



Memorandum

To: WCCLS Executive Board
From: Marni Kuyl, Assistant County Administrator
Lisa Tattersall, WCCLS Manager
Date: September 5, 2025
Re: **Library Funding Allocation Proposal for Consideration**

Introduction

This proposal represents many hours of thoughtful discussion and collaboration to achieve process goals identified and supported by WCCLS collaborative partners:

- Allocates funding according to a transparent and objective methodology
- Leverages the use of resources across the Cooperative to create efficiency and economies of scale
- Assures a consistent minimum level of base services to all community members

Adjustments to the model were required to support partners in transitioning from the historical approach to the proposed model. The following funding allocation proposal features modifications to the methodology that arose out of thoughtful conversation with partners.

Proposal Highlights

Modifications to support partner needs and successful implementation

- Basing the per FTE unit cost on the average FTE cost for cities alone, rather than the average of cities and nonprofits. This increased the unit cost from \$119,000 to \$128,000.
- Ensure every partner receives at least a 5% increase from their FY25-26 allocation in the first year of the new levy cycle (FY26-27).
- Modify FY26-27 allocations for Aloha and Forest Grove to accommodate what can reasonably be spent and accomplished in one fiscal year, laying the groundwork for a thoughtful plan of expansion in infrastructure and service levels for those libraries.

Key agreements to support sustainable service in the current fiscal environment

- Indirect costs (also known as overhead or administrative charges) are allowable costs for city partners, assuming base service levels have been met.
- The proposed service boundaries, if recommended by partners and approved by the Board of Commissioners, would remain set through June 2031.
- No increase in County provided funds for any new full-service library locations will be added through June 2031 and should partners that operate more than one library building need to close a library location due to external financial circumstances, those partner allocations would not be reduced.
- Starting in July 2027, WCCLS will begin providing centralized physical collections, which will reduce the costs to provide service for all partners, thereby freeing up local resources for other service priorities.

Revenue-based escalation or reduction of allocations

The financial assumptions and projections used to develop this funding model result in projected annual increases of 4.25% for partners. Revenue sources for WCCLS:

1. Local option levy (pending voter approval): funds dedicated to library service
2. Transfer from County General Fund

Should these two revenue sources combined lead to a *net percentage increase* in revenue due to growth in county assessed value and a stable General Fund transfer amount then partners and WCCLS will see their allocation increase by that net percentage increase amount.

Should these two revenue sources combined lead to a *net percentage decrease* in revenue, due to reduction in the General Fund transfer amount, then partners and WCCLS will see their allocation decrease by that net percentage decrease amount.

The exception to this is Aloha and Forest Grove. These partners will see an increase of an additional 5.75% should net revenue increase by 4.25% or greater, to support a thoughtful expansion of service to meet base service levels. Should net revenue decrease, their allocations will be reduced by that net percentage decrease amount.

Fund Balance Target Considerations

After multiple discussions, there was no broad agreement reached among partners on a single fund balance target to bring back as a proposal for partner consideration. Therefore, this proposal includes four fund balance options for partner consideration. Partners should be prepared to discuss all viable options for each organization when the group convenes on September 25 to reach collective agreement for a recommendation to the Board.

Exceptions to the 3-month fund balance target would need to be approved by the Board of Commissioners. [See the table on page 4.](#)

Process Next Steps

- Partners will convene on September 25, 2025, to vote on this proposal.
- County staff will bring a recommendation from the partners to the Board of County Commissioners in October, assuming the cooperative reaches 2/3 agreement among city partners and 2/3 agreement among nonprofit partners.
- Should partners not reach agreement, staff will bring the status of the conversation so far to the Board of County Commissioners for their direction in October.

Four Fund Balance Options for Partner Consideration

		Proposed FY26-27 Allocation Options			
Partner	Budgeted FY25-26 Allocation	Option A	Option B	Option C	Option D
Aloha	\$585,549	\$1,581,151	\$1,651,361	\$1,672,425	\$1,686,467
Banks	\$255,983	\$512,000	\$521,401	\$524,221	\$526,101
Beaverton	\$6,822,021	\$7,424,000	\$7,560,309	\$7,601,201	\$7,628,463
Cedar Mill+Bethany	\$5,045,585	\$5,534,315	\$5,625,677	\$5,653,085	\$5,671,358
Cornelius	\$611,293	\$1,088,000	\$1,107,976	\$1,113,969	\$1,117,964
Forest Grove	\$996,517	\$1,231,813	\$1,270,297	\$1,281,842	\$1,289,538
Garden Home+West Slope	\$1,374,624	\$1,689,296	\$1,714,560	\$1,722,139	\$1,727,192
Hillsboro	\$6,217,317	\$6,992,000	\$7,120,377	\$7,158,890	\$7,184,565
North Plains	\$209,616	\$512,000	\$521,401	\$524,221	\$526,101
Sherwood	\$1,052,254	\$1,520,000	\$1,547,908	\$1,556,280	\$1,561,862
Tigard	\$4,310,668	\$4,526,201	\$4,604,344	\$4,627,787	\$4,643,415
Tualatin	\$1,914,143	\$2,009,850	\$2,045,690	\$2,056,442	\$2,063,610
WCCLS	\$13,124,838	\$17,000,000	\$17,329,326	\$17,428,123	\$17,493,989
Total	\$42,520,408	\$51,620,626	\$52,620,626	\$52,920,626	\$53,120,626

Fund Balance Target Notes for Options A - D				
Additional funding allocated for service delivery	n/a	\$1.0 million	\$1.3 million	\$1.5 million
Projected end fund balance in FY30-31	3.45 months	2.33 months	2.01 months	1.79 months
Average fund balance FY26-27 to FY30-31	3.27 months	2.22 months	2.35 months	2.56 months