

Multnomah County  
**LIBRARY**

**DISTRICT**



# Multnomah County Library District FY 2015 Proposed Budget

*Presentation to the Multnomah County  
Library District Board*

Multnomah County  
May 20, 2014

Vailey Oehlke, Director

Located at: [www.multco.us/budget](http://www.multco.us/budget)

# Governance & Operations

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- District created by voters November, 2012; funding began July 1, 2013
- Governed by Board of County Commissioners sitting as Multnomah County Library District Board
- Intergovernmental Agreement will be renewed in June 2014 between Multnomah County and Library District



# Budget Overview

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- Second year of district tax
- Budget proposed at rate of \$1.18 per \$1,000 of Assessed Value (full rate is \$1.24)
- Sustains hours and services as detailed in County Library budget



# Two Financial Chapters




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1. FY 2014 (Current Year) Revenues
2. Three Library Financial Models
  - ✓ Cost Drivers
  - ✓ Assumptions
  - ✓ Results
  - ✓ Comparisons



# FY 2014 Property Tax Revenues

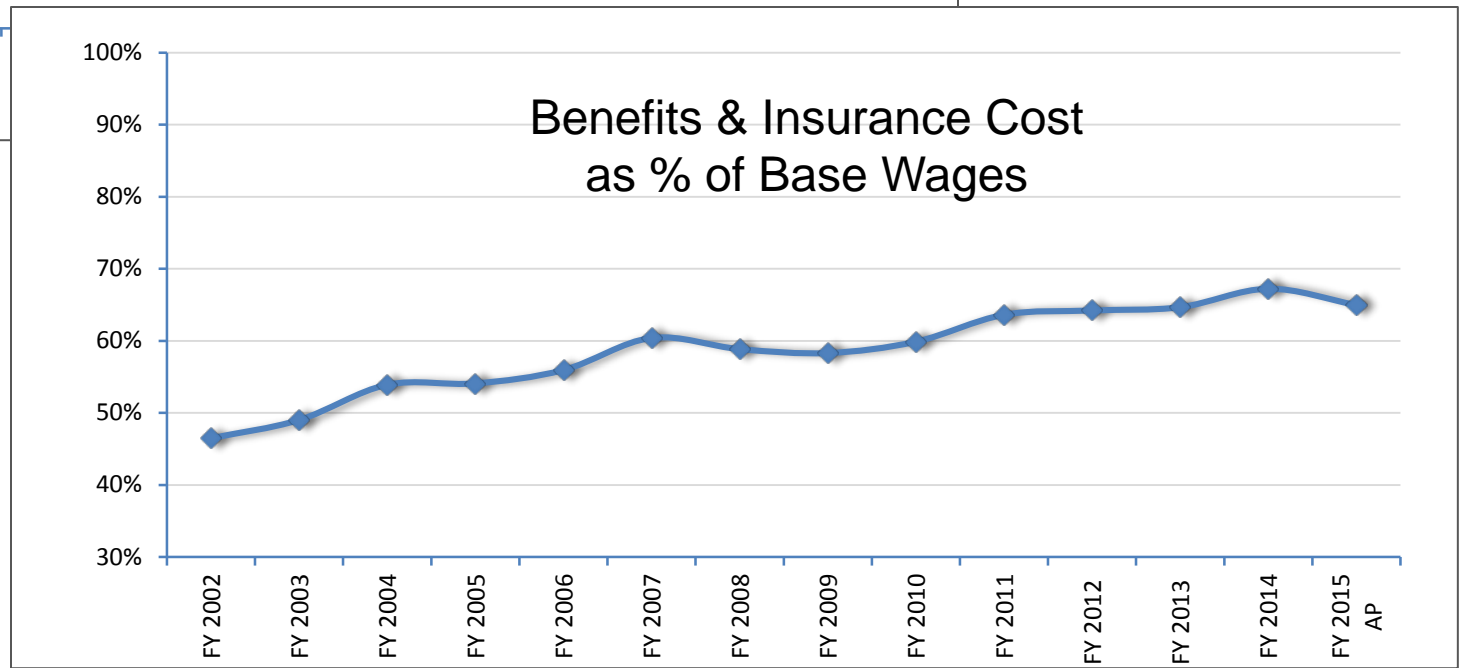
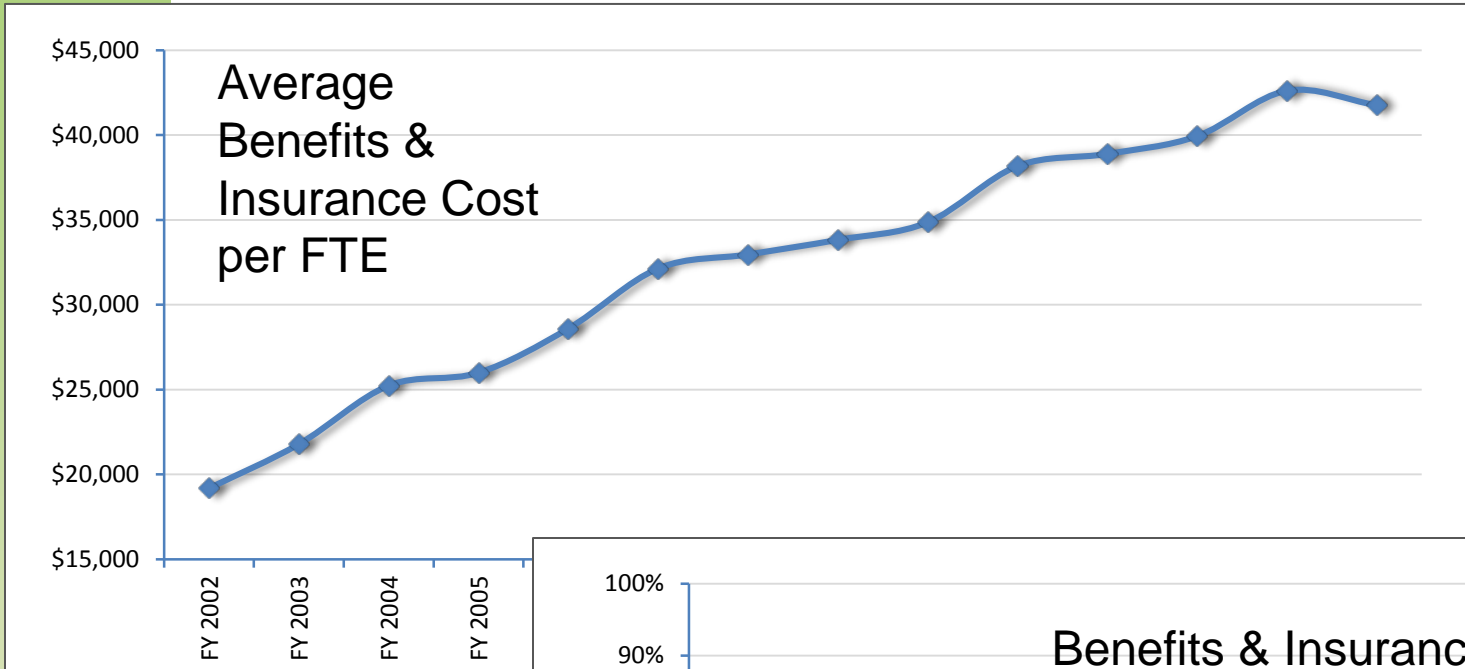
## FY 2014 Current Year Property Tax Estimates - May 2014 Multnomah County Library District

	Budget/Plan	'Actual' Based on Tax Roll and Updated Discount/Delinq	Delta	Delta %
AV	60,584,941,739	60,622,604,283	37,662,544	0.06%
Extended Taxes	71,490,231	71,582,837	92,606	0.13%
Compression	5,290,277	5,587,301	297,024	5.61%
Imposed Taxes	66,199,954	65,995,536	(204,418)	-0.31%
Discount/Delinq	3,640,997  	3,365,772 	(275,225)	-7.56%
<b>Current Year Taxes</b>	<b>62,558,957</b>	<b>62,629,764</b>	<b>70,807</b>	<b>0.11%</b>

