



Tax Supervising and Conservation Commission

Multnomah County Library 2026-27 Budget Hearing Minutes

Friday, May 15, 2026

11:00 a.m.

Multnomah Building 501 SE Hawthorne Blvd.
Portland, Oregon

Present:

TSCC:

Chair Matt Donahue,
Vice Chair Dr. Rita Moore,
Commissioner Tod Burton,
Commissioner Dr. Will Terry,
Commissioner Erik Kvarsten,
Executive Director Allegra Willhite,
Budget Analyst Brittanie Abayare

Absent: None

Multnomah County Board of Commissioners:

Annie Lewis, Director of Libraries,
Katie Shifley, Finance and Facilities Director

Opening Remarks and Introductions

Chair Matt Donahue:

Chair Matt Donahue called the annual Multnomah County Library Budget Hearing to order and welcomed attendees. He stated that the TSCC is a community oversight commission established by the Oregon Legislature over 100 years ago that oversees the budgets of all TSCC member taxing districts, annually conducts a thorough budget review and certification process, and holds public hearings to engage with district leadership and provide additional opportunities for public comment before budget adoption.

The TSCC commissioners and staff then introduced themselves, with all confirming they had no conflicts of interest regarding the library. The library representatives, Director of Libraries Annie Lewis and Director of Finance and Facilities Katie Shifley, also introduced themselves to the commission.

Public Comment

No members of the public had signed up for testimony.

Commissioner Questions and District Responses

Question 1: Asked by Commissioner Erik Kvarsten: Congratulations on the opening of the 95,000-square-foot East County Library tomorrow! What metrics or community feedback are you using to measure the success and utilization of the new space and amenities?

- **Annie Lewis** answered that the library is absolutely thrilled to open the East County Library tomorrow and expects it to be bustling. She explained that they measure success using both quantitative and qualitative data across locations. Quantitative data includes door counts, community room usage tracking through a new online reservation system, program attendance numbers, post-event satisfaction surveys, and circulation metrics such as the number of holds, checkouts, and returned books. Qualitatively, the library bond program management office conducts post-opening surveys to gather initial reactions from patrons regarding the new building. Additionally, due to the unique nature of the East County Library, the district has contracted the local consulting firm ECONorthwest to conduct an economic impact study of the facility, which is expected to be completed in September 2027.

Commissioner Erik Kvarsten asked a follow-up question: Are you using similar methods to measure success at other renovated and new library buildings?

- **Annie Lewis** answered that they use similar metrics across all locations to guide their internal understanding of usage and impact. These metrics are also reported to the state library and tracked nationally, which helps the district compare itself to peer libraries across the country. She noted that the economic impact study by ECONorthwest is unique to the East County Library given the impact it is anticipated to have.

Question 2: Asked by Commissioner Tod Burton: Fiscal Year 2027 marks a significant milestone as the library system returns to full operational capacity. As part of infrastructure updates, the district adjusted the volume of materials available onsite and introduced new community services and technology access. What has the community response been to the tradeoff between traditional collections and these new amenities so far?

- **Annie Lewis** answered that the new library designs reflect extensive community input, balancing new features like technology access and community spaces with a dynamic collection. She acknowledged hearing dissatisfaction from a subset of patrons regarding reduced collections and lower shelving heights in refreshed locations, which impacts their ability to browse physical books. However, they have seen a tremendous increase in engagement and use of the new spaces. Door counts have quadrupled at the Albina Library, and community room usage has exponentially expanded since locations went from having one room to multiple. Furthermore, circulation demand continues to rise year-over-year, hitting over 17.6 million items in FY25 and a forecasted 18 million in FY27. On average, one-third of the collection is checked out at any given time. She highlighted that the library implemented a new Intelligent Materials Management System (IMMS), an innovative technological solution that strategically positions materials across locations based on dynamic patron demand, helping patrons find materials easier, and making it faster to restock shelves and fulfill holds.

Commissioner Tod Burton asked a follow-up question noting that he had read about the high expense of purchasing e-books and asked: Is that becoming a barrier for the library system to be

able to offer more?

