



CLACKAMAS COUNTY LIBRARY SERVICE DISTRICT

ADOPTED BUDGET | FISCAL YEAR 2020-2021



This cover features one of four graphics that are featured on Business & Community Services' Library Network courier vehicles. The graphics, which promote safety and library services, were developed in cooperation with, and support from, Clackamas County Department of Transportation and Development's Safe Communities program.



CLACKAMAS COUNTY LIBRARY SERVICE DISTRICT

**FISCAL YEAR 2020/2021
Adopted Budget**

BUDGET COMMITTEE

Board of County Commissioners

**Jim Bernard, Chair
Sonya Fischer, Commissioner
Ken Humberston, Commissioner
Paul Savas, Commissioner
Martha Schrader, Commissioner**

Citizens

**Nick Dierckman
Robert Ludwick
Karin Morey
Susan Nielsen
Daniel Cannain**

LIBRARY DISTRICT ADVISORY COMMITTEE

**Megan Chuinard (Wilsonville)
G. Jeffrey Bornefeld (Oak Lodge)
Kathleen Draine (Sandy/Hoodland)
Natalie Smith (Gladstone)
Krista Downs (Milwaukie)
Vacant (Molalla)**

**Jacquie Siewert-Schade (Lake Oswego)
Aeric Estep (West Linn)
Connie Redmond (Estacada)
Kathleen Myron (Canby)
Al Matecko (Happy Valley)
Nick Dierckman (Oregon City)**

**Clackamas County Administrator/Library District Budget Officer
Gary Schmidt**

**Business & Community Services Director
Laura Zentner, CPA**

**Prepared by:
Business & Community Services
Tracy Grambusch, Financial Analyst
Danielle Cloyd, Accounting Clerk Intern**

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May 26, 2020

Residents of the Library District of Clackamas County
Budget Committee Members
Board of County Commissioners
Acting as the Governing Body of the Library District of Clackamas County

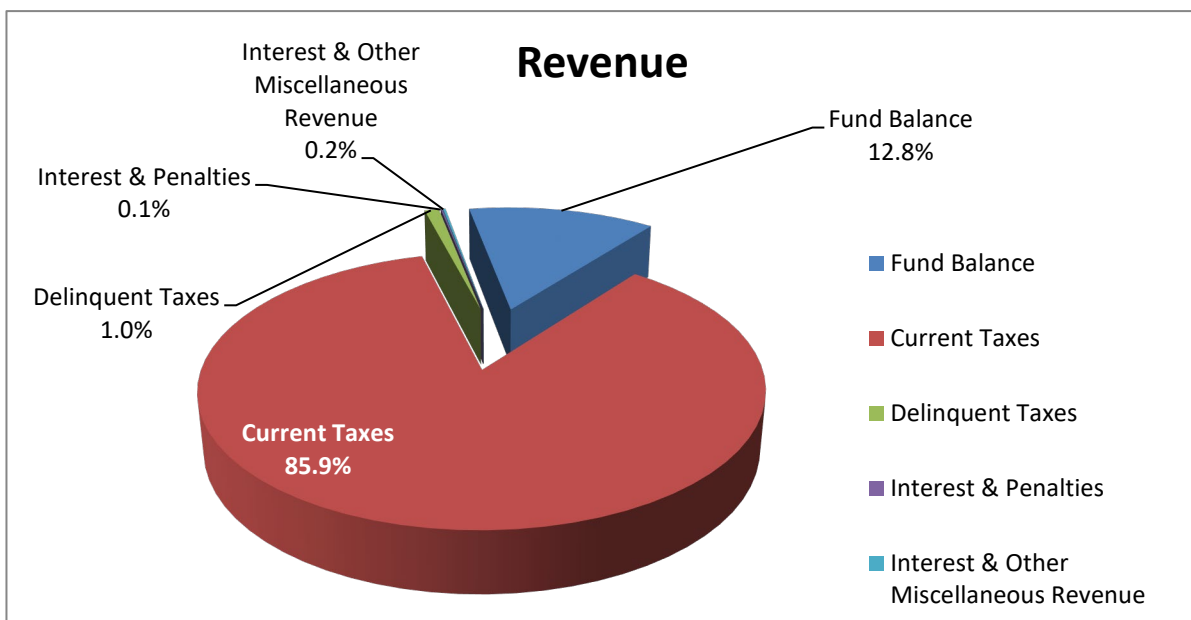
Introduction

I am pleased to present the Library District proposed budget in the amount of **\$23,162,315** for fiscal year 2020/2021 for consideration by the budget committee. The budget was prepared in compliance with Oregon Budget Law and is balanced with resources matching projected annual requirements.

The Library District Fund was established in 2008 when voters approved a countywide Library District for Clackamas County. The permanent rate approved by voters in November 2008 was 0.3974 dollars per thousand of assessed value. The District functions as a fiscal agent by distributing property tax revenues raised by the District's permanent rate to participating local governments who operate libraries within Clackamas County. These funds will be used in fiscal year 2020/2021 for the operations and support of the Clackamas County Oak Lodge Library and eleven city libraries: Canby, Estacada, Gladstone, Happy Valley, Lake Oswego, Milwaukie, Molalla, Oregon City, Sandy (including a branch at Hoodland), West Linn and Wilsonville. The City of Johnson City is the only area in Clackamas County that is not part of the Library District.

Revenues

The proposed budget of **\$23,162,315** includes current year taxes of \$19,906,368, prior year delinquencies of \$225,000, interest & penalties on property taxes of \$25,000, a fund balance at the end of fiscal year 2019/2020 of \$2,970,947 and other miscellaneous revenues of \$35,000 as displayed below.



