

ONTARIO LIBRARY DISTRICT

FISCAL YEAR 2026-27

BUDGET MESSAGE

This proposed budget of the Ontario Library District for FY 2026-2027 was prepared by the Budget Officer in accordance with the directions of the Board of Directors and current regulations. The amounts presented here for 2026-2027 are proposed, not fixed. They represent the best estimate of income and expenditures, allowing for unforeseen increases such as changes in staffing, library hours or the rising cost of fuel and other utilities.

It is a product that reflects the District's mission to provide a wide range of materials and dynamic library services that meet the diverse needs and interests of the Ontario Library District public while exercising responsible governance and cost efficiency through use of innovative technology, streamlined processes and the resourcefulness of skilled and dedicated professional and para-professional staff.

OVERVIEW

PURSUANT TO Oregon Budget Law, the budget message must contain certain information which assists the reader of the budget in understanding major differences in the proposed budget from the current adopted budget.

For example: ORS 294.391 requires that the budget message accomplish the following:

- Explain the budget document

- Contain a brief description of proposed financial policies for the ensuing year.

- Call out significant features of the proposed budget

- Explain any major changes in financial policy reflected in the proposed budget

- The 2026-2027 District Budget reflects the fact that Malheur's County's property

- Taxes are estimated to be higher than 2025-2026.

To the extent possible, staff will be implementing organizational and operational changes to increase efficiency.

The implementation of these organizational changes will position the district to maintain the services and levels that citizens expect in a cost efficient manner.

DESCRIPTION OF PROPOSED FINANCIAL POLICIES FOR THE ENSUING YEAR

The over-arching principle guiding the development of the proposed budget is adherence to the library service goals. Revenue estimates for the proposed budget have been based on a conservative approach, incorporating modest improvements in recent rates of growth.

SUMMARY OF SIGNIFICANT FEATURES AND CHANGES IN THE PROPOSED BUDGET

The proposed budget allocates funding for:

- The collection development which includes books, CD, DVDs, magazines and any other material to be added to the library's collection.
- Facilities repair and maintenance projects to keep the library in compliance with City, State and Federal requirements.
- A cost-of-living increase in salary and benefits for staff
- Cash carryover in General Fund
- Cash basis method of accounting
- Capital Outlay—Building updates

TAX REVENUE AND RESOURCES PROJECTION

The General Fund Budget proposed is based on a slight increase in collection of property taxes for the Library District. The majority of operating money comes from the tax levies of Malheur County Property, Ontario Library District Boundary. The district's permanent tax rate of 55 cents per thousand is projected to generate approximately 65 % of the total budget. The remaining 35% comes from Ready To Read, fines, County support for the Bookmobile and Friends Endowment.

EXPENDITURES-SUMMARY

Expense Considerations

On the expense side of the budget equation, personal costs consisting of salary and benefits are increasing. There will be an increase in operating expenses due to service expenses being provided being increased.

PERSONEL SERVICES

The payroll is higher due to an increase in salaries and benefits. This increase is based on the annual cost of living increase which is in compliance with the Ontario Library District's

employee manual. The District believes that these increases along with educational opportunities help to maintain an experienced competent staff who deliver a high level of service to library patrons .

MATERIALS AND SERVICES

2026-27 projections for materials and supplies will show an increase due to an increase for the services and materials.

CONTINGENCY AND CAPITAL OUTLAY

Contingency is estimated at approximately \$300, 000 with capital outlay at approximately \$500, 000. The District is working on more building improvements.

CONCLUSION

The budget that has been developed reflects compliance with the library's goals of being fiscally conservative while at the same time providing the high level of service that the citizens of the Ontario Library District expect.

I ask the Budget Committee to accept the 2026-27 District Budget as submitted. Thank you.

Darlyne Johnson, Budget Officer