WRLS TRUSTEE BULLETIN

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COUNTY REIMBURSEMENT FOR NONRESIDENT CIRCULATION

Libraries in WRLS rely on reimbursement from counties for services provided to library users outside of their municipality and who do not pay a municipal library tax. There is sometimes confusion among library board members, municipalities, counties and even library directors about how reimbursement works. This edition of the newsletter is devoted to clarifying this complex, but very important, aspect of library funding.

History of Nonresident Reimbursement

Previous to Nonresident Reimbursement laws in Wisconsin, while public libraries took great pride in serving everyone who walked in the door, services were being stretched thin by users who lived outside of the funding municipality and were not contributing to any public library funding. To address this funding inequity, the Wisconsin Legislature introduced the following laws.

Act 150: In 1998, ACT 150 passed, mandating in-county reimbursement for non-resident library usage, with first payments made to libraries in 2001.

Act 420: Passed in 2007, requiring adjacent county reimbursement, with first payments made in 2008.

Act 157: In 2017, now including consolidated county libraries in reimbursement requirements, IF the county library seeks reimbursement from any adjacent county.

Formula for Reimbursement



Total Operating Expenditures ÷ Total annual circulation = Unit Cost

Each library carefully tracks the address/municipality of each library user, and then tracks the number of items checked out to each user. Libraries do not track what was checked out to each resident, just the number of items for each taxing municipality, whether a city or township. For most libraries, those numbers are automatically tracked by their library circulation software. Then

those nonresident circulations for each county are multiplied by the Unit Cost for each library (formula above) resulting in a total reimbursement number. This is an actual reimbursement for services provided.

Minimum Reimbursement

Counties are required to reimburse libraries at a minimum of 70% of the total reimbursement formula cost. This means the formula used is *Nonresident Circulation multiplied by the Unit Cost multiplied by 70%*. Some counties in WRLS have voluntarily increased their levels of nonresident reimbursement to support the libraries in their county. Currently Jackson County reimburses at 76%, Monroe at 80%, and Trempealeau at 100%, with the remaining counties at 70%. Each county has a unique fiscal situation.

Reimbursement Timeline

Each library and county must meet the following deadlines:

March 1: Counties must make payment to libraries for the previous years borrowing.

April 1: Consolidated county libraries must notify adjacent counties of intent to bill for nonresident usage.

July 1: Required information must be provided to the counties. (WRLS coordinates for member libraries)

County Library Exception: La Crosse County

In our region, the La Crosse County Library is in a unique situation as every resident of La Crosse County pays a library tax, so are not considered "nonresidents" related to nonresident borrowing. Because of this, for many years La Crosse County did not reimburse libraries in contiguous counties for nonresident borrowing by their residents. Per state statute though, the La Crosse County Library was able to seek nonresident reimbursement from contiguous counties, but their county was not required to pay it. This ended up being a contentious issue in other parts of the state, which resulted in Act 157. This new law allowed libraries in counties contiguous to La Crosse County to seek reimbursement IF La Crosse County Library seeks reimbursement from any of their neighboring counties. If the county libraries do not seek reimbursement, then libraries in contiguous counties cannot seek reimbursement from the county with a county library service.

Impact and Value of Nonresident Reimbursement

Libraries rely on county reimbursement funding to provide important services to their communities. Without this funding, those services to <u>all</u> users will suffer and be diminished. For this same reason, it is important that municipalities not reduce their allocations to their municipal library based on potential increased county funding. Doing so diminishes the value of the county nonresident reimbursement and creates a different funding deficit. Previous to county nonresident legislation, libraries operated at a deficit because they were serving library users who did not contribute to supporting those services. If a municipality reduced its funding based on increased county funding, that creates a different funding deficit and harms services.

Nonresident Reimbursement Wisconsin State Statutes



- 43.12: County payment for library services
- Details all requirements related to nonresident reimbursement.

43.60: County appointments to municipal and joint public library boards

• Outlines the formula for additional library board appointments based on level of county funding as a proportion of municipal library funding.

I have come to believe that public libraries are one of the important cornerstones of our democracy. The free and easy access to information and to literature is a hallmark of a healthy society. I do events in libraries of all sizes, but I feel especially bound to serve the people and libraries of small towns, to help encourage reading and an appreciation of every blessing that books offer us. As I've often told audiences, we need to realize what a treasure a public library is to every community, and we need to support them in every way we can. Libraries are nothing less than the archives of our culture, and if our libraries disappear, there goes everything we are as a people. - William Kent Krueger

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Next edition: Championing Libraries!