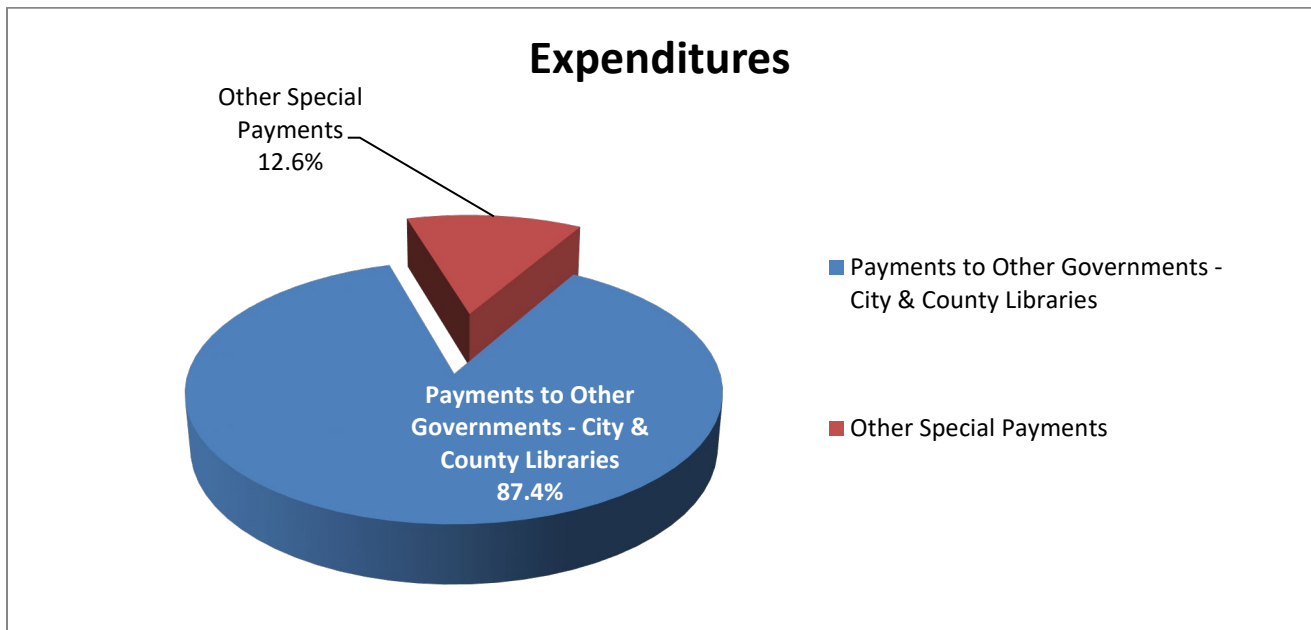
Expenditures

As part of the original Library District ballot measure, the Board of County Commissioners indicated to voters that no Library District administration costs would be charged against this fund and that all tax revenue collected would go directly to support libraries. Therefore, the County is responsible for all necessary administrative expenditures related to the Library District. All funds collected in the Library Service District Fund will be distributed to public libraries within Clackamas County for the support of library services, except those required to be held in trust per the Cooperative Intergovernmental Agreement between the Library District of Clackamas County and Member Cities (Master IGA). The County's Business & Community Services department is responsible for administration of the Library District and provides staff support to the Library District Advisory Committee.

There are no other taxes imposed by the District; there is no operating budget and the District has no staff. The expenditures in the proposed budget include Payments to Local Governments in the amount of \$20,251,368 and represent the distributions to the county-operated Oak Lodge and Gladstone libraries and the remaining distributions to the 10 city libraries. The Other Special Payments amount of \$2,910,947 represents the amount held in trust per the Master IGA, which mandates that to the extent the annual distribution of funds to the Oak Lodge Library is greater than the annual need to operate the library, the District is required to retain such funds in trust.

The mechanism by which the funds are collected by the Library District and distributed to each Library is called the "distribution formula." Please see the next page for a more detailed description of the formula.

The chart below displays the proposed budgeted expenditures in the amount of **\$23,162,315**:



Formula

The distribution formula by which the Library District funds are divided out to each Library is outlined in the Master IGA and is based on two factors:

- The first factor of the formula is *assessed value* and each participating City and jurisdiction that operates a library located in Clackamas County receives a proportionate share based on their city's assessed value.
- The second factor of the formula is *unincorporated population* and each participating City and jurisdiction that operates a library located in Clackamas County receives a proportionate share based on the percentage of unincorporated residents served by each library as established by the Library Service Area boundaries.

Prior year delinquencies, tax interest, and penalties are distributed to each Library based on the previous year's distribution formula.

The Master IGA stipulates that the population in each census tract will be verified every 10 years, and an updated total unincorporated population within each Library Service Area will be used in the distribution formula. This update ensures that the distribution of funds is reflective of the most current census data. The 2010 Census data was incorporated into the distribution formula in fiscal year 2012/2013 and resulted in adjustments to the distribution formula and changes in the amount of projected property tax revenue for the libraries. The ultimate impact was a drop in revenue for several cities and increases in revenue for others. Cities with large unincorporated areas saw the largest drop in projected revenues. The 2020 census update is currently underway and we will update the distribution formula once the census is complete and the new population data is available.

Since a portion of the City of Tualatin is within the boundaries of the Library District, the City receives 50% of the annual District revenue generated in the City for use in support of the Tualatin Library. The remaining 50% is split between the three District libraries most likely to serve Tualatin patrons, namely Lake Oswego, Wilsonville, and West Linn.

Following is the fiscal year 2020/2021 estimate of taxes allocated to each City and County Library receiving District distributions.

Library Name	Total Estimated Distribution - Property Taxes
Canby	\$ 972,880
Estacada	853,380
Gladstone	810,440
Happy Valley	3,036,413
Lake Oswego	3,198,084
Milwaukie	1,833,030
Molalla	976,906
Oregon City	2,445,359
Sandy	1,117,124
Hoodland	266,289
Tualatin	104,944
West Linn	1,743,807
Wilsonville	1,422,495
Oak Lodge	1,470,217
Total	\$ 20,251,368

Activity highlights

The original Library District Master IGA contemplated the eventual closure of the Oak Lodge Library, and the construction of a single library facility in the City of Gladstone that would serve residents of both the City of Gladstone and the Oak Lodge Library Service Areas. Several factors, however, complicated the implementation of this "single facility" solution, including local election results, community concerns, and legal proceedings.

