

# **SCAPPOOSE PUBLIC LIBRARY DISTRICT**

## **Budget Message**

### **April 1, 2021**

Scappoose Public Library will end the 2020-21 fiscal years in sound financial health. We will end the year with at least \$180,000 in cash on hand. We managed to slightly increase our cash on hand year over year while spending a little over \$23,000 in capital improvements to replace the main HVAC system and make the meeting room handicapped accessible.

The taxes collected forecast for the Scappoose Public Library for the 2021-22 fiscal years has a large increase over the 2020-21 budgets. I had anticipated at least 12% of the estimated 2020 property tax will not be collected and that is reflected in the 2020-21 budget. However, collections were nearly normal and we have received more than was estimates in the 2019-20 budget. The library has built up a cash balance in the past 3 years and we should end the current budget cycle with \$180,000 or more in cash which is about 6 months of expenses.

According to the Columbia County Assessor, total estimated tax revenue for the library district is \$353,495. I am expecting tax collections to be within the norm for the past several years. Based on the assumption of a non-collection rate of 7% of the imposed tax, the library would yield about \$330,000 for the 2021-22 fiscal years.

Available cash on hand is estimated to be \$180,000 at the end of the current library fiscal year. This figure can be a bit confusing in the budget. By law the library operates on a fiscal year that coincides with the state budget year (July through June). However, the library does not receive much in tax income until November when property tax is received. The cash on hand is what the library operates on during the first 1/3 of the legal fiscal year until taxes begin to be received. Scappoose Library has been increasing cash on hand for the past three years.

Besides tax revenue, the library also receives grants and money from fines, fees, and meeting room rental. In the current fiscal year, the library has received over \$25,000 in state, private, local and federal grants. We used that money to provide PPE for staff, Take and Make kits for children, technology access for the public, books relating to mental health for children, homeschooling books, anti-racism books, and improving handicapped accessibility to the meeting room. The pandemic resulted in almost no fine money or meeting room rental money in the current fiscal year. I have anticipated a return to normal in the current budget.

The Friends of the Scappoose Public Library (FOSPL) have donated or pledged over \$2000 to the library in the current budget year. Their generous support allowed the library to purchase necessary materials and activities for the 2020 and 2021 Summer Reading Program, funding books to give to children and adults, and for materials in the library of things. We are very grateful for their support.

Programming other than what children can take with them has been curtailed during the current fiscal year. We anticipate a return to some in person programming outdoors in June during Summer Reading. Still, the programming budget has been substantially

reduced. The programming budget for 2019-20 was unusually large because the library had anticipated partnering with the Columbia County Fairgrounds to show drive in movies. That ended up being unfeasible, so the money was not spent.

## **The Scappoose Library District Proposed Budget For Fiscal Year 2020-21.**

**LB-30, Requirements Summary,** This document summarizes the itemized budget documents.

In Personnel, I am proposing giving staff a standard raise in 2021-22 which would be a 2% raise plus the longevity step. Last year, part time staff received only the longevity step and the director received no increase. The main increase in the personnel budget is due to a raise in our mandatory rate paid into the Oregon PERS retirement system. The library contribution will nearly triple starting in July for the next two years. Overall, the budget is slightly less than the current year, but the current year budget included major expenses to replace physical systems in the library.

In Expenditures, The total for services is nearly the same as 2020-21, but some funds have been rearranged in order to increase the materials budget 15%. I have decreased programming substantially because it was abnormally large for 2019-20. I have budgeted a minor amount for capital improvements. In the past couple of years, we have replaced the entire HVAC system in the library as well as the computers and much of the fire suppression system. I know things always come up as a building ages, but I'm hoping this past work saves us money this year. I also increased the operating contingency to \$58,000 this year so that money could be available if there are any budgetary shortfalls.

**LB-20, Resources,** This shows resource projections estimated from current fiscal year results.

Total resources proposed for fiscal year 2021-22 are \$539,000. I believe it is a realistic budget and accurately reflects budget resources that the library can expect. We will end the year with \$180,000 cash on hand. The estimated 2021-22 tax revenue estimate for Scappoose Library is \$353,495. Applying an estimated collection rate of 93%, which is about the same as the average collection rate in our district for the past several years, I estimate that Scappoose Library will collect \$330,000 in the 2021-22 fiscal years. I also estimate that the amount of past due taxes paid will decrease 30% from earlier years as there have been less past due taxes in general for the past couple of years. I still anticipate the library will receive \$11,300 from meeting room rental, fines, fees, and other income even though the meeting room won't be available at least until mid-summer. We also receive money to support library programs from the Friends of Scappoose Public Library and the State of Oregon. We anticipate receiving \$8,900 in state and private grants, and support from the Friends of Scappoose Public Library. We anticipate \$3000 in donations which is lower than average, but we will be competing with the Scappoose Centennial Celebration in August for private sponsorships and donations.

We had been saving cash for two years in anticipation of replacing HVAC systems in 2019 that are at the end of usable life. We replaced those units at a net cost of 18,345. We also added handicapped doors to the meeting room at a cost of \$4,690. We had anticipated using some of last year's cash balance for those costs, but the library did not replace a staff member who left to go back to school. The result is that we will end up with at some additional cash on hand at the end of the fiscal year.

**LB-31, Personnel Services:** The library has moved to a step scale for hourly employees. The step scale rewards experience by giving employees a 2% raise for each year of service in the library. The step scale is differentiated by paying employees with more experience, education, and job responsibility higher wages. I am proposing

giving employees a 2% raise in addition to the step increase this year as they did not receive a raise last year.

**LB-31, Material and Services**, Overall, the budget for materials and services is about the same. Some costs in specific funds have been cut by negotiating better contracts or finding less costly vendors. Other budget lines have been cut based on past spending where cuts do not affect services to the public. This allows us to increase money for circulating materials 25%.

Circulation of physical materials and eBooks increased over 25% in the 2019 when compared with 2018. Circulation has increased 46% between 2017 and 2019. Library facility use has increased 19% over 2018 and 71% over 2017. Covid affected the circulation in the current fiscal year, cutting circulation by a third because the library was not open to the public during much of the pandemic. I anticipate a return to previous circulation levels, library use, and library hours in 2021-22 and am budgeting for that.

I believe the budget is balanced and as close as we can estimate at this time. There are substantial unknowns in the next fiscal year related to lingering effects of the pandemic. The Library has had strange year, but we have great staff and gave good service to the public despite the pandemic. I believe the Board of Directors, Librarian, Staff, Volunteers, and Patrons can all look forward to another year of growth, programs and community involvement in fiscal year 2021-22.

Respectfully Submitted;

Jeff Weiss,  
Budget Officer