

# Library Local Option Levy

Washington County Board of Commissioners | October 15, 2019



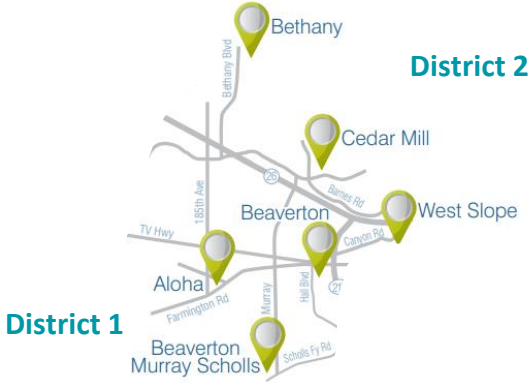
# Purpose of Today's Briefing

- **Review** WCCLS' governance and funding, and the important role played by the local option levy
- **Recommend renewal** of the expiring levy at the current rate (\$0.22) for FY21-22 thru FY25-26

# Cooperative Membership by Commissioner District



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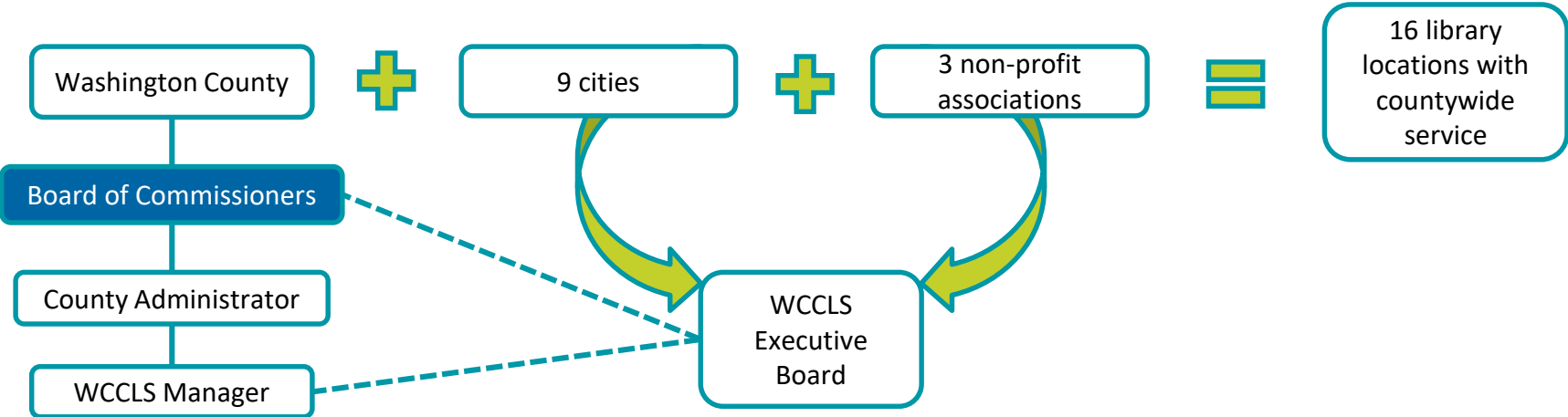
# Cooperative Membership by Commissioner District



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# Governance



# History of the Cooperative's Funding

**1976:** Library cooperative was **founded and funded** entirely by a voter-approved levy

**1998:** Measure 50 was passed by voters, which **rolled all pre-existing countywide levies into the County's permanent tax rate. This revenue is now reflected in the General Fund.** The County honored the voters' original intent, and continued to distribute funding to libraries from the County's General Fund.

