

**Minutes of the TSCC Hearing for
Multnomah County Library District
Multnomah Building, Board Room 100
501 SE Hawthorne Blvd., Portland, Oregon
May 17, 2017 @ 10:00 am**

**PH.2 MULTNOMAH COUNTY TAX SUPERVISING AND CONSERVATION
COMMISSION HEARING.**

Present:

TSCC:

Chair David Barringer, Commissioner Brendan Watkins, Commissioner James Ofsink, Commissioner Margo Norton, Commissioner Mark Wubbold, Executive Director Craig Gibons and Budget Analyst Tunie Betschart.

Multnomah County:

Chair Deborah Kafoury, Commissioner Loretta Smith, Commissioner Sharon Meieran, Vice-Chair Jessica Vega Pederson and Commissioner Lori Stegmann

Staff: Library Director Vailey Oehlke

Chair David Barringer opened the hearing with introductions of TSCC Commissioners and Staff. He then asked the Commissioners if they have any business relationship with the district that could be perceived as a conflict of interest. Each Commissioner said they did not. Chair Barringer stated the duties of TSCC and the procedure for the hearing saying this hearing is a service to the District and the public. The purpose of this hearing is to promote public discussion of the budget. The Commission wants this discussion to promote thoughtful consideration of current and future budget issues. The Commission is responsible for evaluating the District's budget process. At the conclusion of this hearing the Commissioners will certify the degree to which the District's process conformed to Oregon Local Budget Law.

The District will make the first presentation this morning. Then the Commissioners will ask several questions and discuss the budget with the district. Following discussion there will be time to take testimony from the public. He stated that there is a sign-up sheet in the back of the room for speakers.

Following this description of the process he asked the County Commissioners and Library staff to introduce themselves, and make any comments regarding the budget.

Following introductions Multnomah County Library Director Vailey Oehlke gave a brief overview saying that it's a pleasure to present the fifth annual Approved Budget for the Multnomah County Library District to the TSCC. The District is winding down the fourth year of operation as the library district and the transition to the library district funding model has delivered the library service voters approved in November, 2012.

The Fiscal Year 2017 library district budget continues the FY 2017 tax rate of \$1.18 rather than the voter approved full rate of \$1.24. Based on projections from the County Budget Office, the \$1.18 rate will generate adequate revenue to maintain current service levels and allow for some targeted additions. The district tax is expected to bring in \$79.2 million; combined with other revenues such as fines, fees, grants, and interest, the district's total revenues are projected at \$81.2 million. Of that amount, \$79.2 million is budgeted for transfer to the County Library Fund, leaving \$.5 million in contingency.

This budget continues a practice of maintaining the library department budget in the current County Library Fund and utilizing the Library District General Fund to receive the library district tax as well as any non-tax revenues for FY 2018. This will ensure that the district's taxes and revenues are received and accounted for separately.

An Intergovernmental Agreement between Multnomah County and Multnomah County Library District provides contractual structure for the District and County to provide library services. Multnomah County Library District's Fiscal Year 2018 will be a time of evolution for the library as a reflection of the community it serves. The community libraries are places of learning and creation. They are an incubation place for new ideas where skilled guides connect people with tools and strategies to fulfill their goals. Multnomah County Library is prouder than ever to serve this community. Thanks to the community's support and stabilized funding, the library is able to offer services that will contribute to its sustained health and vitality, now and for generations to come.

TSCC questions:

Chair Barringer asked the following questions:

This appears to have been a year of internal reorganization for the library. Tell us about that reorganization and how it affects patron services and the budget. What are the advantages to this reorganization?

Chair Kafoury said public libraries everywhere are in a state of transformation and evolution. To meet changing community needs, Multnomah County Library is reorganizing its executive team and streamlining its organizational structure. With the current Deputy Director, Becky Cobb, retiring at the end of this fiscal year, the library will adopt a new executive management structure with four operational divisions instead of the current seven divisions. These divisions are Department Administration, Operations, Content Strategy, and Public Services.

Here's how it will work in FY 2018:

- The Library Director will manage the Department Administration division that handles policy and strategic initiatives, including the library's work around equity and inclusion.
- The Deputy Director will oversee the public services division, which will include all of the library locations, outreach, and programming work.

- The Operations Director will work on internal services, including human resources, library facilities, security, finance and evaluation.
- The Director of Content Strategy will direct the library's work to provide physical and digital content along with the effort to communicate with and serve patrons who use the library online.

Chair Kafoury went on to say the creation of the Content Strategy division addresses the changing ways people are using physical and digital content by combining these important elements under one division. She concluded by saying the impact on the FY 2018 budget is minimal. The reorganization reflects a shift of existing positions rather than the addition of new positions.

