



2023 JEFFERSON COUNTY LIBRARY BUDGET

WORKSHOP

October 5, 2022

PUBLIC NOTICE

October 12, 2022

Prepared by:

TAMARA MEREDITH, DIRECTOR

October 3, 2022



JEFFERSON COUNTY RURAL LIBRARY DISTRICT BUDGET – 2023

The Jefferson County Library District envisions a thriving community empowered by knowledge. We transform lives and strengthen communities by bringing people, information, and ideas together. Our mission is *feeding minds, fueling dreams*.

Our services are available to all residents of the rural county. During normal operating conditions, the Library is open seven days a week and the Bookmobile is on the road five days a week (including Saturdays) serving seven local communities and nine community stops. We also manage four Community Collections and provide materials to the Jefferson County Corrections Facility. Digital materials, including eBooks, eAudiobooks, digital magazines, streaming video, and databases, are available 24/7 through our website.

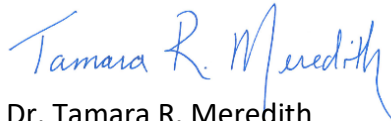
The Jefferson County Library also coordinates the highly successful Cooperative Libraries of the Eastern Olympics (CLEO) partnership, working with five clients to bring consolidated, cost-effective library services to eastern Jefferson County. These clients include: Port Townsend Public Library, Port Townsend School District, Quilcene School District, Brinnon School District, and the McCurdy Maritime Library. By early 2023, the Chimacum School District will join CLEO, at which time all public schools and public libraries in eastern Jefferson County will be linked through a shared catalog and materials transfer service. Library services for patrons who live in the west end of the county are provided through a contract with the North Olympic Library System and a free reciprocal agreement with the Timberland Regional Library.

As we look ahead to 2023, our budget has been crafted to maintain current staff and services while managing substantial increases in all operational costs due to world-wide economic instability, inflation, and ongoing supply chain challenges. We continue to focus on ensuring that patron needs are satisfied, that existing services and initiatives are sustainable, and that we are making progress toward the objectives of our strategic plan. Revenues in 2023 are expected to be mostly flat or reduced, with small increases in property taxes (capped at 1%), grants, and investment interest, and the potential for significant reductions of timber revenue. Salary and benefits expenditures will increase moderately to include staff step increases, a cost-of-living-adjustment, and a 9.5% increase in health care premiums that is absorbed by the library. Operating expenses continue to be held to minimum requirements as we remain flexible with ongoing impacts to the supply chain, fuel and energy costs, and inflation. The materials budget has been kept at 11.5% of operating costs. Capital expenditures in 2023 may

include landscaping, technology replacement, an eTransit vehicle (dependent on bids/availability) and any carryover of Hagen Building or digital sign replacement costs from 2022.

Detailed revenue and expenditure projections and rationale are included in the following narrative. Please feel free to contact me with any questions regarding the information contained in this document.

Respectfully,



Dr. Tamara R. Meredith
Director, Jefferson County Library

The attached budget will be available at the library on October 12, 2022 for public inspection and/or comment.

Formal adoption of this budget is scheduled for November 9, 2022. Suggestions or comments can be addressed to any member of the Board of Trustees or the Director, as listed below:

Michael Kubec, Chair

mkubec@jclibrary.info

Joan Chapdelaine

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Cheri Van Hoover

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Tamara Meredith, Director

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2023 JEFFERSON COUNTY LIBRARY BUDGET - OVERVIEW

REVENUE

Property Tax Revenue

Preliminary figures were provided by the County Assessor on October 5, 2022. In addition to the 1% increase allowed by law, new construction estimates are \$27,070.51 in 2023. Recommended "high side" budget for property taxes is \$1,925,000.

Interest Income

Interest income on the general fund will be approximately \$18,500 in 2023. This includes interest earned on cash in the LGIP as well as CDs and Treasury Bonds. Interest income on the Board Designated Unrestricted Fund and Unemployment Fund will be approximately \$38,500. This includes interest earned on cash in the LGIP as well as CDs and Treasury Bonds. Currently, the interest rate on the LGIP is 2.8% and is expected to increase over the coming year.

TAV and DNR

Timber revenues are never guaranteed. Total revenues from DNR and TAV have been in the range of \$50,000-\$200,000 over the last 5 years. An estimate of \$64,000 for 2023 TAV timber revenues was provided by the County Assessor on October 5, 2022.

Cooperative Libraries of the Eastern Olympics (CLEO)

CLEO operating fees paid by Port Townsend Public Library (PTPL), Port Townsend School District, Brinnon and Quilcene schools, Chimacum School District, and the McCurdy Maritime Library are listed as revenue and will offset expenditures in the operations and personnel budgets. Fees for PTPL lost items, collected at JCL, and for JCL materials, collected at PTPL, are listed as both revenue to JCL and as an expenditure to PTPL.

Fundraising – Private Donations and Friends of the Library

In 2022, \$45,000 was budgeted for unrestricted gifts through private donations and the 2023 budget remains the same.

The 2023 budget also includes a \$23,500 request for funding from the Friends of the Library to support staff development, donor development, programs, and services. Of that amount, \$14,490 is built into the library budget, and \$9,010 is paid directly by the FOJCL or through direct reimbursement to staff.

EXPENSES

Personnel

In 2023, seventeen (17) library staff will be receiving scheduled 3% step increases. This includes a number of newly hired staff as well as Janitor and Courier positions that were previously not included in the step system. There were a number of retirements in 2022, which has helped offset payroll increases.

Minimum wage will be \$15.74 as of January 1st, 2023.

