



April 25, 2023

## UCSLD FY2023-2024 Budget Narrative

The Umatilla County Special Library District (UCSLD) is a tax funded special district established in 1986 by a vote of the residents of the District in order “to provide library and information services to persons within the district.”

The UCSLD includes all of Umatilla County except for the incorporated city of Hermiston. The UCSLD provides library services through Agreements for Library Services made with the member libraries: 10 city libraries and one school/public library. 80% of the tax revenue is distributed to the cities and school district to provide those services.

Hermiston Public Library, through a partner agreement and distribution of tax revenue, 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 continue to have access to excellent library service.

Our mission is:

The Umatilla County Special Library District works in partnership with our libraries to advance and make available excellent library services, programs and continuing education opportunities for all.

Our vision is:

The Umatilla County Special Library District (UCSLD) works collaboratively with our public libraries to ensure that high quality library services are available to all.

Public libraries are places of welcome for everyone, and UCSLD strengthens and unites our communities.

Library staff are valued and recognized for providing exceptional service to their communities. UCSLD invests in Library Staff development, and offers opportunities for interaction, skill-building and cross-training.

To advance the vision, UCSLD partners with groups and organizations to increase the reach of literacy and access to information, building on the foundations of a democratic society.

## 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 – Board activities and requirements, 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, Outreach and Capital Reserve funds.

The UCSLD distributes 80% of the tax and community service fee income to the libraries in the District through an agreement 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 other UCSLD funds.

The Resource Sharing Fund shows income for and expenses that are paid, either for the libraries directly or for services provided by the UCSLD for the 12 libraries’ staff members.

<b>Sage Library System</b>					
Catalog, Circulation	2021-2022 Sage Membership fees			2022-2023 Sage Membership fees	
	Pendleton Public Library	\$13,396.00		Pendleton Public Library	\$14,931.00
	Milton-Freewater Public Library	\$10,691.00		Milton-Freewater Public Library	\$11,946.00
	Umatilla Public Library	\$10,691.00		Umatilla Public Library	\$12,329.00
	Stanfield Public Library	\$1,812.00		Stanfield Public Library	\$2,108.00
	Pilot Rock Public Library	\$1,812.00		Pilot Rock Public Library	\$2,009.00
	Athena Public Library	\$1,608.00		Athena Public Library	\$1,801.00
	Weston Public Library	\$1,608.00		Weston Public Library	\$1,809.00
	Echo Public Library	\$1,608.00		Echo Public Library	\$1,794.00
	Adams Public Library	\$1,340.00		Adams Public Library	\$1,483.00
	Helix Public Library	\$1,340.00		Helix Public Library	\$1,525.00
	Ukiah Public/School Library	\$1,340.00		Ukiah Public/School Library	\$1,428.00
	Hermiston Rural	\$3,882.72		Hermiston Rural	\$4,970.00
	Total	\$51,128.72		Total	\$58,133.12
<b>InterMountain ESD</b>					
20-21 Courier	2-Day Courier - Reimbursed from Sage with LSTA grant funds	\$15,840.00	22-23 Courier	2-Day Courier - Reimbursed from Sage with LSTA grant funds	\$16,440.00
	3rd Day - Paid by UCSLD	\$14,136.00		3rd Day - Paid by UCSLD	\$14,136.00
	Hermiston reimburses their city portio	\$3,460.49		Hermiston reimburses their city portio	-\$3,515.00
<b>Library2Go</b>					
Electronic Library Access	21-22 Library2Go for 11 libraries	\$11,646.00		22-23 Library2Go for 11 libraries	\$13,077.00 (extra to Pendleton for Advantage)
<b>Cataloging Utilities</b>					
for 10 libraries	21-22 OCLC	\$295.00		22-23 OCLC	\$282
<b>Training</b>					
In-service trainings, continuing education funds/scholarships	21-22	\$6,299.00		22-23	currently over \$6,000 more to come.

The Outreach Fund covers expenses for direct library services to residents of the District that cannot easily use a public library. This fund covers the early literacy program, Take Off!, which is currently serving over 70 sites. The Take Off! program also provides storytime support and resources to the libraries as they request. The fund includes the maintenance and fueling of a vehicle, and covers any outreach events that the UCSLD helps the public libraries with 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 FY2019-20.

## Overview of the UCSLD FY2023-24 Budget

### **General Fund - Resources**

This is the anticipated income and cash carry-forward for the general fund.

- Cash on Hand
  - This money sees us through until taxes are received in November. We budget and spend so that we have enough to see us through without taking out a loan.
- Interest
  - We have received 4 times more than budgeted. I estimated a higher amount than last year.
- 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. This current year, we received \$112,741 in total which was an increase over what we received the year before. For next year, \$113,000 is budgeted.
- Other income
  - Reimbursements and fees paid to the UCSLD
- Tax Revenue
  - We have two sources of tax revenue: Taxes estimated to be received in 2023-2024 and taxes that were previously levied. The previously levied taxes amount is averaged at \$45,000 - some years we receive more and some years less.
  - From the documents provided by the Umatilla County Assessor's Office, the estimated tax revenue to be received for FY2024-2024 is \$2,259,520. Over the past few years, we have consistently received more than the County estimate. This year, I budgeted for a 95% collection rate and then a 3% increase from the county estimation.

