Appendix A: Explanation of Distribution of Funds to Member and Partner Libraries

The Lincoln County Library District (LCLD) was created on October 12, 1988 by the Lincoln County Commission. The order creating the District reads, “That the purpose of the district is to provide library services in accordance with ORS 357.216 through ORS 357.286” and “That the boundaries of the District shall be concurrent with the boundaries of Lincoln County, excluding therefrom the corporate limits of the cities of Newport, Lincoln City, Toledo, Depoe Bay, Yachats, and Waldport.” In November of 1990 a permanent tax rate was established, and Siletz was annexed into the library district. In 1992 Waldport and Depoe Bay were annexed into the District.

Through agreements between the District and the established public libraries in Lincoln County, the LCLD ensures the provision of public library service to all residents within its boundaries. The public libraries within the District boundaries, Siletz and Waldport, are defined as “member libraries.” The cities of Newport, Lincoln City and Toledo are not within the District boundaries and are considered “partner libraries”

The funding model which distributes tax revenue to District libraries provides that 70 percent of LCLD tax revenues would go to the District member libraries and partner libraries. The remaining 30 percent of revenues remain with the District, and are used for operations and administration, and services provided to member and partner libraries, including but not limited to participation in the cataloging and interlibrary loan utility, OCLC, and courier delivery service.

In the Fall of 2021, the LCLD Board of Directors conducted a review of the tax distribution process, culminating in a decision to update the distribution formula consistent with ORS 357.405, which defines “public library,” and the rules for implementation found in OAR 543-010-0036. Each library’s service population is now determined by population within their zip code area Lincoln County.

The formula consists of three funding components: (1) Member library incentives, (2) Site-based allocation and (3) per-capita population allocation. The population component is determined by the census zip code area numbers.

Every three (3) years, the Board of Directors will review the threshold criteria and update as needed and will review and update the formula to reflect the current population numbers.

The distribution percentages are determined through the following process:

Population for each zip code in LCLD boundaries is provided to the District by the Portland State University Population Research Center. The zip code population for each member library and partner library is as follows:
The formula for determining the distribution to each library is below:

<table>
<thead>
<tr>
<th>Element A</th>
<th>Element B</th>
<th>Element C</th>
<th>Element D</th>
<th>FY 2022-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Ops</td>
<td>Member Library Local Revenue Incentive</td>
<td>Site Based to Service District Residents</td>
<td>Per Capita to serve District Residents</td>
<td>Total Allocation</td>
</tr>
<tr>
<td>Member Libraries</td>
<td></td>
<td></td>
<td></td>
<td>Total Allocation Percentage</td>
</tr>
<tr>
<td>Siletz*</td>
<td>$ 4,000</td>
<td>$ 15,000</td>
<td>$ 102,856</td>
<td>$ 121,856</td>
</tr>
<tr>
<td>Waldport</td>
<td>$ 20,000</td>
<td>$ 15,000</td>
<td>$ 268,603</td>
<td>$ 303,603</td>
</tr>
<tr>
<td>TOTALS</td>
<td>$ 450,000</td>
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<td></td>
<td>$ 1,504,000</td>
</tr>
</tbody>
</table>

* Siletz Library run by LCLD.

For the next three years, FY 2022-23, FY 2023-24 and FY 2024-25, the new funding formula will be phased in as follows:

FUNDING DISTRIBUTION

Future year distributions are calculated by the following formulas:

2022/2023: Projected revenues are distributed by 33.33% Alt-C calculation rates and 66.66% five year average percentage distribution rates.

2023/2024: Projected revenues are distributed by 66.66% Alt-C calculation rates and 33.33% five year average percentage distribution rates.

2024/2025: Projected revenues are distributed by 100% Alt-C calculation rates.