

DESCHUTES PUBLIC LIBRARY DISTRICT
Budget Committee Minutes
May 20, 2009
Library Administration

Budget Committee Present: Addie Kerr, Harry Hamilton, Martha Lawler, Pat Lawrence, Ann Malkin, Ray Miao, Beth Pearl-Gent, George Riser, Susan Torassa, Neal Wineman

The meeting was called to order at 12:45 p.m., in the large conference room of the Library Administration building.

BUDGET COMMITTEE CHAIR

Ann Malkin nominated Susan Torassa to serve as Budget Chair. Ray Miao seconded the motion. The motion passed unanimously.

PUBLIC COMMENT

Chair Susan Torassa invited comments from the public. No comments were made.

PRESENTATION OF BUDGET MESSAGE

Library Director Todd Dunkelberg presented the budget message.

Awards

The Library District has received local, regional, and national awards during the past year. Graphic designer Ann Hettinger received the ALA graphic arts “best in show” award, the district won national honors for excellent graphic arts for the Teen Zine, HR Manager Marian Thomas won the Oregon Library Association OLE award, and the district received the 2009 City of Bend Arts, Beautification and Culture Award for the 2008 Novel Idea program, “The World to Come.”

Circulation

Circulation has increased over the past year. In addition, demand for library services has increased significantly and exceeds the capacity of the existing facilities in some locations and especially in Bend.

Cash Flow

The Deschutes County experienced a tough economic year, with 91% of residents paying taxes. This is the lowest collection rate the county has experienced in the past 10 years. 1% equals about \$100,000 for the district. A low growth rate is expected through the 2012 fiscal year. The current budget projections are conservative. The goal is to have an \$800,000 ending cash balance. Adjustments will be made if needed.

The District does not plan to borrow via Tax Anticipatory Notes (TANS). It will borrow funds from reserves if necessary. During the past two years, the District has not needed to use the money borrowed via TANS. The savings of not using TANS will be approximately \$20,000. The District has an option of borrowing from the Bank of Cascades for short-term funds if needed. Borrowing funds through the Bank of Cascades will be less than using TANS.

The budget projects a conservative 4.4% increase in tax revenue. Personnel costs are projected to increase by 1.5% in 2009/2010 and up to 6% for each year through 2012. Benefit costs will increase 10% each year.

The district's conservative approach to spending in the past few years has put the District on solid financial ground.

Committee Discussion: Miao asked about bank's property tax payments. Dunkelberg stated that theoretically bank pays taxes if houses go into foreclosure. Extra funds would go into general funds supporting the goal of having an \$800,000 ending cash balance. Hamilton expressed a desire to have rounded figures in the budget.

Key Initiatives

Significant initiatives for the coming fiscal year include:

- **Library services to east Bend**—a large population east of downtown Bend shows about 30,000-40,000 people that could benefit from expanded library services. The budget reflects an eastside storefront with a goal to have full services in the future. The short-term goal is to identify rental spaces, preferably around 4,000 to 8,000 square feet. Staffing will depend on the location size and the service schedule. The Budget projects a 1.0 FTE Library Assistant with rotating staff. The District will pursue creative staffing options.

Full details of a possible storefront operation will be presented at a later time for Board approval. The district anticipates three to four months for the preliminary study and a possible end-of-year storefront launch.

- **Collection Development**—a \$60,000 increase is recommended to maintain the present ranking with other libraries in the state.
- **Efficiencies**—the district is looking at ways to spend less time “touching” items. **Floating collections** is one area that the district is exploring. Currently about 50% of checked items are circulated back to the originating library. New software would enable the district to “float” collections. It is expected that floating collections will save staff time and enhance supply and demand analysis and results. **Self-check stations**—the district plans to purchase more stations and upgrade current ones to support traffic and e-commerce. **Bend Lobby**—the district is currently looking for ways to move people through more efficiently. An extra 10,000 items have been processed in one month.

- **Library Linx project**—the program is planned to expand if schools support media specialist positions.
- **Branding**—the positive library brand initiative will be completed this fiscal year with major roll-out planned during staff day on October 26.
- **Carpeting**—this major investment is aligned with an effective asset protection program. The prior Redmond remodel did not include carpeting.
- **Staff Training and Development**—a significant investment is planned around customer service. This investment includes library layout, signage, and targeted staff training and development centered on creating and maintaining a positive library experience.
- **Organizational Structure**—new leadership includes appointing Kevin Barclay as Assistant Library Director of Research, Innovation, and Long Range Strategy. A Library Manager I will take over Adult Services.

Budget Detail by Department

Department's budgets were discussed. Highlights included: eastside service support details are included in some departments, new library cards are included in the budget as an alignment with the branding initiative, and updating the web site is reflected in E-services.

Reserve Fund

Savings for a future eastside branch were discussed.

Capital Facilities Plan

This fund is currently not reflecting growth. Extra money received from taxes could possibly be added here. Facilities investment plan is projected through 2014.

Committee Discussion: Malkin expressed concern about not investing in the facilities development plan. She wants to demonstrate diligent savings towards new facilities for future successful campaigns.

Reserve Fund

Highlighted projects included:

- Facilities: recarpeting of the branches, cooling unit in Bend, repairs to the sidewalk in Bend, east Bend furniture, electronic signage for Bend
- IT: east Bend computers, floating collection software, additional check-out equipment

Grant Fund

Discussion/updates included:

- Ready to Read grant will be reduced

- LSTA grant will fund possible expansion of Library Linx; school are presently evaluating and making tough budget decisions that may affect media specialist positions
- Gates grant furnishes computers in La Pine

State Report

Todd explained that some blank areas in the report were a result of the district not needing an area and the state requirement that descriptions stay on the report for a period of three years. Todd explained line 4 as the continued financing for the buildings in La Pine and Sisters.

MOTION TO APPROVE

As there was no further discussion, Chair Susan Torassa called for motions.

Pat Lawrence moved that the budget committee of the Deschutes Public Library District has reviewed and hereby approves the budget for the 2009-2010 fiscal year as presented. Susan Torassa seconded. The motion was approved unanimously. (Addie Kerr was absent)

Ann Malkin moved that the budget committee of the Deschutes Public Library District approve taxes for the 2009-2010 fiscal year at the rate of \$.055 per \$1,000 of assessed valuation. Martha Lawler seconded. The motion was approved unanimously. (Addie Kerr was absent)

The Board complimented Library Director Todd Dunkelberg on preparing a well-designed, clear budget.

ATTEST:

Todd Dunkelberg
Library Director