

Yakima Valley Libraries

Board of Trustees

Budget Study Session

Monday, October 22, 2018 – 1:00 p.m.

Yakima Central Library Boardroom

Meeting begins: 1:00 p.m.

Board Members Present: President Del Rankin, Secretary Jim Davenport, Trustee Dan Seifert, Trustee Mary MacKintosh

Absent: Vice-President Glenn Rice

Staff Present: Executive Director Kim Hixson, Executive Assistant Terri Reeder, Public Library Services Director Francisco-Garcia, Human Resources Director Darline Charbonneau, Accounting Manager John Slaughter, Facilities Manager Susan Miller, IT Manager Melissa Vickers, Managing Librarian Jared Fair, Assistant Collection Development Librarian Julie Graham

Visitors: none

I. Opening of Meeting

- a. Call to order
- b. Determination of quorum
- c. Recognition of visitors
- d. Approval of the agenda

Action

President May Adopt

II. Budget

Executive Director Hixson presented an overview of the Budget process.

Beginning on page 2, Hixson commented on the 2019 Budget Preparation Calendar. The process allows managers to create a “wish list” identifying and requesting items with as many details as possible. All requests were reviewed by the Administration. Additionally, the Accounting department evaluates the trends; Payroll and Benefits are discussed; and the budget is soon formatted into a draft document.

Trustee Davenport asked that next year the Board members be included in the process for their input to the Budget calendar. Hixson said she’d welcome the opportunity to hear the Board’s priorities during the budget preparation. Davenport requested Hixson let them know when the time was appropriate for their submissions.

Hixson then clarified the budget process stating expenditures should drive the levy, not what can be gained from the levy to drive the expenditures.

She described Page 3 reflects the organizational chart illustrating various positions within the library district.

Copies of the *2019 Capital Budget* listing capital projects were handed out. Trustee Rankin complimented Accounting Manager John Slaughter on his work to create the document.

On page 8, line item 1, Hixson noted the 2019 property tax request is an estimated increase of \$73,332.75 over previous year; plus \$107,989.00 in new construction and \$56,375.34 in rebate.

Referring to page 9, Hixson explained to complete the analysis, we look at the carry forward of the current year. We consider all pieces which will impact the budget such as Dept. of Retirement System changes, computer supplies can turn out to be a higher priority, Summer Reading Programs, etc.

Originally there were \$97,000 in requests for training for 2019, which are under review. We are working preliminary budget figures.

Also on page 9, she noted the reduction of Collection Materials on line item 18 indicates the benefit we've gained from CollectionHQ. The software takes our selector's assumptions out of the equation and provides a greater assessment and hard data of the collection. The collection has been up to 15% of the overall budget. Other libraries in the state are as low as 9%.

Page 9, line 31, shows a new item, Deferred Maintenance, to be \$98,744 for the 2019 budget. Line 33, lists 2019 Capital Projects at \$267,112; and line 34, discloses Carry Forward 2018 Projects at \$167,000.

On page 10, line 54 is stipulated as Unreserved funds. Budgeted at \$2,246,705 and is the working capital for day-to-day operations. It also supports the budget during unfunded property tax months. Designated funds, shown on line 60, is the total of all other restricted funds: West Valley and Plath Fund. Hixson said salary, benefits and collection are the only three areas which allow her flexibility to make changes.

Hixson then referred to page 12, highlighting Revenue Trends. She said there were minimal changes to those details.

On page 21, Hixson pointed out Expenditure Trends tells us where we've been and where we currently are. Trustee Rankin asked why Deferred Maintenance Expenditures on page 9 aren't reflected on page 21 under Expenditure Trends. Trustee Davenport said Deferred Maintenance is like a regular expense such as replacing a front door or fix a building and it is wise to budget forward. He added that capital expenses need attention over time. Trustees Rankin, Seifert and Davenport agreed both pages should mirror each other. Hixson said she will make that adjustment.

Discussion occurred regarding revenue per capita, service delivery, and principalities. Rankin responded citing two different considerations: card population and overall population. Hixson commented the current cost per library patron averages \$29.00.

Hixson announced once the budget is approved at November's meeting, any changes afterward may be made by amendment in April. She referred to 2019 as the bridge year moving forward into the Long Range Plan and Strategic Plan.

Facilities Manager Susan Miller was asked to speak on issues regarding the West Valley Library's fence on the south side of the property. She described holes that have been cut through the fabric's fencing, the condition of the arborvitae and garbage accumulating along the fence line. Discussion was postponed at this point and will continue again during the Regular Board meeting.

Executive Director Hixson asked staff attending the meeting if anyone would like to speak to the Board.

Managing Librarian Jared Fair stated he was grateful to attend the meeting today and found it enlightening.

Human Resources Director Darline Charbonneau briefly talked about the new Washington State Family and Medical Leave Program, the increase of minimum wage in 2019, and the staff's generosity to participate in the library's sick leave pool which will be reviewed in the future. Ms. Charbonneau said eligible employees will be covered by new changes through WCIF's provider "The Standard" for Basic Life & Accidental Death and Dismemberment, Long Term Disability and Short Term Disability. The changes in costs to the benefits are reflected in the 2019 Budget.

Accounting Manager John Slaughter appreciated having an active role in the budget planning process this year. He said it was an opportunity to learn about exchanging information with the Executive Director.

Public Library Services Director Francisco Garcia-Ortiz asked how the budget is balanced. Hixson replied when an organization spends more than what they take in, it will result in a deficit budget.

IT Manager Melissa Vickers answered questions from the Board regarding life spans of software and hardware. Ms. Vickers replied the life expectancy of software depends upon the product. Adobe software is generally replaced every 5 years. She reported that by applying for E-Rate, the discounts received help offset some of our IT costs.

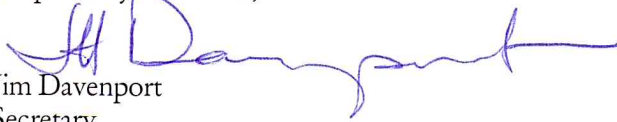
Facilities Manager Susan Miller said she is looking forward to hearing the consultant's presentation on their draft of the Facility Evaluation Study during the Board's Regular Meeting.

Assistant Collection Development Librarian Julie Graham said she was attending today's meeting only as an observer.

III. Adjournment

Study Session adjourned at 1:55 p.m.

Respectfully submitted,


Jim Davenport
Secretary