



**Ad Hoc Tax Distribution Committee Meeting Minutes**

January 26, 2016

10:30 am

Pendleton City Hall – 2<sup>nd</sup> Floor Jury Room

Pendleton, Oregon

**ATTENDANCE – COMMITTEE MEMBERS**

Jean Eckles, Chair	Mardel James-Bose, Vice Chair	Larry Dalrymple	Robb Corbett
Blair Larsen	Erin Wells	Marsha Richmond	

**COMMITTEE MEMBERS – ABSENT**

Ann Burnside

**GUESTS**

Mary Finney                      Linda Hall

**CALL TO ORDER**

Jean called the Board Meeting to order at 10:40 am.

The Committee began by reviewing Markers to be used in determining a distribution formula.

Erin discussed a previous chart concerning areas of libraries' functions – circulation, inter-library loans, computer use, program attendance.

Robb asked if Hermiston is getting tax funding for residents who have been annexed into the city of Hermiston.

A question arose about the validity of the rural population numbers around Hermiston. Another question arose -- who determines the service population numbers for the libraries. Does the State Library generate numbers?

Jean said the distribution formula should be based on more than just population, but the population figures are an important part.

Blair said certain base costs need to be met. A certain amount of money is needed for a library to provide services. Everybody gets a basic allotment to offer library services. The remaining tax distribution is divided up based on markers. Any distribution formula needs to be based on hard data.

Jean said the District lacks the power to tell cities how much they must support their libraries. Because all the cities support their libraries at different rates the District tax distribution has varying degrees of eminence for the libraries.

There was a discussion – ideally there’s a 50/50 split in covering costs. 50% from the District – staffing and other items (i.e. books). 50% from the cities is for infrastructure.

Rob says that all cities should equally support their libraries.

Blair asked if there is a way to put more “bite” in to the City Agreements, if the cities don’t match the District’s funding levels?

Erin says the bigger libraries are subsidizing the smaller libraries, but the smaller libraries need to keep their doors open. She asked is that fair?

Robb says the Ad Hoc Committees should agree that all the cities should contribute the same percentage rate. The District should have a formula for tax distribution which includes markers. Those libraries that see a decrease in tax distribution funding can find additional support through the creation of new revenue streams. He has an idea for three new funding streams: 1] go out for a new tax levy; 2] taking Hermiston funds and redistributing them; 3] close the Take Off program.

Blair says what is needed is a formula that offers “a leg up” to smaller libraries. Leg up is equivalent to a minimum funding level. Blair said he’s doubts a definition could be made for minimum funding level. Larry asked if assessed value could be established and used for each library. Robb suggested a district that already has a formula.

Jean asked the committee what markers should be used in the formula:

- Erin – Population is a big one, would like to see prison population excluded; some kind of minimum funding levels for really small libraries.
- Linda – Population and library visits
- Robb and Mary – Population and a minimum funding level. Mary observed that circulation statistics can be problematic.
- Blair – Population and minimum funding level instead of the current tier system in place. He is intrigued with the idea of using user figures. However, he understands user and circulation numbers are problematic. Numbers need to be found that haven’t been or can’t be skewed. New revenue sources is a good idea.
- Larry – Population and assessed value blend. The assessed value of the county \$7.7 billion dollars of which \$2 billion is in the city. There needs to be a minimum funding for all libraries.

It was suggested to look at assessed value of the school districts as it might be a way to how to proportionally address tax distribution.

Jean talked about breaking the county into city components for the population number.

Blair would like to see the assessed values and what would that look like in the formula.

Linda thinks assessed values would really hurt the little library. The District wants to be fair but the libraries don’t want to lose the funding levels they already have.

Blair said it’s hard to say what is fair. Hard data is needed to base the formula on and there will be winners and losers.

Robb says new revenue streams means everyone would be winners.

A brief discussion was held on what it would take to pass a levy. It would take a buy in from all the city libraries and city managers/administrators. The process would not be easy.

Larry reminded everyone this was how the District was formed. The idea to get county residents to pay for the services they use.

Erin talked about how everyone likes their libraries, so they might pass a levy.

Linda asked if the formula could be maintained until new revenue streams are found. Larry said a new formula needs to be established now. It would only be a year after new streams are found before concerns would again arise. Blair said the current formula is unfair and a new one needs to be established before any new revenue streams are found.

Larry said the Ad Hoc Committee was chartered to come up with a fair distribution formula.

Jean says we need a hard and fast formula.

Marsha said when the original distribution formula was established, with the current tier system, it was to ensure services at the small libraries while making the tax distribution equitable for the larger libraries.

Blair wants a formula fair to everyone.

Mary gave a brief history of how libraries in eastern Oregon have evolved. Rural libraries have a tough time and minimum funding levels are essential. Funding based on population is needed.

Blair's chart from meeting number two was based on population.

Jean reminded the committee the District has been offering Governance Training for decades. During her terms of Board service she had not seen a City Administrator attend.

For the next meeting:

- Where do the population figures come from?
- Need markers based on hard data. (Larry said no circulation numbers.)

Meeting adjourned at 11:50 am.

Respectfully submitted by Mardel James-Bose

Signed by Jean Eckles, Chair

**Next Ad Hoc Tax Distribution Committee Meeting Date: February 9, 2016**

**Time: 10:00 am**

**Note: *The meeting is planned to last 1½ hours***

**Place: Pendleton City Hall, Community Room, 501 SW Emigrant Ave., Pendleton, Oregon**