

**Lower Umpqua Library District**  
**Budget Committee Meeting Minutes**  
**4/9/2024**  
Lower Umpqua Library and Zoom

**LULD Board Members Present:** Dale Harris, Pres., Ron Eberlein, VP, Gary Goorhuis, Treas, and Melissa Lilly.

**LULD Budget Committee Members Present:** Colleen Eberlein, Terry Moore, Chris Adamson, Cheryl Wilmarth, and Rosemarie Hausmann.

**Staff Present:** Alex Kuestner (Director) and Jonathan Moore.

**Call to Order:** Harris called the meeting to order at 6:00 p.m.

**Appoint New Budget Committee Member:** LULD board. Goorhuis nominated Rosemarie Hausmann. Lilly seconded. The motion passed 4-0.

**Elect 2024-2025 Budget Committee Chairperson:** Full budget committee. Goorhuis nominated Harris and Eberlein seconded. The motion passed 9-0.

**1. Receive budget document and budget message from Budget Officer:**

Kuestner presented the budget for fiscal year 2024-2025, consisting of Form LB-20, Form LB-30 p. 1 & 2, Form LB-11 for the John Warden Reserve Fund, and Form LB-11 for the Roof Replacement Reserve Fund, and explained each of these line-by-line.

Form LB-20 (sources of income for the library):

Line 1: Available cash on hand, estimated for the end of this fiscal year (June 30).

Line 7: Estimated amount to be received from grants during the next fiscal year, 2024-2025.

Line 9: Estimated funds provided by the State of Oregon for the Summer Reading Program.

Lines 8, 10, & 11: Estimated revenue from other sources.

Line 30: Taxes estimated to be received, based on the Douglas County Assessor's office.

Line 32: Total resources available to the library, i.e. the sum of all the above.

Form LB-30 p.1: Budget category allocations for the coming year. Categories here are cushioned to be more than LULD expects to spend, to avoid running over in the case of unexpected increases.

Lines 2-5: "Payroll Liabilities/Benefits" has been folded into the Director and Staff payroll categories. (The latter two, representing full-time and part-time staff, respectively, must be separate categories.)

Line 14: Collection Development, increased from \$6,000 to \$8,000. In previous years, LULD has received significant grants for buying new materials for the collection (notably most of the library's new magazines and DVDs), but Kuestner wanted to cushion this category in case the LULD doesn't receive as many grants this year.

Line 15: Neighborhood Libraries, a new category to cover maintenance for the six neighborhood library units that are completed or being built. (This is distinct from Line 26.)

Line 20: Grant Expenditures, which Kuestner estimates will be \$25,000 by the end of the current year. \$30,000 for next year is more than LULD will likely receive in grants.

Many of the other categories are similar in size to what they were previously, because LULD didn't fully spend them before. Kuestner contacted various vendors to try to obtain cost estimates for the coming year:

Line 24: Library Supplies was increased from \$1,800 to \$2,000, as in previous years the library has run out of money to replenish supplies (e.g. barcodes, labels).

Line 25: Overdrive does not know how much their fee will be. For the current year it increased to just over \$5,000, so Kuestner increased this category to \$6,000 for next year.

Line 26: Maintenance: covers maintenance costs for the library building itself.

Line 27: Interlibrary Loan's fee is going up 5%, and this category also provides for shipping materials to other libraries (interlibrary loan fees paid to LULD are entered separately under LB-20: Line 11: Miscellaneous Revenue).

Form LB-30 p.2:

Line 23: \$5,000 transferred annually from the General Fund to the Roof Replacement Reserve Fund.

Line 29: Operating Contingency, which helps to tide the library over each year until tax income comes in towards the end of the year, and beyond that serves as a rainy day fund.

Form LB-11: John Warden Reserve Fund: Money previously bequeathed to the library. LULD previously decided to set aside this fund for now as a rainy day fund.

Form LB-11: Roof Replacement Reserve Fund: LULD has been adding \$5,000 to this fund every year. LULD has a deal with the city whereby the city will pay half the cost of replacing the library roof. Kuestner has obtained quotes from roofers (in the \$40,000-60,000 range). The city has mentioned getting a deal on multiple roof replacements, so it may be that they will want to get their own quotes and go forward with that.

**2. Discussion of proposed budget:** Terry Moore expressed concern regarding how steeply many categories have increased in the few years since LULD's inception. She stressed the importance of continuing to grow LULD's cash on hand (contingency) in case support for the library falters or is cut off in the future. Kuestner clarified, as a factor which might make increases look sharper, that LB-30 only shows budgeted amounts for this fiscal year and proposed budgeted amounts for next year, whereas for previous years it shows the actual amounts spent, which are generally less than the budgeted amount, often significantly so since categories are cushioned. Terry Moore asked about fluctuations in the director's (salary) category in particular. Kuestner explained that these are partly due to the transition from the previous director, during which there was no director for a time, and after which LULD received a grant which temporarily reduced the amount spent in the director's category.

Ron Eberlein asked about Interlibrary Loan, which last year the board initiated as a trial, to see how much the library benefits from the service. Kuestner said that patrons have been using it, particularly to borrow audiobooks, but not as much as he expected. However, he noted that it also saves LULD staff a huge amount of time by allowing them to import catalog records directly from WorldCat (the Interlibrary Loan system).

Kuestner presented a document showing how much of each category we expect to spend by the end of the fiscal year, based on current rates and known future major expenses.

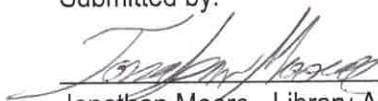
Regarding the John Warden fund, Terry Moore noted that interest rates are now available upwards of 5%, and suggested moving funds to take advantage of that.

Regarding roof replacement, Harris noted that the committee may have to defer to a future meeting when LULD will have a more exact estimate of how much the roof replacement will cost. Harris also suggested developing a full maintenance fund with subcategories to save money over multiple years for other long-term maintenance expenses similar to the roof.

**3. Receive public comment:** There was no public comment.

**4. Approve proposed fiscal year 2024-2025 budget or recess to continue discussion:** Goorhuis moved that the Budget Committee recess until May 14, Terry Moore seconded, and the motion passed 9-0. Meeting recessed at 7:29.

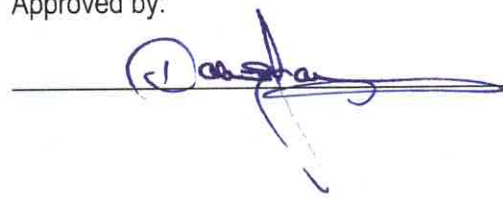
Submitted by:

  
Jonathan Moore - Library Assistant

Date: May 10, 2024

Accepted as written or amended on (date) May 14, 2024

Approved by:

  
Date: May 14, 2024