



**Washington County**  
Cooperative Library Services

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# Washington County Cooperative Library Services – Governance and Funding Evaluation

Near-Term Funding and Base Service Levels

Summary Report

January 2025

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## Introduction and Background

Public library service in Washington County is provided by a Partnership between Washington County (County), nine cities, and three nonprofit organizations (together known as the Cooperative). This long-standing Partnership has been in place since 1976. Washington County Cooperative Library Services (WCCLS) is a department of Washington County, and provides funding, core infrastructure, and support services to link sixteen library buildings into one countywide system which benefits all County residents. Library buildings are operated by city and non-profit Partner agencies (Partners), and Partners provide staff, physical collections, programs, and services. The member libraries of the Cooperative include the cities of Banks, Beaverton, Cornelius, Forest Grove, Hillsboro, North Plains, Sherwood, Tigard, Tualatin, as well as the Aloha Community Library Association, Cedar Mill and Bethany Community Libraries Association, and Garden Home Community Library Association.

In February 2024, Merina+Co (MCO), a local consulting firm, was contracted to conduct an evaluation of the existing Cooperative. Under the direction of Washington County and in collaboration with representatives from Cooperative Partners, MCO is facilitating a process for evaluating the current state of the Cooperative and developing mutually agreeable solutions for both and near- and long-term improvements to Cooperative governance, funding, and library service delivery. The Cooperative collaborated to establish a Shared Vision for the ideal state of the Cooperative as well as Shared Criteria that describe the characteristics of the ideal state for governance, funding, and library service delivery.

## Near-Term Opportunities

In October 2024, MCO issued a report summarizing the results of an evaluation of the current state of the Cooperative against the Shared Criteria to identify the key strengths and areas of opportunity for the Cooperative in the near- and long-term future. While evaluating all available opportunities for addressing the identified gaps requires full consideration of the long-term options for the Cooperative moving forward, the following near-term opportunities were identified (Table 1).

Table 1: Near-Term Opportunities (gaps) identified in the Current State Assessment

Governance	Funding	Service
<b>G1.</b> Provides Partners a meaningful role in governance and decision-making related to the Cooperative (Task 8)	<b>F1.</b> Allocates funding according to a transparent and objective methodology (Task 6 & 7)	<b>S3.</b> Leverages the use of resources across the Cooperative to create efficiency and economies of scale (Task 5)
<b>G5.</b> Provides mutual accountability over Cooperative services and funding (Task 8)	<b>F2.</b> Provides reliable and stable funding sources (Task 5)	<b>S4.</b> Provides a consistent level of base services to all community members (Task 5)
	<b>F3.</b> Sustains base service levels (Task 5)	

## Starting with Base Service Levels and Funding Options

In FY2024, Washington County contributed approximately \$39.7M to fund library services across the Cooperative, of which 44% came from the \$0.22 per \$1,000 assessed value (AV) library levy set to expire on June 30, 2026. Driven by the need to develop a proposed levy rate for the next levy cycle (FY2027-2031) and the County’s desire to begin addressing funding and service inequities by supporting a consistent level of service across the Cooperative, the WCCLS Funding and Governance Evaluation Project’s next steps were to evaluate options and establish agreements on Base Service Levels and funding options for the next levy cycle. This work constituted Task 5 of the Project Work Plan below in Table 2. Future work in Tasks 6-8 will seek to address the remaining near-term opportunities.

Table 2: WCCLS Funding and Governance Evaluation Project Work Plan

Funding and Governance Evaluation Project Work Plan	
<b>Phase 1</b>	
<b>Task 1: Project Management and Engagement/Communications Planning</b>	Ongoing
<b>Task 2: Information Gathering and Benchmarking</b>	Complete
<b>Task 3: Define Success (“Shared Vision and Shared Criteria”)</b>	Complete
<b>Task 4: Assess the Current State</b>	Complete
<b>Task 5: Future State Analysis – Base Service Levels and Near-Term Funding Options</b>	January 2025
<b>Phase 2</b>	
<b>Task 6: Future State Analysis – Service Boundaries Improvements</b>	June 2025
<b>Task 7: Future State Analysis – Funding Formula Improvements</b>	June 2025
<b>Task 8: Future State Analysis – Governance Improvements</b>	September 2025
<b>Phase 3</b>	
<b>Task 9: Revise Intergovernmental Agreements</b>	January 2026
<b>Phase 4</b>	
<b>Task 10: Long-Term Recommendations and Roadmap</b>	December 2026

The following sections summarize the approach used and outcomes of a series of work sessions and analyses aimed at providing alternatives for the Cooperative’s near-term funding, including the FY2027-2031 library levy, and a base level of library services that can be supported with County funds.

