



Multnomah County Library District FY 2019 Proposed Budget

Presented to the
Multnomah County Library
District Board

Multnomah County
May 15, 2018

Located at: www.multco.us/budget

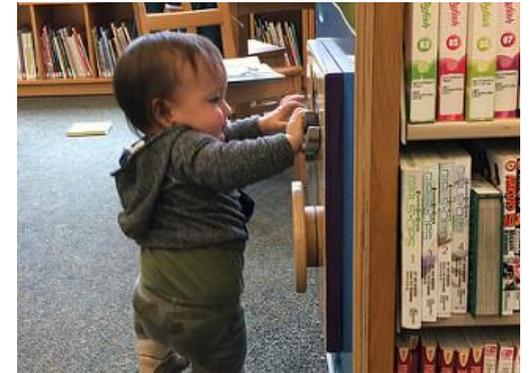
Governance & Operations

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



Budget Highlights

- Budget proposed at rate of \$1.20 per \$1,000 of Assessed Value (full rate is \$1.24)
- Sustains hours and services detailed in County Library budget



Two Financial Chapters

1. FY 2018 (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 2018 Property Tax Revenues

FY 2018 Current Year Property Tax Estimates - October 2017 Multnomah County Library District

	Budget/Plan	'Actual' Based on Tax Roll	Difference	% Change
AV	71,587,406,467	72,112,934,015	525,527,548	0.73%
Extended Taxes	84,473,140	85,139,271	666,131	0.79%
Compression	2,956,560	3,290,787	334,227	11.30%
Imposed Taxes	81,516,580	81,848,483	331,903	0.41%
Discount/Delinq	4,075,829	3,887,803	(188,026)	-4.61%
Current Year Taxes	77,440,751	77,960,681	519,930	0.67%
Prior Year Taxes	1,429,203	1,031,001	(398,202)	-27.86%
Interest	307,055	307,676	621	0.20%
Total Property Taxes	79,177,009	79,299,358	122,349	0.15%

Notes:

1. Compression actual was 3.87% vs. budget of 3.5%.
2. AV growth actual was 4.76% vs. budget of 4.0%.



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 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%	2.68%	6.00%	3.79%
FY 17-18	Year 5	4.50%	4.76%	5.85%	3.87%
FY 18-19	Year 6	4.50%	6.34%	5.70%	3.85%
FY 19-20	Year 7	4.50%	4.71%	5.55%	3.85%
FY 20-21	Year 8	4.50%	4.60%	5.40%	3.85%
FY 21-22	Year 9	4.50%	4.42%	5.25%	3.85%
FY 22-23	Year 10	4.50%	4.26%	5.10%	3.85%
FY 23-24	Year 11		4.50%		3.85%
FY 24-25	Year 12		3.90%		3.85%
FY 25-26	Year 13		4.50%		3.85%
FY 26-27	Year 14		4.50%		3.85%
FY 27-28	Year 15		4.50%		3.85%



