

SCAPPOOSE PUBLIC LIBRARY DISTRICT

Budget Message

May 21 2020

Scappoose Public Library will end the 2019-20 fiscal year in sound financial health. The budget forecast for the Scappoose Public Library for the 2019-20 fiscal year 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 noncollection), the library would yield about \$305,000 for the 2020-21 fiscal year.

Available cash on hand is estimated to be \$150,000 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. I don't anticipate receiving as much grant money in 2020-21 as we did in 2019-20, but they will be a substantial source of funding and should be budgeted.

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 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 \$10,000 reduction in Materials and Services. I also propose spending the library's cash balance built over the past two years to compensate for anticipated tax losses.

LB-20, Resources, This shows resource projections estimated from current fiscal year results. Total resources proposed for fiscal year 2020-21 are \$486,382. Even though we are budgeting our cash reserve into the general fund, this is a decrease from 2019-20 because of the economic hardship from Covid-19. We believe it is a realistic budget and more 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 year. I also estimate that the amount of past due taxes paid will decrease 30% from previous years. I still anticipate the library will receive \$10,000 from meeting room rental, fines, and fees 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 \$9,632 in state and private grants, donations, and support from the Friends of Scappoose Public Library

The library is also planning on replacing our final 25 year old HVAC unit this year, so we have budgeted another \$9,000 in capital improvements for that.

LB-31, Personnel Services: The library is proposing moving to a step scale for hourly employees. This rewards experience by giving employees a 2% raise for each year of service in the library. Currently, hourly employees are paid the same based on their job position and education and longevity and experience are not rewarded. The step scale changes that and employees will be slotted into the step scale at the step corresponding to their years of service. The director will be taking no raise this year.

LB-31, Material and Services, Overall, the budget for materials and services is about \$10,000 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.

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.

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