

## SUMMARY OF 2014 OUTAGAMIE COUNTY LIBRARY AIDS BUDGET REQUEST

Submitted by Outagamie Waupaca Library System

July 29, 2013

FUND: GENERAL 100  
FUNCTION: EDUCATION  
DEPARTMENT NAME: COUNTY EXECUTIVE  
COST CENTER NAME: LIBRARY COUNTY AIDS  
COST CENTER NUMBER: 1002239

### MISSION STATEMENT:

Under Wisconsin law, Outagamie 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, Outagamie County relies on existing municipal libraries to provide countywide library services. The County is also responsible for adequately compensating municipal libraries for this service.

### PROGRAM DESCRIPTION:

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 *Outagamie County Library Service Plan*. This budget request is based on the methodology contained in the *Outagamie County Library Service Plan: 2010-2014*.

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 County 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. Outagamie County pays its annual library appropriation to OWLS for distribution to the municipal libraries. The service agreement between Outagamie County and the Oneida Nation specifies that the Oneida library's costs will be based on an average of comparable library costs because the programming offered at the Oneida library costs more than traditional library services.

### 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), the amount that the County levies to make payments to public libraries is not included in the County's levy limit. Consequently, Outagamie County has the ability to increase library funding without impacting the levy limit or other county budgets.

### Library Use

The number of items borrowed from municipal libraries in Outagamie County in 2012 decreased by 3%, and the number of items borrowed by residents of towns and villages without libraries decreased by 2.2%. However, the use of municipal libraries remains strong. Over the past ten years the number of items loaned increased an average of 2.2% annually to 2,513,187 items. While fewer items were borrowed in 2012, over 47,000 downloads of digital content were used. In addition, nearly 1.2 million visits were made to municipal libraries during 2012, public Internet computers were used more than 193,000 times, and nearly 85,000 people attended library programs.

### Unit Costs

Because of flat or decreasing library budgets, reimbursable library expenditures decreased by 5.3% in 2012, resulting in a 2.5% decrease in unit costs. The 2012 cost per item loaned is \$0.26 per item less than it was ten years ago.

### County Share of Library Service Costs

Excellent progress has been made in recent years toward the goal of compensating municipal public libraries at 100% of their costs for providing countywide library service, as the funding level increased from 78.4% in 2007 to 96.1% in 2013.

<b>Year:</b>	2009	2010	2011	2012	2013	2014
<b>Funding Level:</b>	80.4%	84.2%	88.2%	92.1%	96.1%	100%

A goal of the *County Library Service Plan: 2010-2014* is to compensate municipal public libraries for 100% of their costs, based on the county funding formula, by the end of the 5-year period covered by the *Plan* (i.e., 2014). To achieve this goal the county funding level needed to be increased by 4% each year. This goal has been possible because of the levy exemption, and it is understood that the recommended funding methodology would need to be revisited should library payments no longer be exempt from county levy limits.

Because 2012 county circulation decreased by 2.2% and the cost per loan decreased by 2.5% in 2012, Outagamie County's share of library service costs has actually decreased by 4.7% to \$1,590,220. Consequently, the increase in funding level to 100% of the county formula will result in a budget decrease of 0.8% or \$12,965.

### Achieving Equitable Support

When municipal libraries are not reimbursed for all the countywide service they provide, residents of municipalities with libraries pay more for library service to subsidize use by rural residents. By reaching the 100% funding level, county residents will be reimbursing municipal libraries for their full cost of providing service to them.

### Library Service is a Bargain for the County

Contracting with municipalities for library service continues to be a bargain for Outagamie County. It is estimated that the owner of a \$100,000 home paying for library service through county taxes would pay less than \$26 in 2014, i.e. about the cost of a new hardcover book. Even at the 100% funding level, residents living outside of communities with libraries continue to pay significantly less for the same service than those living in communities with libraries.

The following are the payments made from the 2012 and 2013 library county aids budget and the proposed allocation for 2014:

<b>LIBRARY</b>	<b><u>2012 PAYMENT</u></b>	<b><u>2013 PAYMENT</u></b>	<b><u>REQUESTED 2014 PAYMENT</u></b>
Appleton	\$914,314	\$931,148	\$902,006
Black Creek	\$60,641	\$66,291	\$70,365
Clintonville	\$15,391	\$16,248	\$17,751
Hortonville	\$70,631	\$82,785	\$97,815
Kaukauna	\$129,885	\$132,506	\$127,885
Kimberly – Little Chute	\$156,538	\$162,906	\$161,626
New London	\$59,924	\$64,677	\$67,313
Seymour	\$76,211	\$86,736	\$92,412
Shiocton	\$25,372	\$33,297	\$29,778
Oneida	<u>\$25,641</u>	<u>\$26,591</u>	<u>\$23,269</u>
Total	\$1,534,548	\$1,603,185	\$1,590,220
Average Funding Level	92.1%	96.1%	100.0%