Will there be any effect on the patrons?

No these changes will not have an impact on the patrons.

Commissioner Ofsink asked the following question:

The Library has consolidated many services in a Contact Center this year. What services does the center provide and where is it? What does it cost and how has it improved patron experience?

Commissioner Meieran fielded this question saying the library's new Contact Center is located at Central Library where the account services and information services phone lines have been located for many years. This service provides a single point of service for patrons whether they contact the library by phone, chat, text or email. The goal is for patrons to receive seamless customer service with fewer handoffs to other staff. Typical questions include assistance with holds, renewals, and overdue or lost materials charges. This service also provides help with downloading e-content, signing up for library programs, or helping older adults get tax preparation help. Their motto is: "We can help with anything!"

Spanish language speakers are available during all Contact Center hours, with telephone translation service easily available through IRCO for other languages. The library mostly reallocated vacant positions to create this workgroup. The budget for FY 2018 is \$1.2 million with 14.00 FTE. The Contact Center's work has significantly improved average response time for all patron email questions. The service just launched in January, so the library will do a more detailed analysis in the coming months.

Commissioner Meieran added that the patrons like the fast, friendly service and the simplicity of the system for contacting the library.

Commissioner Norton asked the following questions:

Tell us about this year's start of the Facilities Master Planning process. How did it work and how does it inform this budget?

Commissioner Stegmann answered saying that Multnomah County Library engaged in a planning process to determine community needs related to library facilities. This process is in its first year, which is devoted to information gathering, analysis, community engagement, and creating a vision.

The capital planning process takes a look at how libraries are distributed; where patrons live and which libraries they use; how well the library serves them based on demographic factors (using county GIS data); and population growth projections. A guiding principle is applying equity to the analytical process. This process also looks at the state of library spaces and services in other communities and uses best practices to establish a planning baseline, now and into the future.

The library will present the result of this year's work to the library district board in June. It will be a framework for future library spaces without specific details of projects or funding. The next phase will involve sharing the framework and working with stakeholders to identify next steps.

She concluded by saying that the creation of the proposed library capital fund is the outcome of this work from a budget perspective.

Could you tell us a little more about the activities that occurred over the past year?

Ms. Oehlke answered saying they made a priority about talking to the community this year, especially the ones they normally do not hear from. They held 13 focus groups that were arranged through various non-profit groups in the community in order to hear from underserved communities. It also engages staff to be out in the community at places such as farmers market or where people gather and ask not just "What do you want from the library?" but also what do you want from the community, and how can the library contribute to make that a reality. She added that they have done a survey online as well. They also have a citizen action committee that has held several meetings in various places. These conversations will continue.

Commissioner Ofsink asked this follow-up question:

Do you have an example of what those communities asked for that have effected what we see in the budget?

Ms. Oehlke said there were themes that emerged, and space was one of the big concerns. She said all the square footage in all the Multnomah County libraries is less than the square footage in the main library in Seattle. Considering the fact that two bus-loads of people are moving to the area daily, the library is way underdeveloped as far as space. This was the resounding theme heard. Also patrons reported want programs relevant to them and how they live their lives and culture in the community and services for kids; so just the things the County expected to hear.

Commissioner Watkins asked the following questions:

A significant development in next year's budget is a new capital projects fund. Tell us about that fund. What are the current and future revenue sources? What about future expenditures? The district has budgeted \$1 million of expenditures in the fund for next year. What is that for?

Commissioner Vega Pederson answered this question by stating that the library is proposing the creation of a reserve fund in the FY 2018 district budget that will be dedicated to capital projects. The library has worked with the county Budget Office to propose a financial policy for this fund that is in alignment with county policy. The policy proposes that, once the library district has met its contingency and operating reserve requirements, any additional revenue will be transferred to the library capital fund.

The \$1 million budgeted for FY 2018 will allow for a potential upgrade to the integrated library system that supports all patron accounts and the library catalog.

Commissioner Vega Pederson added that over time, the district will use the capital fund to help address capital projects as determined through the implementation of the capital planning framework.

Chair Barringer asked this follow-up question

Are you talking about new buildings?

Commissioner Vega Pederson said that is what was talked about in the framework, which potentially could be some new buildings or renovating existing buildings. There are a number of things being considered.

Commissioner Ofsink asked the following questions:

How is the district measuring the payoff from the investment in library Security and safety? Have you developed the measurement factors you talked about last year and are your efforts effective? How is this plan evolving?

Commissioner Smith fielded these saying Multnomah County Library continues to evolve the strategy for maintaining safe and welcoming environments for library patrons. One element of that effort is security. Libraries are perhaps the most public spaces available to a community. They're like a community's living room. Challenges and issues that manifest where people work and live inevitably present themselves in libraries. The library is using Library Safety Officers (LSOs) in five locations. These officers are library employees that are trained to support positive use of library services by enforcing behavior rules and maintaining a welcoming environment.

