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Street
Madras, OR
97741

JEFFERSON COUNTY LIBRARY DISTRICT BUDGET COMMITTEE MEETING SUMMARY

May 10, 2016

Budget committee members present: Chuck Alexander, Guy Chittenden, Teri Drew, Janet Henderson, Stephen Hillis, Ruth Ann Hopps, Tom Machala, Susan Stovall, and Bill Vollmer

Visitor: Mick Knobel

Library Director: DeRese Hall

1. Call to Order

In the absence of Mike McHaney, the meeting was called to order at 5:40 p.m. by committee member Guy Chittenden.

2. Approve Minute Summary

Tom Machala moved to accept the minute summary from April 12. Stephen Hillis seconded and the motion passed unanimously.

3. Old Business

The Library's accountant, Mick Knobel, attended the meeting to answer any remaining budget questions.

From the previous meeting, it was asked why the budget figures at the end of the Library's general fund were presented the way they were.

Knobel's explanations:

A budget is a document that lists how much money you anticipate you will bring in for the year and it also tells you how much money you MAY spend in all of the different categories. This doesn't mean that all of that money WILL be spent and that's where the figures at the end of the budget come in. If there are amounts in the budget that more than likely will **not** be spent, it makes sense that those amounts are, in essence, added back into the budget so that you have a much better picture of what the coming year will bring. Knobel thinks of these figures as "discretionary spending".

One of the best examples of this is the \$36,000 that is put in the budget each year to replace the van. The figures are in there each and every year but so far no money has actually been spent on a new van.

The very first amount on the budget is the Beginning Fund Balance. That number is the Ending Fund Balance from the previous year. There isn't a way to know exactly what that number will be because these budget meetings are conducted in April and May and the Ending Fund Balance won't be known until June 30. Bottom line is that that number will always be an estimate. This figure shows what the District has in assets that could be used if, for whatever reason, the Library went over in its yearly budget. This amount is another one of the figures at the end of the budget – one that more than likely will **not** be spent.

We also have the flexibility to transfer money TO the Building and Improvement Fund and FROM the Building and Improvement fund –you'll find these figures at the end of the budget.

The General Operating Contingency is to be used in an emergency.

Most budgets end at the "Change in Fund Balance" line which could be a rather misleading figure. The Library budget document goes on with the "extra" figures helping us to know what we really have to spend.

In regards to new facilities, a question was asked as to where funding would come from to pay an architect in order to begin preliminary work. Knobel's answer was line item 9380 Capital Outlay.

Opening on Friday was mentioned again. That issue was directed from the committee back to the Library Board for a decision. With that as a possible addition to be made to the budget...

It was moved by Chuck Alexander and seconded by Susan Stovall to approve the budget and forward it to the Board. The motion passed unanimously.

4. New Business

There was no new business.

5. Upcoming Dates

The budget hearing will be June 14, 2016, at 3:30 p.m.

6. Adjournment

It was moved by Machala and seconded by Teri Drew that the meeting be adjourned at 6:51 p.m. The motion passed unanimously.

Respectfully submitted, DeRese Hall