In fiscal year 2017/18, in order to address public feedback and to settle pending litigation, the County and the City of Gladstone entered into a Settlement Agreement which provides that the County will construct and manage two new libraries, one located within the City of Gladstone on the site of the current Gladstone City Hall, and one located in unincorporated Clackamas County within the Oak Lodge Library service area with a specific site to be determined after appropriate public input. Upon completion, both libraries will be managed utilizing a "one library, two building" model, sharing resources between locations to achieve operational efficiencies.

During the same period, the North Clackamas Parks and Recreation District ("NCPRD"), a division of Business & Community Services ("BCS"), finalized the acquisition of the Concord Elementary School ("Concord Property") from the North Clackamas School District. In order to determine the best future use(s) of the Concord Property, BCS, with support from PGA, is coordinating and supporting a community-driven process to evaluate the suitability of the Concord Property as both an NCPRD facility and a potential site for a new Oak Lodge Library.

The citizen Task Force, Concord Property and Library Planning Task Force has been meeting regularly since December 2018 to create a Master Plan for the Concord Property. A second citizen Task Force, the Gladstone Community Library Planning Task Force, has also been meeting regularly since January 2019 to help create a Master Plan for the development of the new Gladstone Library.

Based on the current project timeline, the estimated completion date for the two Master Plans is the Fall of 2020. Once the Master Plans are complete, we will move forward with the next phases of the project which include design development, schematic design, construction documents and permitting. Construction is estimated to begin in February of 2022 and we are estimating an 18-month construction process. If all goes as planned, we anticipate construction to be complete sometime in the Summer/Fall of 2023. With the COVID-19 pandemic, this timeline may need to be adjusted; however, both staff and the consultants are working hard to keep the project on track.

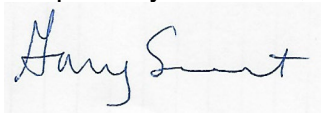
Acknowledgements

I want to acknowledge County staff's effort in creating this proposed budget. I also want to acknowledge and thank the Library District Advisory Committee, the Board of County Commissioners and the residents of the District for their engagement and continued dedication to the Clackamas County Library Service District.

As always, I want to thank the Budget Committee for assuming this important task on behalf of our community. The time you take to receive and review the budget and attend the meetings is very much appreciated.

We respectfully request that the Budget Committee approve this budget and this levy as presented.

Respectfully submitted,

A handwritten signature in blue ink that reads "Gary Schmidt". The signature is written in a cursive, flowing style.

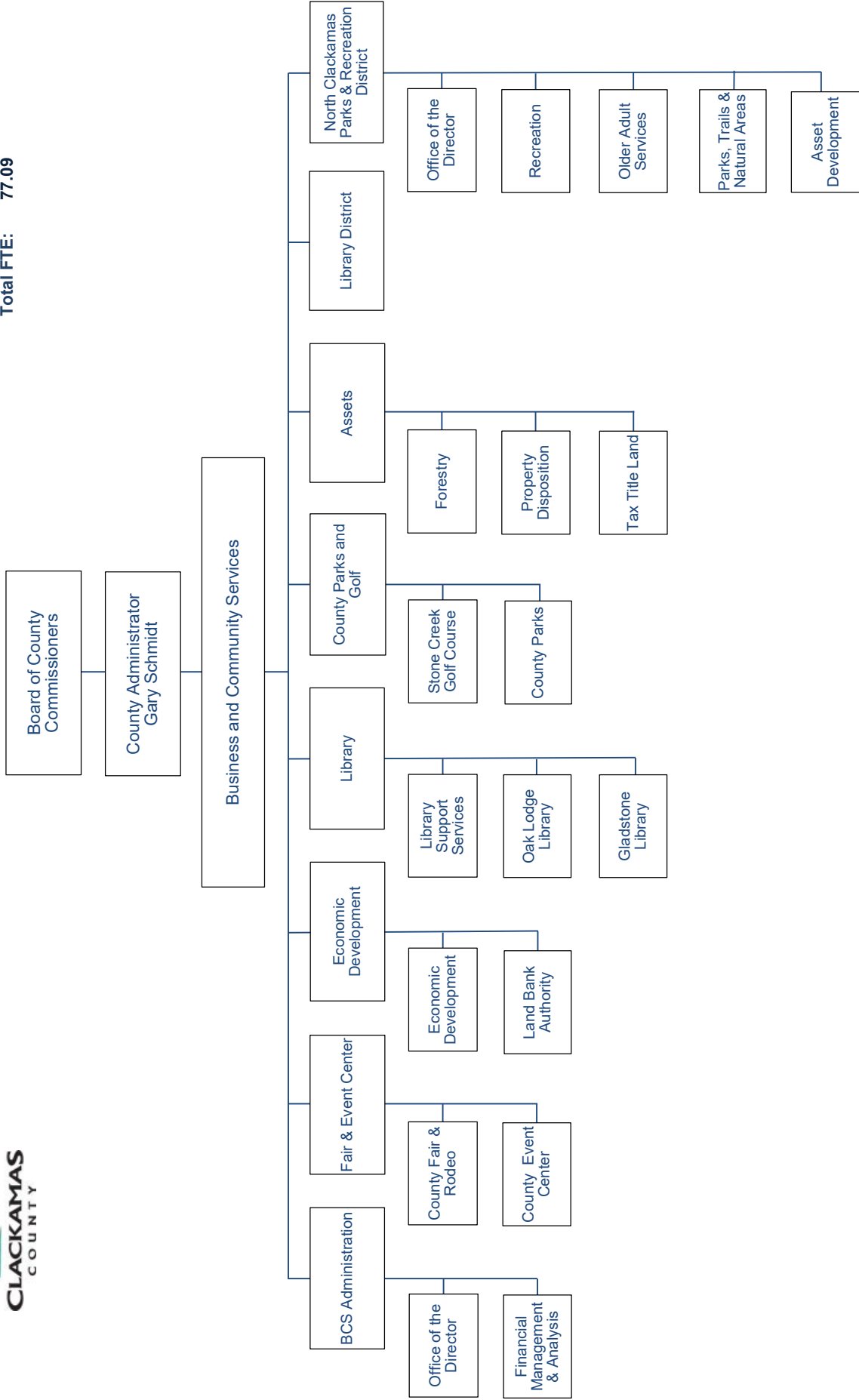
Gary Schmidt
County Administrator
Library District Budget Officer