## Approach

Determining near-term funding alternatives and base service levels for the Cooperative that align with the Cooperative’s shared Success Criteria involved an iterative process of adjusting and evaluating the impacts of the available service and funding variables. *What* level of services are provided and *how* services are provided impacts the cost of providing those services across the Cooperative, while understanding what level of services the Cooperative can *afford* to fund with available resources has implications for what service level and service delivery options are available.

### Defining Base Service Levels

The level of library services provided across the Cooperative has largely been determined at the Partner level based on factors such as funding level provided by the County, local resources available to support library services, and local community needs/desires. While the Cooperative has had minimum service level expectations for Partners (45 hours per week and some basic expectations for staffing), no comprehensive definition of base service levels has been developed and the level of services funded by the County across partners differs<sup>1</sup>. To begin addressing these funding and service inequities, Partners collaborated through a series of work sessions to define a list of services that “must” and “should” be provided across the Cooperative, as well as that “may” be provided above the defined base level of services. This list of desired service levels was then divided into three categories – service levels that are currently being met by the majority of Partners were considered “Base Service Levels”, service levels that are not currently being fulfilled by the majority Partners were considered “Enhanced Service Levels”, and services that involved facilities or capital expenditures were denoted as outside the scope of this project. Partners also identified potential opportunities for increased efficiency to reduce service delivery expenses across the Cooperative. Two primary opportunities were identified to leverage the use of resources across the Cooperative through centralized service delivery to provide services at-scale and realize cost savings.

<sup>1</sup> See Current State Assessment (November 2024) at <https://www.wccls.org/writing-our-future> for more details.

## Modeling Near-Term Funding Realities and Funding Options

MCO forecasted likely costs for providing library services as-is over the next levy cycle (FY2027-2031) to establish a baseline for exploring different options for service levels and funding. This forecast was built upon the financial analysis of costs for providing library services across the Cooperative and current projections for the County's General Fund contributions and property tax revenues. Through a series of work sessions and individual conversations with Partners, potential cost savings from increased centralization of service delivery, as well as estimates for the expenses for supporting Base Service Levels were estimated. Outcomes from these exercises were overlaid with forecasted County resources and library levy rate alternatives to model what Base Service Levels can be supported by County funds under different levy rate scenarios.

