

ENROLLED ORDINANCE 170-31

CREATE A TWO-COUNTY FEDERATED LIBRARY SYSTEM CONSISTING OF
WAUKESHA COUNTY AND JEFFERSON COUNTY AND AMEND
THE CODE OF ORDINANCES, CHAPTER 11

WHEREAS, Waukesha County pursues collaborations and partnerships when it is in the interest of Waukesha County and the other parties; and

WHEREAS, the state encourages collaboration and partnerships as well as multi-county library systems to maximize efficiencies; and

WHEREAS, adding the Jefferson County libraries would result in CAFÉ automation consortium savings and other economies of scale for Waukesha County libraries immediately and on an ongoing basis; and

WHEREAS, the citizens of Waukesha County would have seamless access to additional and unique items; and

WHEREAS, the Waukesha County Federated Library System was established in 1981 as a state-funded, single county federated library system under Chapter 43 of Wisconsin Statutes and no Waukesha County tax funding is used to operate the Federated Library system; and

WHEREAS, it is the mission of the Federated Library System to improve its libraries through leadership, collaboration, and support; and

WHEREAS, Jefferson County, a member of Mid-Wisconsin Federated Library System since 1980, began a study of their neighboring library systems in 2014 and determined that they wished to leave that library system and join another; and

WHEREAS, Waukesha County Federated Library System was selected from four potential library systems as the preferred partner by Jefferson County; and

WHEREAS, committees of staff, librarians and library board members in both counties studied the possibility of altering the territory of the Waukesha County Federated Library System to include Jefferson County resulting in a multi-county library system operating as a joint agency of Waukesha and Jefferson Counties pursuant to Sec. 43.19 of the Wisconsin Statutes; and

WHEREAS, the Waukesha County Federated Library System board has unanimously approved the recommendation to alter the territory of the Federated Library System to include Jefferson County; and

WHEREAS, Jefferson County has completed the statutory process prescribed in Sec. 43.18 of the Wisconsin Statutes necessary to withdraw from the Mid-Wisconsin Federated Library System and has a deadline of July 1st to notify all parties of the withdrawal; and

WHEREAS, Waukesha County and Jefferson County will continue to operate with independent county library plans of service that are adopted and approved by their county board of supervisors and may be changed from time to time by county board action; and

WHEREAS, a library system plan indicating the alteration of the territory will be submitted to the Department of Public Instruction's Division for Libraries and Technology for approval pursuant to Section 43.13 (2) of the Wisconsin Statutes; and

WHEREAS, the library system state aid payment will increase for the Waukesha County Federated Library System due to the realignment of Jefferson County pursuant to PI 6.07 of the Wisconsin Administrative Code; and

WHEREAS, that additional state aid will begin in 2016 and be on-going and will help secure the viability of the Federated Library System in the event of reduced state funding; and

WHEREAS the intent of this action is to provide a Federated Library System that will allow both counties to benefit from strengthened library services, expanded access to materials and resources, and operating efficiencies resulting from economies of scale.

THE COUNTY BOARD OF SUPERVISORS OF THE COUNTY OF WAUKESHA ORDAINS that effective January 1, 2016, the existing Federated Library System Board will be abolished and the newly appointed Federated Library System Board will be formed.

BE IT FURTHER ORDAINED that, subject to the Jefferson County Board approving the creation of this Two-County Federated Library System and Board, the entity shall commence its legal existence January 1, 2016, and the Board will have the powers of a Library Board under Wisconsin Statute 43.58 with regard to system wide functions and services, but shall exist as a joint county agency with the fiscal agent being Waukesha County.

BE IT FURTHER ORDAINED that, effective January 1, 2016, the Waukesha County Code of Ordinances, Chapter 11, is amended by repealing the entire chapter and replacing it to read:

Sec. 11-1 Federated library system - Established.

There is established pursuant to Wisconsin Statute Sections 43.15(4) and 43.19, a federated public library system and board with a territory consisting of the county library service areas of Waukesha County and Jefferson County.

(Res. No. 135-10/80, 10-28-80; Mo. of 4-17-84, as amended, Rule 27)

Sec. 11-2 Board.

- (a) There is a Federated Library System Board.
- (b) The board shall consist of the minimum number allowed under Wisconsin Statute 43.19(1)(b)1.
 - 1. Appointments shall be in proportion to the population as nearly as practical and shall be reviewed upon updates to the United State Census.
 - 2. All Waukesha County members shall be appointed by the Waukesha County Executive and shall be approved by the Waukesha County Board. At least one of these members shall be a member of the Governing Board of the Resource Library.
 - 3. All Jefferson County members shall be appointed by the County Board Chairperson of Jefferson County and shall be approved by the Jefferson County Board.