The Library's FY 18 budget requests a sixth LSO position. The library is also continuing to use Facilities Security Officers from the Sheriff's Office at four additional locations, including Central Library. The presence of LSOs has resulted in positive feedback from staff. These officers support staff responses to problematic behaviors in some of the library's busiest locations.

The Library's Safety and Security Manager conducts regular reviews and follow up of security incidents. He also works with the library's Training & Development manager to coordinate regular training opportunities for staff.

The Library continues to partner with Facilities & Property Management on physical improvements within library locations. This includes installing doors to staff work areas, upgrading security cameras, and making landscaping improvements.

In the year ahead, the library's Operations Division will begin an annual survey of manager satisfaction with security efforts. In partnership with County IT, the library will soon roll out a new incident reporting system that will make it easier to analyze data trends related to security incidents.

Commissioner Smith added that while challenges do exist, the library has maintained a consistently high patron satisfaction rating of about 97%.

Has there been any segmented feedback from patrons of the libraries on their feelings about the Security?

Ms. Oehlke said she had not received anything formal. No quantifiable analysis has been done by staff either. The Library District will be tracking the incidents more thoroughly in the future.

Ms. Oehlke explained that with the new tracking tool this will be much easier and more reliable.

Chair Kafoury added that by having internal staff you have a consistent person, so patrons know the security officer and the officer knows the patrons, thus creating a different dynamic than if you have a different officer moving in and out all the time.

Do you have a sense of the top issues that security officers are dealing with?

Ms. Oehlke said it is hard to say. Sometimes they deal with patrons having a hard day, sometimes they help with directions for places in the area, sometimes they deal with those who are acting in less desirable ways. It is basically the same kind of behavior that all people deal with on a daily basis.

Commissioner Smith added that she had spent 2 hours in the library recently and noticed the security creates a safe and welcoming environment. She went on to say she had thanked Ms. Oehlke for the partnership with OSU extension where they offer a healthy eating spot there, and show the community how to prepare low fat high energy protein foods.

She concluded by saying the libraries continue to contend with issues related to mental health and addiction. The library has the support of the security officer to provide a safe environment for both staff and patrons.

Commissioner Watkins asked the following questions:

Are the security and patron discomfort issues we discussed at last year's hearing abating?

Commissioner Smith answered saying the library strives to create a positive environment for lifelong learning in library buildings. That effort includes creating a safe and welcoming environment for library staff and patrons. Libraries experience all of the issues that happen in our communities. The library continues to contend with issues related to mental health and addiction. As these issues are not abating in the communities, they are not abating in the libraries.

She went on to say that the library has a robust program for supporting staff and patrons when issues arise. The support includes the presence of Library Safety Officers and Facilities Safety Officers, intensive training for persons in charge of locations, and a defined response system for major incidents.

Commissioner Norton asked the following question:

We have talked about the clinical social worker embedded at the Central Library. Is that working and with the County's focus on vulnerable population is there some synergy connection between that and the activities of the library?

Commissioner Meieran said the short answer is yes. She went on to explain that Multnomah County Library conducted a pilot project to assess the feasibility and impact of professional crisis intervention services at MCL, beginning in January of 2016. The library engaged the services of Cascadia Behavioral Healthcare based on existing Project Respond services.

The library Crisis Worker assists the public with obtaining short-term solutions related to shelter, food, clothing, medical treatment, or emergency hospitalization. The services offered by library Crisis Workers are intended to meet the urgent mental health and day-to-day concerns regularly presented by existing library patrons that are outside of the library's expertise or ability to resolve. Library Crisis workers are not intended to take on long-term caseloads, but rather are intended to resolve immediate crises and introduce patrons into existing support systems in the area.

During the 12 month pilot project, the Crisis Workers conducted more than 1,100 sessions with over 700 individual patrons. The library's Crisis Workers are available to anyone in the MCL system, but nearly 91% of patron contacts were made at Central Library during the pilot. This is likely due largely to the clientele base at Central Library and the proximity of that location to other human services.

Commissioner Meieran added that with numerous clear successes and a relatively low overall cost for the program, the library has contracted with Cascadia Behavioral Healthcare for ongoing service. Hours of coverage were slightly extended to cover a full 40 hours of direct client availability.

Chair Barringer asked the following questions:

The district budgeted for and hired a new equity manager position this year. Does the district have quantifiable goals for that effort and what progress has been made on them this year?

