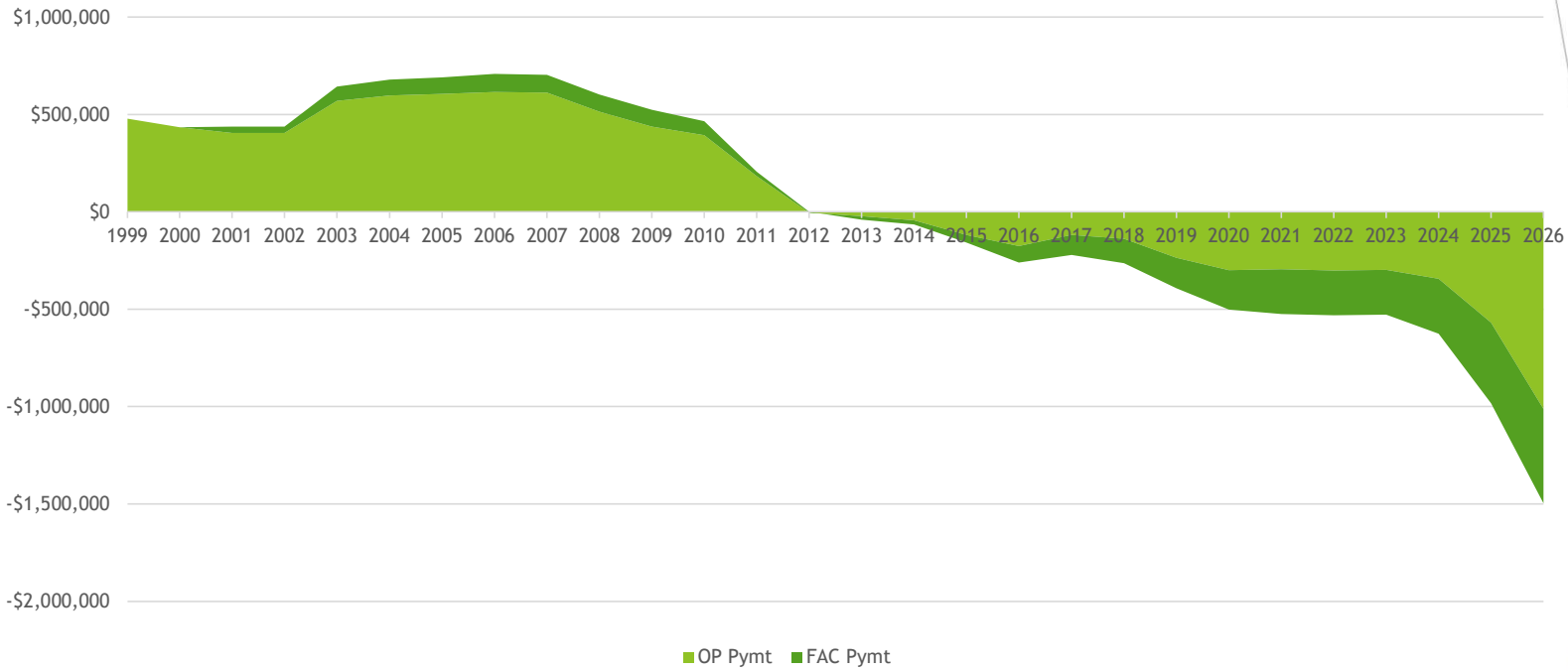


Dane County Reimbursement

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Madison's reimbursement history, 1999-2024



Reimbursement formulas

- ▶ Payment for services already provided
 - ▶ Operational est. 1967
 - ▶ Facility est. 2001
- ▶ Constant factors:
 - ▶ $\text{Cost per circ} = \text{Expenditures} / \text{Circulation}$, per AR
 - ▶ Circulation = over-the-counter checkouts & renewals, per AR
 - ▶ PSTAT report from SCLS - resident data
 - ▶ 3 YR AVG; 2026 figures = AVG 2022/2023/2024
- ▶ Definitions:
 - ▶ DLT = DC Library Tax Payer
 - ▶ XMUN = Cross municipal use; “librariated” residents using other libraries

Operational Formula

- ▶ 3 components
 - ▶ **BASE:** DLT use of MAD EX: CG checkout at PIN
 - ▶ Cost/circ = Expenditures/Circulation
 - ▶ DLT circ at MAD
 - ▶ Circ X Cost/circ; 3 YR AVG
 - ▶ **XMUN: Svc TO or Svc FROM**
 - ▶ SUN checkout at MAD or MAD checkout at FCH
 - ▶ Circ X Cost/circ; 3 YR AVG
 - ▶ Net +/- added to Base
 - ▶ **CENTRAL SERVICES: benefit all**
 - ▶ Delivery, outreach & admin costs
 - ▶ Deducted from base & net XMUN
 - ▶ MAD not charged for outreach

