

MINUTES FOR THE
JACKSON COUNTY LIBRARY DISTRICT
BUDGET COMMITTEE PRELIMINARY MEETING HELD ON
MARCH 23, 2015

1. Call to Order/Roll Call

The Jackson County Library District Budget Committee was opened by President Jill Turner on Monday, March 23, 2015, at 9:06 a.m. in the Adams Room at the Medford Branch Library at 205 South Central Avenue, Medford, Oregon.

Roll call was taken and those present were:

Jill Turner, President
Monica Weyhe, Vice President
Maureen Swift, Director
Susan Kiefer, Director
Carol Doty, Director
Also Present:

Pat Ashley, Budget Committee Member
Edwin Budge, Budget Committee Member
Eric Dziura, Budget Committee Member
George Prokop, Budget Committee Member
Catherine Shaw, Budget Committee Member

Kim Wolfe, Jackson County Library Director
Betsy Randolph, JCLS Business Office Manager
Lisa Marston, Rogue Valley Council of Governments
Cindy Shindell, Rogue Valley Council of Governments
Vicki Robinson, Rogue Valley Council of Governments
Carrie Prechtel, Digital Services Coordinator (LSSI)
Marian Barker, Youth Services Manager (LSSI)
Lisa Higdon, Jackson County Library Business Manager
Lynell Dewey, Recording Secretary

Members of the Public

2. Introduction of Budget Committee Members and Staff

President Turner asked each member of the Budget Committee, including the District Board members, to briefly introduce themselves. Mr. Prokop stated that he represents the Jacksonville Area on the Budget Committee. Director Weyhe's background is public library administration, human resources management, and budget analysis. Director Swift worked for many years negotiating and administrating telecommunications contracts. President Turner has worked in local governments, primarily in the finance area, and has staffed many budget committees. Director Kiefer retired from her job as a Law Library Director, became a professional library volunteer, served on the Library Advisory Committee, and is President of Prospect Friends of the Library. Director Doty retired from a Licensed Mental Health Practice, has served on many County, City, and non-profit committees and boards, and worked on municipal and county budgets. Mr. Budge stated that a long, long time ago he was an Administrative Officer in the Library of Congress, and also past-President of the Oregon Library Association. Ms. Shaw served on the Ashland Budget Committee for 15 years, was mayor of Ashland for 12 years, authored a book on winning local elections, and worked on various campaigns, including the Library District. Ms. Ashley currently serves as Chair of the Board of Rogue Community College, served on the Library Advisory Committee for eight years, was part of the group that spearheaded the campaign to get the libraries built, and is part of Eagle Point Friends of the Library. Mr. Dziura spent nearly half his working life (21 years) in the military, and the other half of his career was teaching physics and mathematics in colleges. He served on the Medford

Budget Committee for several years, was on the Medford School Board for five years, and as Chair of the School Board for two years. While at the School Board he also was part of the School Board's Budget Committee.

President Turner introduced Cindy Shindell, Vicki Robinson and Lisa Marston of Rogue Valley Council of Governments (RVCOG), and Lisa Higdon, Jackson County Library business manager. She stated that she wanted the Committee to be aware of those people because they are working on many of the issues related to finances.

3. Limitation of discussion pursuant to Oregon Local Budget Law

Ms. Marston briefly reviewed the topics that could be discussed at this preliminary Budget Committee meeting (*Submission No. 1*), noting that specific estimates or amounts for Fiscal Year 2015-2016 Budget could not be discussed at this meeting.

4. Orientation on the Library District and its various programs, activities and services

President Turner noted that the District came into being July 1, 2014, and soon after the District entered into an agreement with Jackson County to provide the operations in order to use the facilities through the end of June 30, 2015. That agreement recognized that the District had no funds at that time because property taxes had not yet been collected, so the first payment to the County was scheduled for December. The District is paying the amount currently budgeted by the County, and those numbers will be reviewed later in the meeting. She noted that at the end of the fiscal year, there is a reconciliation process, which will take place as soon as possible after the end of the fiscal year. The revenues will then be given to the District, and the amount is expected to be just over \$1 million.

The current fiscal year budget for the District is very simple: the District pays property taxes and writes one check a month. The County budget is more detailed, and the District Board has been reviewing the County library expenditures in order to understand what is happening at the library level, and also look at the tax collections amount versus the District payments.

5. Discussion on current year and prior year budgets

The District Board added 58 more library hours, which is a 19 percent increase. Ms. Wolfe distributed a handout with the new library hours (*Submission No. 2*) and a brochure listing the many programs of the libraries. She noted that the libraries have far exceeded nearly all the statistics printed on the brochure (*Submission No. 3*). The Committee requested a graph be created to show the original number of hours of each library, the additional hours provided by the communities in the past, and the new hours.

President Turner noted that the process of adding the hours was begun immediately after the District was approved, and the cost was approximately \$285,000 for six months. The Board is currently negotiating a draft contract with Library Systems & Services (LSSI) for library services, and LSSI has been very responsive to requests for information. The current Library Director, Kim Wolfe, is retiring, and LSSI is in the process of recruiting her replacement. The District Board is pleased with the new Library logo. The Board is continuing talks with the County regarding purchasing or leasing the library buildings.

Ms. Wolfe introduced three other people from the Library: Carrie Prechtel, Marian Barker, and Betsy Randolph.