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%



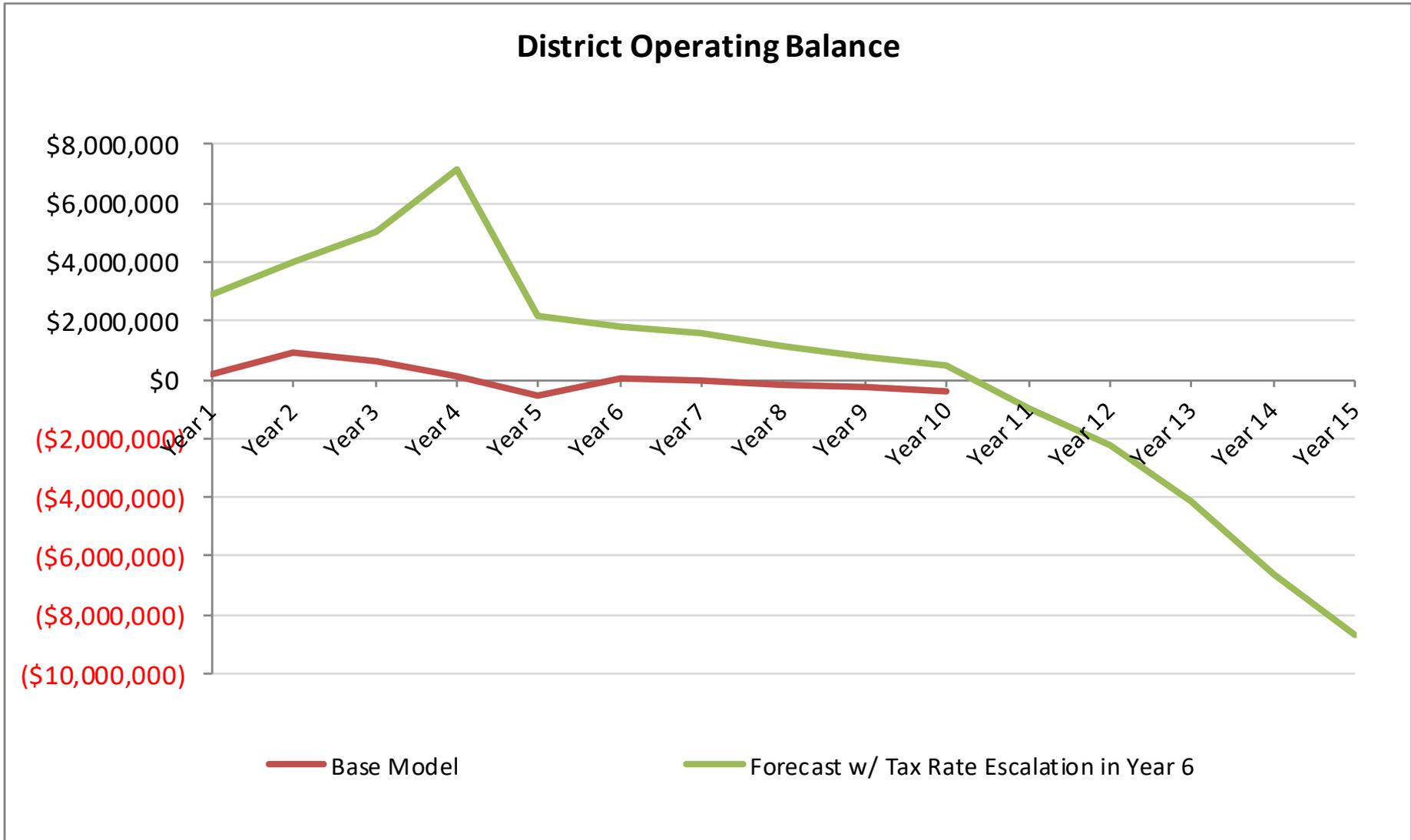
Library District Scenario Comparisons

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%	7,178,140	24,604,365	31.98%
FY 17-18	Year 5	(524,137)	4,773,458	6.34%	2,183,751	26,788,116	33.82%
FY 18-19	Year 6	8,568	4,782,026	6.03%	1,811,831	28,599,948	34.10%
FY 19-20	Year 7	(58,178)	4,723,847	5.69%	1,575,430	30,175,378	34.45%
FY 20-21	Year 8	(153,059)	4,570,788	5.27%	1,110,194	31,285,572	34.32%
FY 21-22	Year 9	(259,928)	4,310,860	4.76%	780,429	32,066,001	33.79%
FY 22-23	Year 10	(379,801)	3,931,059	4.15%	483,123	32,549,124	32.98%
FY 23-24	Year 11				(999,163)	31,549,961	31.02%
FY 24-25	Year 12				(2,210,290)	29,339,671	28.04%
FY 25-26	Year 13				(4,129,324)	25,210,348	23.43%
FY 26-27	Year 14				(6,608,368)	18,601,980	16.87%
FY 27-28	Year 15				(8,662,882)	9,939,098	8.80%