### Notes:

1. Compression actual was 7.8% vs. budget of 7.4%.
2. AV growth actual was 3.31% vs. budget of 3.25%.

# Cost Driver Reminder...



# Three Models

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1. Base Model – Pre-District Formation
2. Current/Forecast Model – Tax Increase
  - ✓ Base Model updated with actual & forecasted values
  - ✓ Still assumes tax increases year 6 – 10
  - ✓ FY 2015 - FY 2019 uses same assumptions as County General fund for property tax & personnel costs
  - ✓ FY 2020 & Beyond @ Pre-District Formation
3. Current/Forecast Model – No Tax Increase
  - ✓ Same as #2, but with no tax increases

# Assumptions

## Library District Assumptions for Base Model

*Pre-District Formation Model (for Comparison)*

		Library Levy/ District Rate			
		AV Growth	Compression	Cost Change	
FY 12-13		\$0.89	2.85%	37.56%	3.76%
FY 13-14	Year 1	\$1.18	3.25%	7.40%	4.38%
FY 14-15	Year 2	\$1.18	3.50%	6.65%	4.50%
FY 15-16	Year 3	\$1.18	3.70%	6.25%	4.50%
FY 16-17	Year 4	\$1.18	3.60%	6.00%	4.50%
FY 17-18	Year 5	\$1.18	3.60%	5.85%	4.50%
FY 18-19	Year 6	\$1.20	3.50%	5.70%	4.50%
FY 19-20	Year 7	\$1.21	3.50%	5.55%	4.50%
FY 20-21	Year 8	\$1.22	3.50%	5.40%	4.50%
FY 21-22	Year 9	\$1.23	3.50%	5.25%	4.50%
FY 22-23	Year 10	\$1.24	3.50%	5.10%	4.50%



# Assumptions

## Library District Model Assumptions

### *Comparison of Cost Change Assumptions*

		<b>Base</b>	<b>Current</b>	<b>Current w/Flat Tax</b>
FY 12-13		3.76%	3.76%	3.76%
FY 13-14	Year 1	4.38%	4.38%	4.38%
FY 14-15	Year 2	4.50%	2.19%	2.19%
FY 15-16	Year 3	4.50%	3.69%	3.69%
FY 16-17	Year 4	4.50%	4.05%	4.05%
FY 17-18	Year 5	4.50%	4.11%	4.11%
FY 18-19	Year 6	4.50%	3.78%	3.78%
FY 19-20	Year 7	4.50%	4.50%	4.50%
FY 20-21	Year 8	4.50%	4.50%	4.50%
FY 21-22	Year 9	4.50%	4.50%	4.50%
FY 22-23	Year 10	4.50%	4.50%	4.50%
FY 23-24	Year 11		4.50%	4.50%

# Results – Base Model

## Library District @ \$1.18 with Ramp-up to \$1.24 Starting in Year 6

*Pre-Library District Formation Version*

		Library Expenditures	Total Property Taxes	CGF	Other Revenue	Operating Balance	Fund Balance at end of Fiscal Year	Library Levy/ District Rate	Reserve % (Fund Balance vs. Property Tax)
FY 12-13		58,803,796	32,044,828	18,319,980	3,827,888	(4,611,100)	3,480,258	<b>\$0.89</b>	
FY 13-14	Year 1	67,121,624	63,415,385	-	3,904,446	198,206	3,678,464	<b>\$1.18</b>	5.80%
FY 14-15	Year 2	70,142,097	67,062,384	-	3,982,535	902,822	4,581,286	<b>\$1.18</b>	6.83%
FY 15-16	Year 3	73,298,491	69,846,920	-	4,062,185	610,614	5,191,900	<b>\$1.18</b>	7.43%
FY 16-17	Year 4	76,596,924	72,559,190	-	4,143,429	105,695	5,297,595	<b>\$1.18</b>	7.30%
FY 17-18	Year 5	80,043,785	75,293,351	-	4,226,298	(524,136)	4,773,459	<b>\$1.18</b>	6.34%
FY 18-19	Year 6	83,645,755	79,343,500	-	4,310,824	8,568	4,782,027	<b>\$1.20</b>	6.03%
FY 19-20	Year 7	87,409,814	82,954,596	-	4,397,040	(58,178)	4,723,849	<b>\$1.21</b>	5.69%
FY 20-21	Year 8	91,343,256	86,705,216	-	4,484,981	(153,059)	4,570,790	<b>\$1.22</b>	5.27%
FY 21-22	Year 9	95,453,703	90,619,094	-	4,574,681	(259,928)	4,310,861	<b>\$1.23</b>	4.76%
FY 22-23	Year 10	99,749,119	94,703,144	-	4,666,174	(379,801)	3,931,060	<b>\$1.24</b>	4.15%