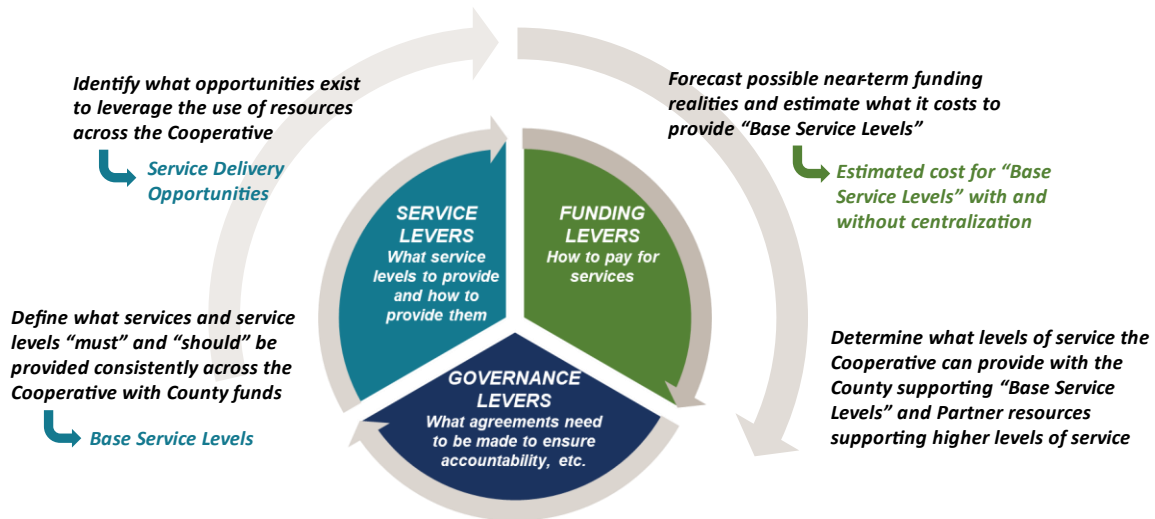


Figure 1: Approach to Modeling Alternatives for Near-Term Funding and Base Service Levels

## Results and Recommendations

Modeling of fiscal realities over the next five years indicated that the costs for providing library services will outpace expected revenues, to the extent that greatly reducing library open hours would be required, should the cooperative not adjust course. The financial reality means that difficult decisions need to be made around what service levels can be consistently supported by the County, how services will be provided, and to what extent the current local option levy rate should be increased, to sustain service levels for the community. The following sections outline the recommendations that have come out of the Cooperative process.

### Base Service Levels

The Recommended Base Service Levels listed in Table 3 consists of the services that "must" and "should" be supported consistently across the Cooperative by County funds. The Base Service Levels describe the level of service to be supported consistently by the County across the Cooperative, and Partners have the discretion of providing service levels above and beyond the defined service levels with local funding sources. The Base Service Levels do not define by whom and how the services are to be provided by the Cooperative as some services are provided centrally by WCCLS while others are provided locally by Partners.

Table 3: Proposed Base Service Levels<sup>234</sup> Services to be provided consistently across the Cooperative supported by County funds

<p><b>Collections &amp; Materials</b></p>	<p><i>Collection comprising books, media, or electronic resources.*</i></p> <p><i>Access to Interlibrary Loans.+</i></p> <p><i>Mail services for who experience physical barriers to accessing the library in-person.</i></p> <p><i>Digital collections in priority languages.+</i></p> <p><i>Digital support tools, learning tools, and databases.+</i></p>
<p><b>Community Engagement &amp; Outreach</b></p>	<p><i>Website that enables local library users to access State Library of Oregon resources and services available to all Oregon residents.*</i></p>
<p><b>Personnel</b></p>	<p><i>Employ at least 4.0 FTE^ or staffing sufficient to support 45 open hours (whichever is greater), including at least one full-time exempt employee.</i></p> <p><i>Make available paid library staff 100% of the time the library is open to the public.</i></p>
<p><b>Programs &amp; Services</b></p>	<p><i>Basic services for reference and youth services.*+</i></p> <p><i>Early Childhood Literacy Programs.+</i></p> <p><i>Youth Programs.+</i></p> <p><i>Teen Programs.+</i></p> <p><i>Adult Programs.+</i></p>
<p><b>Technology</b></p>	<p><i>Access to computers, scanners, and printers.</i></p> <p><i>Essential circulation technology to support efficient operations.</i></p> <p><i>Free public wireless Internet access (wi-fi).*</i></p> <p><i>Free public access computers with Internet access.*</i></p> <p><i>Catalogue accessible inside and outside of the library 24/7.</i></p>
<p><b>Public Spaces</b></p>	<p><i>Safe and secure access to services and spaces.+</i></p> <p><i>Be open to the public at least 45 hours^ per week with evening and weekend hours.</i></p>
<p><b>Operations</b></p>	<p><i>Basic policies in place and accessible online for collection management, circulation, and patron confidentiality that incorporate relevant American Library Association (ALA) professional ethical codes, rules, and guidelines.*</i></p> <p><i>Complete the annual statistical report as required under ORS 357.520 and OAR 543-010-0035.*</i></p>

<sup>2</sup> \*Service level is an Oregon State Library minimum condition for public libraries (OAR 543-010-0036)

<sup>3</sup> ^Service level exceeds Oregon State Library minimum conditions for public libraries (OAR 543-010-0036)

<sup>4</sup> +Service level requires additional clarification or definition to be addressed in future project phases ← could we specify which phases if we know that? That clarity would help the BCC understand we're not leaving hanging chads.

