



June 7, 2024

To: County Executive Jamie Kuhn
From: Rex Owens, Library Board President
RE: Program Service Reimbursement Proposal

Dane County Library Service reimburses libraries for their services to towns and villages without libraries. These municipalities are non-exempt (NE) from paying the County Library Tax. Villages and cities that have libraries support library service through their municipal taxes. The County Library Tax has been in place since the advent of the Library Service in 1966; it reimburses libraries for 100% of the cost of NE residents' check out of library materials. In 1999, a Facility Reimbursement was added to reimburse libraries for the physical use of their buildings by NE residents. This reimbursement also recognized that new and expanded libraries were built to accommodate NE residents in nearby service areas.

You will appreciate that library service has changed significantly since the Facility Reimbursement was introduced in 1999. Libraries were called upon to provide an elevated level of service in 2008 and subsequent years due to the economic recession. Libraries pivoted unexpectedly and creatively during COVID, when services were delivered in entirely creative ways. They resumed a "new normal" when in-person service was safe for library patrons; they enthusiastically returned to libraries.

Past thought held that programming costs were included in a library's Operational Reimbursement, when circulation was thought to be the ultimate measure of library use. A comparison of Dane County Library program offerings and attendance in 1999 and 2023 dispels the notion that programming is an "extra" or "nice" service; in fact, it is fundamental to 21st century library services. From 1999 to 2023, program offerings increased from 3,287 to 12,673, a 286% growth. Attendance at programs grew from 92,432 to 324,079, a 251% increase. It is clear that library programs are highly desired by Dane County residents. NE municipalities have paid for library service according to a circulation-based system that allows DCLS the specificity of knowing where a patron lives and to charge for the number of items checked out by those residents. As libraries have grown their services beyond the checking out of materials, reimbursement for services such as WiFi, technology assistance and program attendance is harder to track.

It is the consensus of the Dane County Library Board that Dane County Libraries should be reimbursed by towns and villages for their program offerings. The model we propose is derived from the Facility Reimbursement formula that uses the percentage non-exempt resident circulation data. That percentage is multiplied by the total circulation to define the NE use of programming. That use is then multiplied by the programming cost of \$.50, which is the average per person expenditure for programs across Dane County libraries. This determines the total Program Reimbursement budget amount, which is then distributed across Dane County libraries based on their share of service to NE residents as reflected by circulation.

Proposed Program Reimbursement Formula

Total Annual Circulation at DC Libraries	5,741,375	2023
% of total circ by N-E residents paying the county library tax	14.14%	2023
	811,801	\$0.50
Total Program Funding Required	\$405,900	

Distribution of Funding

	Circ by N-E	Share of Service	Share of Funding	Lib Pymt
Belleville	8,705	1.07%	\$4,352	\$4,352
Black Earth	7,783	0.96%	\$3,892	\$3,892
Cambridge	8,103	1.00%	\$4,051	\$4,051
C.Plains	20,710	2.55%	\$10,355	\$10,355
Deerfield	8,755	1.08%	\$4,378	\$4,378
DeForest	69,888	8.61%	\$34,944	\$34,944
Fitchburg	16,620	2.05%	\$8,310	\$8,310
Madison	147,987	18.23%	\$73,994	\$73,994
Marshall	8,873	1.09%	\$4,436	\$4,436
Mazomanie	4,024	0.50%	\$2,012	\$2,012
McFarland	31,842	3.92%	\$15,921	\$15,921
Middleton	90,869	11.19%	\$45,435	\$45,435
Monona	14,211	1.75%	\$7,106	\$7,106
Mt. Horeb	47,721	5.88%	\$23,861	\$23,861
Oregon	53,099	6.54%	\$26,549	\$26,549
Stoughton	50,125	6.17%	\$25,063	\$25,063
Sun Prairie	109,332	13.47%	\$54,666	\$54,666
Verona	62,741	7.73%	\$31,371	\$31,371
Waunakee	50,412	6.21%	\$25,206	\$25,206
TOTAL	811,801	100%	\$405,900	\$405,900

The Library Board recommends that this reimbursement is made on an actual yearly use basis, as opposed to the Operational and Facility Reimbursements that rely on a 3-year averaging of circulation. The 3-year average is to provide a smoothing affect so that changes in reimbursement are gradual. The reimbursement for the Program Reimbursement Proposal is relatively small in comparison; thus, using the year of service is reasonable.

The impact on the County Library Tax for this reimbursement addition is relatively small The 2025 County Library Tax levy estimate is \$.0003389119. With the Program Reimbursement, the levy would be \$.0003639719, or about \$10 on an average home.

The Library Board looks forward to your review of this proposal and addressing questions you or your staff may have. We bring this proposal to you in the spirit of sustainable library service for all Dane County residents. Please do not hesitate to contact me with any questions. Thank you for your consideration of this worthy venture.