- **Annie Lewis** answered that it is a huge driver of costs for their overall collection budget, and managing different pricing models is challenging. Multnomah County Library has one of the most-used digital collections in the nation, with 71% of circulation being digital compared to 29% print. She added that they are actively navigating this with publishers and aggregators at the state and national levels and exploring legislative solutions.
- **Katie Shifley** added that to balance the current year (FY26) budget, the library took a creative strategy to reduce the number of simultaneous e-book holds a patron can have from 20 down to 10 to manage high demand against challenging cost increases, noting they have not received many complaints about this change.

Commissioner Tod Burton asked a follow-up question about whether or not publishers were sympathetic to the cost.

- **Annie Lewis** answered that she spoke with publishers and aggregators at the Public Library Association conference in April 2026, and both are sympathetic and understand the challenges libraries face. She added that publishers face their own challenges and lean margins, as they have to ensure authors are equitably paid. She noted that there are states that have introduced legislation to help control costs at the state level, and the library is doing its best to advocate for its needs while recognizing the complexity of the shared challenge.

Question 3: Asked by Commissioner Rita Moore: The budget mentions operational adjustments to substitute staffing spending plans. We understand you launched a new substitute staffing team in January of this year, to handle day-of call-outs. Can you share a little more about how this works? And how effective has this team been in reducing service disruptions compared to the previous years?

- **Annie Lewis** answered that the substitute staffing team launched in January 2026 and operates out of four hub locations: Central, East County, Albina, and Hillsdale. Staff members at these locations are dispatched to other branches needing coverage on a given day. She stated the model has proven highly effective in creating operational stability; since January, it has successfully prevented full closures or limited door-only services. Between January and April, they received 264 requests for minimum staffing coverage, substitute staff were sent out 477 times, and there were only two minor delays in opening while staff traveled to a site. She noted this team has also provided internal advancement pathways, resulting in 17 promotions, mostly for employees moving from library safety liaison positions to library assistant classifications. Due to some turnover as staff transition into permanent positions, they are currently interviewing to fill vacancies at Central Library. The library will be formally evaluating the full staffing plan in FY27 to make adjustments going into FY28.

Commissioner Rita Moore asked a follow-up question: Have you seen any trends in absences over the last five years (since COVID) that differ from previous trends? Is that playing into the need to have this new team?

- **Annie Lewis** and **Katie Shifley** answered that while they did not have exact data in

front of them, they generally agree that looking pre-pandemic to post-pandemic, there has been a broader trend of higher utilization of sick time overall.

Question 4: Asked by Chair Matt Donahue: The Capital Fund currently holds \$94.8 million reserved for future uses. Can you discuss the district's strategy for this fund? What is the plan for spending, and will this fund continue to grow?

- **Katie Shifley** answered that the rapid growth in the fund balance was transitory, driven by underspending during the pandemic and significant vacancy savings accrued because the library was required to budget 100% of position costs but did not immediately fill vacancies during cascading closures for various refresh projects and long-term bond closures. They developed a future staffing plan working backward from the opening of East County Library and expect underspending to fall quite significantly going forward. She noted the district fund balance is also being used for major equipment that is not on county replacement cycles, like automated materials handling, IMMS, AV systems, and Maker Space equipment. Things like laptops and vehicles are on county replacement cycles through internal service rates, but these more cutting-edge investments are not.
- Regarding the \$94.8 million reserve, the strategy is to use it for the infrastructure needs of the district's 20-building portfolio. Because the library district faces a known structural operating deficit, it will not be able to maintain a "pay-as-you-go" approach to capital reinvestment into the future. Recent facilities condition assessments by the county facilities department for non-bond buildings forecast a need of about \$85 million in today's dollars over the next couple of decades to maintain current building assets, primarily the historic Central Library. This is likely an understatement of need, so they are currently doing a professional portfolio-wide assessment. She noted that the replacement for the new bond building systems and roofs will come due on a very similar cycle, making future capital needs substantial. Preserving a robust fund balance is vital to providing long-term service sustainability given the constrained operating budget outlook.

Chair Matt Donahue asked a follow-up question: Do you have a timeline and a minimum balance that you have in mind when you're doing the forecasting over the next five years?

- **Katie Shifley** answered that it is a trade-off between their ability to maintain pay-as-you-go funding versus needing to spend that down. Deviating from the pay-as-you-go funding model is a significant policy shift that requires a policy discussion with the district board before moving in that direction. They expect to be at the point to have that conversation within the next several years given the forecasts.

