

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**

RESOLUTION NO. 2018-038

Approving the Multnomah County Library District's Proposed Fiscal Year 2019 Budget for Submittal to the Tax Supervising and Conservation Commission.

The Multnomah County Board of Commissioners Finds:

- a. ORS 294.423 provides that the MCLD Board is the Budget Committee for the MCLD.
- b. ORS 294.635 requires transmittal of the Budget to the Tax Supervising and Conservation Commission (TSCC) prior to May 15.
- c. On April 26, 2018 the MCLD Board received the budget message from the MCLD Director/Budget Officer and the Proposed Budget for the fiscal year July 1, 2018 to June 30, 2019, in compliance with ORS 294.426.
- d. The MCLD Director/Budget Officer requests that the MCLD Board approve the Proposed Budget for submittal to the TSCC as required by ORS 294.428.
- e. The Budget submitted to the TSCC establishes the estimated maximum expenditures for the MCLD. The MCLD Board may not increase these expenditures by more than ten percent.
- f. The Budget submitted to the TSCC establishes the maximum property tax levy for the MCLD.
- g. Submitting the Budget to the TSCC does not prevent the MCLD Board from making reallocations within the limitations noted above.
- h. The MCLD Board will conduct a review and public discussion of the FY 2019 Budget.

The Multnomah County Board of Commissioners Resolves:

1. The MCLD Director/Budget Officer will prepare the FY 2019 Approved Budget and forward it to the TSCC.
2. The following tax levy is approved and included in the Approved Budget forwarded to the TSCC.
3. This tax is at the authorized tax rate as follows:

General Government Category

| Operating Taxes | Tax Rate / 1,000 |
|------------------------------|-------------------------|
| Permanent Tax Rate | \$ 1.2000 |
| Total Operating Taxes | \$ 1.2000 |

ADOPTED this 26th day of April, 2018.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON



Deborah Kafoury

Deborah Kafoury, Chair

REVIEWED:
JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By *Jon Strauhull*
Jon Strauhull, Assistant County Attorney

SUBMITTED BY: Donald Allgeier, Library Director of Operations

MULTNOMAH COUNTY LIBRARY DISTRICT PROPOSED BUDGET FISCAL YEAR 2018-2019



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**Multnomah County Library District
Budget Message
April 26, 2018**

It is my privilege to propose the Fiscal Year 2019 budget for the Multnomah County Library District. This is the sixth annual library district budget since the adoption of Measure 26-143 in November 2012, which created a library district to fund library services with a permanent rate, limited to \$1.24.

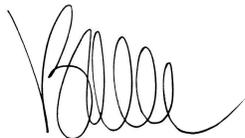
In the sixth year of library district funding, the library proposes to levy a rate of \$1.20 per \$1,000 of assessed value, a figure in line with the original financial plan for the district. Based on projections from the County Budget Office, the \$1.20 rate will generate adequate revenue to maintain current service levels and bolster the fiscal health of the district into the future.

The district tax is expected to bring in \$83.9 million; combined with other revenues (fines, fees, grants, and interest), the district's total revenues are projected at \$85.9 million. Of that amount, \$83.3 million is budgeted for transfer to the County Library Fund. Based on the county's financial policy and Budget Office recommendations, \$0.5 million is placed in contingency and 10% of the expected tax revenues (\$8.4 million) is placed in the unappropriated fund balance as the district's reserve. The remaining balance (\$11.6 million) will be transferred into the Multnomah County Library District Capital Fund which will total (\$20.4 million).

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

As Multnomah County Library looks to the next fiscal year, it continues a tradition of access and service while looking ahead to emerging challenges and opportunities. Building on a rich history and a legacy of community engagement and support, the library continues to reinvent itself as an institution at the core of a vibrant and diverse community.

Respectfully,



Vailey Oehlke
Multnomah County Library District Director

Multnomah County Library District Budget FY 2018-19

A continuing evolution to serve the community

The Multnomah County Library District was approved by voters in 2012 in order to fund library services on an ongoing basis for the use of the people of Multnomah County. The district funds the entirety of the Multnomah County Library Fund that is adopted each year by the Multnomah County Board of County Commissioners.

As the needs of the community change, Multnomah County Library must balance and serve changing community needs in new ways. The District Fund is prepared with an eye towards long term sustainability to fund our libraries while still supporting library efforts to innovate, include, and adapt.

