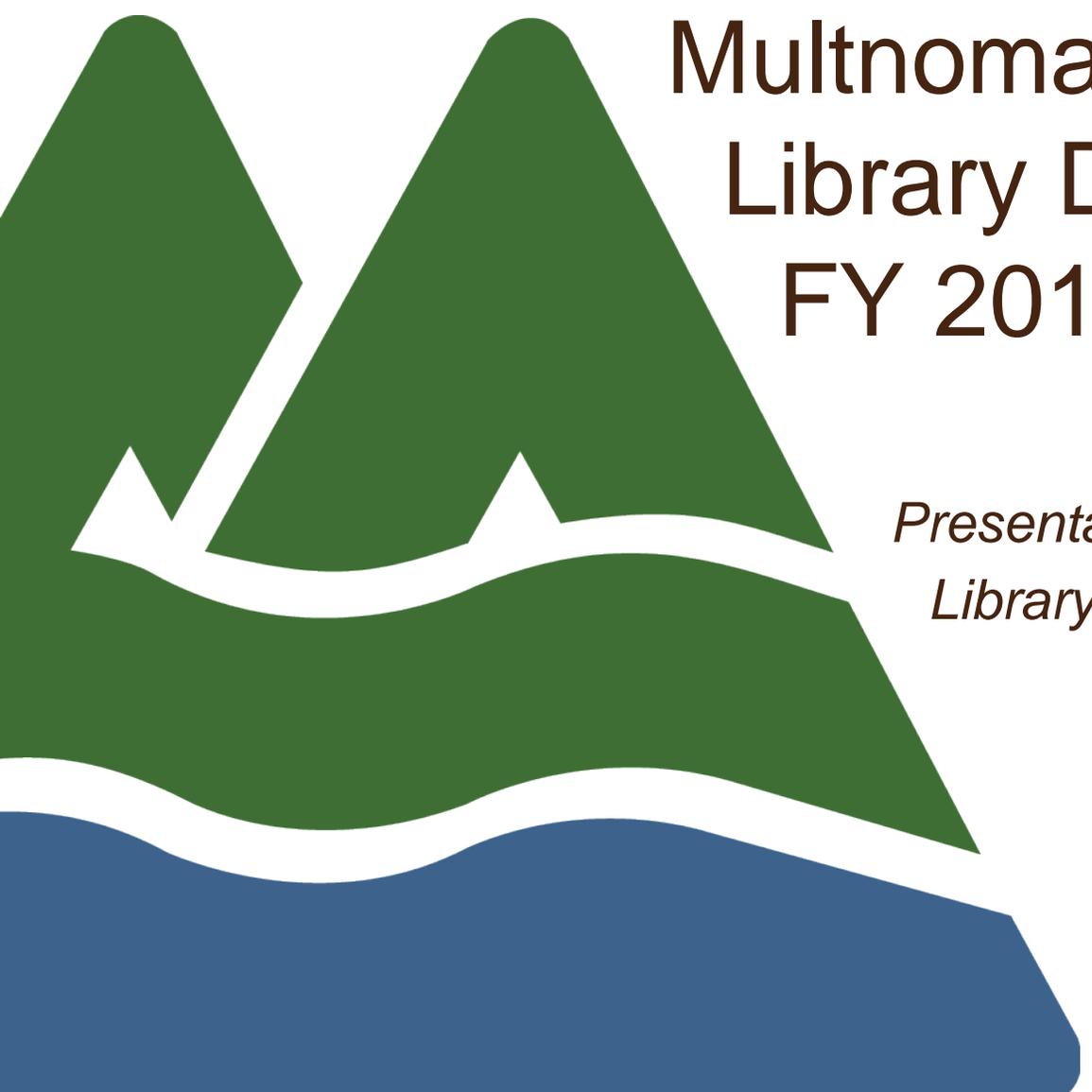


Multnomah County
LIBRARY

DISTRICT



Multnomah County Library District FY 2016 Proposed Budget

*Presentation to the Multnomah County
Library District Board*

Multnomah County
May 12, 2015

Vailey Oehlke, Director

Located at: www.multco.us/budget

Governance & Operations

- Governed by Board of County Commissioners sitting as Multnomah County Library District Board
- December, 2014 – MCLD Board authorized the County Chair to execute a Library Assets Transfer Agreement
- March, 2015 – Intergovernmental Agreement was amended to address the transfer of assets