With the exception of three (3) Partners, the list of Base Service Levels is currently being fulfilled by Partners and/or WCCLS across the Cooperative. Partners also identified a list of services that “must” and “should” be provided consistently across the Cooperative that are only provided by some Partners or not at all. These services (listed in Appendix I) were categorized as “Service Level Enhancements” that should be prioritized for implementation as funding allows.

### ***Pursuing Efficiencies Through Centralization***

Partners identified two primary opportunities to leverage the use of resources across the Cooperative to provide services at-scale and realize cost savings, including the centralization of collection management and interlibrary-loan (ILL) processing. In addition to reducing duplication of efforts across Partners, a centralized service delivery model for collection management and ILL processing can enable the Cooperative to realize efficiencies through streamlined processes and support informed decision-making through comprehensive data analysis. Efficiencies gained from the pursuit of opportunities to provide collection management and ILL processing at scale across the Cooperative can help to reduce the necessary levy rate needed to support the defined base service levels or offset the contributions necessitated from Partners to sustain the defined base service levels.

### ***Near-Term Funding***

To keep pace with increasing costs and support a consistent level of base services across the Cooperative, it is recommended that the County:

- Pursue a minimum \$0.32 per \$1,000 assessed value levy rate (\$0.10 increase) for FY2027-2031,
- Transition to a centralized service delivery model for collection management and inter-library loan management

A \$0.32 per \$1,000 assessed value library levy combined with increased service delivery efficiency across the Cooperative is necessary to prevent reductions in library service levels provided across the Cooperative. As shown in Figure 2, a \$0.32 levy rate in FY2027-2031 supports the cost to provide the defined base service levels, when savings from pursuing the key centralization opportunities are incorporated.

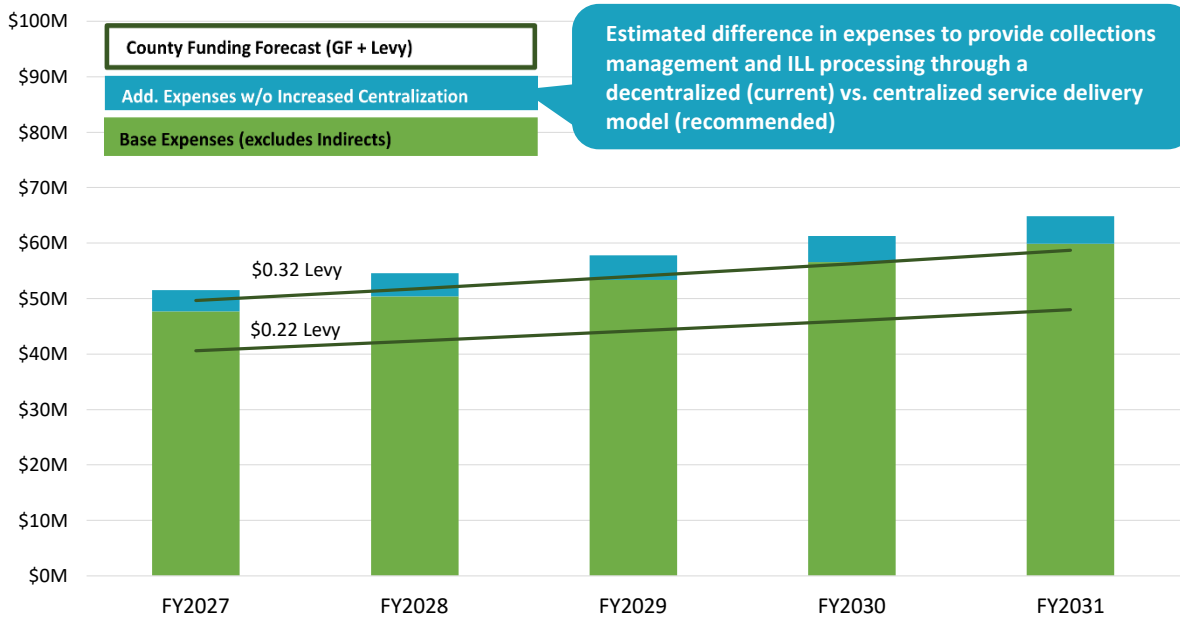


Figure 2: Estimated Library Expense Forecast for Defined Base Service Levels w/ Example Levy and Service Delivery Scenarios<sup>56</sup>

