



# Multnomah County Library District FY 2018 Proposed Budget

Presented to the  
Multnomah County Library  
District Board



Multnomah County  
May 16, 2017

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

# Governance & Operations

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- Governed by Board of County Commissioners sitting as Multnomah County Library District Board
- Operating under an Intergovernmental Agreement (IGA) with Multnomah County



# Budget Highlights

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- Budget proposed at rate of \$1.18 per \$1,000 of Assessed Value (full rate is \$1.24)
- Sustains hours and services detailed in County Library budget
- Establishes Library Capital fund



# Two Financial Chapters

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1. FY 2017 (Current Year) Revenues
2. Two Library Financial Models
  - ✓ Base (Pre-District Formation) vs. Current Forecast
  - ✓ Cost Drivers – Same as County
    - ☐ PERS
    - ☐ Service & Infrastructure Enhancements
  - ✓ Assumptions
  - ✓ Results
  - ✓ Comparisons



# FY 2017 Property Tax Revenues

## FY 2017 Current Year Property Tax Estimates - December 2016 Multnomah County Library District

	Budget/Plan	'Actual' Based on Tax Roll	Delta	Delta %	
AV	68,655,461,111	68,831,685,323	176,224,212	0.26%	
Extended Taxes	81,013,444	81,270,819	257,375	0.32%	
Compression	3,078,511	3,080,019	1,508	0.05%	
Imposed Taxes	77,934,933	78,190,800	255,867	0.33%	
Discount/Delinq	4,052,617	3,753,158	(299,459)	-7.39%	
<b>Current Year Taxes</b>	<b>73,882,316</b>	<b>74,437,642</b>	<b>555,326</b>	<b>0.75%</b>	
Prior Year Taxes	1,415,862	1,300,775	(115,087)	-8.13%	
Interest	292,022	293,334	1,312	0.45%	
<b>Total Property Taxes</b>	<b>75,590,200</b>	<b>76,031,751</b>	<b>441,551</b>	<b>0.58%</b>	←

### Notes:

1. Compression actual was 3.79% vs. budget of 3.8%.
2. AV growth actual was 4.07% vs. budget of 3.8%.



# Assumptions

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## 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%
<b>FY 17-18</b>	<b>Year 5</b>	<b>\$1.18</b>	<b>3.60%</b>	<b>5.85%</b>	<b>4.50%</b>
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 Growth & Compression Assumptions*

		Cost Growth		Compression	
		<i>Base</i>	<i>Current</i>	<i>Base</i>	<i>Current</i>
FY 12-13		3.76%	3.76%	37.56%	37.56%
FY 13-14	Year 1	4.38%	4.38%	7.40%	7.81%
FY 14-15	Year 2	4.50%	2.19%	6.65%	6.00%
FY 15-16	Year 3	4.50%	2.81%	6.25%	4.52%
FY 16-17	Year 4	4.50%	3.43%	6.00%	3.79%
<b>FY 17-18</b>	<b>Year 5</b>	<b>4.50%</b>	<b>4.76%</b>	<b>5.85%</b>	<b>3.50%</b>
FY 18-19	Year 6	4.50%	4.62%	5.70%	3.25%
FY 19-20	Year 7	4.50%	4.55%	5.55%	3.10%
FY 20-21	Year 8	4.50%	4.65%	5.40%	3.00%
FY 21-22	Year 9	4.50%	4.23%	5.25%	3.00%
FY 22-23	Year 10	4.50%	4.50%	5.10%	3.00%
FY 23-24	Year 11		4.50%		3.00%
FY 24-25	Year 12		3.90%		3.00%
FY 25-26	Year 13		4.50%		3.00%
FY 26-27	Year 14		4.50%		3.00%





