

Madison Public Library -- 2010 Payment  
Dane County Library Service

Operating Reimbursement Formula

$$P=[((2008U*2008E)+(2007U*2007E)+(2006U*2006E))+((2008X+2007X+2006X)/3)-S]*A$$

**P**

= Madison's Payment of \$393,317. The county distributed a total of \$3,125,400 to libraries in Dane and surrounding counties in 2010. \$2,966,300 was distributed to the 18 municipal libraries in Dane County using this formula.

**U**

= Use, with a unit measure of checkouts. This number represents the checkouts at the Madison Public Library to library card holders residing in areas taxed by the county for library service. In 2008 Madison checked out 510,350 items to these users; in 2007 509,784 items; and in 2006, 533,682 items. City of Fitchburg cardholders accounted for nearly 40% of these checkouts.

**E**

= per unit Expenditure. This factor is determined by dividing the library's expenditures from local tax sources including village and county funds by its total circulation in each of the three years. In 2008, Madison's per unit cost was \$2.53; in 2007, \$2.31; and in 2006 \$2.18.

**X**

=The Cross-usage adjustment to compensate other libraries used by Madison patrons and to compensate Madison for serving residents of other municipalities with libraries. The net result of this factor averaged over 2008, 2007, and 2006 was a negative \$723,140. Across all libraries, the net impact of cross-usage charges is \$0.

**S**

= The service charge for shared services including daily delivery and outreach delivery for 2010 is \$93,741. The costs of these shared services are shared countywide and are based on the share of property value in each municipality.

**A**

= Available funding expressed as a percentage. In 2010, county funding allowed payments to be made at 100%.

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Facility Reimbursement Formula

$$P = [(((2009U * 2009F * 2009C * S) + (2008U * 2008F * 2008C * S) + 2007U * 2007F * 2007C * S) / 3) + (2009X + 2008X + 2007X) / 3) + F] * A]$$

**P**

= Madison's Payment of \$23,698.

**U**

= Use of libraries attributable to residents of areas taxed by the County for library service. In 2009, this percentage was 13.17; in 2008, 13.3; in 2007, 13.55.

**F**

= square Feet of space dedicated to public library service in Dane County. For 2009, libraries reported 446,337 square feet; in 2008 and 2007, 435,973 This number has grown over 100,000 square feet since 2000, an increase of over 35%.

**C**

= Cost per square foot. This represents the lowest square foot lease cost paid by Dane County in 2009, 2008, and 2007: \$6.73.

**S**

= Madison's Share of the use of libraries made by residents of areas taxed by the county for library. In 2009, this was 26.53%; in 2008, 26.55%, and in 2007, 26.89%.

**X**

= Cross Usage adjustment. Again, this adjustment compensates other libraries used by Madison patrons and Madison for serving residents of other municipalities with libraries. The net result of this factor in 2009 was -\$152,806; 2008, -\$120,364, and 2007, - \$97,423.

**F**

= Fitchburg adjustments in this transition year. Fitchburg plans on opening its first library July 1, 2011. Assuming the city requests and is granted an exemption from the county library tax, it will assume financial responsibility for services its residents consume at other libraries. As a result, Madison's payment will be supplemented by \$33,021. This amount is determined by taking 50% of the average use by Fitchburg residents at Madison libraries in the years 2007, 2008, and 2009 times the average per unit facility reimbursement in those years. This is a sum certain payment and assumes that Fitchburg residents will not change their library use patterns until their library opens.

It is assumed that use patterns will change after the Fitchburg Public Library opens. Projections of this shifting use have been made for purposes of contract payments in 2011, but it should be noted that the contract the city of Fitchburg will sign in order to be granted an exemption from the library tax requires that over or under payments be corrected in 2012. The contract also requires a shift in payments if the Fitchburg library does not open on schedule.

As of July 1, use by Fitchburg residents at other libraries and use at the Fitchburg library by residents of other municipalities with libraries becomes cross-municipal use.

For contract payment purposes, it has been estimated that Madison will owe Fitchburg \$3,972 in facility payments for serving Madison residents. Further, it has been estimated that the City of Fitchburg will owe Madison \$12,208 in facility payments for service Madison libraries provide to Fitchburg residents between July 1 and December 31. This assumes that 40% of the current use of Madison libraries by Fitchburg residents will be retained after the Fitchburg library opens.

**A**

= Available funding expressed as a percentage. The 2011 funding level has not yet been determined.