Comparisons: Operating Balance

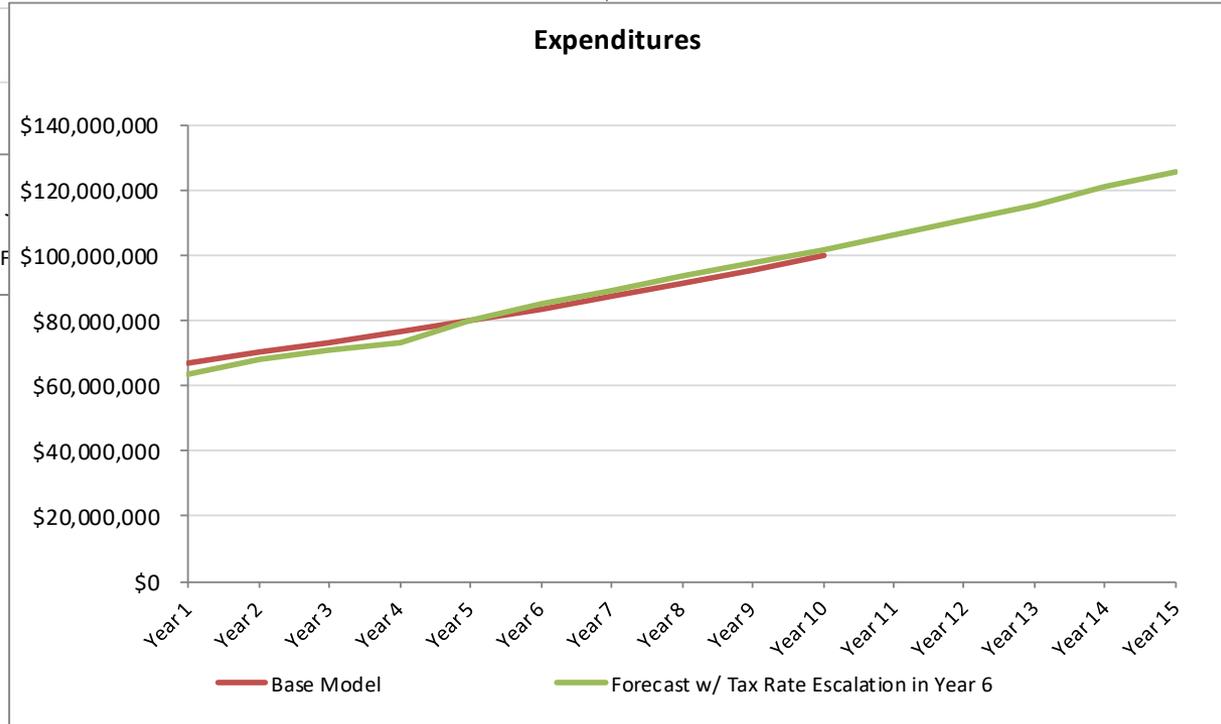


Comparisons: Fund Balance at End of Fiscal Year

District Fund Balance at End of Fiscal Year



Comparisons: Property Taxes & Expenditures



Budget Structure

County Library Fund

Revenue

- Beginning Working Capital
- IGA Reimbursement from Library District Fund

Expenditures

- Personnel Costs
- Materials & Supplies
- Professional Services
- Internal Services (IT, Facilities)
- Indirect (Payroll, HR, G/L)

Library District Fund

Revenue

- Current Year Taxes
- Prior Year Taxes
- Interest
- Fines & Fees
- Grants
- Beginning Working Capital