Budget Overview

- Third 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

1. FY 2015 (Current Year) Revenues

2. Three Library Financial Models

- ✓ Cost Drivers – Same as County
 - PERS
 - Service & Infrastructure Enhancements
- ✓ Assumptions
- ✓ Results
- ✓ Comparisons



FY 2015 Property Tax Revenues

FY 2015 Current Year Property Tax Estimates - December 2014 Multnomah County Library District

	Budget/Plan	'Actual' Based on Tax Roll	Delta	Delta %
AV	62,744,395,433	63,519,701,275	775,305,842	1.24%
Extended Taxes	74,038,387	74,953,248	914,861	1.24%
Compression	5,219,706	4,493,602	(726,104)	-13.91%
Imposed Taxes	68,818,681	70,459,646	1,640,965	2.38%
Discount/Delinq	3,509,753	3,593,442	83,689	2.38%
Current Year Taxes	65,308,928	66,866,204	1,557,276	2.38%
Prior Year Taxes	1,324,953	1,244,288	(80,665)	-6.09%
Interest	257,803	258,730	927	0.36%
Total Property Taxes	66,891,684	68,369,222	1,477,538	2.21%

Notes:

1. Compression actual was 6.0% vs. budget of 7.05%.
2. AV growth actual was 4.78% vs. budget of 3.50%.
3. FY 2015 Impact of URA Amendments approx. \$463,000.

Three Models

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 2016 - FY 2020 uses same assumptions as County General Fund for property tax & personnel costs
 - ✓ FY 2021 & Beyond @ Pre-District Formation
3. Current Forecast Model – No Tax Increase
 - ✓ Same as Current Forecast, but with no tax increases
4. Will also show variations of models 2 & 3, reflecting the FY 2016 Proposed budget



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

		Base	Current	Current w/Flat Tax
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%	2.81%	2.81%
FY 16-17	Year 4	4.50%	3.83%	3.83%
FY 17-18	Year 5	4.50%	4.23%	4.23%
FY 18-19	Year 6	4.50%	4.32%	4.32%
FY 19-20	Year 7	4.50%	3.89%	3.89%
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%
FY 24-25	Year 12		4.50%	4.50%

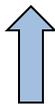


Results – Base Model

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	\$0.89	
FY 13-14 Year 1	67,121,624	63,415,385	-	3,904,446	198,206	3,678,464	\$1.18	5.80%
FY 14-15 Year 2	70,142,097	67,062,384	-	3,982,535	902,822	4,581,286	\$1.18	6.83%
FY 15-16 Year 3	73,298,491	69,846,920	-	4,062,185	610,614	5,191,900	\$1.18	7.43%
FY 16-17 Year 4	76,596,924	72,559,190	-	4,143,429	105,695	5,297,595	\$1.18	7.30%
FY 17-18 Year 5	80,043,785	75,293,351	-	4,226,298	(524,136)	4,773,459	\$1.18	6.34%
FY 18-19 Year 6	83,645,755	79,343,500	-	4,310,824	8,568	4,782,027	\$1.20	6.03%
FY 19-20 Year 7	87,409,814	82,954,596	-	4,397,040	(58,178)	4,723,849	\$1.21	5.69%
FY 20-21 Year 8	91,343,256	86,705,216	-	4,484,981	(153,059)	4,570,790	\$1.22	5.27%
FY 21-22 Year 9	95,453,703	90,619,094	-	4,574,681	(259,928)	4,310,861	\$1.23	4.76%
FY 22-23 Year 10	99,749,119	94,703,144	-	4,666,174	(379,801)	3,931,060	\$1.24	4.15%



