

Waupaca County Library Service Plan: 2005-2009

Waupaca County Library Planning Committee
August 9, 2004

Adopted by
Waupaca County Board of Supervisors
August 17, 2004

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Introduction

Under Wisconsin law, counties that participate in public library systems are responsible for providing library services to county residents who reside outside of communities that maintain their own libraries. Because Waupaca County is a member of the Outagamie Waupaca Library System (OWLS), it is required to engage in regular planning to ensure that county residents have access to adequate library services.

While county library service plans can address any appropriate issues, *Wisconsin Statutes* Section 43.11 requires that the Waupaca County plan address at least the following:

- How public library service will be provided to residents of those municipalities in Waupaca County not maintaining a public library.
- The method and level of funding to be provided by the County in order to implement services described in the plan, including the reimbursement of municipal libraries for providing countywide library service.
- A method for allocating membership on the OWLS Board between Outagamie and Waupaca Counties.

In May and June 2004, the Waupaca County Board of Supervisors appointed a seven member Library Planning Committee. (See Appendix A.) The committee developed this plan, held a public hearing, and presented it to the County Board of Supervisors for approval. It is the committee's intent for this plan to supersede the *Waupaca County Library Service Plan: 2000-2004*.

Review of the 2000-2004 County Library Service Plan

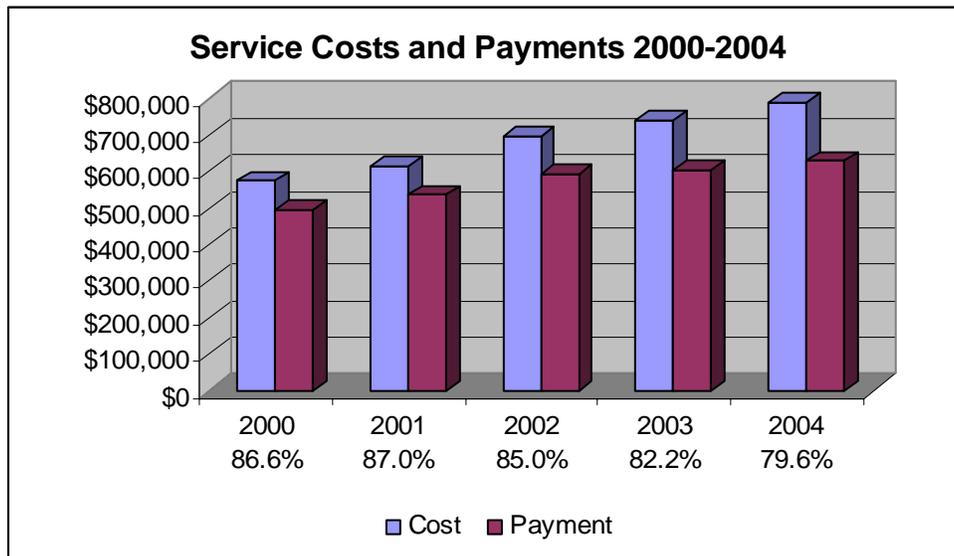
The Library Planning Committee's review of library service in Waupaca County indicates that the 2000-2004 Plan has been generally effective. Public libraries in the county have continued to do a good job of making high quality library services available to all residents of the county. Participation in OWLS has been good for public libraries and library service in the county, and OWLS has done a good job of coordinating countywide library service, including managing the annual budget process. The principles articulated in the 2000-2004 Plan (Appendix B) continue to be valid and have guided the development of this plan.

Compensation to municipal libraries continues to be the most significant issue that needs to be addressed by this plan. The committee has concluded that the current system of paying for library services (i.e., residents of communities with libraries support them through their local property taxes, and all other county residents pay for library service as part of their county taxes) has the potential to be fair and equitable for all parties. However, two specific problems have plagued the funding mechanism contained in the 2000-2004 Plan. Libraries are being compensated for a decreasing portion of their costs, and libraries are not being compensated at the same rate.