4. Members shall be appointed for terms of three (3) years.
 5. Each County Board may appoint at least one (1) and no more than two (2) County Board Members amongst its allocated membership.
- (c) The Federated Library System Board shall perform its duties according to section 43.19 of the Wisconsin Statutes with regard to system wide functions and services, and Waukesha County shall be the fiscal agent of the joint county agency.
(Res. No. 135-10/80, 10-28-80; Res. No. 216-3/84, 3-27-84; Mo. of 4-17-84, as amended, Rule 27; Ord. 154-130, 4/11/00)

Cross reference - Boards and commissions generally, § 4-95.

Sec. 11-3 Director.

The director of the federated library system shall have the duties and responsibilities, qualifications, training and experience as prescribed in the job specification on file in the office of the county clerk.

(Ord. No. 143-168, 3-30-89)

Sec. 11-4 County tax levy.

- (a) *Purpose.* The total county library tax levy for provision of funds for public library service shall be the nonresident cost and shall be levied in accordance with section 43.64, Wisconsin Statutes.
- (b) *Definitions.* For purposes of this section:
1. *Nonresident ratio of use* shall mean the percentage obtained by dividing the total circulation of library materials to residents of Waukesha County communities without libraries by the total circulation of library materials.
 2. *Resident* shall mean a Waukesha County resident living in a Waukesha County public library community.
 3. *Nonresident* shall mean a Waukesha County resident living in a Waukesha County community without a public library.
 4. *Crossover circulation* shall mean the borrowing of library materials, in person or by interlibrary loan, from a Waukesha County Federated System library by residents of another Waukesha County Federated System library community.
 5. *Revenues* shall mean user fees and fines collected and any revenue received by a local library from the federated library system board or any other governmental source, except levy funds collected by Waukesha County and distributed by the Federated library board in accordance with this section.
 6. *Net allowable expenditures* shall mean all library budgeted expenditures except expenditures for the purchase or lease/contract of fixed assets as defined in Section 7-99.
 7. *Current budget* shall mean the sum of all Waukesha County system library budgets adopted by the individual system library boards for the year in which the levy is imposed.
 8. *Fixed assets* shall mean assets that are tangible, have a life greater than one year, and individually cost more than \$5,000.

- (c) *Formula.* The tax levy imposed upon Waukesha County municipalities without libraries shall be determined by subtracting from the current budget, which has been adjusted for actual year expenditures and revenue, the revenues received to arrive at a net allowable expenditures amount which is then multiplied by the nonresident ratio of use figure. If the federated library system board allocates state funds to local libraries for crossover circulation costs, then state funds allocated for such purposes shall be excluded from the definition of revenues in this section. The current budget is the aggregate budget of all member libraries. The nonresident ratio of use figure is the aggregate total countywide. Adjustment for actual year expenditures and revenues shall be made by calculating the sum of the difference of actual year end figures for allowable expenditures made and revenues received and either reducing or increasing the current year budget adopted by the Waukesha County system member library boards accordingly.
- (d) *Determination of materials circulation.* By July 1 of each calendar year, Federated Library System staff shall determine the percentages of library materials circulation the previous calendar year for non-resident, resident and crossover circulation. Circulation reports shall be approved by the Waukesha County Library Planning Committee and used for the current year levy calculations and the following year's budget distributions.
- (e) *Exemption from Waukesha County library levy.* In order to be exempt from the county tax pursuant to sections 43.11 and 43.12, Wisconsin Statutes, a municipality must achieve compliance with the minimum standards adopted by the Waukesha County Board in the Library Services Plan. When member libraries claim exemption from the county levy, they agree to recognize state standards as prescriptive measures to encourage quality library services and agree to comply with all numerical standards as adopted by the Waukesha County Board in the County Library Services Plan. Any community that applies to exempt itself from the county library tax levy after establishing a new library either as a municipal library or as a joint library as defined in Chapter 43 of Wisconsin statutes must meet the four numerical standards before receiving said exemption. At the end of three years of operation, it may use the alternate standard indicated in Section 11-5 of the Code.

(Ord. No. 144-109, § 2, 9-7-89; Ord. No. 155-59, § 4, 10-10-2000; Ord. No. 158-24, §1, 06/10/03; Ord. No. 163-29, §1, 08-26-08; Ord. No. 166-33, §1, 08-02-11)

Sec. 11-5. Alternate qualification for exemption.

