

**SCAPPOOSE PUBLIC LIBRARY DISTRICT**  
**Budget Message**  
**June 5, 2020**

Scappoose Public Library will end the 2019-20 fiscal years in sound financial health. The budget forecast for the Scappoose Public Library for the 2019-20 fiscal years shows no increase in tax dollars over the current fiscal year. I anticipate at least 12% of the estimated 2020 property tax will not be collected and that is reflected in the budget. The library has built up a cash balance in the past 2 years, so we can weather this crisis without major program cuts.

According to the Columbia County Assessor, total estimated tax revenue for the library district is \$342,392, an increase of over 5% compared to this year's final certified total. The estimated actual property tax revenue collected for the next budget year. I am expecting tax collections to be substantially reduced the next budget year. Based on the assumption of a non-collection rate of 12% of the imposed tax (which is double the average percentage of past no collection), the library would yield about \$305,000 for the 2020-21 fiscal year.

Available cash on hand is estimated to be \$160,000 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.

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 \$20,000 in state, private, local and federal grants. We used that money to remodel the meeting room, provide music lessons for children, purchase library of things items to circulate and hold community events like Movies in the Park I have tried to anticipate grant funding for the coming year.

The Friends of the Scappoose Public Library (FOSPL) have donated or pledged over \$5500 to the library in the current budget year. Their generous support allowed the library to purchase necessary materials and activities for the 2019 Summer Reading Program, provide parenting programs in the library, funding books to give to children and adults, and pledge to pay for materials in the library of things. We are very grateful for their support.

The library has greatly expanded programming in the past 12 months. We funded most of that through donations solicited in the community and from grants. The proposed budget anticipates that the same won't happen in 2020-21. It is unlikely that we will be able to have large public programs again until late 2020. This likely includes traditional Summer Reading and Movies in the Park.

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

**LB-30, Requirements Summary,** This document summarizes the itemized budget documents. I have proposed the same personnel budget as 2019-20 and a \$5,000 reduction in Materials and Services. I also propose spending the library's cash balance built over the past two years to partially compensate for anticipated tax losses and replace our ancient HVAC system. This results in a larger than usual budget and a larger capital improvements budget.

**LB-20, Resources,** This shows resource projections estimated from current fiscal year results. Total resources proposed for fiscal year 2020-21 are \$515,382. We are budgeting our cash reserve into the general fund, and the capital improvements fund. We believe it is a realistic budget and accurately reflects budget resources that the library can expect. The estimated 2019-20 tax revenue estimate for Scappoose Library is \$349,337. Applying an estimated collection rate of 88%, which is much lower than the average collection rate in our district for the past several years, I estimate that Scappoose Library will collect \$305,000 in the 2019-20 fiscal years. I also estimate that the amount of past due taxes paid will decrease 30% from previous years. I still anticipate the library will receive \$12,500 from meeting room rental, fines, fees, and other income even though the meeting room won't be available to the public for most of the summer. We also receive money to support library programs from the Friends of Scappoose Public Library and the State of Oregon. We anticipate receiving \$8,132 in state and private grants, and support from the Friends of Scappoose Public Library. We anticipate \$12,500 in refunds and reimbursements. \$10,000 of that amount is a rebate on the HVAC system we plan to replace. The other \$2500 is an anticipated refund of unanticipated COVID-19 expenses under the CARES act. We anticipate \$8500 in donations. \$7000 of that amount is anticipated sponsorships and donations for the drive-in movies at the Columbia County Fairgrounds.

We have been saving cash for two years in anticipation of replacing HVAC systems that are at the end of usable life. The library is planning on replacing the 25 year old HVAC units this coming fiscal year, so we have budgeted \$32,000 in capital improvements for highly efficient units that will save in electricity costs. We have qualified for a \$10,000 rebate from Columbia River PUD on the systems proposed by our three qualifying bidders, so the net cost will be \$30,000 - \$32,000 depending on the bid the library board accepts.

**LB-31, Personnel Services:** The library has moved to a step scale for hourly employees. This 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. Because of the anticipated decline in revenue this year, employees will receive only the 2% step increase this year. The director will be taking no raise this year.

**LB-31, Material and Services,** Overall, the budget for materials and services is about \$5,000 less than the current fiscal year. Some of these costs, like for the computerized circulation system have been cut by negotiating and prepaying discounted contracts in the current fiscal year. Other budget lines have been cut based on past spending where cuts do not affect services to the public.

We are increasing the programming budget substantially because of the possibility to partner with the Columbia County Fairgrounds on summer movie events. This will cost much more than Movies in the Park. We have increased the programming budget to account for that possibility. The money to pay for those events is expected to come from sponsorships and donations.

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. We don't know at this time how Covid 19 will affect future use, but we are maintaining the current materials budget which will allow us to maintain current service levels in those areas.

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. The Library has had a great year great staff and 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 2020-21.

Respectfully Submitted;

Jeff Weiss,  
Budget Officer