Chair Matt Donahue asked a follow-up question: Are the funds in the capital fund restricted other than by policy to be spent on capital?

- **Katie Shifley** answered that the definition of the fund dictates they should be spent strictly on library district capital projects.

Commissioner Tod Burton asked a follow-up question: If you look into your crystal ball with your forecast, do you anticipate asking voters for additional bonding authority?

- **Annie Lewis** answered that exploring outstanding capital needs for a potential future

bond, particularly those that are part of the framework established in 2017, is certainly something they are exploring going into FY27. They have allocated funding in the budget, put a team together to look at the future of a potential bond, but no decisions have been made yet.

Question 5: Asked by Commissioner Will Terry: The Library's financial forecast indicates a deficit at the current levy rate of \$1.22 per \$1,000 of assessed value. While the district has the authority to rise to \$1.24, you have proposed maintaining the \$1.22 rate for FY 2027. Given the structural operating deficit and the fact that personnel costs are outpacing property tax growth, it appears likely that a rate increase will be required to maintain long-term financial health in FY 2028. Should the Library District go through with a rate increase, how do you plan to communicate this upcoming change to voters? What outreach strategies will be used to notify the public regarding the transition to the maximum tax rate?

- **Katie Shifley** answered that a potential levy rate increase is a key component of their FY28 budget planning and five-year forecast, though it is not a foregone conclusion. An evaluation will be made next year in close collaboration with the library advisory board(the Library's community based advisory committee, the CBAC). The library advisory board specifically supported delaying the increase until FY28 to allow time to fully assess staffing and internal service costs. She noted they think internal service rates, especially IT, will pick up a little more going into FY28. Because this will be the first year all buildings are online since FY23, they are in a learning mode with new staffing and operating plans and need time to make tweaks and evaluate before going to the \$1.24 rate. Any formal proposal will be a transparent part of the public budget process. Given that the two-cent increase represents an annual impact of about \$4.68 for a home with median assessed value, determining appropriate community engagement will be an important step in the overall planning process to ensure a clear understanding of community impact and fiscal responsibility.

Commissioner Will Terry asked a follow-up question: How far would such a hypothetical increase go towards addressing the expected deficit?

- **Katie Shifley** answered that the two-cent increase would generate about \$2 million in additional revenue to support service provision.

Question 6: Asked by Commissioner Tod Burton: The Library reduced ongoing expenses by \$2 million, including operational adjustments to security at the Central Library. The budget message also lists "prioritize safety and security" as a key component for budget balancing. Can you share more about how cost reductions were realized without sacrificing safety and security?

- **Annie Lewis** answered that the library found deficit reduction options in areas of digital collections, travel, training, materials, and supplies. For security, cost reductions were realized by transitioning Central Library's overnight posted security and alarm monitoring to the Multnomah County security operations center, utilizing enhanced building alarm functionality and existing patrol services. They are currently assessing their ability to reallocate the savings from those patrol reductions to library-specific patrols to cover the highest priority locations, including Central Library. She emphasized that safety and security continues to be a top priority,

noting the overall security budget has doubled since FY19.

- Enhancements implemented at Central Library include 24/7 exterior camera monitoring from the county security operations center, posted security at front doors, regular exterior patrols during all hours, and limited exterior Wi-Fi based on recommendations from the Portland Police Bureau due to activity. Additionally, they increased the frequency of exterior pressure washing and trash removal, posted prominent rules signage, and stood up an operations team with city, county, and library leadership. The library engaged 4D Recovery for street-based outreach, which has been very successful in connecting folks with services, and engaged with local businesses. Inside, they recently installed Zeptive vapor sensors in restrooms to detect vapor from illicit drugs or vape products, a highly effective pilot that will be expanded to all library restrooms using bond funding. They also did positive exterior activations with the Portland Metro Chamber or Clean and Safe, removed and restored benches and the balustrade on Yamhill and 10th avenues (Taylor is still in progress), hired a new security manager, and are piloting an approach empowering Intercon officers to directly enforce rules and take the lead where needed to issue exclusions alongside the Person In Charge (PIC). Furthermore, a countywide restriction on firearms in library facilities was implemented, and exclusion guidelines and lengths are being updated to enhance effectiveness.