Table 4: Estimated Library Expense Forecast for Defined Base Service Levels w/ Example Levy and Service Delivery Scenarios<sup>78</sup>

	FY2027	FY2028	FY2029	FY2030	FY2031
County General Fund Contribution	\$20.6M	\$21.5M	\$22.4M	\$23.4M	\$24.4M
Library Levy (\$0.22)	\$20.0M	\$20.8M	\$21.7M	\$22.6M	\$23.6M
Library Levy Increase (\$0.10)	\$9.1M	\$9.5M	\$9.9M	\$10.3M	\$10.7M
<b>County Funding Forecast w/ \$0.32 Levy</b>	<b>\$49.7M</b>	<b>\$51.8M</b>	<b>\$54.0M</b>	<b>\$56.3M</b>	<b>\$58.7M</b>

	FY2027	FY2028	FY2029	FY2030	FY2031
Expenses to Support Base Service Levels w/ Increased Centralization	\$47.7M	\$50.4 M	\$53.4M	\$56.6M	\$59.9M
County Funding Forecast w/ \$0.32 Levy	\$49.7M	\$51.8M	\$54.0M	\$56.3M	\$58.7M
<b>Budget Over / (Under) w/ Increased Centralization</b>	<b>\$2.0M</b>	<b>\$1.4M</b>	<b>\$0.6M</b>	<b>(\$0.3M)</b>	<b>(\$1.2M)</b>
Additional Expenses to Support Base Service Levels w/o Increased Centralization	\$3.9M	\$4.2M	\$4.4M	\$4.7M	\$5.0M
<b>Budget Over / (Under) w/o Increased Centralization</b>	<b>(\$1.9M)</b>	<b>(\$2.8M)</b>	<b>(\$3.9M)</b>	<b>(\$5.0)</b>	<b>(\$6.2M)</b>

<sup>5</sup> Base Expenses include Personnel Services, Collections Expenditures, and Materials and Services. Facilities and Administrative Overhead expenses for city libraries have been excluded from the Base Expenses.

<sup>6</sup> See model assumptions in Appendix II – Financial Forecast Model Assumptions

<sup>7</sup> Base Expenses include Personnel Services, Collections Expenditures, and Materials and Services. Facilities and Administrative Overhead expenses for city libraries have been excluded from the Base Expenses.

<sup>8</sup> See model assumptions in Appendix II – Financial Forecast Model Assumptions

County Funding Forecast for library services assumes a 13%<sup>9</sup> reduction in County General Fund contributions in FY2026 and an annual 4.25% assessed value increase to General Fund contributions for each following year.<sup>10</sup>

### Costs to Sustain Base Service Levels

Partners were engaged to estimate the expenses needed to support the defined base service levels as well as potential savings from a centralized service delivery approach to collection and interlibrary-loan management. Partners that are currently not fulfilling the Base Service Levels require additional County funding to achieve the defined service levels. Additionally, some Partners currently rely on local funds to fulfill the list of Base Service Levels, while others are funded by the County at or above the level of funding needed to support the defined service levels.

Table 5: Count of WCCLS Partners based on current level of services and level of services supported by County funding

	Current County allocation supports level BELOW base service levels	Current County allocation supports level ABOVE base service levels
Partners NOT MEETING base service levels	3	-
MEETING or EXCEEDING base service levels	5	4

As shown in Figure 3 on the following page, in FY2027 an estimated \$46.5M (green) is needed to support the base service levels across the Cooperative with savings from centralization<sup>11</sup> or \$50.4M (green + blue) without any changes to service delivery methods. Approximately \$3.1M (dark brown) is forecasted to be necessary to sustain any current service levels *above and beyond* the base level of services. Expenses to support current service levels that are above the defined base level of services, as well as city Indirect Expenses, are not included in the expenses to be supported by County funds and are at the discretion of Partners to fund with local resources.

