

# MULTNOMAH COUNTY LIBRARY DISTRICT PROPOSED BUDGET

FISCAL YEAR 2013-2014



## TABLE OF CONTENTS

	Page
Budget Message	3-4
Explanation of the Budget Document	5-7
Financial Policies	7
General Fund Resources	8
General Fund Requirements	9

**Multnomah County Library District  
Budget Message  
May 2, 2013**

It is my distinct privilege to propose the first budget for the Multnomah County Library District. Many people have worked long and hard over the years to get us to this point today: a library budget based on a dedicated and stable funding source.

The library district was formed last November when Multnomah County's voters passed Measure 26-143 at a rate of 63%. That measure asked the voters to form and fund a library district with a permanent rate of \$1.24. We recognize the great gift ~ and the great responsibility ~ that the voters have entrusted to us. We will act as wise stewards of the public's trust and resources by demonstrating fiscal accountability. We will conduct careful analysis and planning to best meet shifting needs in our community, providing library services that are responsive and targeted to do the most good.

As a demonstration of that accountability, the FY 2014 library district budget is proposed with a tax rate of \$1.18 rather than the full rate of \$1.24. Based on projections from the County Budget Office, the \$1.18 rate will generate enough revenue to restore the reductions to hours and services that were necessary in the FY 2013 budget. The district tax is expected to bring in \$62.6 million; combined with other revenues (fines, fees, grants, and interest), the district's total revenues are projected at \$65.6 million. Adding that revenue to the delinquent library levy revenue and interest expected in the County Library Fund provides a total library budget of \$66.5 million.

The library district budget is based on an intergovernmental agreement approved in March between Multnomah County and the Library District. As stated in the agreement, the District is contracting with Multnomah County to provide library services. The County will be regularly reimbursed from the Library District Fund as library expenses are incurred.

What does the district funding mean for library services in our community? It means the library doors will be open every day of the week for 53 or 57 hours/week at all 19 locations. It means that more staff will be available to provide top notch assistance and outstanding customer service. It means that programs for all ages and interests will be restored. It means that people will have more opportunities to find what they want to read, listen to, or watch in the library's collection. It means that outreach programs targeted to the most vulnerable in our community will continue. And, most importantly, it means that these hours and services can be sustained into the future.

On February 15, 2014, the library will celebrate 150 years of service to this community. It seems right and fitting that the first year of the library district coincides with this remarkable milestone. As we honor the past 150 years, we look forward with great anticipation to the future of this amazing institution known as the Multnomah County Library.

Respectfully,

A handwritten signature in black ink, appearing to read "Vailey Oehlke", with a long horizontal flourish extending to the right.

Vailey Oehlke  
Multnomah County Library District Director

## Multnomah County Library District Budget FY 2013-14

The Multnomah County Library District was formed by the passage of Measure 26-143 in November, 2012. That measure asked the voters to form and fund a library district with a permanent rate of \$1.24 per \$1,000 of assessed value, and voters responded with a 63% approval rating. This was the culmination of more than three decades of effort to achieve stable and dedicated funding for the Multnomah County Library after relying on temporary levies for more than 30 years.

### **Background**

Multnomah County Library began in 1864 as a private subscription library, but opened its doors in March of 1902 as a free public library. The County assumed entire tax support of the library in 1911 and, for much of its history, the library was funded by the County's General Fund. Budget reductions in the early 1970s led to the passage of a series of temporary levies that, over time, became the larger part of the library's funding. Early on, library supporters recognized the need for stable and dedicated library funding. In addition to helping pass 10 levies between 1976 and 2012, library supporters actively pursued other funding sources.

One of the early efforts was an attempt in 1987 to form a library service district. In response to a consultant's planning report and a City Club of Portland bulletin, the Board of County Commissioners passed a resolution declaring their intent to form a county-wide library service district. The district resolution was approved by the Gresham and Fairview City Councils and was on upcoming agendas for Wood Village, Maywood Park, and Troutdale, when the Portland City Council unanimously opposed it (in the interest of a potential regional library district), bringing two years of concentrated effort to an abrupt halt.

