



TAX DISTRIBUTION REVIEW

January 12, 2021

Agenda

Topic	Time	Lead
Call to Order and Approval of Agenda	5:30	UCSLD Board of Directors
Welcome and Introductions – Ground Rules – Purpose, Desired Outcomes	5:30 – 5:45	Facilitator
Overview of Funding Formula Scenarios	5:45 – 6:30	District Director
Clarification		Facilitator, District Director
Break	6:30 – 6:40	Everyone
Submitted Questions Addressed	6:40 – 7:15	Facilitator, District Director
Next Steps	7:15 – 7:25	District Director
Adjourn	7:30	UCSLD Board of Directors

Ground Rules

- Prepare for the meetings by reading in advance the preparatory material.
- Understand the purpose and goals of the meeting and circle back to them as needed.
- Participate fully and in good faith: we are on the same team and stronger together.
- Listen actively.
- Respect one another and be kind.
- Everyone help keep us on task.
- Mute your microphone when others are speaking.

PURPOSE OF THIS PUBLIC MEETING

Public Meeting #3 of the
Tax Distribution Review
Process

Meeting Purpose & Desired Outcome

Purpose: Present findings, conclusions, and recommendations prior to the Board's January 28 meeting

Desired outcome: the Board has what it needs to make its determination on January 28, 2021

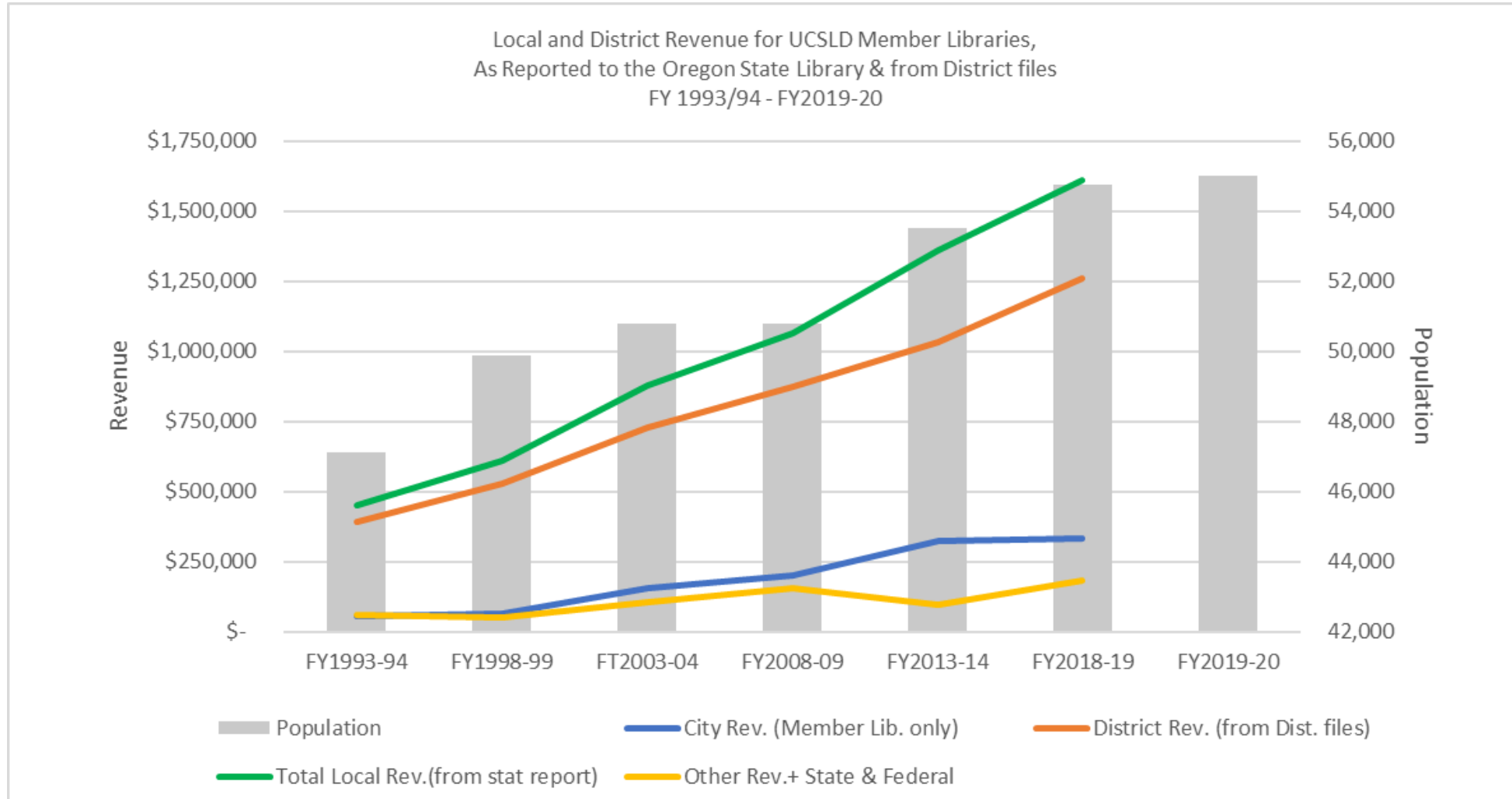
District Purpose, Responsibility of Board

