

BUDGET COMMITTEE MEETING AGENDA
6:00 PM Tuesday, April 14, 2026

- ❖ Call to Order: Eberlein

- ❖ Elect Current Fiscal Year Budget Committee Chairperson

- ❖ LIBRARY BUDGET:
 - 1) Receive budget document and budget message from Budget Officer
 - 2) Discussion of proposed budget
 - 3) Receive public comment
 - 4) Approve proposed fiscal year 2026-2027 budget or recess to continue discussion

- ❖ Proposed Motion
Requested Motion:
I move that the Budget Committee of the Lower Umpqua Library District approve the fiscal year 2026/2027 budget in the amount of seven hundred and sixty-six thousand eight hundred and thirty-one dollars (\$766,831 and approve the permanent tax levy rate of \$ 0.39 per \$ 1,000.00 of the district assessed value).

OR

Reconvene on another date

- ❖ Recess or Adjourn

Lower Umpqua Library District
Budget Meeting Minutes
04/14/2026
Lower Umpqua Library and Zoom

LULD Board Members: Five Present: Ron Eberlein, Board President; Lee Bridge, Vice President; Melissa Lilly, Secretary; Gary Goorhuis, Board Treasurer; Dale Harris, Board Member.

Absent: None.

Budget Committee Members: Five Present: Terry Moore, Chris Adamson, Amy Mast, Cheryl Wilmarth, Colleen Eberlein

Staff Present: Alex Kuestner (Director) and Debb Montclair.

1. **Start Zoom.**
2. **Call to Order:** Ron Eberlein called the meeting to order at 6:12 PM.
3. **Pledge of Allegiance:** Ron Eberlein led the Pledge of Allegiance.
4. **Elect Current Fiscal Year Budget Committee Chairperson:** Goorhuis nominated Chris Adamson to serve as the Fiscal Year Budget Committee Chairperson. Harris seconded, and the election passed 10-0.
5. **Library Budget** Kuestner
 - a. Receive budget document and budget message from Budget Officer: Kuestner presented the proposed budget for the 2026–2027 fiscal year and delivered the budget message. He explained that, based on guidance from the Oregon Department of Revenue and the CPA who performed the library’s audit, each budget line item includes a 10% buffer as a safeguard. He noted that any funds not spent during the fiscal year will become part of the cash carryover for the following year, and that it is normal and expected for some funds to remain unspent. Kuestner reported that the estimated tax revenue for the 2026–2027 fiscal year is \$265,958 (excluding back taxes). In previous years, the library limited its budget to anticipated tax revenue and grants. For the upcoming fiscal year, the proposal expands funding sources to include: \$10,282 in back taxes already received, and \$8,707 in general donations collected during the 2024–2025, 2023–2024, and 2022–2023 fiscal years, which will be allocated to Collection Development. Kuestner stated that utilizing these additional funds will allow the library to increase personnel spending in order to remain competitive and improve staff retention. He noted that high staff turnover has occurred because employees are unable to meet basic living expenses under current pay and hours. He referenced a previously discussed proposal to create up to two additional salaried positions but stated that the board determined that option to be too expensive. As an alternative, the current proposal: adds 14 additional staff hours per week, provides 5% raises, 5% cost-of-living adjustments (COLAs) for all employees, including the director, and includes a 10% buffer on personnel-related costs. Kuestner explained that adding salaried positions would cost approximately \$10,500 per employee per year in benefits (with buffer included), which is avoided under the current proposal.
6. **Discussion of proposed budget** Kuestner
 - a. Structural Changes: For the 2026–2027 fiscal year, the budget reintroduces separation through a new line item: Employer Liabilities/Benefits: \$17,466. Kuestner explained the Staff line item remains approximately \$101,082 (compared to \$101,000 in the current year), because employer costs have been moved out. The Director line item increases from \$67,000 to \$73,867 to restore an adequate buffer. The director’s current gross pay is approximately \$63,886 (with \$51,620 net),

meaning the higher budgeted amount includes a buffer rather than actual compensation. Moore expressed concerns regarding proposed pay increases and position longevity. After an in-depth explanation, all of her concerns were addressed by Kuestner and Montclair.

- b. Personnel Comparison with Other Libraries: Kuestner presented a comparison of personnel spending across eight nearby library systems: LULD: 64.52%, Drain: 60.36%, Florence: 67.61%, Port Orford: 67.84%, Roseburg: 71.31%, North Bend: 72.55%, Coos Bay: 75.42%, Coquille: 80.76%, Bandon: 83.22%. He noted that LULD's proposed percentage would be the second lowest, demonstrating that personnel costs remain comparatively conservative.
- c. Accounting/Review: Kuestner explained that Oregon law requires annual financial review by a CPA. When expenditures exceed \$250,000, an Agreed Upon Procedures (AUP) audit is required. 2024–2025 expenditures: \$262,294 (triggering AUP). Without roof replacement: \$229,806. AUP cost: \$11,500. Current year budget: \$14,000 (with buffer). Projected 2025–2026 expenditures: \$238,720 (no AUP required next year). Legal advertising costs will now be moved into this line item, and QuickBooks (now \$80/year, reduced from \$1,300) has also been moved here.
- d. Advertising/Publication: Increased from \$800 to \$1,000 and will now fund promotion of library programs rather than legal notices.
- e. Collection Development: Total: \$8,707 (from accumulated donations). Previous effective funding: \$8,000. Included prior \$2,000 transfer from the John Warden Reserve Fund.
- f. Contracted Services: Increased from \$2,800 to \$5,600. Includes landscaping, trash service, pest control, and billing fees.
- g. Custodial Contract: Reduced from \$8,000 to \$7,000. Savings due to lower-cost vendors and improved efficiency.
- h. Grant Expenditures: Budgeted: \$30,000 (includes buffer to avoid supplemental budget requirements)
- i. IT Services and Technology: Integotec IT service: \$455/month. Separate line items created for: Cybrarian, Website/Wix. Increased costs attributed to inflation and service price increases
- j. Library Supplies: Budgeted: \$2,000
- k. Library2Go/OverDrive: Previous cost: \$5,993, expected to increase slightly.
- l. Office Supplies: Reduced from \$1,700 to \$1,000 (due to removal of QuickBooks)
- m. Utilities: Increased from \$9,000 to \$9,200.
- n. Interfund Transfers and Reserve Funds: \$5,000 transferred to Building Maintenance Reserve Fund. \$2,000 transfer related to John Warden Fund replenishment. Kuestner explained that the reserve fund name was changed from "Maintenance Reserve Fund" to "Building Maintenance Reserve Fund" per guidance from Douglas County and the Oregon Department of Revenue.
- o. John Warden Reserve Fund: Estimated balance: \$45,101. Previously fully allocated for "Library Operations." May be invested in the Local Government Investment Pool for improved returns.

7. Receive Public Comment:

8. Propose or Recess 2026-2027 Budget: Kuestner

- a. Eberlein moved that the Budget Committee of the Lower Umpqua Library District approve the fiscal year 2026/2027 budget in the amount of seven hundred and sixty-six thousand eight hundred and thirty-one dollars (\$766,831) and approve the permanent tax levy rate of \$0.39 per \$1,000.00 of the district assessed value. Bridge seconded it.

9. Meeting Adjournment

Submitted by:

_____ Date: April 29, 2026
Kaitlyn O'Dell - Library Page

Accepted as written or amended on (date) _____

Approved by:

_____ Date: _____