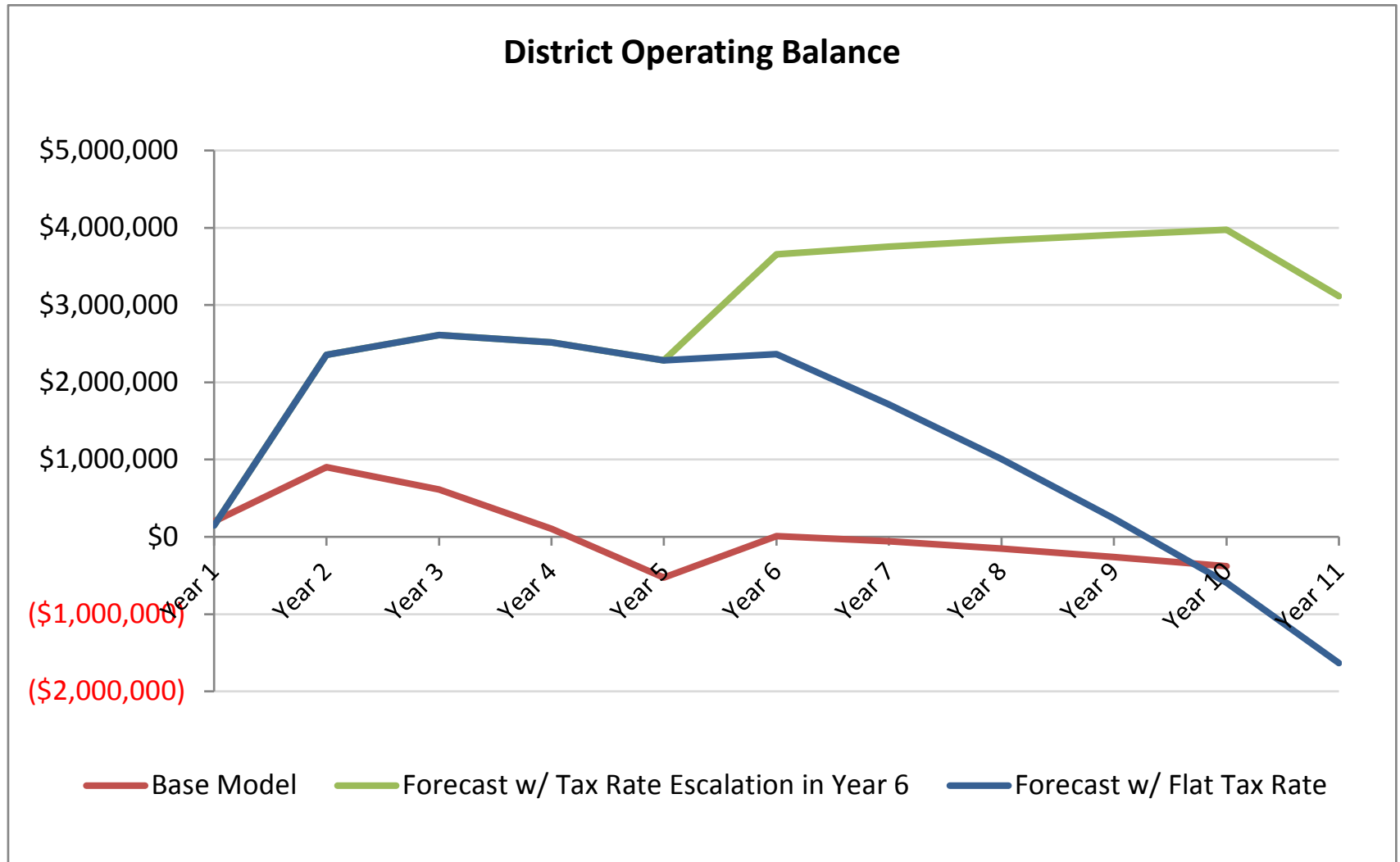


# Comparisons