# 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%





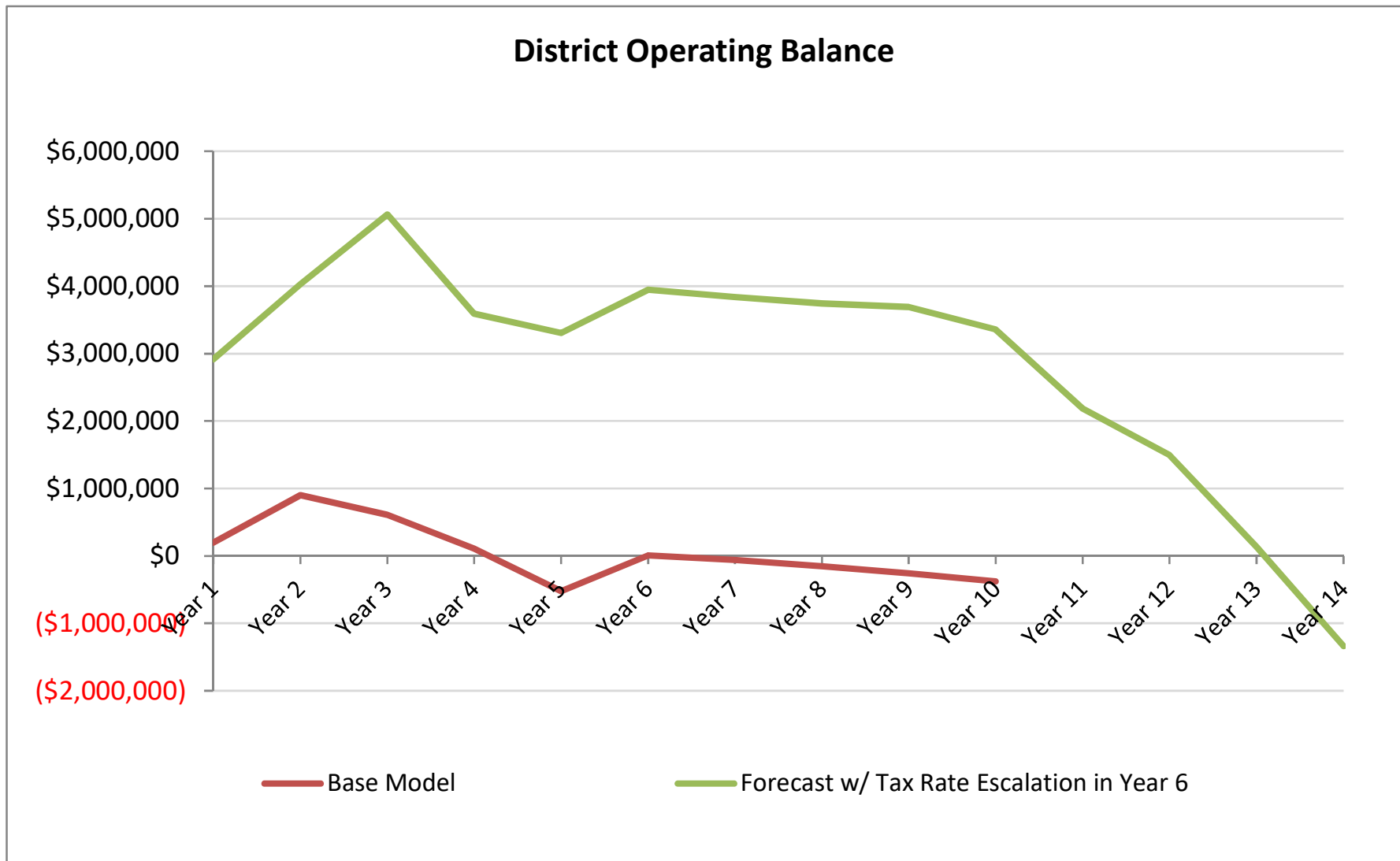
# Library District Scenario Comparisons

## Library District Scenario Comparisons

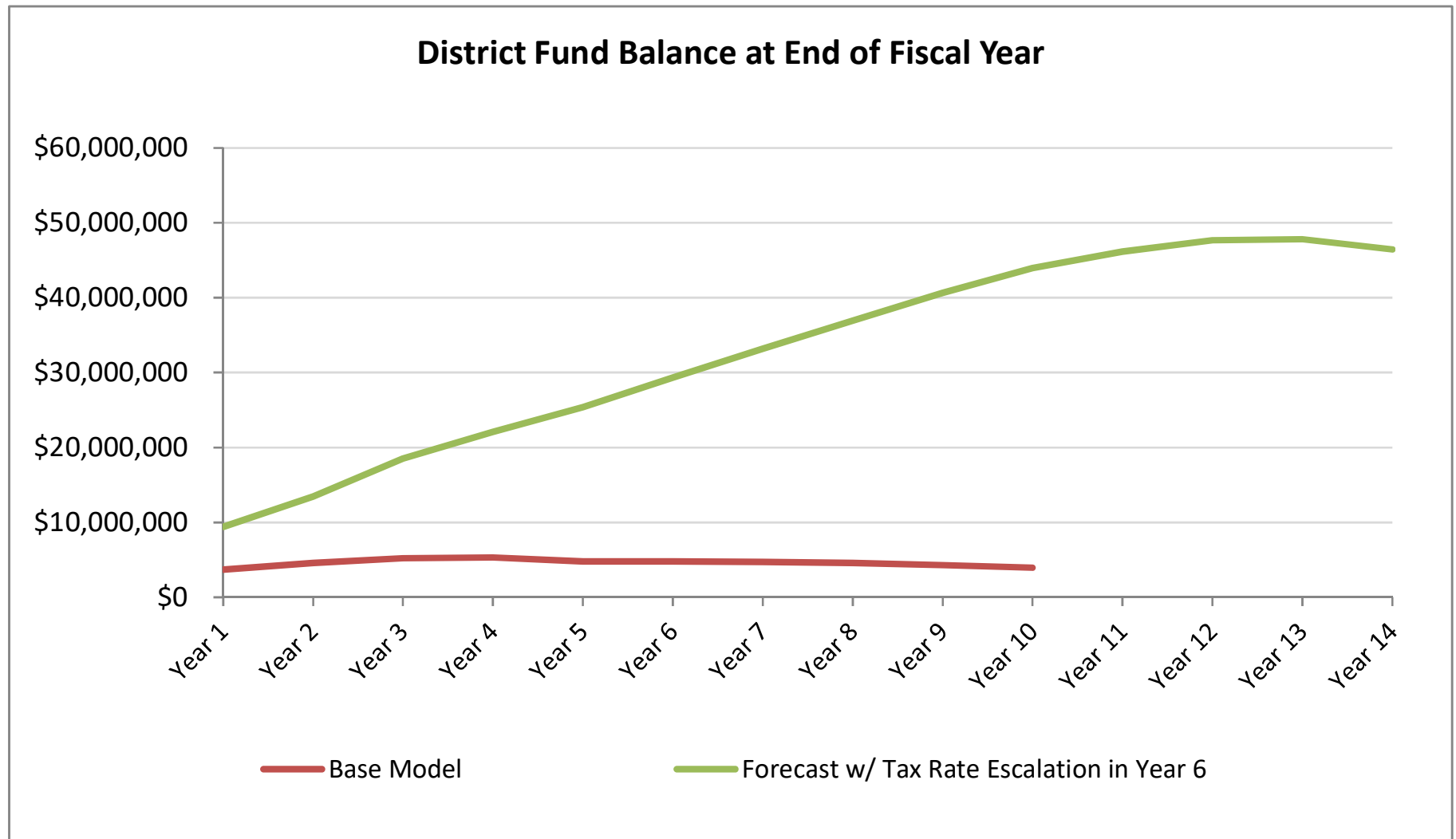
		Base Model (Pre-Library District Formation)			Forecast with Tax Rate Escalation in Year 6		
		Operating Balance	Fund Balance at end of Fiscal Year	Reserve % (Fund Balance vs. Property Tax)	Operating Balance	Fund Balance at end of Fiscal Year	Reserve % (Fund Balance vs. Property Tax)
FY 13-14	Year 1	198,206	3,678,464	5.80%	2,912,534	9,410,862	14.81%
FY 14-15	Year 2	902,822	4,581,286	6.83%	4,032,318	13,443,180	19.71%
FY 15-16	Year 3	610,613	5,191,900	7.43%	5,061,314	18,504,159	25.61%
FY 16-17	Year 4	105,695	5,297,595	7.30%	3,593,381	22,097,540	29.06%
<b>FY 17-18</b>	<b>Year 5</b>	<b>(524,137)</b>	<b>4,773,458</b>	<b>6.34%</b>	<b>3,303,471</b>	<b>25,401,011</b>	<b>32.03%</b>
FY 18-19	Year 6	8,568	4,782,026	6.03%	3,949,012	29,350,023	35.12%
FY 19-20	Year 7	(58,178)	4,723,847	5.69%	3,839,899	33,189,922	38.07%
FY 20-21	Year 8	(153,059)	4,570,788	5.27%	3,741,571	36,931,493	40.55%
FY 21-22	Year 9	(259,928)	4,310,860	4.76%	3,690,911	40,622,403	42.85%
FY 22-23	Year 10	(379,801)	3,931,059	4.15%	3,359,298	43,981,701	44.57%
FY 23-24	Year 11				2,185,587	46,167,288	45.30%
FY 24-25	Year 12				1,497,082	47,664,369	45.30%
FY 25-26	Year 13				133,934	47,798,304	44.00%
FY 26-27	Year 14				(1,335,606)	46,462,698	41.42%



