

SUMMARY OF 2016 WAUPACA COUNTY LIBRARY AIDS BUDGET REQUEST

Submitted by Outagamie Waupaca Library System

July 17, 2015

PROGRAM DESCRIPTION:

Under Wisconsin law, Waupaca County is responsible for providing public library services to county residents who reside outside of communities that maintain their own libraries. In order to provide convenient access to high quality library services, Waupaca County relies on existing municipal libraries to provide countywide library services. The County is also responsible for adequately compensating municipal libraries for this service.

The method and level of funding to be provided by the County to reimburse municipal libraries for serving residents of those jurisdictions in the county that don't operate a public library is specified in the *Waupaca County Library Service Plan*. This budget request is based on the methodology contained in the *Waupaca County Library Service Plan: 2015-2019*, which was approved by the Waupaca County Board of Supervisors on February 17, 2015.

Annually, OWLS collects library use and expenditure data from municipal public libraries and prepares a budget request based on the service plan funding methodology. Funding for the Library Aids budget is raised by taxing the residents of towns and villages that do not maintain public libraries. Residents of cities and villages that operate libraries are exempt from the county library tax. Waupaca County pays its annual library appropriation to OWLS for distribution to the municipal libraries.

BUDGET ISSUES:

Equity

The current system of paying for library services has the potential to be fair and equitable for all parties. Residents of communities with libraries support their libraries through their municipal property taxes, and all other county residents pay for library service as part of their county taxes. However, when the County reimburses municipal libraries for less than their full costs for providing countywide library service (i.e., less than 100% funding), the residents of these municipalities pay higher taxes to subsidize use of their libraries by non-residents.

Levy Limit Exemption

The county library tax is levied only on property in towns and villages that do not operate public libraries. In accordance with Section 66.0602(3)(e)(4), *Wisconsin Statutes*, the amount that the County levies to make payments to public libraries is not included in the County's levy limit. Consequently, Waupaca County has the ability to increase library funding without impacting the levy limit or other county budgets.

Library Use

The overall use of municipal libraries in Waupaca County was down in 2014 (4%). However, during the same period the number of items borrowed by residents of towns and villages without libraries decreased by 7%.

Unit Costs

In recent years, library operating costs have grown faster than circulation, increasing the average cost per circulation. Some of this is due to the increasing use of downloadable and streaming materials, which are not included in the circulation totals. In 2014 the combination of a small increase in expenditures (3%) and a decrease in circulation resulted in an increase in the cost per circulation (8%).

County Share of Library Service Costs

The county achieved the goal of compensating municipal public libraries at 100% of their costs for providing countywide library service first in 2014, and again in 2015, as the funding level increased from 82% in 2008 to 100% in 2014.

Year:	2008	2009	2010	2011	2012	2013	2014	2015	2016
Funding Level:	82.0%	85.2%	88.1%	91.0%	94.0%	97.0%	100%	100%	100%

A goal of the *County Library Service Plan: 2015-2019* is to continue to compensate municipal public libraries at 100% of their costs for providing service to county residents residing in jurisdictions without local libraries.

Although the cost per circulation increased in 2014, the county circulation decrease offset this cost, causing Waupaca County’s full share of library service costs to decrease slightly. 100% of the county formula will result in a budget decrease of .42% or \$4,065.

Library Service is a Bargain for the County

Contracting with municipalities for library service continues to be a bargain for Waupaca County. It is estimated that the owner of a \$100,000 home paying for library service through county taxes would continue to pay about \$37 in 2015, i.e. less than the cost of two new hardcover books. Even at the 100% funding level, residents living outside of communities with libraries will continue to pay significantly less for the same service than those living in communities with libraries.

Requested 2016 Library Payments

The following table shows the payments made from the 2015 library aids budget and the proposed 2016 payments:

LIBRARY	<u>2015 PAYMENT</u>	<u>REQUESTED 2016 PAYMENT</u>
Clintonville	\$134,968	\$134,040
Fremont	\$32,645	\$33,257
Iola	\$103,141	\$89,848
Manawa	\$91,065	\$105,374
Marion	\$32,021	\$34,460
New London	\$131,620	\$131,622
Scandinavia	\$18,164	\$15,903
Waupaca	\$372,639	\$368,485
Weyauwega	\$57,055	\$56,264
Total	\$973,318	\$969,253
Average Funding Level	100.0%	100.0%

Budget Details

The spreadsheet on the following page contains details of the 2016 library aids budget request.

2016 Waupaca County Library Budget Request
7/15/2015

Funding Percentage: 100.00%

	<u>2014</u>									
	Total Circ	Expenditures	Cost per Circ	County Circ	County Bill at 100%	2015 Payment	2016 Payment	% Change	% County Formula	Change
Clintonville	105,229	\$389,095	\$3.70	36,227	\$134,040	\$134,968	\$134,040	-0.69%	100.0%	(\$928)
Fremont	39,716	\$95,432	\$2.40	13,857	\$33,257	\$32,645	\$33,257	1.87%	100.0%	\$612
Iola	47,133	\$185,062	\$3.93	22,862	\$89,848	\$103,141	\$89,848	-12.89%	100.0%	(\$13,293)
Manawa	47,499	\$187,710	\$3.95	26,677	\$105,374	\$91,065	\$105,374	15.71%	100.0%	\$14,309
Marion	41,907	\$157,418	\$3.76	9,165	\$34,460	\$32,021	\$34,460	7.62%	100.0%	\$2,439
New London	134,085	\$434,726	\$3.24	40,624	\$131,622	\$131,620	\$131,622	0.00%	100.0%	\$2
Scandinavia	10,314	\$29,591	\$2.87	5,541	\$15,903	\$18,164	\$15,903	-12.45%	100.0%	(\$2,261)
Waupaca	287,891	\$823,039	\$2.86	128,841	\$368,485	\$372,639	\$368,485	-1.11%	100.0%	(\$4,154)
Weyauwega	50,151	\$158,474	\$3.16	17,805	\$56,264	\$57,055	\$56,264	-1.39%	100.0%	(\$791)
Total	763,925	\$2,460,547	\$3.22	301,599	\$969,253	\$973,318	\$969,253	-0.42%	100.0%	(\$4,065)

Only expenditures from governmental sources are included.