- (a) Any library in the system shall qualify for exemption from the Waukesha County library tax levy if it meets the library service effort ratio, as established in the following paragraph, even if it does not meet the four numerical standards noted in this chapter.
- (b) The Library Service Effort Ratio.
 1. *Home Community* shall mean, for the purpose of calculating the Library Service Effort Ratio, all individuals residing within the geographic boundary of a municipal or joint municipal library community.
 2. *Other Library Community* shall mean, for the purpose of calculating the Library Service Effort Ratio, all residents of municipal or joint municipal library communities within Waukesha County that are not part of the home community.
 3. *Library Services Effort Ratio (LSER)* shall mean items lent by a library to home community residents plus items lent by a library to other Waukesha County library community residents divided by total items borrowed by that community's residents at all

libraries in the county. Population groupings and target ratios for LSER are defined as follows:

- a. Under 10,000 population 80%
- b. 10,000 to 29,999 90%
- c. Over 30,000 95%

(c) The federated library system will use the Library Services Effort Ratio as follows:

1. Library communities would use the ratio to determine if there are deficiencies in material offerings or service provision.
2. Ratios would be monitored on an annual basis and be used as a tool to assist communities in serving their residents' needs.
3. If a community is below the suggested service level ratio, the library will need to take specific action to pinpoint the problem area.
4. The library will work with the Federated System to identify the problems and develop a course of action to improve the service ratio.
5. The system will work with local libraries that do not meet the standard and devise a program that would enhance service and improve the ratio. These discussions may lead to greater investment in library services on the part of the library community.

(Ord. No. 155-59, § 7, 10-10-2000.)

Editor's Note - Effective date of this section is 01-01-2002.

Sec. 11-6 Exemption from County Tax Levy for Library Funding.

- (a) Each Waukesha County municipality which seeks exemption from the county library tax shall, no later than September 30 of each year, submit a written application to the Federated Library System director, in a form approved by that director.
- (b) Each application shall be supported by a duly enacted ordinance or resolution of the governing body of the municipality submitting the application and shall represent that the municipality will appropriate, for library operational expenses, at least the amount determined by applying the calculation of section 43.64(2), Wisconsin Statutes.
- (c) Upon receipt of a properly submitted application, the Federated Library Director shall forward the original application to the Waukesha County Board, with copies to the Waukesha County Clerk and the Department of Administration director.

(Ord. No. 155-117, § 1, 02-13-2001)

Sec. 11-7 Inter-County Reimbursement.

- (a) Inter-county library use shall mean use by non-residents, as defined in this chapter, at libraries in adjacent counties as specified in sec. 43.12(2), Wisconsin Statutes.
- (b) The inter-county reimbursement amount shall be the amounts specified in Wisconsin Statute 43.12(1) and 43.12(2) as due to libraries in adjacent counties for inter-county library use by non-

residents. The director of the federated library system will assist the county clerk in collecting and verifying the data necessary to determine payments.

(Ord. No. 162-38, § 1, 07-27-2007)

Sec. 11-8 Library Tax Levy Distribution Formula.

- (a) Purpose. To provide a fair, stable and clearly state County library tax levy distribution formula for the Waukesha County Library Planning Committee to utilize based on Non-Resident and net crossover borrowing/lending circulations.
- (b) Definitions. For purposes of this section:
 - 1. *Non-Resident Library Circulation* shall mean the total annual amount of circulation that a Waukesha County Federated System library lends to residents of Waukesha County communities without libraries.
 - 2. *Crossover Lending Circulation* shall mean the lending of library materials, in person or by inter-library loan, by a Waukesha County Federated System library to residents of another Waukesha County Federated System library community.
 - 3. *Crossover Borrowing Circulation* shall mean the borrowing of library materials, in person or by inter-library loan, from a Waukesha County Federated System library by residents of another Waukesha County Federated System library community.
 - 4. *Net Crossover Circulation* shall mean a Waukesha County library community's total annual Crossover Lending Circulation, less its total annual Crossover Borrowing Circulation.
 - 5. *Library County Levy Circulation (LCC) Effort* shall mean the sum of a Waukesha County Federated System library community's total annual Non-Resident Library Circulation and Net Crossover Circulation.
 - 6. *Positive Library County Levy Circulation (LCC) Effort Rate* shall mean, for each Waukesha County Federated System library with a positive Library County Levy Circulation Effort, the proportion of the sum of all positive Library County Levy Circulation Effort.
 - 7. *Circulation* shall mean materials borrowed from a library in the year prior to the year in which the Library Tax is levied.
 - 8. *Operating Expenditure per Circulation* shall mean the amount computed by dividing a library's total operating expenditures by its total circulation, using data from the year prior to the year in which the Library Tax is levied.
- (c) County Library Levy Distribution Formula. The levy distribution formula shall be determined using two separate allocations.
 - 1. The first allocation for each library's annual share of the Waukesha County Library Levy will be based on s.43.12 (1), Wisconsin Statutes, which requires that each library receive an amount equal to at least 70% of their total operating expenditures, incurred during the year prior to the levy being imposed, multiplied by the proportion of the library's total circulation lent to Waukesha County Non-Residents.