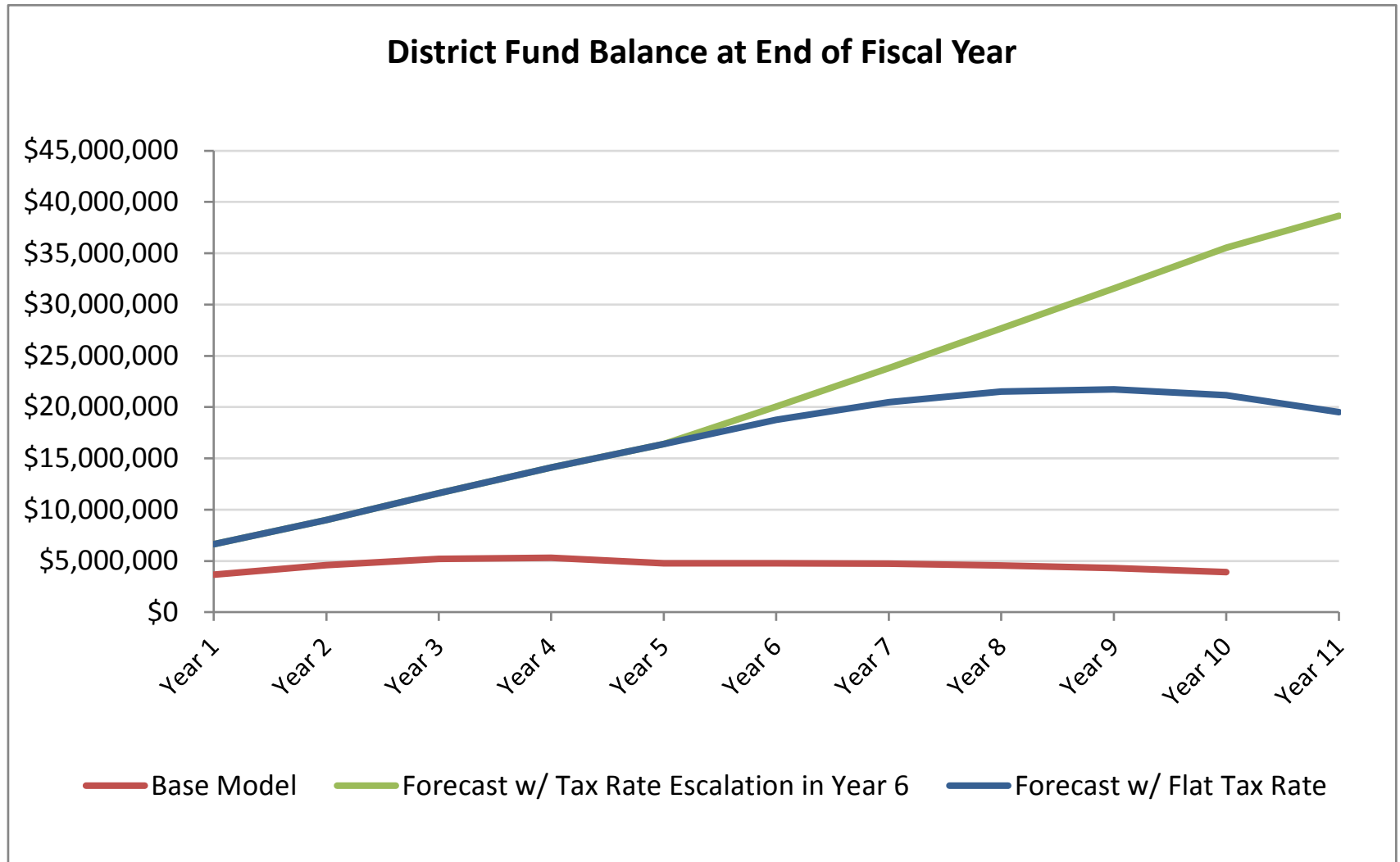
## Library District Scenario Comparisons