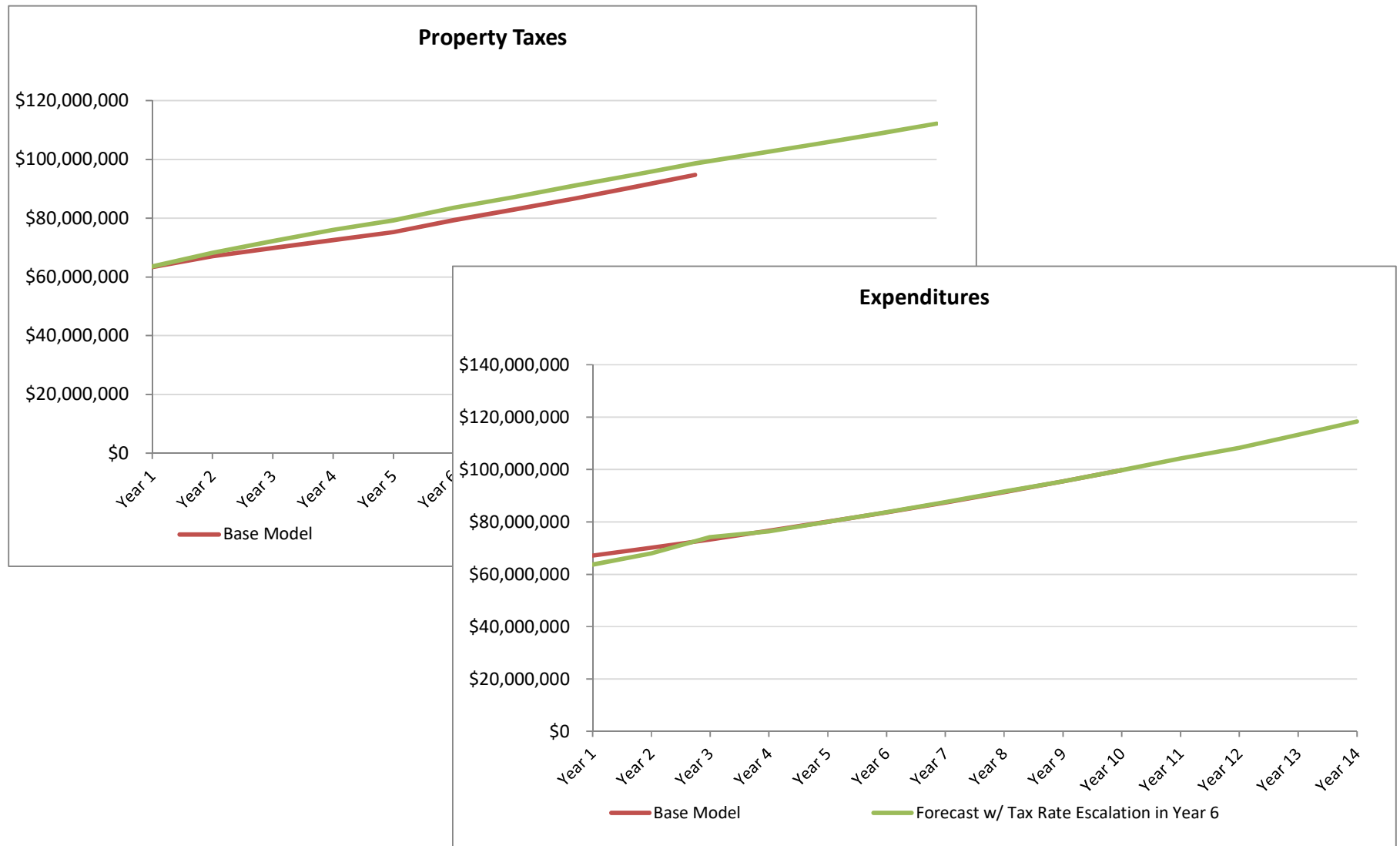
# Comparisons: Operating Balance



# Comparisons: Fund Balance at End of Fiscal Year

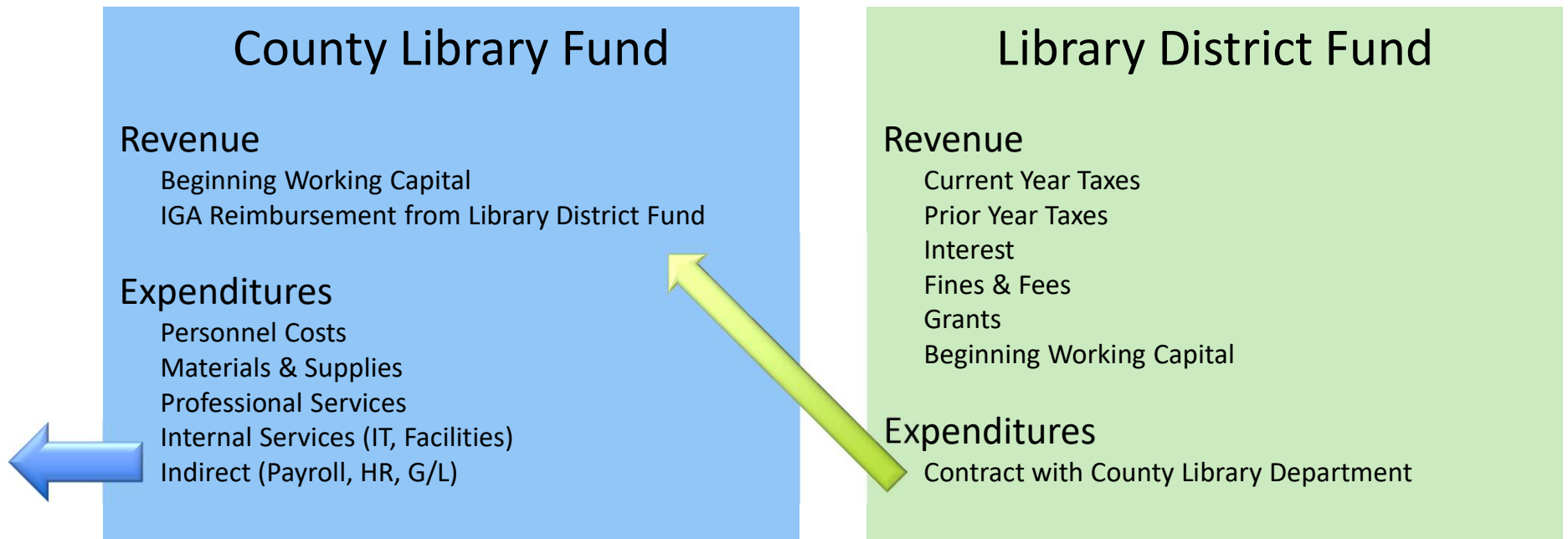


# Comparisons: Property Taxes & Expenditures



# Budget Structure