President Turner reviewed with the Committee the County's Library budget for the current fiscal year 2014-15 (*Submission No. 4*) and the estimated budget of the Library District for fiscal year 2014-15 (*Submission No. 5*). She pointed out some details on donations, and where some donations were for specific services. There are some items that the County did not budget for, which the District incurred, such as insurance, contracting with an attorney, contracting with RVCOG, the District's share of the election costs, etc. The County performs a reconciliation of budgeted costs and actual costs at the end of each fiscal year, and with grant money and donations received in advance of projects, the District expects to receive around \$1,100,577 from the County. A discussion was held regarding the roof replacement cost for the Medford library, and the forecast for the next five years of building maintenance, the remodel of the Friends of the Medford Library bookstore, the purchase of new computers, a new telecommunications system, and the amount of funds in contingency. The new telecommunications system may be partially funded by the E-Rate Program. The District needs sufficient revenue for this year and part of next year. President Turner stated that she is pretty confident that there will be sufficient cash flow, but has concerns about how early the property tax revenue will be available, and unexpected costs to be absorbed.

Director Weyhe requested an electronic copy of the County Budget estimate, and this will be sent to each of the Committee members.

President Turner stated that the District will be able to operate within the levy authorized by voters, and the challenge is operating for 17 months rather than 12 months. The issues are more of working out who does what and administrative tasks versus the finances. In response to a question about annual or bi-annual budgets, President Turner felt the Board needed at least two years of experience before a bi-annual budget was considered.

The length of the LSSI contract is part of the ongoing negotiation, and the current contract was for five years. Any change in operations would require a lengthy process. Initially, it appears that the District will be contracting services from LSSI for Library operations and with Jackson County for administrative services and property management. Administrative services will move next year to the RVCOG, with property management probably remaining with the County. A short discussion was held regarding the various services RVCOG provides small cities, Districts and the County.

A discussion was held regarding identifying one-time charges and recurring charges on the current budget document. The insurance cost was new this past year because the District was required to obtain insurance for Errors and Omissions, and that will continue. A more detailed breakdown of donations will be made in future budgets, and once the draft fiscal year 2015-2016 budget is provided, that is what the Committee will work from.

Vice President Weyhe noted that the Board's Governance Policies created this year state that the Board will follow Robert's Rules of Order. The informal version is used for small Boards and would be appropriate for the Budget Committee. The Committee agreed that its meetings will be conducted using the informal version of Robert's Rules of Order.

President Turner recessed the meeting for a ten-minute break, and the meeting continued at 10:10 a.m.

7. Budget Committee Comments

A discussion was held about the many details and decisions which arise, such as the vehicles currently provided by the County for the couriers and technical staff, and whether to lease or buy, and insurance, etc. It was noted that Oregon has many Library Service Districts, but very few Special Districts. Support has been provided from the Special District Association, Oregon Library Association and the American Library Association. Mr. Budge noted that by Oregon State Law, public libraries are educational institutions and have a status similar to a community college. While many areas have individual libraries funded by that city or county, President Turner believes that in this age of technology, the whole community is served best by having multiple libraries tied together.

Regarding the maintenance of the libraries, Director Doty noted that the County has provided a four-year projection of maintenance costs, and she felt it is a very low figure. President Turner pointed out that the facilities appear to be in very good shape, and the capital plan included just a couple of large maintenance items, such as the roof for the Medford library this year. Director Swift reminded the Committee that there is always the potential for a heating and air conditioning system failing and needing to be replaced, and the buildings, flooring and furnishings are getting older. Vice President Weyhe believes it is never too early to set aside money for major repairs and maintenance, and identifying the life of different projects.

8. Elect a Presiding Officer to chair the Budget Committee Meetings

Ms. Ashley nominated Mr. Dziura for the position of Budget Committee Chair and Director Swift nominated Ms. Shaw. Both were willing to serve in that position, and after a short discussion Director Doty made a motion for a unanimous vote to appoint Mr. Dziura as the Chair of the Library District Budget Committee. Ms. Shaw seconded the motion, and President Turner called for a vote. Those who voted aye: Director Doty, Director Kiefer, Director Swift, Director Weyhe, President Turner, Ms. Ashley, Mr. Budge, Mr. Prokop, Mr. Dziura and Ms. Shaw. Motion passed, and President Turner turned over the meeting to Chair Dziura.

9. Meetings to deliberate on the Fiscal Year 2015-16 Proposed Budget

- a. First Meeting on Monday, June 1, 2015, at 9:00 a.m.
- b. if needed, second meeting on Monday, June 8, 2015 at 9:00 a.m.

Chair Dziura read the dates of the upcoming meetings and asked if there were any scheduling conflicts. There were no conflicts for the meeting on June 1, 2015. Ms. Ashley noted that she has a conflict at 10:30 a.m. on June 8th, and Director Kiefer stated that she would only be able to participate in the June 8th meeting by phone or Skype, which is permitted.

There being no further discussion, Chair Dziura adjourned the meeting at 10:30 a.m.

Jill Turner, President

Eric Dziura, Chair

Monica Weyhe, Vice President

Pat Ashley, Budget Committee Member

Maureen Swift, Director

Edwin Budge, Budget Committee Member

Susan Kiefer, Director

George Prokop, Budget Committee Member

Carol Doty, Director

Catherine Shaw, Budget Committee Member

/s/ Lynell Dewey
Recording Secretary

Approved on: June 18, 2015