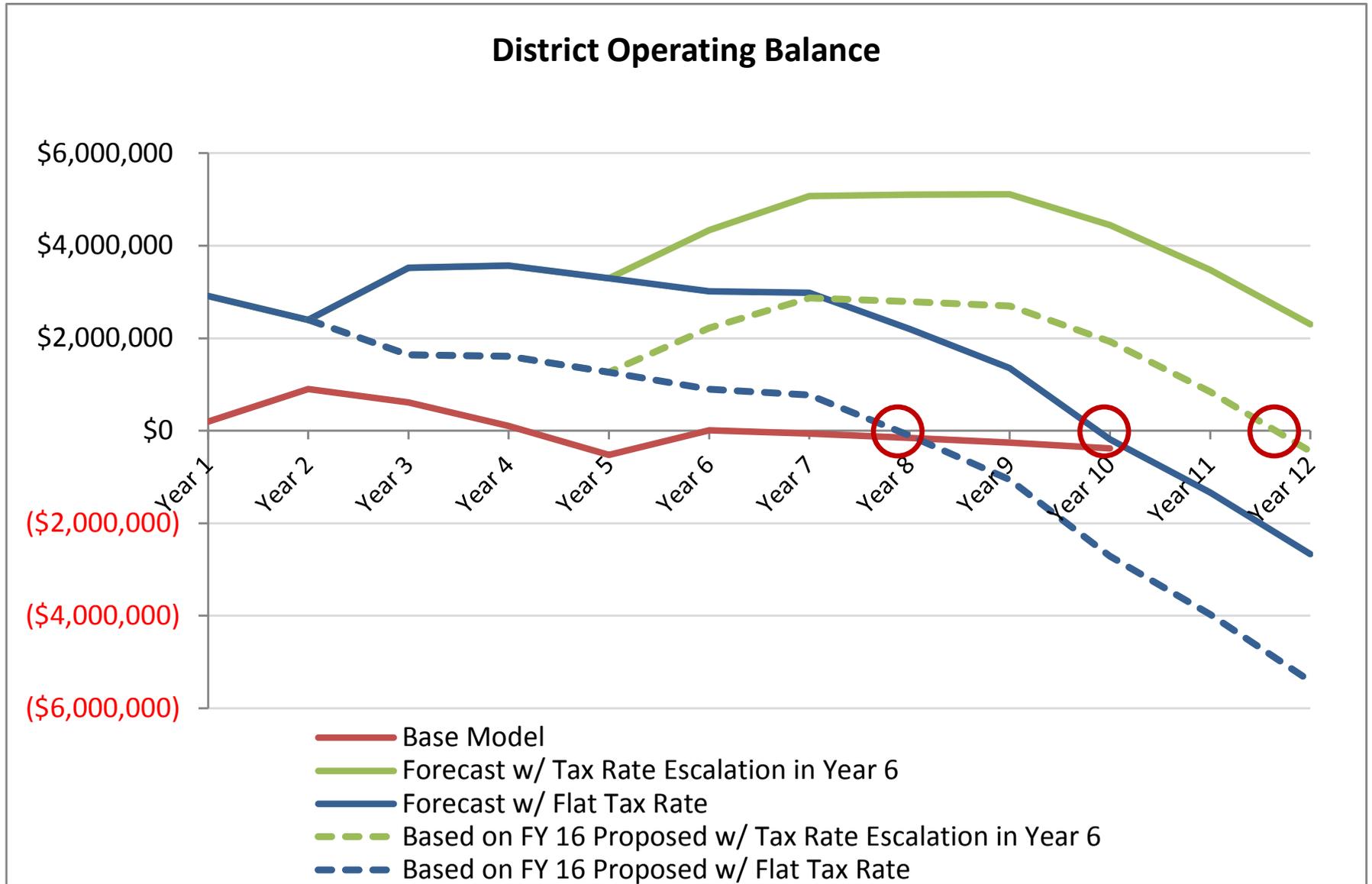
Comparisons

Library District Scenario Comparisons

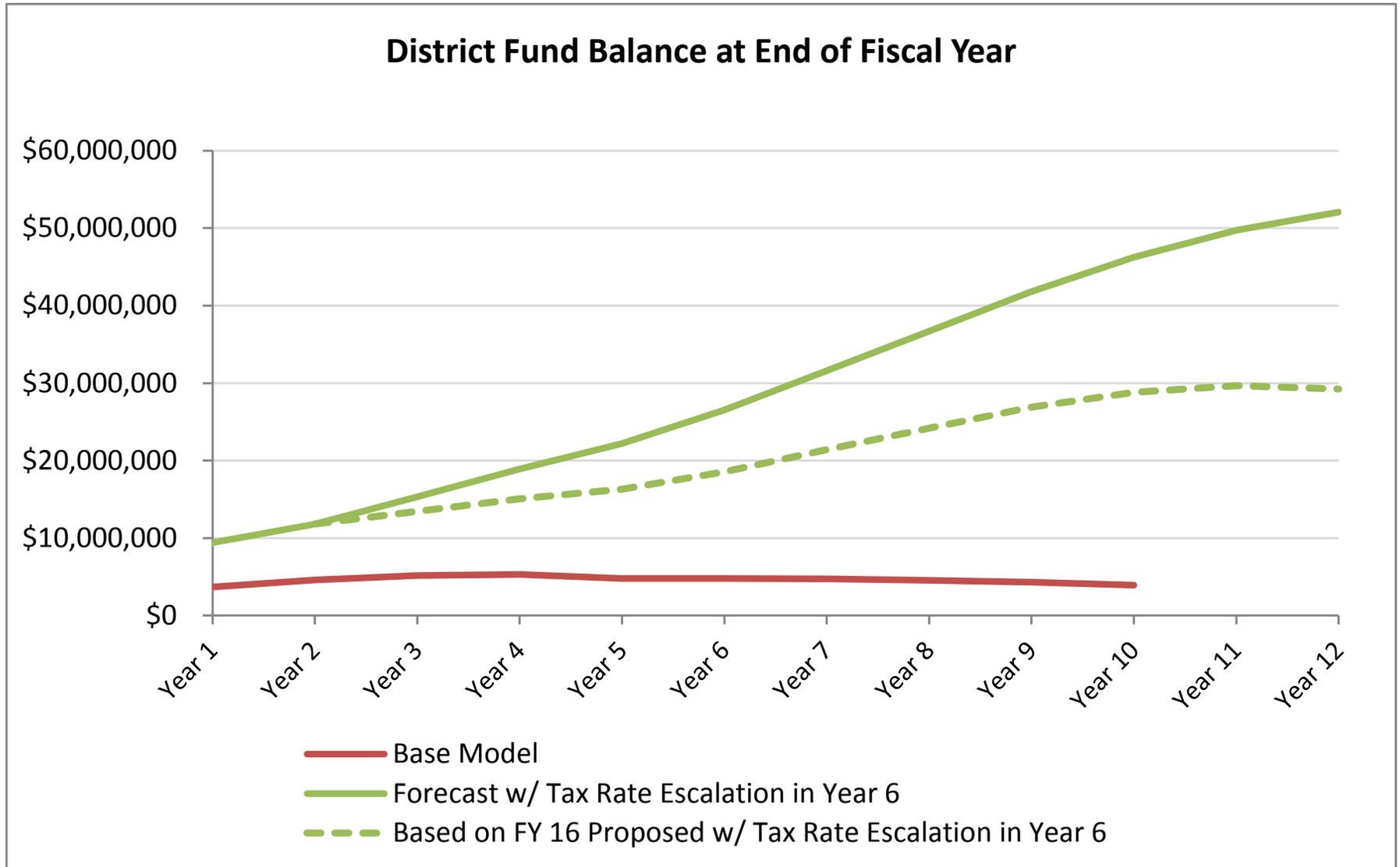
		Base Model (Pre-Library District Formation)			Forecast with Tax Rate Escalation in Year 6			Forecast with Flat Tax Rate		
		Operating Balance	Fund Balance at end of Fiscal Year	Reserve % (Fund Balance vs. Property Tax)	Operating Balance	Fund Balance at end of Fiscal Year	Reserve % (Fund Balance vs. Property 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%	2,912,534	9,410,862	14.81%
FY 14-15	Year 2	902,822	4,581,286	6.83%	2,396,357	11,807,219	17.21%	2,396,357	11,807,219	17.21%
FY 15-16	Year 3	610,613	5,191,900	7.43%	3,525,348	15,332,568	21.41%	3,525,348	15,332,568	21.41%
FY 16-17	Year 4	105,695	5,297,595	7.30%	3,566,254	18,898,822	25.43%	3,566,254	18,898,822	25.43%
FY 17-18	Year 5	(524,137)	4,773,458	6.34%	3,298,805	22,197,627	28.79%	3,298,805	22,197,627	28.79%
FY 18-19	Year 6	8,568	4,782,026	6.03%	4,340,500	26,538,127	32.60%	3,018,019	25,215,646	31.48%
FY 19-20	Year 7	(58,178)	4,723,847	5.69%	5,074,337	31,612,464	37.10%	2,979,429	28,195,075	33.92%
FY 20-21	Year 8	(153,059)	4,570,788	5.27%	5,100,185	36,712,649	41.28%	2,202,789	30,397,864	35.33%
FY 21-22	Year 9	(259,928)	4,310,860	4.76%	5,107,903	41,820,552	45.07%	1,354,515	31,752,380	35.66%
FY 22-23	Year 10	(379,801)	3,931,059	4.15%	4,445,712	46,266,264	48.11%	(188,284)	31,564,095	34.48%
FY 23-24	Year 11				3,474,571	49,740,835	50.03%	(1,335,771)	30,228,325	31.95%
FY 24-25	Year 12				2,298,914	52,039,750	50.70%	(2,667,913)	27,560,412	28.21%