The library's policy on COLAs suggests that the COLA be derived from the June Consumer Price Index for "Urban Wage Earners and Clerical Workers" in the Seattle-Tacoma-Bremerton area. The pandemic and inflation have had severe economic impacts on the CPI, and June's data showed a 10.1% change from the previous year. Additional impacts in 2023 include an 8.6% increase to minimum wage, and the anticipated deductions for the delayed Washington State Long Term Care Benefit, a .58% tax on every employee's gross salary. A COLA of 5% is recommended in 2023.

Personnel (5% COLA) and step increases = 4.5% increase = \$1,157,200

Benefits

Costs for benefits will increase significantly in 2023, with a 9.5% increase in medical insurance premiums. We have a decrease in pension costs due to retirements and adjusted positions (-20.8%), and slight increases to Labor and Industries (3.7%) and FICA (4.5%). Costs for mandated benefits are tied to gross wages. At this time, the library pays the full premium for all employees working 20 hours or more per week, and the full premium for the employee, spouse, and dependents for all employees working full-time.

Benefit costs (based on 5% COLA) = 4.8% decrease = \$499,010

Operating

The 2023 Operating Budget has been developed based upon 2022 expenditures and pre-pandemic expectations, but with increases due to inflation. Office and supply expenses are expected to remain similar stable – conservative use will offset increased pricing. Program expenses have mostly returned to pre-pandemic levels. Travel and continuing education expenses have been prioritized this year. IT support costs have increased slightly, as have telecom costs. Building and other maintenance costs are anticipated to be similar to 2022 expenses. Professional services have been reduced to include only legal, security services, and payroll software costs.

Total operating costs are offset by \$35,000 in regular CLEO payments including an overhead charge to PTPL for JCL services such as utilities, housing and maintenance of equipment, administrative costs, insurance, supplies, fuel, etc.

Operations = 1.0% reduction = \$378,992

Materials

Our materials budget will increase 2% in 2022. This keeps the materials expenditures at 11.5% of the operating budget. For detailed materials information, see “Library Services – Supplies” narrative and Appendix E.

Materials = 2.0% increase = \$235,000

Capital

The capital budget includes projected expenditures for capital projects (over \$5,000 per project/item). Anticipated this year in the technology area is the acquisition of a server and firewall replacement (\$11,000). \$50,000 has also been designated for landscaping needs around the new Hagen Building and other areas on District property.

Funds for capital projects come from Board Designated Unrestricted Funds as well as external sources/grants.

Capital = \$51,000

Revenues

	2021 Budget	2022 Budget	2023 Budget
<i>Property Tax Total</i>	<i>1,832,000.00</i>	<i>1,876,500.00</i>	<i>1,925,000.00</i>
Timber (TAV)	60,000.00	56,000.00	64,000.00
Timber (DNR)	57,000.00	50,000.00	35,200.00
DNR PILT	4,000.00	4,500.00	4,500.00
<i>Timber Total</i>	<i>121,000.00</i>	<i>110,500.00</i>	<i>103,700.00</i>
<i>Interest – General Fund</i>	<i>8,000.00</i>	<i>14,500.00</i>	<i>18,500.00</i>
Miscellaneous			
Grants		358,022.00	60,000.00
Excise Tax	4,470.00	4,500.00	4,500.00
Copier/printing	1,500.00	1,500.00	2,250.00
Lost Item Fees	1,500.00	1,500.00	2,000.00
Donations	30,000.00	45,000.00	45,000.00
Friends Gifts	12,300.00	12,940.00	14,490.00
Miscellaneous	650.00	850.00	1,000.00
<i>Miscellaneous Total</i>	<i>50,420.00</i>	<i>424,312.00</i>	<i>129,240.00</i>
CLEO operating charges	36,185.00	35,321.00	35,000.00
<i>Operating Total</i>	<i>2,082,605.00</i>	<i>2,505,683.00</i>	<i>2,211,440.00</i>
Xfer In - BDUF/Reserve Funds	10,000.00	379,550.00	119,762.00
<i>Operating + Capital Total</i>	<i>2,092,605.00</i>	<i>2,885,233.00</i>	<i>2,331,202.00</i>

Expenditures

	2021 Budget	2022 Budget	2023 Budget
Salaries	1,020,500.00	1,107,600.00	1,157,200.00
Benefits	481,453.00	522,981.00	499,010.00
Operating	379,022.00	368,196.00	378,992.00
Materials	201,630.00	230,456.00	235,000.00
Operating Total	2,082,605.00	2,229,233.00	2,270,202.00
Capital Fund			
Landscape			50,000.00
Facility		645,000.00	
FF&E			
Technology	10,000.00	11,000.00	11,000.00
Capital Fund Total	10,000.00	656,000.00	61,000.00
Operating + Capital Total	2,092,605.00	2,885,233.00	2,331,202.00

Operating Expenses

	2021 Budget	2022 Budget	2023 Budget
Supplies	35,200.00	31,500.00	28,000.00
Fuel	7,200.00	8,200.00	12,500.00
Equipment	54,000.00	58,795.00	71,000.00
Prof. Services	67,000.00	44,500.00	35,000.00
Communications	28,875.00	32,500.00	32,100.00
Travel	10,000.00	6,000.00	14,250.00
Advertising	1,000.00	1000.00	1000.00
Rentals/Leases	1,932.00	2,316.00	2,588.00
Insurance	28,000.00	29,500.00	39,000.00
Utilities	27,500.00	27,500.00	28,700.00
Maintenance	50,550.00	57,500.00	51,500.00
Miscellaneous	8,500.00	7,350.00	6,550.00
Library Services/Prog.	25,265.00	29,035.00	24,854.00
Training/Prof. Develop.	4,000.00	3,000.00	5,000.00
Facilities - Maintenance	30,000.00	29,500.00	27,000.00
Operating Total	379,022.00	368,196.00	378,992.00