Business & Community Services

Fiscal Year 2020/2021

Total FTE: 77.09





Business and Community Services

Department Budget Summary by Fund

Line of Business	FY 20-21	FY 20-21	FY 20-21	FY 20-21
Program	FTE	Library Service District Fund 110	Total Adopted Budget	General Fund Support Included in Adopted Budget
Library				
Library Service District	-	23,162,315	23,162,315	
FY 19-20 Budget	-	\$ 23,162,315	\$ 23,162,315	\$ -
FY 19-20 Budget				
\$ Increase (Decrease)		\$ 22,361,796	\$ 22,361,796	\$ -
% Increase (Decrease)		\$ 800,519	\$ 800,519	\$ -
FY 19-20 FTE	0.00	3.58%	3.58%	0.00%



Business and Community Services

Department Mission

The mission of the Business and Community Services Department is to provide essential economic development, public spaces, and community enrichment services to residents, businesses, visitors, and partners so they can thrive and invest in a healthy, vibrant, and prosperous Clackamas County both now and into the future.

Business and Community Services

Laura Zentner - Director
 Sarah Eckman - Deputy Director
 Vacant - Deputy Director
 FTE 77.09
 Total BCS Adopted \$91,265,155
 (Includes NCPRD & Library District)
 General Fund Support \$2,562,920

BCS Administration Laura Zentner Director Sarah Eckman Deputy Director Vacant Deputy Director Total Adopted \$1,807,172 Gen Fund \$ -	Fair & Event Center Laura Zentner Director Vacant Deputy Director Total Adopted \$2,377,314 Gen Fund \$ -	Economic Development Laura Zentner Director Sarah Eckman Deputy Director Total Adopted \$4,786,931 Gen Fund \$ -	Library Laura Zentner Director Vacant Deputy Director Total Adopted \$34,244,055 Gen Fund \$ 2,352,038	Parks, Golf & Recreation Laura Zentner Director Sarah Eckman Deputy Director Total Adopted \$7,297,275 Gen Fund \$ 210,882	Assets Laura Zentner Director Sarah Eckman Deputy Director Total Adopted \$7,704,020 Gen Fund \$ -	North Clackamas Parks & Recreation District Laura Zentner Director Scott Archer NCPRD Director Total Adopted \$33,048,388 Gen Fund \$ -
Office of the Director Laura Zentner Director FTE 2.15 Total Adopted \$810,289 Gen Fund \$ -	County Fair & Rodeo Laurie Bothwell Executive Director FTE 0.00 Total Adopted \$1,559,464 Gen Fund \$ -	Economic Development Sarah Eckman Deputy Director FTE 4.20 Total Adopted \$3,891,615 Gen Fund \$ -	Library Support Services Kathryn Kohl Manager FTE 12.00 Total Adopted \$7,297,087 Gen Fund \$ 2,352,038	Stone Creek Golf Club Gordon Tolbert Manager FTE 0.00 Total Adopted \$4,013,907 Gen Fund \$ -	Forestry Rick Gruen Manager FTE 2.86 Total Adopted \$4,388,938 Gen Fund \$ -	NCPRD Administration Scott Archer NCPRD Director FTE 1.25 Total Adopted \$7,104,807 Gen Fund \$ -
Financial Management & Analysis Vacant Deputy Director FTE 2.85 Total Adopted \$996,883 Gen Fund \$ -	County Event Center Laurie Bothwell Executive Director FTE 0.00 Total Adopted \$817,850 Gen Fund \$ -	Land Bank Authority Vacant Executive Manager FTE 1.50 Total Adopted \$895,316 Gen Fund \$ -	Oak Lodge Library Mitzi Olson Manager FTE 4.50 Total Adopted \$2,105,977 Gen Fund \$ -	County Parks Rick Gruen Manager FTE 5.74 Total Adopted \$3,283,368 Gen Fund \$ 210,882	Property Disposition Rick Gruen Manager FTE 1.20 Total Adopted \$2,800,082 Gen Fund \$ -	Recreation Kandi Ho Manager FTE 12.33 Total Adopted \$4,380,458 Gen Fund \$ -
			Gladstone Library Mitzi Olson Manager FTE 4.50 Total Adopted \$1,678,676 Gen Fund \$ -		Tax Title Land Rick Gruen Manager FTE 0.00 Total Adopted \$515,000 Gen Fund \$ -	Older Adult Services Kandi Ho Manager FTE 7.46 Total Adopted \$1,742,565 Gen Fund \$ -
			Library District Laura Zentner Director Vacant Deputy Director FTE 0.00 Total Adopted \$23,162,315 Gen Fund \$ -			Parks, Trails & Natural Areas Kevin Cayson Manager FTE 11.45 Total Adopted \$2,481,594 Gen Fund \$ -
						Asset Development Kathryn Krygier Manager FTE 2.9 Total Adopted \$17,338,964 Gen Fund \$ -



Line of Business Purpose Statement

The purpose of the Library Line of Business is to provide access to informational, recreational, community, cultural, and support services to library patrons so they can develop into lifelong learners and readers, satisfy intellectual curiosity, and strengthen communities.