Comparisons

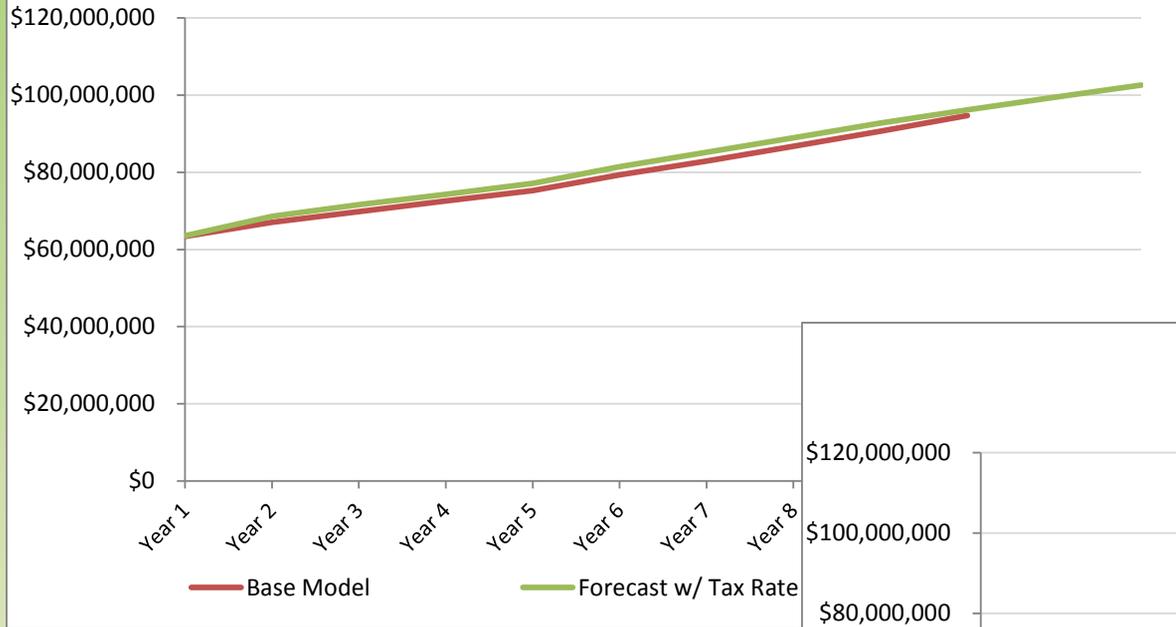


Comparisons

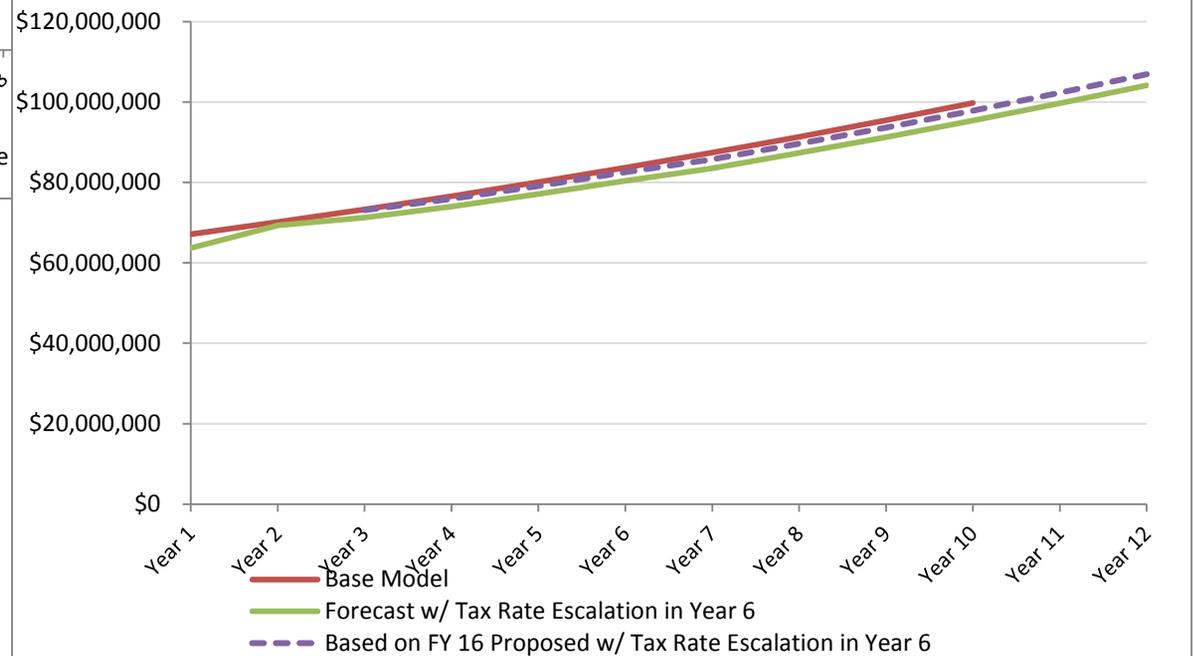


Comparisons

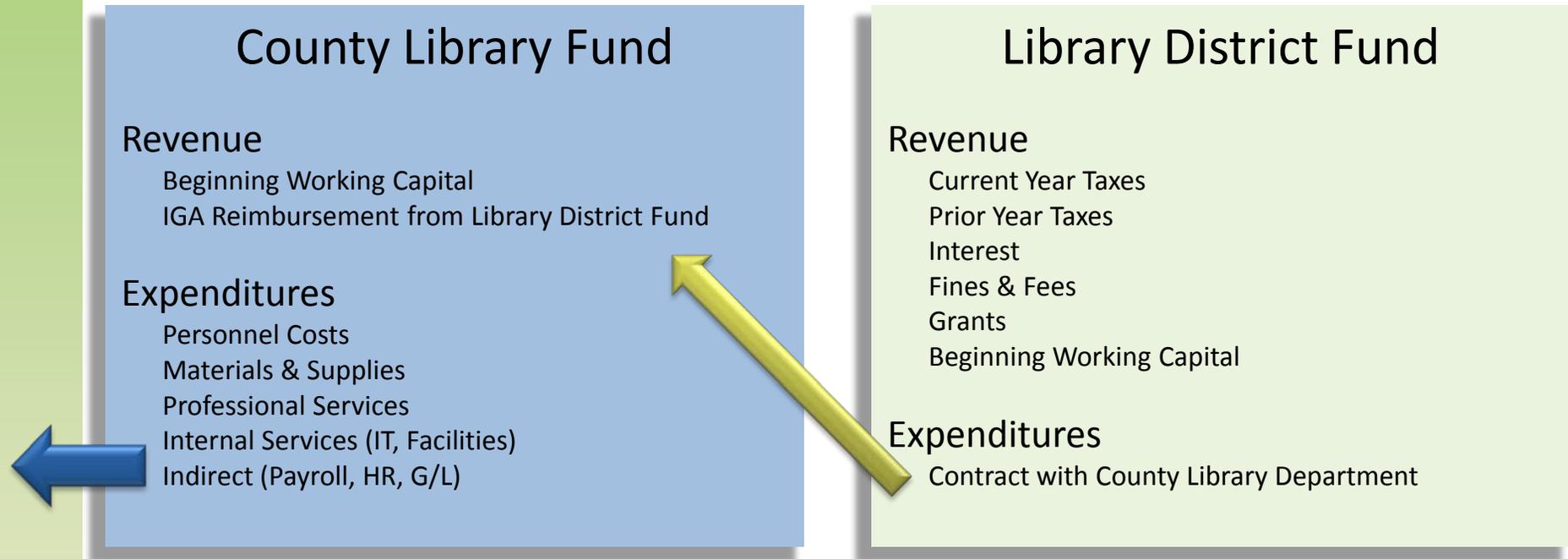