		Base Model (Pre-Library District Formation)		Forecast with Tax Rate Escalation in Year 6		Forecast with Flat Tax Rate	
		Operating Balance	Fund Balance at end of Fiscal Year	Operating Balance	Fund Balance at end of Fiscal Year	Operating Balance	Fund Balance at end of Fiscal Year
FY 13-14	Year 1	198,206	3,678,464	147,947	6,646,275	147,947	6,646,275
FY 14-15	Year 2	902,822	4,581,286	2,353,772	9,000,047	2,353,772	9,000,047
FY 15-16	Year 3	610,613	5,191,900	2,609,752	11,609,799	2,609,752	11,609,799
FY 16-17	Year 4	105,695	5,297,595	2,515,566	14,125,365	2,515,566	14,125,365
FY 17-18	Year 5	(524,137)	4,773,458	2,284,922	16,410,288	2,284,922	16,410,288
FY 18-19	Year 6	8,568	4,782,026	3,655,332	20,065,620	2,365,881	18,776,168
FY 19-20	Year 7	(58,178)	4,723,847	3,757,128	23,822,748	1,716,607	20,492,775
FY 20-21	Year 8	(153,059)	4,570,788	3,834,091	27,656,839	1,007,569	21,500,344
FY 21-22	Year 9	(259,928)	4,310,860	3,906,802	31,563,641	239,420	21,739,764
FY 22-23	Year 10	(379,801)	3,931,059	3,974,593	35,538,234	(591,464)	21,148,301
FY 23-24	Year 11			3,113,719	38,651,953	(1,632,787)	19,515,514