### **General Fund - Expenditures**

In general, as we cannot expend in a budget area if we do not have budget authority and because many costs are not set yet, the budget numbers below are a best guess with a buffer.

## General Fund Requirements – Personnel Services

- All UCSLD staff salaries and wages and benefits are included in the General Fund.
  - This amount reflects a proposed 7% increase on current staff salaries to align with Western CPI over the last 12 months.
- Health insurance costs for 2023 are anticipated to rise 5% and there is an extra buffer in the budget as the Board has asked me to look into adding insurance for families of the District employees. The Board has not yet voted on as policy but I've included the necessary funds in anticipation of this discussion with the Board.
- PERS costs will be published in the next month or so for the next binneum. I've budgeted for a slight increase since I don't have the numbers yet.
- Employer paid taxes were increased slightly based on this year's expenditures.

## General Fund Requirements – Allocated Materials & Services

- Board Expenses – I have at least one, possibly two, Board members intending to do the SDAO Board Academy this coming year. Additionally, I have several Board members interested in attending the SDAO conference next year so I have budgeted a slight increase in this category.
- Elections – Next year there will not be an election. This line item shows a decrease as a result, and functions as a place holder.
- Ads and notices are budgeted for a normal budgeting year.
- The audit will increase based on the June 30, 2023 CPI amount according to the auditor. As this is an unknown number at this time, a buffer was created.
- SDAO premium costs were not finalized, but we were advised to anticipate an increase.
- Legal expense is usually low, but there are some unknowns currently.
- Fiscal management – The amount anticipates an increase in our monthly rate by CPI and more to cover extra expenses.
- Rent – Rent will increase by 3% to \$808.58 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 Streamline. Streamline will increase from \$100-\$126/month for the first time ever. There is an additional buffer created for the possibility of an unknown increase for Microsoft 365.
- Office Supplies, Maintenance, Postage – The cost of printer cartridges, postage and other office supplies increases every year. \$6,000 will cover our costs in the coming next year.
- Staff Training & Conferences – this covers registration to trainings and conferences. This is being increased as the Director is new and is in need of much training.
- 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 District Director's computer and any other equipment purchases we make – projectors, printers, etc.

## General Fund Requirements – Not Allocated Materials & Services

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.
- Community Service Fees – this is 80% of the anticipated funds which will be distributed to the libraries.
- Transfer to the Resource Sharing Fund - \$125,000 to cover those costs.
- Transfer of \$10,000 to the Capital Reserve Fund to continue rebuilding that fund for the next vehicle/capital expenditure.
- The contingency is budgeted in case we need to offset unexpected costs during the year.
- Reserved For Future Expenditures is for the possibility of real estate or other large purchases.
- Unappropriated ending balance is to carry us through November of 2024.

## Resource Sharing Fund

There is an anticipated \$13,000 carry forward from our current budget. In addition to the transfer from the General Fund, the UCSLD will receive approximately \$22,000 in reimbursements from the Sage Library System for courier costs and from Hermiston City for the UCSLD payment of the Hermiston Public Library's 3<sup>rd</sup> day courier. We have an ongoing grant program for historical materials for the libraries. It is estimated that we will have approximately \$3,000 this coming year in that grant.

- Sage Library System – the cost to be a member of Sage is increasing, however the final numbers are not out yet. The \$59,000 budgeted should cover the increase, yet also reflects the decision from Sage to bill Hermiston directly so we will not need to be reimbursed from them for that cost.
- Courier – We contract with InterMountain ESD to deliver materials to our libraries 3 days a week. This cost has increased – we pay on the basis of how many crates each library uses. We do receive a reimbursement from Sage Library System for the 2 days a week service. The UCSLD covers the third day service.
- Cataloging Utilities are used for cataloging of the libraries' materials in the UCSLD.
- Library2Go is the digital library program. This rises in cost pretty significantly each year and is worthwhile as it is being used increasingly by our residents, especially coming out of the pandemic. The desire for this service has soared.
- Program & Training for Library Staff Members and Board Members – This covers our In-service costs for staff members (2 per year) as well as any additional continuing education costs for library staff. A portion of these funds are used for continuing education grants for which libraries can apply.
- Cooperative Programs & Activities – This includes funding for programs that cover the whole District.
- 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 \$18,040 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.

- The salary for the Early Literacy Program Manager is in the General Fund.
- 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 daycares, preschools, Head Starts, etc. throughout all of Umatilla County. We also provide book boxes of carefully selected themed materials to support early literacy development, as well as provide training for the caregivers and teachers.
- Take Off! Transportation – Fuel and maintenance costs for the Take Off! vehicle
- Outreach Materials & Supplies – These funds can cover any outreach programming that the UCSLD provides to populations that cannot reach a library easily.
- Contingency – In case of the unknown.

## **Capital Reserve Fund**

- This fund was renewed in FY2019-20 and was used to purchase a vehicle in FY2020-21. The fund is being rebuilt and \$10,000 will be added this coming fiscal year.