**1998 - 2007: 100% of WCCLS revenue came from General Fund distribution** and spending from WCCLS' reserves

**2002:** Levy was on ballot and not approved by voters

**2004:** Levy got majority support, but not a majority of voters turned out, so levy failed

**2006: First local option levy for library funding passed** after two previous levies failed

**2007 - present: 40% of funding** comes from the levy



# History of library levy rates

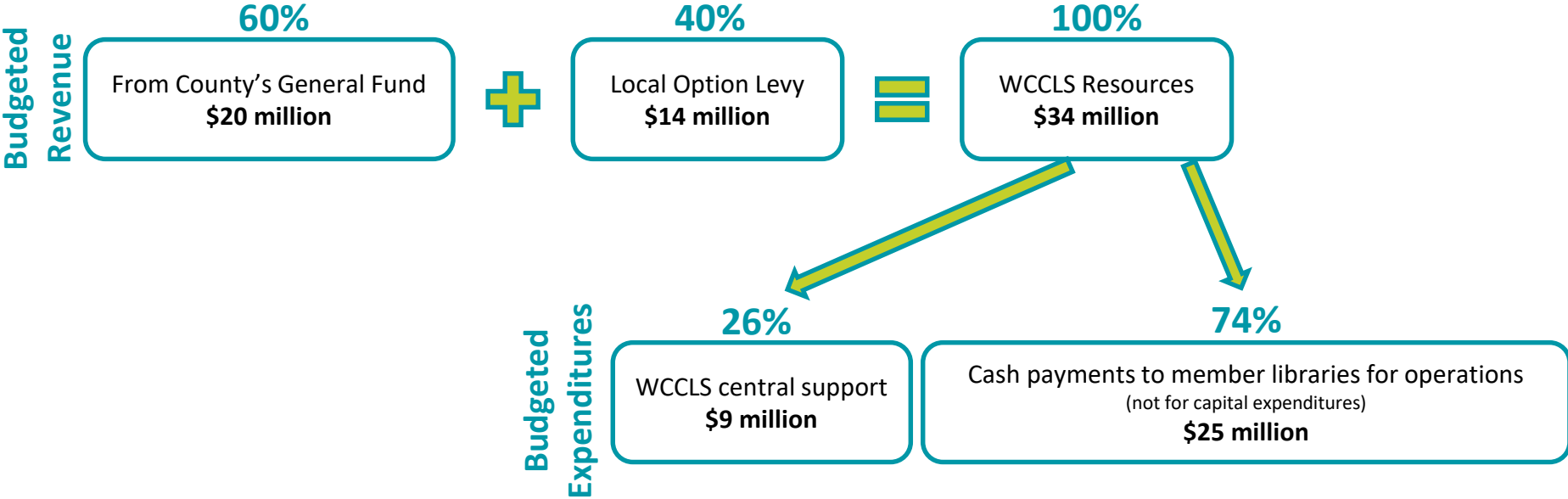
July 2007 – June 2011: 4 year levy at \$0.17 (57% voter approval)

July 2011 – June 2016: 5 year levy at \$0.17 (66% voter approval)

July 2017 – June 2021: 5 year levy at \$0.22 (64% voter approval)

Target – **July 2021 through June 2026: 5 year levy at \$0.22 (renewal)**

# Cooperative Revenue and Expenditures



# WCCLS Reserve Fund

The reserve fund is important because it provides sufficient cash to pay libraries before actual tax revenue is received, and is considered a contingency fund.

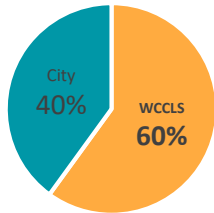
WCCLS has a healthy reserve for these purposes, and it continues to grow due to increases in assessed value that are greater than projected, favorable interest rates, as well as, cost savings on WCCLS' part.

WCCLS can safely spend into the reserve over the next levy cycle to **maintain the current service and funding levels through FY25-26, without having to ask voters for an increase in the levy rate.**

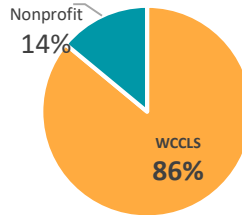
# How do libraries use funds from WCCLS?

- WCCLS funds can only be used for operational expenditures, not for capital
- Operational expenditures include: lease payments, personnel costs, books and subscriptions, supplies, etc.
- Each library's parent organization contributes to the library's operational costs, and is responsible for any capital expenditures

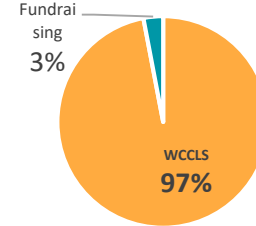
Average Revenue: City Libraries



Average Revenue: Nonprofit Libraries



Revenue: County Library (West Slope)



# Funding distribution to libraries

## Pool 1: Primary Funding

If countywide assessed value increases by at least 3%, WCCLS will increase libraries' primary funding distribution by 3% each year of the current levy cycle.

## Jump Start Operating Fund

Libraries that are increasing publicly accessible square footage in their library (expansion or new build) can apply for these funds.

These funds support operating expenditures for expansions, they are not used for capital projects. The Executive Board evaluates and approves applications once a year.

## Pool 2: Possible Additional Revenue

Once WCCLS' actual (rather than projected) revenue is known, and once we have fully funded Pool 1 and Jump Start, we *may* be able to distribute a small pool of additional funds to libraries, if actual revenue is sufficient.

We use a formula approved by the WCCLS Executive Board to calculate this, and make allocations annually each fall.

# Community Partners Invested in the Library Levy

- People for Libraries (PFL) political action committee
- Friends of the Library groups across the Cooperative
- Library Advisory Boards (usually appointed by City Councils)
- Library Foundations across the county
- Non-profits that operate our community libraries: Aloha Community Library Association, Cedar Mill Community Library Association, Garden Home Community Library Association
- Cities that operate our municipal libraries: Banks, Beaverton, Cornelius, Forest Grove, Hillsboro, North Plains, Sherwood, Tigard, Tualatin