Commissioner Tod Burton asked a follow-up question: Have you seen an improvement in the number of security incidences at your libraries and in particular the central library?

- **Annie Lewis** answered that comparing a sample set of months from January through April 2025 to 2026 revealed no statistically significant year-over-year fluctuation in overall rule violations, with two notable exceptions. They saw a slight increase in Rule 4 violations (use of tobacco, alcohol, cannabis, or vape products) due to the new Zeptive sensors, and an increase in Rule 8 violations (unauthorized animals) from 12 to 27, likely due to enhanced numbers of exterior officers intercepting folks. She noted that incident numbers can just tell you that more enforcement is happening, but overall qualitative feedback from stakeholders indicates positive reception to the changes on the exterior of Central Library.

Commissioner Tod Burton asked a follow-up question: It sounds like with the increased effort and increased tools you're seeing more incidents, but that doesn't necessarily mean it's going to allow more enforcement of those rules?

- **Annie Lewis** answered that incident numbers were similar year-over-year, and that incident numbers are just one indicator which can also mean they are doing more enforcement. She stated they also look at the severity of incidents and more qualitative data. She added that they have seen the measures be very effective particularly for activity on the exterior of Central Library and have received positive feedback from different stakeholders regarding the reduction of activity on the exterior.

Commissioner Rita Moore asked a follow-up question: Can you give some sense of the security situation in the branch libraries, and for context, could you give some sense of how the security issues here in Portland compare with national trends?

- **Annie Lewis** answered that they see very different experiences depending on the community. They see very, very low numbers of incidents at Fairview, Capitol Hill, and Hillsdale; a moderate level at North Portland, Kenton, and Holgate; and Central is at the high end of incidents. Contracted security is placed based on incident volume and type, and the security manager monitors that to understand if additional or less security is needed. Regarding national trends, she noted she is regularly in communication with other urban library directors and confirmed that this is a very similar shared experience managing behavior needs, and Multnomah County is certainly not unique compared to other large urban systems across the country.

Question 7: Asked by Commissioner Erik Kvarsten: How will community engagement efforts shift now that the 2020 bond projects are wrapping up? What will be the areas of focus for community engagement in the coming years?

- **Annie Lewis** answered that with the bond projects concluding, the library will shift its engagement focus from building-specific emphasis to engaging the community around the programs and services the library offers. She noted they recently finished a qualitative "Patron Voices" project where they engaged with a sample set of patrons about what programs and services they want (with a report coming relatively soon) and will launch their annual quantitative patron survey this fall. Additionally, in FY27 they will launch a new strategic planning process to renew the library's strategic plan, updating the mission, vision, and values to ensure they continue to match what the community wants of its library and how they serve them.

Note: Question 8 ("We understand the district explored hosting a Preschool for All site at a library location, an effort that ultimately fell through due to differing seismic standards for preschool buildings. Although preschools may not be an option, are there other community partnerships being considered, ones that fit building codes and would allow multi-functional use of library spaces?") was skipped verbally due to time constraints. Chair Matt Donahue asked the library to submit a written response for the final question, and the library agreed.

Closing Remarks

Chair Matt Donahue thanked the library representatives for their thoughtful answers and congratulated them on the milestone of finishing the bond projects. He officially closed the library budget hearing and opened a regular business meeting for the TSCC.

Staff Recommendations & Certification

- **Allegra Willhite (TSCC Executive Director):**
 - Executive Director Willhite thanked library district staff for being thoughtful in their budget approach and always willing to collaborate on the nuances of budget law. She reported that the TSCC staff found the budget estimates to be reasonable for the purposes stated and in substantial compliance with budget law. Executive Director Willhite concluded by stating that the staff suggests no recommendations or objections on the fiscal year 2026-27 approved budget.

Vote to Certify

- A motion was made by Chair Donahue to authorize the Commission to sign the certification letter as recommended by staff.
- Vice Chair Moore moved and was seconded by Commissioner Will Terry.
- Chair Donahue called for a vote of all in favor.
- The Commissioners voted unanimously with verbal "ayes"
- Multnomah County Library's FY 2026-27 approved budget was certified by the TSCC.

There being no other business, Chair Donahue closed the meeting.