Using the collective of revenue obtained through a District tax, help fund library services for the residents of the District, using resources to equalize as much as possible residents' access to information and services.

*From the order creating the District – “The purpose of the Umatilla County Special Library District shall be to provide library and information services to persons within the district.”

*The UCSLD “shall be a municipal corporation and shall have perpetual succession, and shall, in its own name, exercise and carry out the powers and objects provided for by Oregon Statutes governing library districts.”

District Revenue



FUNDING FORMULAS UPDATE

Formula Review Goals

Equitable

- an equitable distribution of the finite District tax revenue to achieve the purpose and responsibility of the District to residents.

Administrative efficiency

- administrative efficiency and transparency

What criteria and values guided the tax revenue distribution formula development?



An objective and impartial formula to ensure library service for the residents of the District including the unincorporated populations



A clear, uncomplicated, concrete mathematical formula, that is easily understood, reviewed and readily administered



Contributes an amount of money to help member libraries be able to offer a threshold of service



Recognizes and adjusts for changes and shifts in population over time



FORMULA SCENARIO SPREADSHEETS



CLARIFICATION



BREAK

SUBMITTED QUESTIONS



What is the benefit to being in the District?

- Stable funding
- Libraries can meet State Law requirements for public library designation
- Residents have seamless access to library service
- The collective is a strong position
- The UCSLD provides basic elements of library service which allows each library to customize their additional service plan to local needs
- UCSLD staff are accessible

Why not continue to use the current distribution percentages?

- Last update FY2012-13
- Current distribution is complicated to explain:
 - historical adjustments made for reasons unknown today
- Uses outdated, calculated service population
- There has been change in the District and the current distribution percentages have not changed

How are the funding elements determined?

- The threshold funding elements are used, not to dictate how a library should operate and fund the library, but to equitably divide an amount of money district-wide by levels of population.
- The funding formula elements--threshold and population, were established to support two concepts: helping the libraries achieve a basic threshold criteria which comes from State Law and OLA Standards. The population element is tied to the resident population of each library's service area.

How are the threshold funding elements determined?

- Input used to determine the divisions:
 - [Oregon Secretary of State Administrative Rules](#) - 543-010-0036 - Official Recognition of Public Libraries – Population split – under and over 2000; FTE, the rules use half time (0.5) and quarter time (0.25) -
 - The Oregon Library Association Public Library Standards for minimum requirements
 - Open hours – 20 hours per week
 - .50 FTE staff member dedicated exclusively to library functions during operating hours
 - Original UCSLD guiding documents for threshold criteria based on OLA threshold criteria at the time
 - Typical hiring divisions – half time – 0.5, three/fourths time – 0.8 and full time – 1
 - State Library of Oregon annual statistical data – comparison library jurisdictions recommended by the State Library Program Manager, Library Support & Development Services

City	2010 City Population	2010 Population by zip code within Umatilla County	District Service Population 2010 Calculation	Difference Between 2010 Service Pop and Zip Code Pop
Adams	350	815	448	(367)
Athena	1,126	1,302	1,697	395
Echo	699	1,053	955	(98)
Helix	184	361	307	(54)
Hermiston	16,745	25,249	5,546	(2,958)
Milton-Freewater	7,050	11,666	8,743	(2,923)
Pendleton	16,612	21,521	23,397	1,876
Pilot Rock	1,502	1,991	2,084	93
Stanfield	2,043	2,610	3,059	449
Ukiah	186	252	347	95
Umatilla	6,906	7,760	8,723	963
Weston	667	1,140	1,009	(131)
Incorporated	54,070	75,720	56,315	(19,405)
Umatilla County	75,889	75,889	75,889	
Unincorporated	21,819			
		Hermiston Rural Population based on Zip Code population - city population	Hermiston service population is service population -city population	
		8,504	5,546	

Why might my library be getting more or less revenue in the formula scenarios?

