiscal management – The amount is reflective of a 4% increase to \$795 per month - \$9540 annual. The extra is for any extra work that is done for the UCSLD
- Rent – We have a new space we are renting at \$740 per month.
- Telephone – Our costs are staying about the same due to a nationwide governmental group cost
- Email/Website – this amount includes our Microsoft 365 costs (email and cloud based services) and our website cost with a new vendor – Streamline at \$75 per month.
- Office Supplies, Maintenance, Postage – This budget category was increased by Board Resolution this current year to cover costs of moving the office. It has been lowered back to our usual amount.
- Staff Training & Conferences – this covers registration to trainings and conferences.
- Transportation – this covers staff travel expenses on UCSLD business – mileage, fuel for UCSLD vehicle use, per diem and lodging

- Capital outlay – Staff computers are replaced on a rotating basis. This year we will replace the Director’s computer and any other equipment purchases we make – projectors, printers, etc.
- Unallocated requirements include contingency, transfers to other funds and special payments.
- Tax Distribution to Cities – this is the 80% we distribute to the 12 libraries in Umatilla County. This amount is found by adding the estimates of anticipated tax and the previously levied tax. This year, we anticipate distributing \$1,497,388 to the public libraries
- Community Service Fees – this is 80% of what we anticipate in these funds.
- Transfer to the Resource Sharing Fund - \$105,400 to cover those costs.
- Because of the uncertainty of the tax receipts this year, I have budgeted heavily in the contingency and the unappropriated ending balance. The ending balance is the amount to carry us through until we receive new tax dollars in November.

Resource Sharing Fund

There is an anticipated \$18,700 carry forward from our current budget. In addition to the transfer from the General Fund, the UCSLD will receive approximately \$25,000 in reimbursements from Sage Library System for courier costs and from Hermiston City for the UCSLD payment of the Hermiston Public Library’s courier and Sage Library System costs. We have an ongoing grant program for historical materials for the libraries. It is typically \$2,500 per year.

- Sage Library System – this was increased by 3% this coming year.
- Courier – We contract with InterMountain ESD to deliver materials to our libraries 3 days a week. This cost has increased. We do receive a reimbursement from Sage for 2 days a week.
- Cataloging Utilities are used for cataloging for the libraries in the UCSLD.
- Library2Go is the digital library program. This rises in cost pretty significantly each year and I also want to investigate purchasing more titles for UCSLD customers
- Program & Training for Library Staff Members and Board Members – This covers our In-service costs for staff and board members (3 per year) as well as any addition continuing education costs for library staff. I will reinstate the continuing education funds for which libraries can apply.
- Cooperative Programs & Activities – This includes funding for bringing back the consultant who facilitated our tax distribution review meetings when we can re-open those conversations.
- Grant expenses – this is the expenditure line for the Historical grant and any other grants we may get throughout the year
- Marketing – covers marketing costs on behalf of the whole UCSLD
- Contingency – This will cover the courier costs if Sage Library System were to not be able to reimburse us for the 2 day service.

Outreach Fund

There is approximately \$22,500 in carry forward from our current budget. The UCSLD receives State of Oregon Ready to Read grant funds each year. With these funds, I do not anticipate any transfer of additional funds.

- Take Off Materials & Supplies – This amount covers any materials needed for our early literacy development program that the State Ready to Read Grant does not.
- State Ready To Read Materials – Covers expenditures like gift books out to hundreds of children at County daycares, preschools, Head Starts, etc. We also train the caregivers and teachers and provide book boxes of carefully selected themed materials to support early literacy development.
- Take Off Transportation – Fuel and maintenance costs for the Take Off vehicle
- Outreach Materials & Supplies – If a library needs support or supplies for outreach events, these funds can be used for this
- Contingency – In case of the unknown.

Capital Reserve Fund

This fund was renewed during the current fiscal year. Its purpose is to fund major capital expenditures. This year, we will be using some of these funds to purchase a vehicle for the Take Off program, moving the current Take Off vehicle for courier delivery and surplus the old courier vehicle. The remainder of the money will be held in the Capital Reserve Fund and the fund will be reviewed in 2025.