



**BOARD OF LIBRARY TRUSTEES
FINANCE REPORT for JUNE 2020**

DEPARTMENT: Administration

MEETING DATE: June 2, 2020

PREPARED BY: Nicole Fabry

LOCATION: Virtual Meeting

TITLE: Staff Report for Draft FY20-21 Budget

BACKGROUND:

The budget committee met May 12, 2020 to discuss initial budget numbers and 10-year projections with Cindy Byerrum and Ian Berg of Eide Bailly (formerly Platinum Consulting Group).

At that meeting it was decided to make the following changes:

- \$70,000 added to **7155 Consultants – Other** to hire a political consulting firm and municipal advisors to facilitate a Community Facilities District measure for next fiscal year
- \$1,200 added to **5218 PERS Unfunded** based on updated figures from CalPERS

After receiving additional information from our vendors the following accounts were also updated:

- **5270 Workers' Compensation** was increased by \$15,750 to \$47,050 according to invoice received from SDRMA
- **6432 Earthquake Insurance** was increased by \$2,700 to \$33,100 based on the quote received from our broker

After reconsidering our Capital Expenditures budget, the following account was updated:

- **7310 Equipment, Furniture & Fixtures** was decreased by \$52,000 to \$50,000. The District will instead pursue grant funding in order to purchase a DVD lending library.

There is an estimated cost of \$75,000 to Salaries & Wages to implement the recommended changes of the Classification and Compensation Study performed by Koff & Associates. Due to current staff vacancies this cost does not represent an actual increase to the Salaries & Wages budget, but the funds will be allocated differently to accounts **5010 Salaried** and **5020 Hourly** once the recommended changes are approved, based on some staff being re-classed as Exempt. We expect these changes to be approved at the regular Board meeting on June 22, 2020.

FISCAL IMPACT:

The above changes result in an overall drawdown to reserves of \$199,550.