

TO: Josephine Community Library District Budget Committee  
FROM: Kate Lasky, Budget Officer  
DATE: April 2020  
SUBJECT: FY 2020-21 Budget Message

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## JOSEPHINE COMMUNITY LIBRARY DISTRICT FY 2020-21 BUDGET MESSAGE

This FY 2020-21 budget document represents the resources and requirements anticipated to be necessary to accomplish the goals and activities of the District as approved by the Board of Directors. This proposed budget is in balance as required by Oregon Budget Law.

### RESOURCES

**General Fund** resources are made up with the cash carryover including any unappropriated ending fund balance, the taxes to be received, restricted resources such as funds from the Library Foundation, State Library and Trust donations along with interest and fees.

**Maintenance Fund** resources are made up from the carry over (Fund Balance) and a transfer in from the General Fund.

**Reserve Fund** resources are made up from the carry over (Fund Balance) and a transfer in from the General Fund.

### REQUIREMENTS

#### APPROPRIATIONS SUMMARY

**General Library Operations:** This allocation includes all aspects of operating the library branches and provides the basic level of service outlined in the Strategic Direction.

**Enhanced Library Services:** The Josephine County Library Foundation grant funds will pay for deferred maintenance in this category. Restricted reimbursement from FCC USAC for the E-rate program.

**Interfund Transfers:** This appropriation represents a transfer from General Library Operations to the Grants Pass Maintenance Fund as required by the lease agreement between Josephine County and JCLD for use of the Grants Pass branch at 200 NW C Street.

**Operating Contingency:** For FY 2020-21, a contingency of approximately 17% of the operating budget is set. It is not anticipated these funds will be needed, however, given the uncertainty and impact of the COVID-19 pandemic and associated unforeseen costs, a larger than normal contingency is advisable.

**Unappropriated Ending Fund Balance:** It is anticipated a fund balance of \$600,000 will be necessary to provide for operations in FY 2021-22 until the receipt of tax revenue.

## **GENERAL LIBRARY OPERATIONS**

### **PERSONNEL SERVICES**

**Library Staff Salaries:** The district will employ 16 positions at 15 FTEs. The staffing schedule reflects JCLD's strategic plan to enhance program quality and customer service. One new part-time position includes a cataloging assistant, in anticipation of increased workload at the Grants Pass branch.

**Taxes and Benefits:** Employee benefits include worker's compensation, employment insurance, health insurance, life and disability insurance, and a retirement program

### **MATERIALS AND SERVICES**

**Library Services:** The Materials and Services budget is closely tied to the JCLD strategic plan and is based on an analysis of FY 2019-20 YTD actuals. Library Services represents Collection Development, Technical Services, Patron Services and Supplies, Volunteer Support, Events at Library, Communications and Outreach, and Special Contracts for grants administration, website development, information technology services, and patron survey.

**Maintenance and Repairs:** Allocations include Building Improvements, Facilities and Equipment, and Computer Maintenance. Maintenance and Repairs calculations are based on FY 2019-20 YTD actuals and projected deferred maintenance and repairs for the Illinois Valley, Williams, and Wolf Creek branch buildings in accordance with the Capital Improvement Plan adopted by the Board of Directors in July 2019.

**Administration:** Allocations include Insurance, Travel & Training, Election, Audit Services, Legal Services, Administrative Support, Telecommunications, and Utilities. Administration calculations are based on FY 2019-20 YTD actuals.

**Transfers:** The Board of Directors authorized the Reserve Fund for the purpose of emergencies, future library services and operations, and capital and maintenance improvement projects in May 2019.

### **ENHANCED LIBRARY SERVICES - MATERIALS AND SERVICES**

**Library Services:** The Josephine County Library Foundation grant funds will pay for library card scholarships in Library Services. Other grants expensed in this program include Oregon State Library, Friends of the Library, Kay Jean Turner Trust, and Dorothy Thompson Trust.

**Maintenance and Repair:** The Josephine County Library Foundation grant funds will pay for deferred maintenance in this category. Restricted reimbursement from FCC USAC for the E-rate program will be expensed in Enhanced Library Services at \$164,400 in FY2020-21.

Total General Fund Requirement, including Contingency and Unappropriated Ending Fund Balance is \$2,886,300.

## **MAINTENANCE FUND**

In accordance with the lease agreement between JCLD and Josephine County for the use of the Grants Pass branch building, JCLD holds a dedicated fund for repairs and renovation of the building. JCLD is required to deposit \$5,000 per year into the Grants Pass Maintenance Fund and may use the funds with written approval from the Josephine County financial officer. Funds transferred per the lease agreement are restricted for support of the Grants Pass branch. All other funds are unrestricted.

Total Fund Requirement is \$20,346.

## **RESERVE FUND**

The JCLD Board directed the formation of a Reserve Fund for capital outlay for building improvements and infrastructure in May 2019. The Reserve Fund is set aside for the purpose of emergencies, future library services and operations, and capital and maintenance improvement projects.

Total Fund Requirement is \$466,400.

The proposed total annual budget is \$3,373,046.