While the proposed FY19 Library District Budget will fund a current service level budget for library operations, the library's long term fiscal outlook signals challenging conditions ahead. The library approaches FY19 with fiscal restraint and discipline to prepare for those expected challenges. This budget will preserve the balance in the Multnomah County Library District Capital Fund for the long term fiscal health of the library district.

In the next fiscal year, the library's key areas of focus and investment include a sustained commitment to safety and security; core technology infrastructure to meet current and future business needs and to offer patrons a better experience; and physical infrastructure funding for preventative facilities maintenance and replacement of furnishings and mechanical systems.

Multnomah County Library is proud to continue its 150-year-plus tradition of service. Thanks to the robust support and engagement of those we serve, the library will continue to provide world class library services to this diverse and growing community, now and for generations to come.

About the budget

By charter, members of the Multnomah County Board of County 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 FY19 budget is proposed at a tax rate of \$1.20 per \$1,000 of assessed value in line with the original financial plan for the district. This rate will generate enough revenue to maintain current hours and services.

This budget continues a practice of maintaining the library department budget in the current Library Fund and utilizing the Library District Fund to receive the library district tax as well as any non-tax revenues for FY19. This will ensure that the district's taxes and revenues are received and accounted for separately.

An Intergovernmental Agreement (IGA) between Multnomah County and Multnomah County Library District provides contractual structure for the District and the County to provide library services.

Multnomah County Library District's Financial Policies

On May 25, 2017 the Multnomah County Library District Board passed Resolution 2017-044, adopting Multnomah County financial and budget policies as the policies of the Multnomah County Library District.

**FORM
LB-20**

**RESOURCES
General Fund
(Fund)**

Multnomah County Library District

(Name of Municipal Corporation)

| | Historical Data | | | RESOURCE DESCRIPTION | Budget for Next Year 2018-2019 | | | |
|-----------|--------------------------------------|-------------------------------------|--|---|--------------------------------|---------------------------------|------------------------------|-----------|
| | Actual | | Adopted Budget This Year 2017 - 2018 | | Proposed By Budget Officer | Approved By Budget Committee | Adopted By Governing Body | |
| | Second Preceding Year 2015 - 2016 | First Preceding Year 2016 - 2017 | | | | | | |
| 1 | | | | 1. Available cash on hand* (cash basis) or | | | | 1 |
| 2 | \$6,434,479 | \$6,434,479 | \$15,657,635 | 2. Beginning working capital (accrual basis) | \$17,796,478 | | | 2 |
| 3 | \$775,397 | \$775,397 | \$1,429,203 | 3. Previously levied taxes estimated to be received | \$1,122,044 | | | 3 |
| 4 | \$140,743 | \$140,743 | \$307,055 | 4. Interest | \$321,419 | | | 4 |
| 5 | | | | 5. Transferred IN, from other funds | | | | 5 |
| 6 | | | | 6 OTHER RESOURCES | | | | 6 |
| 7 | \$1,269,777 | \$1,269,777 | \$879,000 | 7 Fines & Fees | \$911,000 | | | 7 |
| 8 | \$129,163 | \$129,163 | \$50,000 | 8 Interest | \$50,000 | | | 8 |
| 9 | \$2,192,390 | \$2,192,390 | \$1,804,864 | 9 Grants & Gifts | \$949,851 | | | 9 |
| 10 | \$208,528 | \$208,528 | \$182,000 | 10 Sales To The Public | \$170,000 | | | 10 |
| 11 | | | | 11 | | | | 11 |
| 12 | | | | 12 | | | | 12 |
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| 27 | | | | 27 | | | | 27 |
| 28 | | | | 28 | | | | 28 |
| 29 | \$11,150,478 | \$11,150,478 | \$20,309,757 | 29. Total resources, except taxes to be levied | \$21,320,792 | \$0 | \$0 | 29 |
| 30 | | | \$77,440,752 | 30. Taxes estimated to be received | \$82,421,787 | | | 30 |
| 31 | \$71,111,285 | \$74,588,136 | | 31. Taxes collected in year levied | | | | 31 |
| 32 | \$82,261,763 | \$85,738,614 | \$97,750,509 | 32. TOTAL RESOURCES | \$103,742,579 | \$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
NOT ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM**