<sup>9</sup> Placeholder for General Fund Contribution One-Time Reduction in FY26. Actual reduction will be published in the proposed budget.

<sup>10</sup> See detailed model assumptions in Appendix II – Financial Forecast Model Assumptions

<sup>11</sup> The savings from centralization are represented by the estimated difference in expenses to provide collections management and ILL processing through a decentralized (current) vs. centralized service delivery model (recommended).



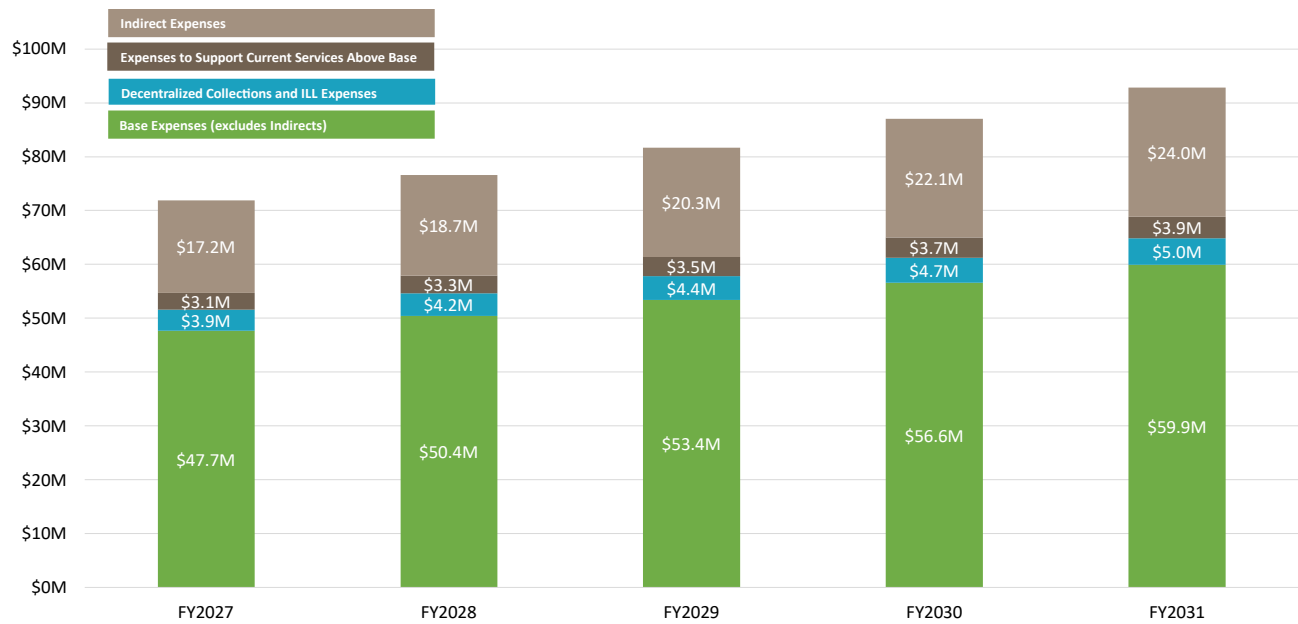


Figure 3: Estimated Library Expenses to Support Newly Defined Base Services Forecasted for FY2027-2031<sup>1213</sup>

### Next Steps

The WCCLS Executive Board reached an agreement (2/3 cities and 2/3 non-profits) to support a minimum \$0.32 per \$1,000 assessed value levy rate (\$0.10 increase) for FY2027-2031 and pursue a centralized service delivery model for collections and inter-library loan management in order to consistently and sustainably fund the service levels outlined in Table 3 across the Cooperative.

