

Questions:

1. We were pleased to see that you will be levying less than the full permanent tax rate limit, \$1.18 versus the full \$1.24. At this point do you have any thoughts on how many years you might be able to get by on this lower rate?

Chair Cogen

The library district measure approved by voters was based on economic forecasts of a tax levied at the rate of \$1.18 per \$1000 of assessed value for five years. The Library District Board may elect to levy taxes in future years at a rate that is closer to or at the voter-approved limit of \$1.24, but that decision is subject to deliberation and approval by the full Board.

2. The Library System will continue to be operated solely by the County under an IGA. Has that document been finalized and signed by both parties?

Chair Cogen

Yes, that document was approved by the Board of County Commissioners and the Multnomah County Library District Board at the March 14, 2013 board meeting. A copy of the document is available online and the Board Clerk's Office can provide a copy of the signed document.

3. The only expenditure in the budget is the payment for services under the IGA and all resources are budgeted to be spent. Given the fact that it is uncertain how Measure 5 compression will affect the new Library permanent tax rate limit and that your expert's estimate of property taxes to be received is nearly \$2.5 million more than the estimate of our expert, is there flexibility in the IGA if resources do not come in equal to what has been budgeted?

Commissioner Kafoury

Yes, the Library District has assumed a higher AV growth and lower compression assumption than the TSCC estimates. We've tried to be neither overly optimistic nor overly pessimistic. The \$2.5 million difference represents 3.8% of expenditures. Should actual property taxes be lower than assumed, there are a couple of ways to address the shortfall:

- Multnomah County's Library Fund has a \$5.6 million contingency, reflecting the remaining balance from the Local Option Levy. With Board approval, this could be used to address any shortfalls.
- Depending on the magnitude of the shortfall, adjusting spending through cost-saving actions such as holding vacancies or reducing purchasing is possible.

4. Along those same lines, there is obviously no beginning fund balance this year and you have not budgeted for an ending balance so there likely will be no beginning fund balance the following year. Based on that, can we assume that payments from the Library District to the County for the IGA will not begin until mid-year? How are payments structured in the IGA?

Commissioner Kafoury

Yes, payments from the Library District to the County are not expected until property taxes begin to be received in November. The County will address cash flow needs in the beginning months of the fiscal year. Section 4 of the IGA covers the mechanics of the payments, including the timing, cash flow, and interest costs. In general, the Library District will be billed monthly (or by accounting period) based on actual costs incurred by the County.

5. The County will be adding 60.50 FTE to restore services to 2011-12 levels. Are there any former library employees that were laid off when service levels were cut that are on recall status that can fill some of those positions?

Commissioner Shiprack

All of the employees who were placed on recall lists due to FY 2013 budget reductions have been offered the opportunity to return to their previous classifications and full/part-time status that they held at the time of layoff. Most of those employees accepted their recall offers, but a few chose to decline because they either moved or found other employment. We are very pleased to say that there are no more recall lists due to library budget cuts.

6. If you have to recruit for a large number of new employees to fill those 60.5 positions, will you use the standard process to hire them or will an expedited process be used?

Commissioner Shiprack

The County has detailed civil service rules that must be followed for recruitments. The library has followed those civil service rules to ensure integrity of the process. To expedite the process, group hiring interviews have been implemented where multiple managers interview applicants for vacancies throughout the system.

7. An ongoing effort has been to hire more bilingual assistants and clerks in Chinese, Russian, Spanish and Vietnamese. Do you have any specific plans to recruit people who speak those languages?

Commissioner McKeel

Yes, the library opens separate recruitments for bilingual vacancies and conducts outreach to the specific communities that speak the language for which we are hiring. This includes sending recruitment announcements to community organizations and targeted marketing in various publications. Additionally, staff does a great job at getting the word out to the public and community organizations that specialize in providing services to these specific communities. In addition to the library's outreach efforts, on a weekly basis, Central Human Resources distributes a list of current employment opportunities to more than 70 community partners that work with and serve diverse populations.

8. Service levels, including being open on Mondays will be restored as of July 1, 2013. Is that going to be a problem if you haven't yet filled all of the new positions and if so, has the County built in to the Library System's budget an increased amount for overtime?

Commissioner McKeel

The library is on track to have the majority of the public service vacancies filled by July 1. The library's human resources staff does anticipate that there will be some vacancies that have not been filled, and most of those positions have specialized skills.

The library does not anticipate having significant, if any, overtime costs due to unfilled vacancies. There is an existing on-call employee pool that picks up shifts due to absences and the number of on-call employees is being increased to help with coverage. Extra hours will be offered to part-time employees and there may be some temporary assignments. Additionally, a library work group called the System Wide Assistance Team is dedicated to filling absences across the system. Those employees will be assigned to public service vacancies with the greatest need.

9. The book purchase budget is increasing by \$1 million. Obviously you don't give an employee a credit card and send them down to Powell's. Can you give us a brief description of how you go about deciding what to buy, where you purchase them and what is the total budget for purchases in 2013-14?

Commissioner Smith

The library's collection is available to patrons in a variety of formats including printed material, CDs and DVDs and e-content. Though most of the collection is purchased from several large vendors, over the course of a fiscal year, purchases are made with close to 200 vendors in order to maintain the depth and breadth of the overall collection.

Print material is purchased through several different vendors, such as Ingram and Midwest Tape, which offer discounts to libraries. Library selectors use vendor lists featuring anticipated bestsellers, popular authors/musicians and subject areas, along with professional reviews, to select items for purchase.

For e-content, the library seeks to purchase through vendors that are willing to integrate their content with the library's technical platforms and provide multiple formats of material from a single platform, such as streaming video and audio.

E-content is an opportunity to provide service that does not require the library to physically house the item but allows for easy access. E-content encompasses e-books, e-journals, downloadable audio and streaming video. The current primary e-content vendor is Overdrive.

The total budget for 2013-2014 is \$6,750,000.

10. There is a distinction between “regional” libraries and “neighborhood” libraries and the Belmont Branch is moving from a neighborhood library to a regional library. What criteria distinguish the two and what is the significance of a branch becoming a regional library?

Commissioner Smith

Beginning with FY 2014, Belmont Library is being designated a regional library out of consideration of its extraordinarily high level of use by patrons and the resulting need to provide resources to support that use. While Belmont has a smaller footprint than the other regional libraries, it also processes more patron holds than any other library in the system, including Central Library. Belmont is fourth overall in circulation, ahead of other regional libraries like Gresham and Hillsdale.

Regional libraries have more staff, house staff that provides internal services to other libraries that are in proximity, and the regional libraries are open four more hours per week (57 vs. 53). The other regional libraries are Gresham, Hillsdale, Hollywood and Midland.

11. The County’s budget includes \$200,000 for implementation of “new digital information strategies”. Can you describe in a little more detail what some of those strategies might be?

Chair Cogen

The continued growth of the Internet, with expanding online resources and tools and proliferating means of communication and social interaction, compels libraries to reassess their traditional roles in the community. While some traditional library roles remain unique and vital, the library must also meet people’s needs in an increasingly digital world.

The library’s digital strategy will guide future discussions about new and existing materials, services, and programs. Some of the potential projects across those areas include: digitizing historical photos and documents; implementing a self-published content platform; improving the cataloging of existing digital resources for easier patron browsing and discovery; improving the e-book download experience; adding new e-content from local authors; replacing kids gaming computers with iPads; increasing wireless network bandwidth; creating a single sign-on process for all library services; and increasing staff knowledge and proficiency with technology.