Business and Community Services

Laura Zentner - Director

Vacant - Deputy Director

FTE 21.00

Total Library Line of Business Adopted \$34,244,055

General Fund Support \$2,352,038

Library

Laura Zentner

Director

Vacant

Deputy Director

Total Adopted

\$34,244,055

Gen Fund \$ 2,352,038

Library Support Services

Kathryn Kohl

Manager

FTE 12.00

Total Adopted

\$7,297,087

Gen Fund \$ 2,352,035

Oak Lodge Library

Mitzi Olson

Manager

FTE 4.50

Total Adopted

\$2,105,977

Gen Fund \$ -

Gladstone Library

Mitzi Olson

Manager

FTE 4.50

Total Adopted

\$1,678,676

Gen Fund \$ -

Library District

Laura Zentner

Vacant

FTE 0.00

Total Adopted

\$23,162,315

Gen Fund \$ -



Library

Library Service District



Purpose Statement

The purpose of the Library District Program is to provide financial analysis, funds disbursement, and administrative support services to Library District residents, members of governing and advisory bodies, and participating local governments so they can receive information and funding which supports the provision of library services to all residents of the Clackamas County Library District.

Performance Narrative Statement

The Library District Program adopted a budget of \$23,162,315, a continuation of the current funding level. These resources will serve the more than 400,000 residents of Clackamas County and the funds will be distributed to the 11 City libraries and 2 County libraries within the established timeframes. In addition, the library district estimates will be provided to the Cities within established timeframes. Reaching these targets will allow Clackamas County libraries to efficiently and effectively provide library services to their patrons.

Key Performance Measures

		FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Target	Actual as of (12/31/19)	FY 20-21 Target
 Result	Percentage of District distribution estimates provided within established timeframes*	100%	100%	100%	0%	100%
 Result	Percentage of District distributions processed within established timeframes**	100%	100%	100%	0%	100%

* Estimate is prepared by February 15th of each year.

** First distribution is prepared by January 30th of each year, final distribution is processed by June 30th of each year.

Program includes:

Mandated Services ☐ Y

Shared Services ☐ N

Grant Funding ☐ N

Explain all "Yes" boxes below

For help with shared services, see AOC Shared State-County Services page on intranet

If grant funding, include length of grant and any match requirement (w/funding source)

Explanation: The *Library District Program* is a **mandated service** that was established in 2008 when voters approved a countywide Library District for Clackamas County. The permanent rate approved by voters in November 2008 was 0.3974 dollars per thousand of assessed value. The District functions as a fiscal agent by distributing property tax revenues raised by the District's permanent rate to participating local governments who operate libraries within Clackamas County. These funds are used for the operations and support of the Clackamas County Oak Lodge Library, Clackamas County Gladstone Library and 11 city libraries: Canby, Estacada, Happy Valley, Lake Oswego, Milwaukie, Molalla, Oregon City, Sandy (including a branch at Hoodland), West Linn and Wilsonville. The City of Johnson City is the only area in Clackamas County that is not part of the Library District.



Budget Summary

	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Amended Budget	FY 19-20 Projected Year End	FY 20-21 Adopted Budget	Chg from Prior Yr Budget	% Chg from Prior Yr Budget
Beginning Balance	2,625,314	2,806,457	2,997,438	2,997,438	2,970,947	(26,491)	-0.9%
Taxes	18,021,595	19,334,947	19,324,358	19,331,000	20,156,368	832,010	4.3%
Federal Revenues	1,641	1,967	-	2,009	-	-	0%
State Revenues	3,871	20,326	-	19,100	-	-	0%
Miscellaneous	104,324	183,787	40,000	110,000	35,000	(5,000)	-12.5%
Operating Revenue	18,131,431	19,541,027	19,364,358	19,462,109	20,191,368	827,010	4.3%
Total Rev - Including Beginning Bal	20,756,745	22,347,484	22,361,796	22,459,547	23,162,315	800,519	3.6%
Special Payments	17,950,287	19,350,045	22,361,796	19,488,600	23,162,315	800,519	3.6%
Total Exp - Including Special Categories	17,950,287	19,350,045	22,361,796	19,488,600	23,162,315	800,519	3.6%
General Fund Support (if applicable)	0	0	0	0	0	0	0%
Full Time Equiv Pos (FTE) Budgeted	-	-	-	-	-	-	0%
Full Time Equiv Pos (FTE) Filled at Yr End	-	-	-	-	-	-	
Full Time Equiv Pos (FTE) Vacant at Yr End	-	-	-	-	-	-	

Significant Issues and Changes

Business and Community Services, at the direction of the Board and in close consultation with the Library District Advisory Committee (LDAC), has been supporting the formation and work of a multi-jurisdictional Task Force to evaluate and make recommendations related to Library District services, funding, and administration. It is anticipated that the Library District Task Force process (including all preparatory work) will last approximately 18 months with the Task Force and subcommittees meeting periodically and regularly over a period of 12 months.

Note: Due to the COVID - 19 pandemic, the Library District Task Force has been put on hold.

Department: Business and Community Services
Fund: 110 Library Service District of Clackamas County
Org: 5510 Library District

Explain/describe source or use of funds for each listed category in sufficient detail to enable reader to understand and evaluate.

REVENUE DETAIL

Beginning Fund Balance (anticipated July 1, 2020)	
Externally Restricted - due to Library District cities/county library	60,000
Externally Restricted - held in trust per the IGA for Oak Lodge Library	2,910,947
Internally Assigned -	0
Not Assigned -	0
	<u>2,970,947</u>
General Fund Support	<u>0</u>
	<u>0</u>

EXPENSE DETAIL- Explain significant outlays for each category below. Not necessary to itemize all.

Travel / Training / Mileage (all types)

Professional and Contracted Services (all types) Indicate with asterisk (*) if service provided by another County dept and specify provider

Capital Outlay

OTHER SIGNIFICANT ITEMS OF AT LEAST \$25,000 REQUIRING EXPLANATION - (REVENUE OR EXPENSE) No personal services or allocated costs

Revenue

Expense

Special Payments - Payments to Local Gov'ts - Gladstone - Line #465002	810,439
Special Payments - Payments to Local Gov'ts - Oak Lodge - Line #465002	1,470,217
Special Payments - Payments to Local Gov'ts - City Libraries - Line #465002	17,970,712
Special Payments - Other Special Payments - Oak Lodge Undistributed - Line #465009	2,910,947

Total Expenditures

<u>23,162,315</u>

Clackamas County Library District Distribution Formula

Distribution of Revenue

All tax funds collected in the Library District are distributed to the libraries within Clackamas County. The County pays all administrative expenditures related to the Library District and the County's Business & Community Services department manages the administration of the property tax distribution formula and provides staff support to the Library District Board and Library District Advisory Committee.