Another effort involved a utility tax which was proposed by the Library Advisory Board in 1992, after two years of study. The tax was approved by a 3-2 vote of the Board of County Commissioners, but opponents immediately moved to get it referred to the voters. The proposed tax was eventually repealed by the Board before it was implemented.

During 2003 and 2007-08 two different groups of citizen supporters were commissioned and charged with studying and securing stable funding for the library. The second group, known as the Library Funding Task Force, recommended the formation of a library district through an amendment to the Multnomah County Home Rule Charter.

In October 2009 the Multnomah County Charter Review Committee began meeting and, at the request of Commissioner Diane McKeel, studied the issue of

library funding. The Committee placed a charter amendment on the November 2010 ballot that gave the Board of County Commissioners the authority to refer a library district formation measure to a future election. That measure passed with 72% voting in favor.

After securing a base level of funding with the passage of a renewal levy in May 2012 (at 85%), the Board of County Commissioners, led by Chair Jeff Cogen, referred the district measure to the November 2012 ballot.

The district measure stated that, if approved, the Multnomah County Library District would be formed with a permanent rate dedicated to library services, operations, books, materials, programs, activities and oversight of the district. Formation of the District would do the following:

- Provide permanent and dedicated library funding;
- Restore and retain library services such as summer reading, books, student and job seeker support, and outreach to senior citizens;
- Prevent reductions in services, programs and activities, and hours.

With 63% voting in favor, the long-awaited goal of stable and dedicated funding was decided by the voters of Multnomah County, securing their library for years to come.

### **About the budget**

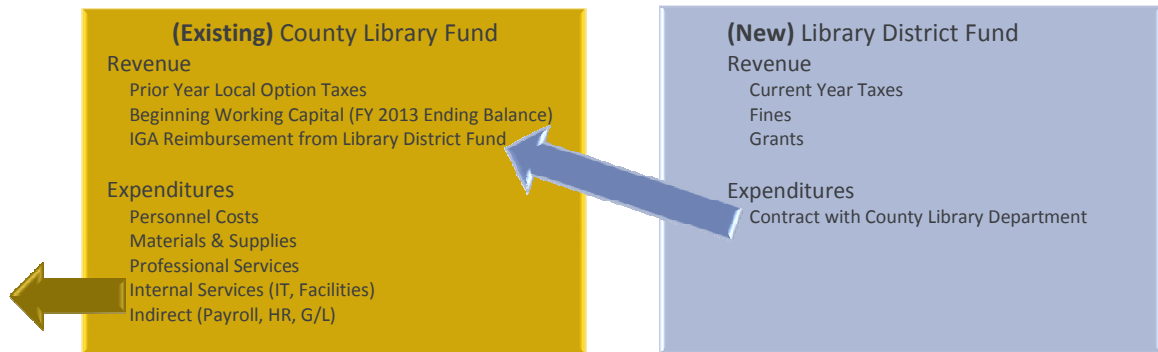
By charter, members of Multnomah County Board of Commissioners serve as the governing body of the District. The Budget Committee consists of the members of the Board, convening as the Multnomah County Library District Board.

The FY 2014 budget is proposed at a tax rate of \$1.18, rather than the full \$1.24 that voters approved. This rate will generate enough revenue to restore open hours, services, and the book budget back to the FY 2012 levels promised to voters in the district measure. Here are the major highlights of the budget request (as reflected in the FY 2014 Multnomah County Library budget):

- Total proposed budget: \$66.5 million; 511.25 FTE
- Seven days of service with 57 or 53 open hours/week
- The \$1 million reduction to the book budget is restored
- The Belmont library becomes a regional library open 57 hours/week (instead of the 2012 level of 53 hours/week)