Multnomah County Library District General Fund
(name of fund)

| | Actual | | | REQUIREMENTS DESCRIPTION | Budget For Next Year 2018 - 2019 | | |
|--------------------------------------|--------------------------------------|-------------------------------------|--|---|----------------------------------|---------------------------------|------------------------------|
| | Second Preceding Year 2015 - 2016 | First Preceding Year 2016 - 2017 | Adopted Budget This Year 2017 - 2018 | | Proposed By Budget Officer | Approved By Budget Committee | Adopted By Governing Body |
| | PERSONNEL SERVICES NOT ALLOCATED | | | | | | |
| 1 | | | | 1 | | | |
| 2 | | | | 2 | | | |
| 3 | 0 | 0 | 0 | 3 TOTAL PERSONNEL SERVICES | 0 | 0 | 0 |
| 4 | | | | Total Full-Time Equivalent (FTE) | | | |
| MATERIALS AND SERVICES NOT ALLOCATED | | | | | | | |
| 5 | 71,002,070 | 65,652,510 | 80,063,876 | Contract with Multnomah County | 83,268,490 | | |
| 6 | 136 | 552 | | 6 | | | |
| 7 | 71,002,206 | 65,653,062 | 80,063,876 | 7 TOTAL MATERIALS AND SERVICES | 83,268,490 | 0 | 0 |
| CAPITAL OUTLAY NOT ALLOCATED | | | | | | | |
| 8 | | | | 8 | | | |
| 9 | | | | 9 | | | |
| 10 | 0 | 0 | 0 | 10 TOTAL CAPITAL OUTLAY | 0 | 0 | 0 |
| DEBT SERVICE | | | | | | | |
| 11 | | | | 11 | | | |
| 12 | | | | 12 | | | |
| 13 | 0 | 0 | 0 | 13 TOTAL DEBT SERVICE | 0 | 0 | 0 |
| SPECIAL PAYMENTS | | | | | | | |
| 14 | | | | 14 | | | |
| 15 | | | | 15 | | | |
| 16 | 0 | 0 | 0 | 16 TOTAL SPECIAL PAYMENTS | 0 | 0 | 0 |
| INTERFUND TRANSFERS | | | | | | | |
| 17 | | | 9,268,932 | 17 Multnomah County Library District Capital Fund | 11,587,564 | | |
| 18 | | | | 18 | | | |
| 19 | | | | 19 | | | |
| 20 | | | | 20 | | | |
| 21 | | | | 21 | | | |
| 22 | 0 | 0 | 9,268,932 | 22 TOTAL INTERFUND TRANSFERS | 11,587,564 | 0 | 0 |
| OPERATING CONTINGENCY | | | | | | | |
| 23 | | | 500,000 | 23 TOTAL OPERATING CONTINGENCY | 500,000 | | |
| 24 | 71,002,206 | 65,653,062 | 89,832,808 | 24 Total Requirements Not Allocated | 95,356,054 | 0 | 0 |
| 25 | | | | 25 Total Org./Prog. Requirements | | | |
| 26 | | | | 26 Reserved for future expenditure | | | |
| 27 | 11,259,557 | 24,138,546 | | 27 Ending balance (prior years) | | | |
| 28 | | | 7,917,701 | 28 UNAPPROPRIATED ENDING FUND BALANCE | 8,386,525 | | |
| 29 | 82,261,763 | 89,791,608 | 97,750,509 | 29 TOTAL REQUIREMENTS | 103,742,579 | 0 | 0 |

**FORM
LB-20**

**RESOURCES
Capital Fund
(Fund)**

Multnomah County Library District

(Name of Municipal Corporation)