The mechanism by which the Library District funds are divided out to each Library is outlined in an Intergovernmental Agreement and called the "distribution formula." The formula is based on two factors:

- The first factor of the formula is *assessed value* and each participating City and jurisdiction that operates a library located in Clackamas County receives a proportionate share based on their city's assessed value.
- The second factor of the formula is *unincorporated population* and each participating City and jurisdiction that operates a library located in Clackamas County receives a proportionate share based on the percentage of unincorporated residents served by each library as established by the Library Service Area boundaries.

Prior year delinquencies, tax interest, and penalties are distributed to each Library based on the previous year's distribution formula.

Following is the fiscal year 2020/2021 estimate of taxes allocated to each City and County Library participating in the Library District.

**Clackamas County Library District
FY 2020-2021 Estimate***

Total Current Year Tax Receipts	\$19,906,368	100.00%	Prior Year
City Assessed Value	\$10,689,720	53.70%	\$185,265
Unincorporated Population Served	\$9,216,648	46.30%	\$159,735

Prior Year Fund Balance	\$60,000
Interest Earned	\$35,000
Delinquent Tax & Interest/Penalties	\$250,000
Total	\$345,000
Total Library District Revenues	\$20,251,368

FY 2020/2021 Estimate
20,258,460 (2019/2020 Taxes imposed)
x 3%
= 607,754
+ 20,258,460
= 20,866,214
x 95.4% (2017/2018 Collection rate)
= **19,906,368**

	Assessed Value	Unincorporated Population Served	Assessed Value Prior Interest & Delinquent Tax	Unincorporated Prior Interest & Delinquent Tax	Tualatin Distribution	Total Distribution	%
Canby	\$585,797	\$370,509	\$10,153	\$6,421		\$972,880	4.80%
Estacada	\$134,690	\$704,152	\$2,334	\$12,204		\$853,380	4.23%
Gladstone	\$363,450	\$433,182	\$6,299	\$7,508		\$810,439	4.00%
Happy Valley	\$1,219,697	\$1,764,988	\$21,139	\$30,589		\$3,036,413	14.99%
Lake Oswego	\$2,814,603	\$277,421	\$48,780	\$4,808	\$52,472	\$3,198,084	15.79%
Milwaukie	\$842,350	\$959,453	\$14,599	\$16,628		\$1,833,030	9.05%
Molalla	\$253,346	\$706,917	\$4,391	\$12,252		\$976,906	4.82%
Oregon City	\$1,250,697	\$1,153,003	\$21,676	\$19,983		\$2,445,359	12.08%
Sandy	\$350,623	\$747,470	\$6,077	\$12,955		\$1,117,124	5.52%
Hoodland	\$0	\$261,753	\$0	\$4,536		\$266,289	1.31%
Tualatin	\$206,312	\$0	\$3,576	\$0	-\$104,944	\$104,944	0.52%
West Linn	\$1,522,216	\$181,568	\$26,382	\$3,147	\$10,494	\$1,743,807	8.61%
Wilsonville	\$1,145,938	\$211,061	\$19,860	\$3,658	\$41,977	\$1,422,495	7.02%
*Oak Lodge	\$0	\$1,445,170	\$0	\$25,046		\$1,470,217	7.26%
Total	\$10,689,720	\$9,216,648	\$185,265	\$159,735	\$0	\$20,251,367	100.00%

Tualatin Assessed Value & Prior Year Distribution	Assessed Value	Prior Year, Interest and Delinquent Tax	Total
Tualatin	50%	\$103,156	\$1,788
Lake Oswego	25%	\$51,578	\$894
Wilsonville	20%	\$41,262	\$715
West Linn	5%	\$10,316	\$179
Total	100%	\$206,312	\$3,576

* Fiscal Year 2020/2021 budget estimate is based on date from the Fiscal Year 2019/2020 Distribution Formula.

ACCRUAL ACCOUNTING. The basis of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether or not cash disbursements are made at that time).

AD VALOREM. A tax imposed on the taxable value of property.

ADOPTED BUDGET. The financial plan adopted by the Board of County Commissioners (BCC), which forms the basis for appropriations.

ANNEXATION. The incorporation of land into an existing District with a resulting change in the boundaries of that district.

APPROPRIATION. Authorization from the BCC to spend money within a specified dollar limit for an approved purpose.

APPROVED BUDGET. The budget recommended by the Budget Committee to the BCC for adoption.

ASSESS. To establish an official property value for taxation purposes.

ASSESSED VALUATION (AV). The value given to real and personal property to establish a basis for levying taxes.

BALLOT MEASURE 47. In November 1996, voters passed a tax limitation initiative, which was referred to as Ballot Measure 47. The Measure's provisions included: a tax rollback for property taxes; a cap of 3% on property tax increases in future years; a requirement that special elections for property tax increase measures must be approved by 50% of all registered voters, as opposed to a simple majority in general elections. Due to several complexities regarding implementation, the legislature instead proposed Ballot Measure 50. Ballot Measure 47 was replaced by Ballot Measure 50 in May 1997.

BALLOT MEASURE 50. In May 1997 voters replaced Ballot Measure 47 with Ballot Measure 50. The measure fundamentally changed the structure of property taxes in Oregon, moving from the tax base system to a permanent tax rate. Measure 50 has the same financial impact as Measure 47, with the benefit of simplified implementation.

BUDGET. The District's financial plan for a period of one year. By statute, the budget must include a statement of actual revenues and expenditures for each of the last two years. Revenues and expenditures for the current and forthcoming year are estimated.

BUDGET COMMITTEE. Budget reviewing committee, consisting of the BCC and five citizens appointed by the BCC, which is responsible to approve the District's Proposed Budget after a budget deliberation meeting and public hearing.

