



Ad Hoc Tax Distribution Committee Meeting Minutes

February 23, 2016

10:00 am

Pendleton City Hall – 2nd Floor Jury Room

Pendleton, Oregon

ATTENDANCE – COMMITTEE MEMBERS

Jean Eckles, Chair

Mardel James-Bose, Vice Chair

Blair Larsen

Erin Wells

Marsha Richmond

Larry Dalrymple

Robb Corbett

Ann Burnside

GUESTS

Linda Hall, Milton-Freewater City Manager

Mary Finney, Pendleton Library Director

CALL TO ORDER

Jean called the Board Meeting to order at 10:05 am.

Jean talked about three sheets of paper attached to the wall.

Three Wall Charts

1. Ad-Hoc Committee purpose:

The ad-hoc committee, at the request of the UCSLD Board of Directors, was tasked with reviewing and creating a formula to recommend to the UCSLD Board.

The recommended formula from the ad-hoc committee will address the tax distribution to the libraries.

2. Common Ideas for the Formula

- Base amount

- Tiers

- Per capita

- Assessed value

- Money collected from property within city limits would be distributed back to the library within each city.

3. Possible Recommendations to the UCSLD Board of Directors

- Look at increased funding through taxes
- Review the programs and services UCSLD provides

Larry developed a series of charts showing the amount of funds the District receives from each of the incorporated cities versus the amount that the District sends to each of the city libraries.

Table 1 – Key: The cities get back more taxes than they send in. The chart shows the assessed value of each city and the amount of taxes collected from the cities. It also shows the amount of funds the cities receive from the District. All the cities receive more funds back than they send to the District.

Table 2 – Shows a tax distribution formula based on a population after returning the taxes collected from each city, with the District retaining 20% of tax revenue.

Table 3 – Shows a tax distribution formula based on a population after returning the taxes collected from each city, with the District retaining 18% of tax revenue.

Table 4 – The chart assures all taxes collected within city limits are returned to the city, with a minimum of \$20,000 going to each city, with the remainder redistributed to cities based on population served.

The last page of the document was the July 1, 2015 population figures from PSU.

Larry: Everyone gets back what they pay in plus they get a portion of the unincorporated taxes. The percentage can be discussed at the budget committee. He is not sure if the existing formula is unfair, but there is no explanation.

Blair: Larry's chart is interesting for discussion purposes, but it will hit some libraries hard.

Erin: Asked can the assessed values surrounding a city be figured?

Larry: Yes, the assessed value of areas surrounding a city can be figured, but you would have to draw boundaries based on properties taxed through the Assessor's Office.

Linda: Is the distribution unfair? Because unincorporated are taxed differently than urban dwellers, i.e. agricultural waivers, etc.

Jean: That might be true, but we can't change how things are assessed.

Larry: The County can't control some aspects of assessment. For example, the railroad assessments are established by the State. Over half of the District's assessed value lay outside of the cities.

An adjustable base amount was discussed – a percentage (such as 1.5% of taxes collected). Using percentage, rather than a dollar amount, would automatically adjust over time.

A question was asked - Does Weston really need \$40,000? How do we know? How would \$24,000 impact Weston? Is there a way to meet their needs some other way?

Another question was asked – How do we determine when/at what point the playing field is leveled?

Blair: Stated that he believes that operation based on economies of scale should be used whenever possible. There should be a base amount for facility and base amount for staff.

Discussion followed regarding providing a base amount to provide minimum standards. Question that arose: What is an objective way of figuring minimum standards?

Erin: Milton-Freewater signed an agreement that lists minimum standards with size, open hours, and number of staff.

Larry: The District will not be all of the funding for libraries. The cities still need to contribute.

Blair: There are repercussions if half of the library budget is cut. The idea of the committee is to spread it around. What are the needs of the large libraries? What are the needs of the small libraries?

Jean: We are not setting something into concrete; the committee is to give a recommendation only.

Larry: We started with the question of “what is the formula,” however pure formula will hurt someone.

Jean: Lots of things have changed over the past 30 years. We should be reviewing the formula every three years.

All we are doing is shuffling money around.

Mardel: Would it work to have governance meeting with all of city managers to hash it out?

Governance meetings have not worked. No one comes. Too many meetings.

Blair: Talk about the base standards and formula. Can look at minimum standards, can we attach a number to the minimum standards?

Larry: Mary Nixon struggled with how to explain funding and standards.

Marsha/Robb – discussed minimum standards – open hours, staffing requirements

Larry – Can phase in the formula – make a recommendation to the board to do a phase in approach

Blair – Explained his handout – it would phase changes in over time. One option was 15% to District and the other 20% to District.

Base amount by percentage was discussed. It would help the formula be relevant to the money in the future.

Erin handed out her charts.

Blair: Thinks group should agree on a concept of a formula.

Mardel went to sheets of paper on the wall and asked each their opinion about the tier concept.

Larry: No tiers

Blair: No tiers – will always be the issue with someone on the edge

Ann: Liked tiers at first – but after the discussion, no tiers

Erin: Why are libraries being asked to take a cut?

Larry: the District isn't cutting money to libraries – libraries are getting more from the District, cities need to go through whatever budget process they use and determine funds they provide

Robb: no tiers, yes for per capita and he supports cutting whatever programs the libraries are all against

Erin: Base amount can work only with more revenue, tiers o.k.

Mardel asked each for their opinion on the next item on the charts – per capita

Blair: If in a place where population would provide some sort of reasonable amount of money but not in favor of per capita

Ann: Liked the information, could phase into it, it belongs in a formula for the future

Robb: It's the most fair way to distribute money

Erin: Here per capita isn't going to work, libraries would take a cut

Jean: Time is almost up. Could we agree to look at common ideas for a formula? From the poll we see tiers are off the list, we can discuss assessed value and the others on the list next time?

Robb: would like to recommend cutting that program, the libraries don't support it

Blair: would like a conceptual formula in place and we need to stick to the task of the committee

Jean: any other comments as to what to look at next time?

Erin: look at base amount and tiers and the District contribution

Jean: as a reminder this committees recommendation will not make this budget year

Robb: we can finish next meeting, two weeks from now and let's vote

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: Tuesday, March 29, 2016

Time: 10:00 am

Note: *The meeting is planned to last 2½ hours*

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