Property Taxes



Expenditures



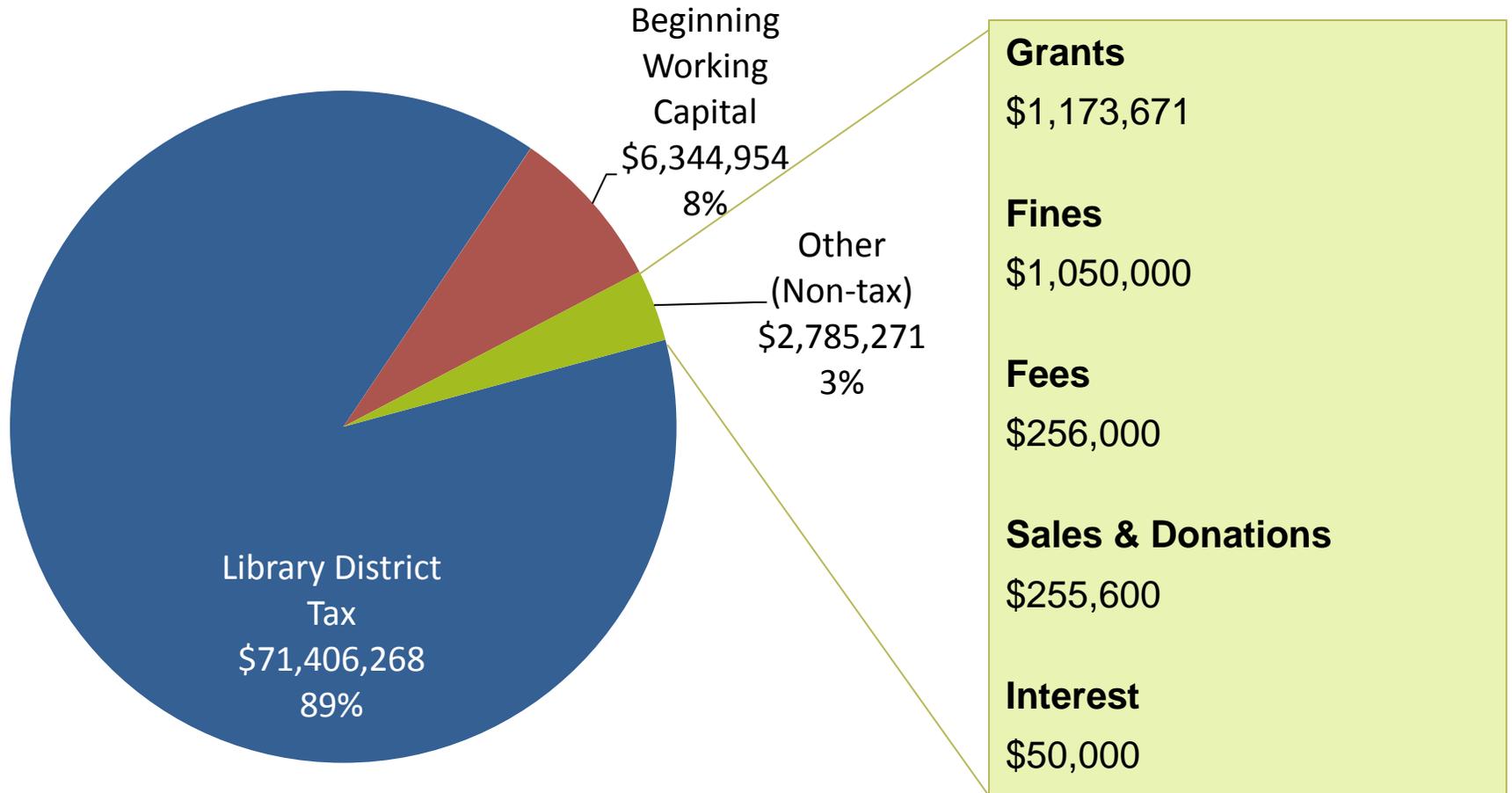
Budget Structure



Total district budget = \$80.5 million (includes \$7.4 million in contingency)

Total library budget = \$73.1 million

Budget by Funding Source



Highlights

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