The Committee also discussed another issue that faces some Waupaca County public libraries. Libraries in municipalities located near the county line often provide significant levels of service to residents of other counties without adequate compensation.

Decreasing Funding Percentage

Because the amount and the cost of library service provided to the county by municipal libraries has increased more rapidly than the county’s reimbursements, the county is paying a decreasing percentage of the funding formula.



Percentage for a given year represents the portion of costs actually paid.

A 2000-2004 Plan goal was to compensate public libraries at 100% of the funding formula. This year libraries will be compensated at an average rate of 79.6%. At the current rates of increase in library expenditures, library use, and county funding, county funding is likely to drop to the 70% statutory minimum by 2008 or 2009.

The fact that libraries are not fully compensated for the county service they provide also contributes to the disparity in the levels of support for library service between municipalities with libraries and the remainder of the county. A result of receiving less than 100% funding is that municipal residents provide higher levels of support to subsidize the use of their libraries by non-residents.

Comparison of 2002 Library Support

	Per Capita	Tax Rate	\$100,000 Home
Municipal Average	\$48.71	\$1.282	\$128.20
Waupaca County	\$20.15	\$0.360	\$36.00
Waupaca County – 100%	\$23.68	\$0.424	\$42.40

Variation in Funding Percentages

Under 2000-2004 Plan, Waupaca County began using the state's new statutory funding formula in place of the funding methodology adopted in 1992. The two formulas were very different from each other, and they produced significantly different results for individual libraries. Library payments for 2000, which were based on the old funding methodology, converted to levels ranging from 72% to 139% of the statutory formula.

The 2000-2004 Plan recognized that "the switch to the new formula would need to be gradual so that no libraries would be penalized by the change" and that it would be "likely to take a number of years to achieve full funding." The Plan also assumed that by increasing payments to libraries receiving less than 100% funding and freezing payments to libraries receiving more than 100% funding, the variation in funding percentages would be reduced over time while holding libraries harmless.

While the situation has improved, because service costs have increased more than anticipated and county payments did not increase as much as anticipated, there continue to be significant variations in funding percentages among the libraries.

Range of Funding Percentages

Year	Minimum % ¹	No. = 70% ²	Maximum % ³	No. > 100% ⁴
2000	71.5	0	139.2	4
2001	70.0	1	161.6	3
2002	70.0	1	151.9	2
2003	73.4	0	134.3	2
2004	70.0	2	152.5	1

¹ Minimum funding percentage paid to any library

² Number of libraries receiving the statutory minimum funding level

³ Maximum funding percentage paid to any library

⁴ Number of libraries receiving more than 100% funding

Clearly, it is not equitable for some libraries to be regularly receiving reimbursements at a higher level than other libraries, and it does not appear that the current methodology would rectify this problem in the near future. Consequently, during last year's county budget deliberations the Finance Committee directed that the distribution of grants to libraries be reviewed and that libraries be brought "to equity by the 2007 budget year."

Recommended Funding Methodology

The Planning Committee recommends the following funding methodology, which is based largely on a modification of the statutory funding formula:

1. Determine Each Library's Cost of Service
 - a. A library's total operating expenditure in a given year, less capital expenditures and expenditures from federal sources, fines, fees, gifts, grants, or donations, is

divided by the total number of items loaned (i.e., circulation) during the same year to determine the library's cost per loan.

- b. A library's cost per loan is multiplied by its number of loans to county residents living in jurisdictions that do not maintain libraries to determine the library's cost of service provided to the county.

2. Determine Minimum and Maximum Funding Percentages (2005 – 2006)

For the 2005 and 2006 budgets, minimum and maximum funding percentages will be established in order to work toward funding all libraries at the same level in 2007. Beginning in 2007, all libraries will be funded at the same level, and this step will no longer be necessary.