DLT = DC Library tax payer

MAD SERVICE & USE 2015-2024

SVC to LT residents	Circ	AVG
2015	257470	
2016	240397	
2017	237223	245030
2018	216211	231277
2019	196063	216499
2022	136066	182780
2023	111833	147987
2024	106993	118297
XMUN	Circ	AVG
Svc TO		
2017	178224	
2018	167576	
2019	161167	168989
2022	106231	144991
2023	120168	129189
2024	112919	113106
Svc FROM	Circ	AVG
2017	726885	
2018	725367	
2019	730535	727596
2022	640120	698674
2023	651265	673973
2024	677568	656318

Facility Formula

- ▶ Total Library Square Feet X % DLT circ = DLT SqFt use
- ▶ DLT SqFt use X lowest cost/SqFt paid by DaneCo = Facility Funding
- ▶ Funding is distributed across libraries as a % of DLT circulation
- ▶ XMUN cost/circ = 3 YR AVG Facility funding/3 YR AVG DLT use (EX. \$1.15)
- ▶ Cost/circ is multiplied by XMUN use; 3 YR AVG
- ▶ % Facility funding +/- XMUN = reimbursement or payment

DLT = DC Library Tax Payer

Dane County Reimbursement Options

- ▶ The County offers a standard contract that requires that libraries participate in shared delivery, outreach services, and cross-municipal reimbursement; the alternative requires the county to pay a library 70% of their operating costs incurred in serving residents paying the county library tax, as defined by Chapter 43.12.
- ▶ Counties are required to reimburse each other for non-resident library service per Wisconsin State Statute 43.12
- ▶ Dane County is unique in that it is the only county in Wisconsin with both a County library service serving county residents without library service as well as having multiple village and city libraries
- ▶ The Dane County contract reimburses municipal libraries at a rate of 100% (statute requires a minimum of 70%)

Formula evolution

- ▶ 1967: Established as a reimbursement for serving county residents
 - ▶ MAD exempted from DC Lib Tax
 - ▶ Reimbursed 12.5% of library budget; book grants for serving county residents
- ▶ 1982 Study Committee
 - ▶ Librariied communities exempt from DaneCo Library Tax
 - ▶ Increase to 20% of salaries & materials exp; 17% for MPL
- ▶ 1983-87 interim
 - ▶ 4 week annual survey to determine % of county use
 - ▶ % applied to personnel & materials to determine payment
 - ▶ % adjusted +/- for XMUN use
- ▶ 1987 Study Committee
 - ▶ AR personnel & materials expenditures
 - ▶ Actual LT circ is used for county payment
 - ▶ XMUN is implemented; libraries pay one another for cost per circ
 - ▶ Mention of full/100% funding (not 80%)

Formula evolution

- ▶ 1992 Study
 - ▶ Retain circulation as measure of DLT use
 - ▶ AR expenditures used for cost/circ
 - ▶ Outreach Services, ILL, Delivery & Admin (no OR for MAD) = Central Service Cost
 - ▶ Central Service Costs distributed based on equalized value
 - ▶ XMUN net is based on cost/circ
 - ▶ Municipalities may have to pay for services to their patrons
- ▶ 1998 Study
 - ▶ Circ remains measure of library use
 - ▶ Actual per circ cost used
 - ▶ Seek facility funding from County
 - ▶ XMUN mirrors DLT reimbursement

Rethinking Libraries Study 2022-2023

- ▶ 4 options for consideration; 2 selected for further study
- ▶ Final recommendation November 2023
 - ▶ Keep formula and impose “after the fact” adjustment
 - ▶ Implement minimum reimbursement floor; illustration was “0” payment
 - ▶ Benefits MAD at cost of 8% to all other libraries
 - ▶ All library boards would need to agree
- ▶ Not pursued
 - ▶ No impetus to pursue
 - ▶ MAD leadership change in early 2024
 - ▶ Last vestiges of COVID impact

Future considerations

- ▶ Sun Prairie Public Library expansion impact
 - ▶ May see MAD use of SUN increase
 - ▶ MAD use of SUN is 4th in XMUN impact
- ▶ Imagination Center Reindahl Park impact
 - ▶ May see MAD patrons use ICRP
 - ▶ May see increase in Burke or SUN use of ICRP
- ▶ Town of Blooming Grove annexation 2027
 - ▶ In 2026, BG is \$50K of base
 - ▶ In 2029, MAD will see drop in base due to annexation
- ▶ Town of Burke annexation 2035
- ▶ Future Cottage Grove library would impact use
- ▶ School district boundaries impact library use
- ▶ Future development in the city and along the city boundaries