Expenditures

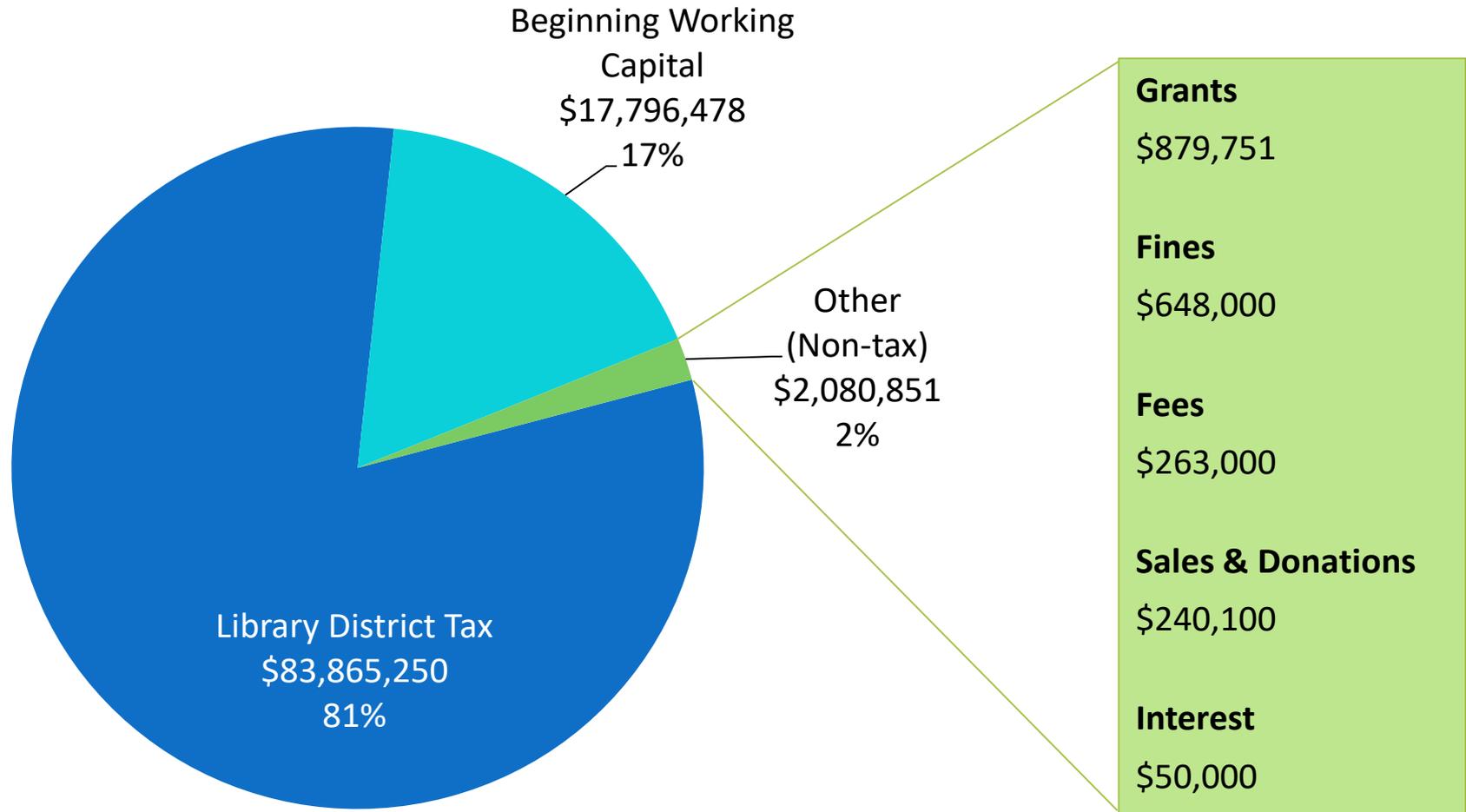
- Contract with County Library Department
- Library Capital fund transfer

Total district budget = \$103.7 million (including \$500 thousand in contingency, \$8.4 million in reserve, and \$11.6 proposed transfer to Library Capital Fund)

Total library budget = \$83.3 million



Budget by Funding Source



Highlights

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



Questions