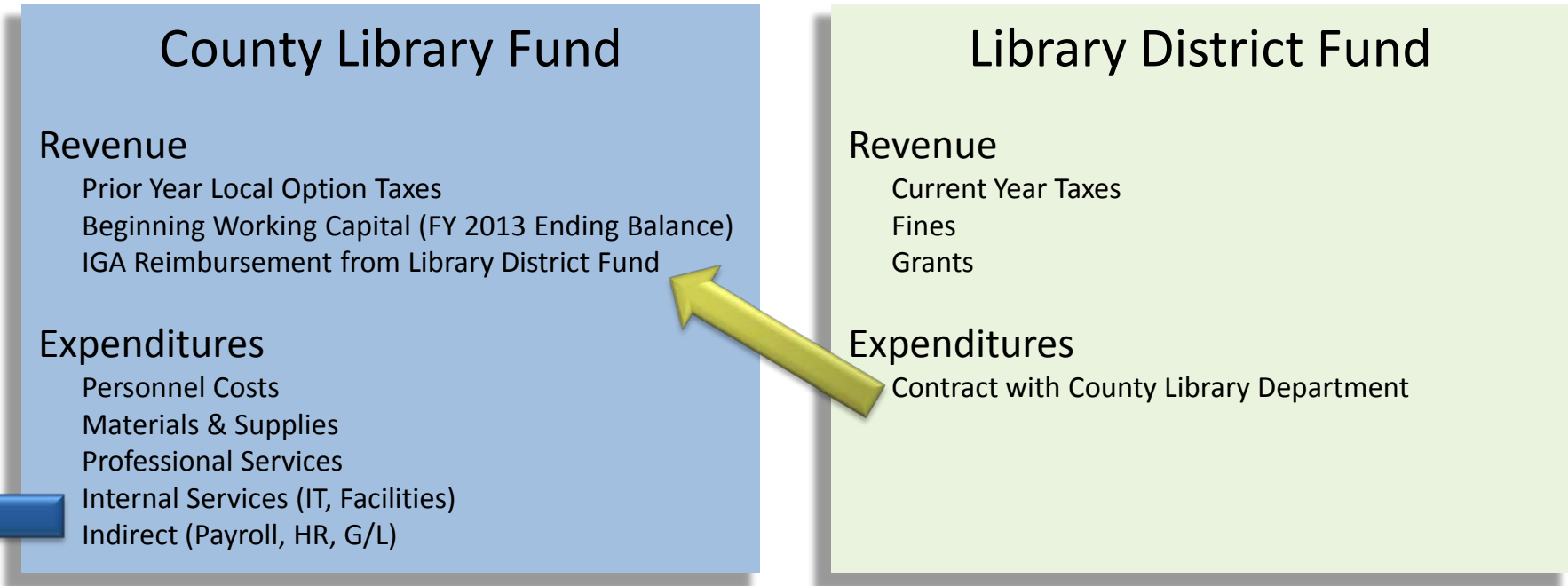
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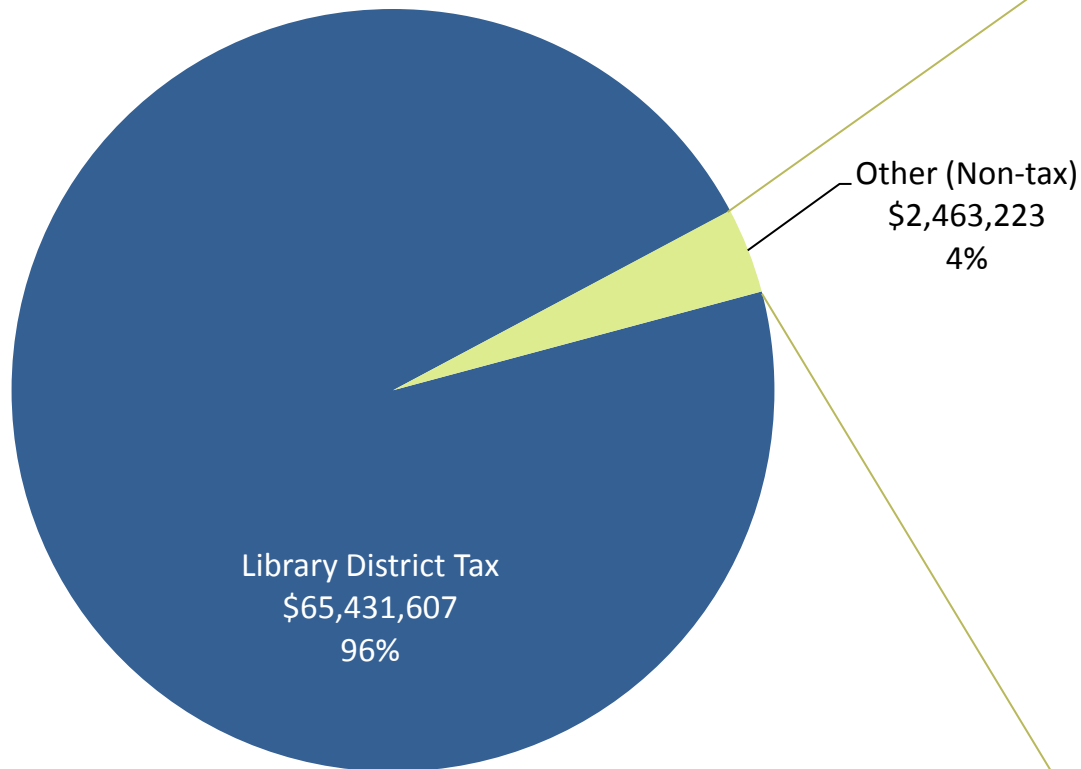
# Budget Structure



Total district budget = \$69.3 million (includes \$1.4 million in contingency)

Total library budget = \$68.1 million

# Budget by Funding Source



## Grants

\$894,723 36%

## Fines

\$1,100,00 45%

## Fees

\$247,000 10%

## Sales, Gifts, Internal Reimbursements

\$201,500 8%

## Interest

\$20,000 1%



# Highlights

- Stable, dedicated funding
- Sustainable services
- Focus on the future