BUDGET MESSAGE. A message prepared by the District Director explaining the annual proposed budget and identifying budget impacts and changes. Also known as Letter of Transmittal.

BUDGET PROCESS. The process of translating, planning and programming decisions into specific financial plans.

CASH BASIS OF ACCOUNTING. The method of accounting that records revenues only when they are actually received and expenditures only when cash is paid.

CASH MANAGEMENT. The process of managing monies for the District to ensure operating cash availability and safe investment of idle cash.

ANNUAL FINANCIAL REPORT (AFR). The official annual financial report of the District prepared in conformity with GAAP. The annual report is audited by an independent auditing firm.

CURRENT REVENUES. Those revenues received within the present fiscal year.

EXPENDITURE. An outlay, which is chargeable for a specific period, usually one fiscal year. Examples include payments to other governments and organizations.

FISCAL YEAR. A 12-month period to which the annual budget applies. At the end of the period, the District determines its financial position. The Fiscal Year is July 1 through June 30 for local governments in Oregon.

FULL ACCRUAL. The basis of accounting under which transactions and events are recognized as

revenues or expenses when they occur, regardless of the timing of related cash flows.

FUND. An independent accounting entity whose revenues and expenditures are balanced and segregated to record a specific set of activities.

FUND BALANCE. The excess of the assets of a fund over its liabilities and reserves except in the case of funds subject to budgetary accounting where, prior to the end of a fiscal period, it represents the excess of the fund's assets and estimated revenues for the period over its liabilities, reserves and appropriations for the period.

FY. See FISCAL YEAR.

GAAP. Generally Accepted Accounting Principles. Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of the District.

GASB. Governmental Accounting Standards Board. The authoritative accounting and financial standard setting body for governmental entities.

LETTER OF TRANSMITTAL. See BUDGET MESSAGE.

LINE ITEM. An expenditure description at the most detailed level. Objects of expenditure are broken down into specific items.

LOCAL BUDGET LAW. Oregon Revised Statute (ORS) 294.305 to 294.565 constitute Local Budget Law in Oregon. Local Budget Law has several purposes: 1) It establishes standard procedures for preparing, presenting, and administering the District's budget; 2) It offers a way of outlining the programs and services provided by the District and the fiscal policy used to carry them out; 3) It provides a method for estimating revenues, expenditures, and proposed tax levies; and 4) It encourages citizen involvement in the preparation of the budget before formal adoption.

MODIFIED ACCRUAL ACCOUNTING. The basis of accounting under which revenues are recorded when they become both measurable and available to finance expenditures of the current period. Expenditures are recorded when

the related fund liability is incurred, except for inventories, prepaid insurance, accumulated unpaid employee benefits and debt-service on long-term debt.

ORS. Oregon Revised Statutes.

PROPOSED BUDGET. The budget proposed by the District Director to the Budget Committee for review and approval.

REQUIREMENT. The total of all expenditures within a fund, including operating expenditures, transfers to other funds, contingency and unappropriated fund balance.

RESERVE. A portion of a fund that is restricted for a specific purpose.

RESOURCES. The total amount available for appropriation within a fund. Resources generally include anticipated revenues, interfund transfers and beginning fund balance.

REVENUE. Income received by the District in support of the government's program of services to the community. The receipts and receivables for an organizational unit of the District derived from taxes, but excluding beginning balance and transfers.

SUPPLEMENTAL BUDGET. A budget prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. It cannot be used to authorize a tax levy.

TAX. Compulsory charge levied by a government to finance services performed for the common benefit.

TAX BASE. The authority to permanently levy a dollar amount annually as approved by a majority of voters in May or November of an even numbered year is called a tax base. Once established, a local government may levy up to a full amount of its tax base authority without another vote of the people.

TAX RATE. The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property. The tax rate for the Library Service District is permanently set at a \$0.3974 per thousand of dollars of assessed valuation.

TRANSFERS. Amounts transferred from one fund to finance activities in another fund. Transfers are shown as a requirement in the originating fund and a resource in the receiving fund.

**UNAPPROPRIATED ENDING FUND
BALANCE.** An amount set aside in the budget to be used as a cash carryover to the next year's budget to provide needed cash flow until other money is received. No expenditures can be made from the Unappropriated Ending Fund Balance during the fiscal year in which it is budgeted.

FORM LB-1

NOTICE OF BUDGET HEARING

A public meeting of the Clackamas County Board of Commissioners (BCC) acting as the governing body of the Clackamas County Library Service District will be held on June 18, 2020 at 10:00 a.m. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2020 as approved by the Clackamas County Library Service District Budget Committee. During the ongoing coronavirus pandemic, the BCC, acting as the governing body of the Clackamas County Library Service District, is keeping the public/stakeholders as aware of decisions, and as connected to them, as possible. While social distancing practices are occurring, the BCC is holding meetings virtually. All residents are invited to join and provide comments live by going to the following link <https://clackamascounty.zoom.us/j/93170699228>. Alternatively, anyone can send in a comment to be read during the Citizen Communication portion of our meeting over email. Just send it in at any time during the meeting by emailing ClackCoNews@clackamas.us. Be sure to include your name and area when you email. A summary of the budget is presented below. A copy of the budget may be inspected online at <http://www.clackamas.us/budget/>. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same used in the preceding year.