| | Historical Data | | | RESOURCE DESCRIPTION | Budget for Next Year 2018-2019 | | | |
|-----------|--------------------------------------|-------------------------------------|--|---|--------------------------------|---------------------------------|------------------------------|-----------|
| | Actual | | Adopted Budget This Year 2017 - 2018 | | Proposed By Budget Officer | Approved By Budget Committee | Adopted By Governing Body | |
| | Second Preceding Year 2015 - 2016 | First Preceding Year 2016 - 2017 | | | | | | |
| 1 | | | | 1. Available cash on hand* (cash basis) or | | | | 1 |
| 2 | | | | 2. Beginning working capital (accrual basis) | \$8,763,518 | | | 2 |
| 3 | | | | 3. Previously levied taxes estimated to be received | | | | 3 |
| 4 | | | | 4. Interest | | | | 4 |
| 5 | | | \$9,268,932 | 5. Transferred IN, from other funds | \$11,587,564 | | | 5 |
| 6 | | | | 6 OTHER RESOURCES | | | | 6 |
| 7 | | | | 7 Fines & Fees | | | | 7 |
| 8 | | | | 8 Interest | | | | 8 |
| 9 | | | | 9 Grants & Gifts | | | | 9 |
| 10 | | | | 10 Sales To The Public | | | | 10 |
| 11 | | | | 11 | | | | 11 |
| 12 | | | | 12 | | | | 12 |
| 13 | | | | 13 | | | | 13 |
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| 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 | | | \$9,268,932 | 29. Total resources, except taxes to be levied | \$20,351,082 | \$0 | \$0 | 29 |
| 30 | | | | 30. Taxes estimated to be received | | | | 30 |
| 31 | | | | 31. Taxes collected in year levied | | | | 31 |
| 32 | \$0 | \$0 | \$9,268,932 | 32. TOTAL RESOURCES | \$20,351,082 | \$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
NOT ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM**

Multnomah County Library District Capital Fund

(name of fund)

| | Actual | | Adopted Budget This Year 2017 - 2018 | REQUIREMENTS DESCRIPTION | Budget For Next Year 2018 - 2019 | | |
|----|--------------------------------------|-------------------------------------|--|--|----------------------------------|---------------------------------|------------------------------|
| | Second Preceding Year 2015 - 2016 | First Preceding Year 2016 - 2017 | | | Proposed By Budget Officer | Approved By Budget Committee | Adopted By Governing Body |
| | | | | | | | |
| | | | | PERSONNEL SERVICES NOT ALLOCATED | | | |
| 1 | | | | 1 | | | |
| 2 | | | | 2 | | | |
| 3 | 0 | 0 | 0 | 3 TOTAL PERSONNEL SERVICES | 0 | 0 | 0 |
| 4 | | | | Total Full-Time Equivalent (FTE) | | | |
| | | | | MATERIALS AND SERVICES NOT ALLOCATED | | | |
| 5 | | | 1,000,000 | Contract with Multnomah County | | | |
| 6 | | | | 6 | 378,302 | | |
| 7 | 0 | 0 | 1,000,000 | 7 TOTAL MATERIALS AND SERVICES | 378,302 | 0 | 0 |
| | | | | CAPITAL OUTLAY NOT ALLOCATED | | | |
| 8 | | | | 8 | | | |
| 9 | | | | 9 | | | |
| 10 | 0 | 0 | 0 | 10 TOTAL CAPITAL OUTLAY | 0 | 0 | 0 |
| | | | | DEBT SERVICE | | | |
| 11 | | | | 11 | | | |
| 12 | | | | 12 | | | |
| 13 | 0 | 0 | 0 | 13 TOTAL DEBT SERVICE | 0 | 0 | 0 |
| | | | | SPECIAL PAYMENTS | | | |
| 14 | | | | 14 | | | |
| 15 | | | | 15 | | | |
| 16 | 0 | 0 | 0 | 16 TOTAL SPECIAL PAYMENTS | 0 | 0 | 0 |
| | | | | INTERFUND TRANSFERS | | | |
| 17 | | | | 17 | | | |
| 18 | | | | 18 | | | |
| 19 | | | | 19 | | | |
| 20 | | | | 20 | | | |
| 21 | | | | 21 | | | |
| 22 | 0 | 0 | 0 | 22 TOTAL INTERFUND TRANSFERS | 0 | 0 | 0 |
| | | | | OPERATING CONTINGENCY | | | |
| 23 | | | 8,268,932 | 23 TOTAL OPERATING CONTINGENCY | 19,972,780 | | |
| 24 | | 0 | 9,268,932 | 24 Total Requirements Not Allocated | 20,351,082 | 0 | 0 |
| 25 | | | | 25 Total Org./Prog. Requirements | | | |
| 26 | | | | 26 Reserved for future expenditure | | | |
| 27 | | | | 27 Ending balance (prior years) | | | |
| 28 | | | | 28 UNAPPROPRIATED ENDING FUND BALANCE | | | |
| 29 | 0 | 0 | 9,268,932 | 29 TOTAL REQUIREMENTS | 20,351,082 | 0 | 0 |