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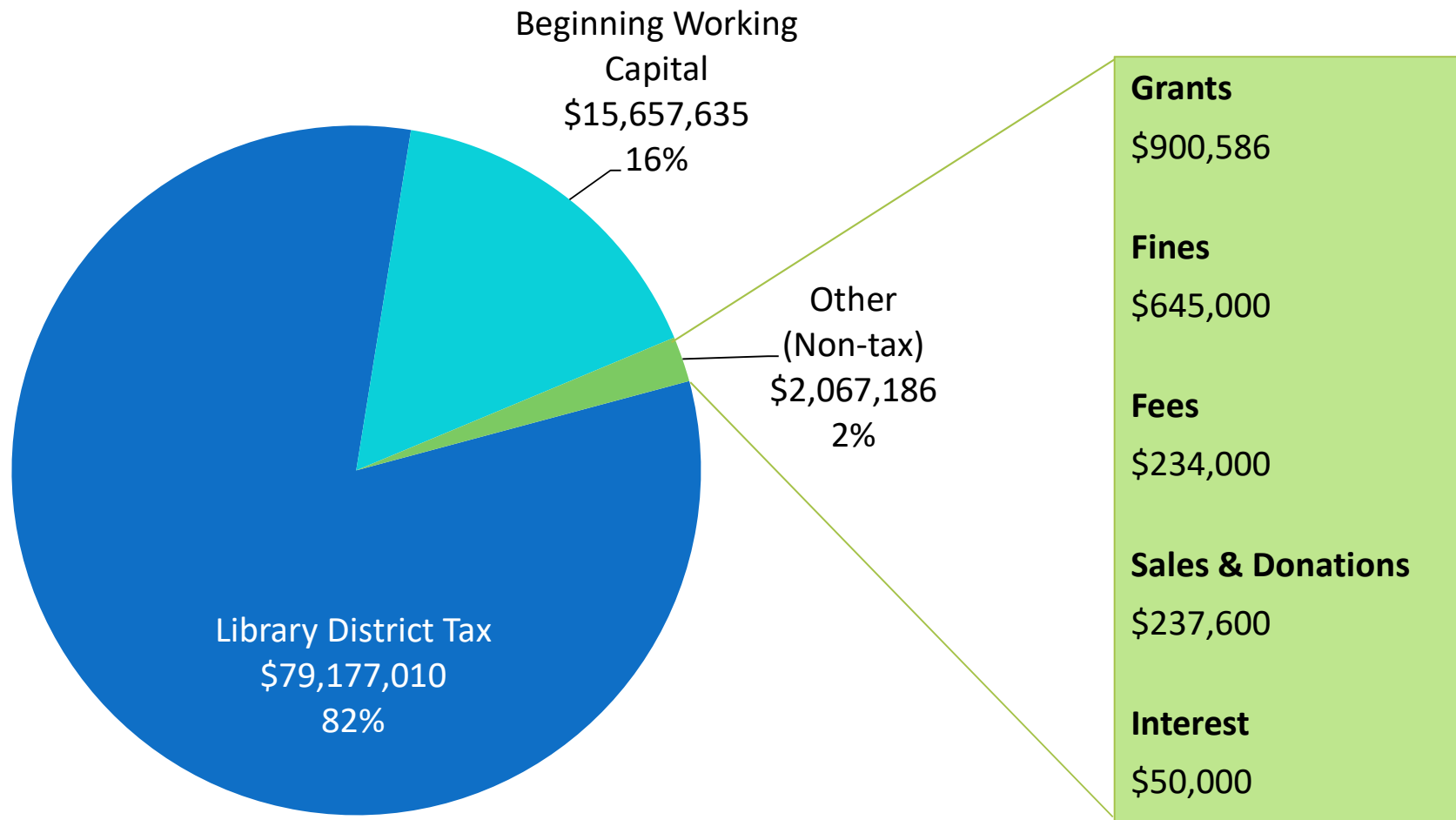
Total district budget = \$96.9 million (including a half million dollars in contingency, \$7.9 million in reserve, and \$9.2 proposed transfer to Library Capital Fund)

Total library budget = \$79.2 million



# Budget by Funding Source

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# Highlights

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





# Questions

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