Contact: Laura Zentner

Telephone: 503.742.4351

Email: Lzentner@clackamas.us

FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2018-2019	Adopted Budget This Year 2019-2020	Approved Budget Next Year 2020-2021
Beginning Fund Balance/Net Working Capital	2,806,457	2,997,438	2,970,947
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	0	0	0
Federal, State & all Other Grants, Gifts, Allocations & Donations	22,293	0	0
Revenue from Bonds and Other Debt	0	0	0
Interfund Transfers / Internal Service Reimbursements	0	0	0
All Other Resources Except Current Year Property Taxes	910,434	290,000	285,000
Current Year Property Taxes Estimated to be Received	18,608,300	19,074,358	19,906,368
Total Resources	22,347,484	22,361,796	23,162,315

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Personnel Services	0	0	0
Materials and Services	0	0	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Interfund Transfers	0	0	0
Contingencies	0	0	0
Special Payments	19,350,045	22,361,796	23,162,315
Unappropriated Ending Balance and Reserved for Future Expenditure	2,997,439	0	0
Total Requirements	22,347,484	22,361,796	23,162,315

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *

Name of Organizational Unit or Program FTE for that unit or program			
Clackamas County Library Service District	22,347,484	22,361,796	23,162,315
FTE	0	0	0
Total Requirements	22,347,484	22,361,796	23,162,315
Total FTE	0	0	0

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

The unappropriated ending balance represents the amount held in trust per an Intergovernmental Agreement (IGA) between the Library Service District and the library cities. Based on the IGA and to the extent the annual distribution of funds to the Oak Lodge Library is greater than the annual need to operate the library, the District is required to retain such funds.

PROPERTY TAX LEVIES

	Rate or Amount Imposed 2018-2019	Rate or Amount Imposed This Year 2019-2020	Rate or Amount Approved Next Year 2020-2021
Permanent Rate Levy (rate limit .3974 per \$1,000)	.3974	.3974	.3974
Local Option Levy			
Levy For General Obligation Bonds			

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	\$0
Other Bonds	\$0	\$0
Other Borrowings	\$0	\$0
Total	\$0	\$0

* If more space is needed to complete any section of this form, insert lines (rows) on this sheet. You may delete blank lines.

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

FORM LB-50 2020-2021

To assessor of _____ County

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions booklet.

☐ Check here if this is an amended form.

The _____ has the responsibility and authority to place the following property tax, fee, charge, or assessment on the tax roll of _____ County. The property tax, fee, charge, or assessment is categorized as stated by this form.

District name

County name

Mailing address of district

City

State

ZIP code

Date submitted

Contact person

Title

Daytime telephone number

Contact person e-mail address

CERTIFICATION— You **must** check one box if you are subject to Local Budget Law.

- ☐ The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.
- ☐ The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TAXES TO BE IMPOSED

	Subject to General Government Limits		
	Rate —or—	Dollar Amount	
1. Rate per \$1,000 or total dollar amount levied (within permanent rate limit) ... 1			Excluded from Measure 5 Limits
2. Local option operating tax 2			
3. Local option capital project tax 3			
4. City of Portland Levy for pension and disability obligations 4			
5a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001 5a			Dollar Amount of Bond Levy
5b. Levy for bonded indebtedness from bonds approved by voters after October 6, 2001 5b			
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) 5c			

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per \$1,000 6	
7. Election date when your new district received voter approval for your permanent rate limit 7	
8. Estimated permanent rate limit for newly merged/consolidated district 8	

PART III: SCHEDULE OF LOCAL OPTION TAXES— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount —or— rate authorized per year by voters

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES*

Description	ORS Authority**	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1			
2			

*If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.

**** The ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.**

June 18, 2020

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Resolution for the Library Service District of Clackamas County
Adopting a 2020/2021 Fiscal Year Budget, Making Appropriations and
Imposing and Categorizing Taxes for the Period of July 1, 2020 through June 30, 2021

Purpose/Outcomes	Approval of a resolution to adopt 2020/2021 Fiscal Year (FY) budget for the Library Service District of Clackamas County.
Dollar Amount and Fiscal Impact	Library Service District budget in the amount of \$23,162,315 for FY 2020/2021.
Funding Source	Property taxes
Duration	July 1, 2020 through June 30, 2021
Strategic Plan Alignment	Build public trust through good government
Previous Board Action	May 26, 2020 – Library Service District Budget Committee approved the FY 2020/2021 budget as presented.
Contact Person	Laura Zentner, CPA, BCS Director 503.742.4351

BACKGROUND:

The attached resolution adopts the budget as published and approved by the Budget Committee, and in accordance with the state budget law, to make appropriations and to impose and categorize taxes for the 2020/2021 fiscal year.

This resolution will establish a budget for the Library Service District of Clackamas County in the amount of **\$23,162,315**.

RECOMMENDATION:

Staff respectfully recommends adoption of the attached resolution as presented.

ATTACHMENTS:

1. Resolution No. __ Adopting a 2020/2021 Fiscal Year Budget, Making Appropriations, Imposing and Categorizing Taxes for the Period of July 1, 2020 through June 30, 2021.

Respectfully submitted,

Laura Zentner

Laura Zentner, CPA
BCS Director

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

A Resolution of the Board of County Commissioners Acting As The Governing Body of the Clackamas County Library Service District In The Matter of Adopting a 2020/2021 Fiscal Year Budget, Making Appropriations, Imposing and Categorizing Taxes for the Period of July 1, 2020 Through June 30, 2021

Resolution No. 2020-45

Whereas, the proposed expenditures and resources constituting the budget for the Library Service District of Clackamas County for the period of July 1, 2020 through June 30, 2021, inclusive, have been prepared, published, and approved by the Budget Committee, and that the matters discussed at the public hearing were taken into consideration, as provided by statute; and,

Whereas, in accordance with ORS 294.438 the notice of this public hearing and a financial summary was published in the Clackamas Review on June 10, 2020; and,

Whereas, ORS 294.456 requires Districts to make appropriations, impose and categorize the tax levy when adopting the budget.

NOW THEREFORE, the Clackamas County Board of County Commissioners resolves as follows:

The budget is hereby adopted for the fiscal year 2020/2021 in the amount of \$23,162,315. The budget appropriation categories are established as follows:

General Fund

Special Payments	<u>\$ 23,162,315</u>
Total	<u>\$ 23,162,315</u>

The following ad valorem property taxes are hereby imposed for tax year 2020/2021 upon the assessed value of all taxable property within the District and categorized for purposes of Article XI section 11b as subject to General Government Limitations:

At the rate of \$0.3974 per \$1,000 of assessed value for permanent rate tax.

DATED this 18th Day of June, 2020

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Acting as the governing body of the
Library Service District of Clackamas County



Jim Bernard, Chair



Recording Secretary