This budget represents the first year of funding for the new Library District. As such, it reflects the decision to maintain the existing library department budget in the current Library Fund, while creating a new Library District Fund to receive the

library district tax as well as any non-tax revenues for FY 2014. Past due library levy taxes will be received into the existing County Library Fund. This will ensure that the new district’s taxes and revenues are received and accounted for separately. Under an Intergovernmental Agreement (IGA) between Multnomah County and Multnomah County Library District, the District is contracting with the County to provide library services, as reflected in the diagram below:



### Multnomah County Library District’s Financial Policies

On March 14, 2013, the Multnomah County Board of County Commissioners convened for the first time as the Multnomah County Library District Board. One of the Board’s actions that day was to approve resolution No. 2013-023 which states, in part, that the Multnomah County Library District Board resolves: “To adopt and abide by the Multnomah County Charter, Code, and all County policies, as they pertain to Library operations.” Based on this resolution, the Multnomah County Library District Board adopts Multnomah County’s Financial Policies as they pertain to library operations.

FORM LB-20		RESOURCES General Fund (Fund)			Multnomah County Library District (Name of Municipal Corporation)		
Historical Data			RESOURCE DESCRIPTION	Budget for Next Year 2013-2014			
Actual		Adopted Budget This Year N/A		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
Second Preceding Year N/A	First Preceding Year N/A						
1			1. Available cash on hand* (cash basis) or			1	
2			2. Net working capital (accrual basis)			2	
3			3. Previously levied taxes estimated to be received			3	
4			4. Interest	\$18,464		4	
5			5. Transferred IN, from other funds			5	
6			6 OTHER RESOURCES			6	
7			7 Fines & Fees	\$1,483,841		7	
8			8 Interest	\$48,539		8	
9			9 Grants & gifts	\$1,254,178		9	
10			10 Sales to the public	\$210,000		10	
11			11			11	
12			12			12	
13			13			13	
14			14			14	
15			15			15	
16			16			16	
17			17			17	
18			18			18	
19			19			19	
20			20			20	
21			21			21	
22			22			22	
23			23			23	
24			24			24	
25			25			25	
26			26			26	
27			27			27	
28			28			28	
29	0	0	29. Total resources, except taxes to be levied	\$3,015,022	0	0	29
30			30. Taxes estimated to be received	\$62,558,957			30
31			31. Taxes collected in year levied				31
32	0	0	32. TOTAL RESOURCES	\$65,573,979	0	0	32

\*The balance of cash, cash equivalents and investments in the fund at the beginning of the budget year



**FORM  
LB-30**

**REQUIREMENTS SUMMARY**  
**BY FUND, ORGANIZATIONAL UNIT OR PROGRAM**  
 Multnomah County Library District General Fund

	Historical Data			REQUIREMENTS DESCRIPTION	Budget For Next Year 2013 - 2014			
	Actual		Adopted Budget This Year N/A		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year N/A	First Preceding Year N/A						
				PERSONNEL SERVICES				
1				1				1
2				2				2
3				3				3
4				4				4
5				5				5
6				6				6
7	0	0	0	7 TOTAL PERSONNEL SERVICES	0	0	0	7
				Total Full-Time Equivalent (FTE)				
				MATERIALS AND SERVICES				
8				8 Contract with Multnomah County	65,573,979			8
9				9				9
10				10				10
11				11				11
12				12				12
13				13				13
14	0	0	0	14 TOTAL MATERIALS AND SERVICES	65,573,979	0	0	14
				CAPITAL OUTLAY				
15				15				15
16				16				16
17				17				17
18				18				18
19				19				19
20				20				20
21	0	0	0	21 TOTAL CAPITAL OUTLAY	0	0	0	21
				TRANSFERRED TO OTHER FUNDS				
22				22				22
23				23				23
24				24				24
25	0	0	0	25 TOTAL TRANSFERS	0	0	0	25
				26 OPERATING CONTINGENCY				
26				27 Ending balance (prior years)				26
27				28 UNAPPROPRIATED ENDING FUND BALANCE				27
28	0	0	0	29 TOTAL REQUIREMENTS	65,573,979	0	0	28

150-504-030 (Rev 02/13)