- Using contemporary, actual population, not historic, calculated population.
- Several library jurisdictions lost population after the 2010 Census and the funding was not adjusted for population changes.
- Several library jurisdictions had more population with the service population calculation than they do using zip code population.

City	2010 PSU City Population	2010 Population by zip code within Umatilla County	PSU Preliminary City Population 2020	Difference Between City Pops 2020 - 2010	Numeric change in City population added to 2010 Zip Code population	Zip Code area number as a percentage of the whole zip code population	Remainder of difference between County Population and zip code populations with % change applied	Final Population Figures to Use - Adding only numeric change
Adams	350	815	375	25	840	1.05%	859	859
Athena	1,126	1,302	1,170	44	1,346	1.69%	1,377	1,377
Echo	699	1,053	720	21	1,074	1.35%	1,099	1,099
Helix	184	361	200	16	377	0.47%	386	386
Hermiston	16,745	25,249	18,775	2,030	27,279	34.25%	27,911	9,136
Milton-Freewater	7,050	11,666	7,210	160	11,826	14.85%	12,100	12,100
Pendleton	16,612	21,521	17,025	413	21,934	27.54%	22,442	22,652
Meacham	123	123	205	82	205	0.26%	210	0
Pilot Rock	1,502	1,991	1,505	3	1,994	2.50%	2,040	2,040
Stanfield	2,043	2,610	2,280	237	2,847	3.57%	2,913	2,913
Ukiah	186	252	240	54	306	0.38%	313	313
Umatilla	6,906	7,760	7,605	699	8,459	10.62%	8,655	8,655
Weston	667	1,140	690	23	1,163	1.46%	1,190	1,190
	54,193	75,843	58,000	3,807	79,650	100.00%	81,495	62,720
Umatilla County	75,889	75,889	81,495	5,606	81,495		81,495	
	54,193		58,000	3,807				
	21,696		23,495	1,799				
	8,504				8,504		9,136	
Difference		46			1,845			

Why use zip code populations and how will those be certified and adjusted?

- This is a population number that is based on the Census numbers and is as real as we can get it.
- Libraries provide library cards to residents using zip code.
- Every 10 years, the PSU Population Research Center (PRC) will be asked for populations from the recent Census for zip code areas within Umatilla County only.
- Between Census, the PRC certified city and county population estimates will be used to add to or subtract from each jurisdiction's census amount. The remainder amount will have a percentage applied as seen in the spreadsheet.

Shouldn't my library get more money because we have less revenue locally?

- Equitable –
 - The quality of being fair and impartial, unbiased, objective
 - Providing equity with the two-part allocation formula – Threshold and Population
- The UCSLD has 11 member libraries and 1 partner library which have populations ranging from 313 – 22,652.
- The Board asked for a clear, objective math formula that provides distribution based on zip code population that ensures library service to the residents

Why isn't there more money?

- This process to determine how to distribute an amount of money to ensure library service county-wide is not and has never been based on the fact that there is enough money to fully fund every library in Umatilla County.
- The UCSLD levy rate of .3682 was chosen after a first attempt at setting a levy rate failed.

Why is Hermiston not funded the same way as other libraries?

- When the UCSLD was voted into existence by the residents of Umatilla County, the City of Hermiston did not choose to be part of the District.
- There are no District tax dollars collected from within the city limits of incorporated Hermiston.
- While the UCSLD contracts with Hermiston to provide library service to the taxpayers living in the unincorporated part of the zip code area, the City of Hermiston is responsible for the threshold criteria elements of their library's service.
- Working with Hermiston allows all county residents to have seamless and convenient access to the library closest to them.

Why isn't assessed value being used to determine the distribution?

- The “return to source” concept would be a dramatic departure from the values expressed by the District over time: threshold and population.
- Before embracing the return to source concept, the Board should give careful consideration as to whether they want to go in that direction.

IN CONCLUSION

Recommendation

Recommended Formula

01

Easily understood
and applied
impartially

02

Contributes to the
delivery of library
service throughout
the District

03

Consistent with
Oregon public library
law and Oregon
Library Association
Standards

Recommendation

- Population by zip code
- 2-part formula – threshold and population
- Given purpose of the district and the role of the Board, return to source is not recommended
- Recommend that Hermiston city be funded with only the population portion of the formula
- The two scenarios recommended
 - Tab F - 2- level scenario
 - Tab E – FTE raised to \$20.00/hour



CLARIFICATION

Does the Board have what they need to move forward?



**THANK YOU
FOR YOUR
TIME AND
ATTENTION**