3. Determine Each Library's Payment

- a. All libraries must receive an amount at least equal to the minimum funding level. Any library that was paid an amount during the previous budget year that is less than the minimum funding level will have its appropriation increased to the minimum funding level for the current year. (2005 – 2006)
- b. No library can receive an amount more than the maximum funding level. Any library that was paid an amount during the previous budget year that is more than the maximum funding level will have its appropriation reduced to the maximum funding level for the current year. (2005 – 2006)
- c. All other libraries (i.e., libraries receiving more than the minimum and less than the maximum funding level) will receive the same appropriation that was received during the previous budget year. (2005 – 2006)
- d. All libraries will receive payments at the same funding level. (2007 – 2009)
- e. Each library's payment under the county formula will be compared to the statutory minimum funding level for that library. If a library's funding under the county's formula is less than the required state minimum, its appropriation will be increased to the required minimum amount. (2005 – 2009)

4. Beginning in 2008, and in each succeeding year, the budget request shall contain an amount sufficient to increase the overall funding level by at least 1% in order to work toward achieving a 100% funding level.

5. Annually, OWLS will coordinate the budget request process and the distribution of the budget appropriation.

6. The OWLS Board will monitor the effectiveness of this funding methodology and recommend any changes to the Waupaca County Finance Committee. In 2009, this methodology will be evaluated by a new County Library Planning Committee.

Rationale

It is recommended that the funding methodology be based only upon municipal costs. The Planning Committee supports the philosophy that Waupaca County should be reimbursing the cities and villages for their actual governmental costs, not for library operating costs that are supported by gifts, grants, donations, or miscellaneous income generated by the library. This change will increase the county's overall funding level and make it easier to achieve the goal of providing 100% funding. This approach also provides a more equitable distribution of county funding because some libraries receive significantly more non-governmental funding than others.

In order to get all libraries to the same funding level, it will be necessary to set minimum and maximum funding percentages for the next two years. Unless the county increases its annual library budgets significantly during this period, some libraries will receive cuts in their appropriations. It can be argued that this is appropriate because they have been receiving a higher level of funding than other libraries in the county.

Finally, it is recommended that OWLS continue to be the agent to coordinate the annual budget process.

Goals and Objectives

Goal A: To continue membership in OWLS in order to ensure that all residents of Waupaca County have access to all library services provided by all public libraries in the county and library system.

Objectives:

1. Waupaca County shall regularly meet all statutory requirements in order to continue its membership in OWLS. (2005-2009)
2. Waupaca County shall regularly appoint five members to the OWLS Board in accordance with this plan and with Section 43.19, *Wisconsin Statutes*. (2005-2009)
3. Waupaca County shall designate the OWLS Board to coordinate the implementation of countywide library services. (2005-2009)
4. Waupaca County shall encourage all municipal libraries in the county to continue their memberships in OWLS. (2005-2009)

5. OWLS shall continue working with neighboring systems and counties to resolve intersystem service inequities so that Waupaca County libraries are compensated adequately for providing services to residents of other systems. (2005-2009)

Goal B: To compensate public libraries at 100% of the funding methodology included in this plan for providing service to county residents residing in jurisdictions without local libraries.

Objectives:

1. OWLS shall annually collect circulation and expenditure data from municipal public libraries in the county and prepare a library budget request based on the County's funding methodology. (2005-2009)
2. OWLS shall annually submit the library budget request to Waupaca County in accordance with county and statutory deadlines. (2005-2009)
3. Waupaca County shall annually appropriate funding to compensate municipal libraries for providing services to residents of jurisdictions without local libraries. (2005-2009)
4. Waupaca County shall pay its annual library appropriation to OWLS for distribution to the appropriate municipal libraries. (2005-2009)

Goal C: To engage in continuous planning and education regarding the provision of public library services to Waupaca County residents.