Commissioner Vega Pederson said Multnomah County Library is strongly committed to ensuring that diversity, equity and inclusion are foundational to the library environment, patrons, staff and the larger community. The library continues to work to connect with communities of color and vulnerable populations to develop community driven programs that will better engage those who may not normally seek out library services.

The library recently demonstrated further commitment to this work with the addition of a position that focuses specifically on equity and inclusion. This position reports to the library director and is a key part of the executive management team, working across the organization to engage staff in developing and implementing equity and inclusion strategies. This position has been filled for just under 6 months and the work to date has focused on staff engagement and evaluating strengths and gaps.

During the initial year, baseline information/data is being gathered on staff recruitment, hiring, and retention.

The library is also evaluating the equitable distribution of resources to non-English-speaking and African-American patrons. A training series is being developed that will support staff in working with patrons, communities and each other in ways that are culturally sensitive and responsive.

The Equity & Inclusion Manager is engaging staff from across the organization to participate on an equity and inclusion committee. This group will work to identify strengths, challenges and opportunities, and develop recommendations for improvement. This Equity & Inclusion Manager will help the library better coordinate these efforts with the County's Office of Diversity and Equity as well as Talent Development.

Commissioner Norton asked these follow-up questions:

How will you know that this is helping? How will you measure the success?

Ms. Oehlke said it is multifaceted. They have done some assessment of staff training. She said they followed up by looking at what is effective. Once the Inclusion Manager gets her feet under her and gets the committees and the plan into place she will look at the cultural needs of the community and make sure they are met with programs and services necessary. She mentioned a program called "We speak your language" which evolved over time to meet the needs of those in the community that speak a language other than English. This has helped with the gap between patrons and staff. The Library staff now consists of people who speak a variety of languages.

Commissioner Ofsink asked the following question:

The district's expenditures are growing faster than revenues by about 1.5% annually and expenditures as a percent of revenue are nearing 100%. How will the district address this problem?

Chair Kafoury said when the Library District was initially formed, the goal was to create financial stability for 10 years. The County has been fortunate that cost growth has been slightly less than the assumptions while revenue growth has been slightly higher, meaning the District will enter next year (the fifth for the District) in a better financial situation than had been modeled.

Costs are now trending back towards the initial modeling and are therefore growing faster than revenues, but remain at levels that were initially planned for. With revenues still slightly higher than planned, the expectation is that the financial stability to extend through the first 13 years of the District, as opposed to the original 10 years.

The Library Board has kept the District property tax rate below the \$1.24 per \$1,000 of assessed value allowed by the voters as planned. The intent is to keep the rate low for as long as possible to preserve flexibility in the future. Given this flexibility and the District's positive fund balance, the Library District is well placed to accommodate rising costs in the future, and remains in a stronger financial condition than many other jurisdictions.

Commissioner Watkins asked this follow-up question:

I want to make sure I am understanding you correctly. Is it fair to assume you will continue to levy under the permanent rate of \$1.24 through the 13th year of the Library operating as a separate district?

Chair Kafoury said the life of the \$1.24 rate was originally to go through the first 10 years of operation and now it is expected to carry the district through the first 13 years of operation. She said at some point, not this year but sometime, the rate will be raised from the \$1.18.

Commissioner Norton asked this follow-up question:

I anticipate that at the time necessary the district will increase the rate levied to the fully authorized of the permanent rate. It is now a permanent rate unlike the previous local option levies. So the question is, once you reach "build-out" when levying the maximum rate of \$1.24, what then?

Chair Kafoury Kafoury answered saying the community will have to look at this and decide if they want to increase that rate or keep it at the current rate. It will definitely be a conversation with the voters going forward.

There being no other comments, questions or testimony, Chair Barringer closed the public hearing and opened the meeting of the TSCC Commissioners to consider Multnomah County Library District's 2017-18 budget.

Chair Barringer thanked the Multnomah County Commissioners and the Library District staff for their outstanding job putting the budget together and for their answers to the questions.

He asked if the Commissioners had any additional questions or comments. There were none.

He asked Mr. Gibons to review the budget from the staff perspective. Mr. Gibons said the budget went together very well. He recognized Becky Cobb who will be retiring soon. He said she has always done a great job putting the budget together and will be missed.

He then said there are no recommendations or objections with regard to the budget process. Commissioner Watkins moved to certify that the Commissioners have no recommendation or objections with regard to Multnomah County Library District's 2017-18 budget. Commissioner Norton seconded the motion. Motion passed with a unanimous vote.

There being no further business the regular meeting was adjourned.

ADJOURNMENT – 10:03 am

There being no further business the regular meeting was adjourned.

Reviewed and Submitted by:
Lynda J. Grow, Board Clerk and
Marina Baker, Assistant Board Clerk
Board of County Commissioners
Multnomah County