While recommendations have been made to move forward with the proposed framework for base service levels and pursue the identified centralization opportunities, the Cooperative has significant work to do to refine the details related to successfully implementing these changes. Tasks 6-8 of the Funding and Governance Evaluation Project (see work plan in Table 2), in addition to parallel efforts to facilitate the proposed service delivery changes, will be required to realize the benefits of these near-term changes.

Additionally, while it is recommended that the County pursue a minimum levy rate of \$0.32 per \$1,000 assessed value based on the anticipated funding needs to support base service levels across the Cooperative, levy rates should be informed by voter polling to gauge public support and ensure successful passage. Should a levy rate lower than \$0.32 per \$1,000 assessed value be adopted, the County would need to compensate by allocating additional general funds to meet funding gaps or reduce the level of services it supports across the Cooperative, which would result in diminished service levels.

Phase 2 of the Funding and Governance Evaluation Project, estimated to complete in June 2025, will focus on establishing transparent and objective methodologies for defining service boundaries and allocating County funds in support of providing the defined base service levels across the Cooperative.

<sup>12</sup> Base Expenses (green) include Personnel Services, Collections Expenditures, and Materials and Services. Facilities and Administrative Overhead expenses for city libraries are included in Indirect Expenses (tan).

<sup>13</sup> See detailed model assumptions in Appendix II – Financial Forecast Model Assumptions

## Appendix I – Service Level Enhancements

Table 6 outlines the services categorized as “Service Level Enhancements.” These services were identified by Partners as services that “must” and “should” be provided to the community, but are not feasible to fund consistently across the Cooperative given the current funding reality. Service Level Enhancements are either currently provided by some, but not most, Partners or are not currently being provided by the Cooperative. As future funding allows, these service enhancements should be prioritized for implementation across the Cooperative through centralized resources, support and/or cross-cooperative coordination.

Table 6: Service Level Enhancements

<b>Collections &amp; Materials</b>	<p><i>Mail service to community members who are unable to access the library in-person due to non-physical barriers.</i></p> <p><i>Physical collections in priority languages based on local demand.</i></p> <p><i>Access to internet enabled devices and hotspots to utilize the digital collection.</i></p>
<b>Community Engagement &amp; Outreach</b>	<p><i>Online and print outreach materials that are language accessible and created through a DEI lens.</i></p> <p><i>Conduct community engagement by meeting community members where they are at, including in priority languages based on local demand and with consideration towards under-represented community groups.</i></p>
<b>Personnel</b>	<p><i>Staff trained in customer service, tech skills, information validation/literacy, cultural humility, and trauma informed services.</i></p> <p><i>Access to personnel that speak languages that reflect community need.</i></p>
<b>Programs &amp; Services</b>	<p><i>Digital Literacy Programs.</i></p> <p><i>Programs in priority languages and culturally specific programs based on local demand.</i></p> <p><i>Resources for accessing social services.</i></p> <p><i>Access to public information and civic engagement resources.</i></p>
<b>Technology</b>	<p><i>Unstaffed locations, such as holds lockers, kiosks, and internet access points in community spaces.</i></p> <p><i>Technology support in priority languages based on local demand.</i></p> <p><i>Access to assistive technology stations at each library.</i></p>

## Appendix II – Financial Forecast Model Assumptions

Revenue Assumptions	Value
Impact of Future Property Tax Compression	0.00%
Property Tax Collection Rate	96.00%
Delinquent Property Tax Collection (% of Current Year Property Taxes)	0.50%
General Fund Contribution One-Time Reduction in FY26 <sup>14</sup>	-13.00%
General Fund Contribution Annual Growth	4.25%
Assessed Value Annual Growth	4.25%

*Source: Assumptions from current County models, forecasts*

Expenditure Assumptions	Annual Growth
Collection Expenditures	5%
Personnel Services	6%
Facilities Costs (Incl. rent, utilities, maintenance, janitorial, security, etc.)	10%
Administrative Overhead Costs (HR, IT, Finance, etc.)	8%
Materials and Services	6%

*Source: Based on past trends, Cooperative-wide averages*

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<sup>14</sup> Placeholder for General Fund Contribution One-Time Reduction in FY26. Actual reduction will be published in the proposed budget.