Objectives:

1. The OWLS Board shall annually review this plan and shall forward to the County Board any recommended revisions. (2005-2009)
2. The County Board shall appoint a library planning committee to revise this plan or develop a new county library service plan whenever warranted. (2005-2009)
3. The County Board shall appoint a library planning committee to revise this plan or develop a new county library service plan. (2009)
4. OWLS shall regularly provide detailed statistical information to all municipal libraries about services provided to residents of all jurisdictions within the county. (2005-2000)
5. Waupaca County shall encourage all municipal libraries in the county to regularly share information with town and county officials about library use by their constituents. (2004-2009)

Appendix A

Waupaca County Planning Committee Members May 2004

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Appendix B Guiding Principles

In order to develop a plan, it is necessary to articulate the underlying principles and assumptions that inform and shape the plan. This plan has been developed in the context of the principles and assumptions listed below. These principles are based on statutory requirements, history, or current practices.

1. All Waupaca County residents should have convenient access to high quality library services and should be free to use any public library in the county or library system.
2. Waupaca County should continue to rely on its existing municipal libraries to provide countywide library service. There is no need for the county to implement a new structure to provide additional library services.
3. The county has a responsibility to fairly compensate municipal libraries for providing countywide service.
4. The county should continue to contract with OWLS, and OWLS should continue to contract with the individual municipal libraries to ensure that countywide service is provided.
5. Public libraries within Waupaca County currently provide sufficient access to a high level of services. Any future county library service plans should attempt to preserve this level of access and services.
6. Because municipal libraries are making satisfactory efforts to provide appropriate services, this plan need not recommend any minimum service standards. However, all municipal libraries are encouraged to develop services in accordance with the *Wisconsin Public Library Standards*.
7. Local library boards have autonomous authority for determining local library service programs. This authority includes a responsibility to plan and deliver local library services in the most cost-effective manner possible.
8. Local libraries have a responsibility to collect and report the circulation and financial data used to determine county budget requests as accurately as possible.
9. Waupaca County encourages municipalities to appoint non-residents to their public library boards so that all county residents are represented in decision-making regarding library policies and operations.

2005 Waupaca County Library Budget Request
Based on Recommended Funding Methodology
July 14, 2005

						Minimum % Maximum %	78.5% 100.0%			
	2003 Total Circ	2003 Net Expend	Cost per Circ	2003 County Circ	County Bill 100%	2004 Payment	2005 Payment	% Change	% Formula	Change
Clintonville	97,202	\$352,029	\$3.62	33,444	\$121,122	\$94,847	\$95,080	0.2%	78.5%	\$233
Fremont	36,430	\$62,400	\$1.71	10,976	\$18,801	\$18,647	\$18,647	0.0%	99.2%	\$0
Iola	52,649	\$131,445	\$2.50	27,103	\$67,666	\$48,464	\$53,698	10.8%	79.4%	\$5,234
Manawa	43,987	\$117,398	\$2.67	24,330	\$64,935	\$49,151	\$51,149	4.1%	78.8%	\$1,998
Marion	43,323	\$85,429	\$1.97	8,061	\$15,896	\$22,033	\$15,896	-27.9%	100.0%	(\$6,137)
New London	141,373	\$322,161	\$2.28	47,144	\$107,432	\$105,260	\$105,260	0.0%	98.0%	\$0
Scandinavia	11,558	\$20,929	\$1.81	5,440	\$9,851	\$9,443	\$9,443	0.0%	95.9%	\$0
Waupaca	257,105	\$637,461	\$2.48	133,983	\$332,195	\$242,900	\$260,773	7.4%	78.5%	\$17,873
Weyauwega	34,386	\$130,150	\$3.78	10,246	\$38,781	\$38,444	\$38,444	0.0%	99.1%	\$0
Total/Average	718,013	\$1,859,402	\$2.59	300,727	\$776,677	\$629,189	\$648,390	3.1%	83.5%	\$19,201

Net expenditures equals operating costs to the municipality that operates the library.
Payments to libraries receiving more than the minimum percentage are frozen.
No library receives more than the maximum percentage.