2. The second allocation for each library's annual share of the Waukesha County Library Levy shall be determined from the remaining annual levy after the first allocation. Only libraries with a positive LCC Effort are eligible for the second Library Levy allocation. The second allocation is determined by multiplying each library's County LCC Effort Rate by the remaining levy. This second allocation will be added to each library's first levy allocation in (1).
 3. To provide stability in funding, no library shall receive a decrease greater than 5% or \$5,000 of the levy distribution, based on the change from the prior year levy distribution, whichever is less, unless further adjustments to the limits are needed as identified in (5). A library will be limited to no greater than a 5% or \$5,000 increase from the prior year, unless it would result in an amount less than the first allocation in (1) or additional funds are available (for allocation in (4)) after complying with the requirements in this paragraph.
 4. County Library Levy remaining after adjustments in (3) will be allocated on the same basis as the second allocation in (2). If the stability adjustment in (3) results in a deficit, whereby the total distribution exceeds available Library Levy, libraries receiving increases in the second allocation after the File Number: 163-O-030 stability adjustment will have their preliminary increases reduced proportionately, until the total reduction is sufficient to offset the deficit. For any library receiving proportional reductions, the adjustment may not cause the following:
 - a. The library's distribution to be lower than its allocation in (1).
 - b. The library's distribution to be a net decrease from the prior year.
 5. During years when the decrease in total available Library Tax Levy and reserve allocations identified in (d) below, produce a deficit in (4) large enough that [4(b)] cannot be satisfied, limits will be adjusted on allowable decreases in distributions to individual libraries by 5 percentage points and \$5,000, incrementally, until the deficit can be offset with proportional reductions in preliminary allocations to comply with [4(b)], with the exception that no individual library's reduction may exceed 25% of its prior year distribution.
 6. In years when the total Waukesha County Library Levy decreases more than 2% from the prior year Waukesha County Library Levy, State library fund balances, reserved in (d) will be applied to the levy to the extent the decrease is more than 2% to the extent it does not exceed 4%. The State library fund balance applied will be limited to 2% of the prior year total Waukesha County Library Levy.
- (d) A reserve will be created in the Federated Library System State fund adjusted annually to equal 2% of County Library Levy for that year. The reserve will be available for the Federated Library System Board to supplement the Waukesha County Library Levy for the ensuing year if the County Library Levy declines by more than 2% from the prior year as specified in (6). The reserve shall not exceed 2% of the County Library Levy for the fiscal year nor be less than 2% unless balances in the State fund are insufficient.

(Ord. No. 163-29, §2, 08-26-08; Ord. No. 166-33, §§2, 3; 08-02-11)

FISCAL NOTE

CREATE A TWO-COUNTY FEDERATED LIBRARY SYSTEM CONSISTING OF
WAUKESHA COUNTY AND JEFFERSON COUNTY AND AMEND THE CODE OF
ORDINANCES, CHAPTER 11

This ordinance modifies governance of a new multi-county Federated Library System that will include both Waukesha and Jefferson Counties. The ordinance replaces the current 7 member Board, with a new 15 member multi-county Board to be proportionately represented by Waukesha and Jefferson Counties based on total population.


The Waukesha County formula for the county library tax is unaffected by this change, and will remain under the authority of Waukesha County through the creation of a Waukesha County Library Planning Committee. Jefferson County will also retain their tax levy collection and distribution separately from the new Waukesha/Jefferson County Federated Library System.

The addition of Jefferson County as part of a joint county Federated Library system is projected to result in an increase in State Aid revenues of over \$250,000 beginning in 2016. This revenue will result in increased expenditures for programming services, mileage and per diem costs, and system technology costs (CAFÉ) to additional libraries. These increased costs may also include contracted services and the addition of a staff person.

The County will continue to provide support to the expanded operation and serve as the system's fiscal agent, resulting in increased indirect costs to reimburse County agency costs, but far lower costs than if the federated system operated independently from the County. The alternative would lead to the creation of totally independent operations, including, but not limited to independent audits, separate financial and payroll systems, accounts payable, and internal control systems that would need to be established or contracted for with other entities. Under the proposed fiscal agent model, the new federated system would only pay for their proportionate share of the County provided services.

As part of the new joint county system, Federated Library System Staff have estimated that the 16 Waukesha County member libraries would see an average decrease in fees for the CAFÉ Automation System of approximately 14% and a nearly 10% reduction in shared database costs due to increased buying power and economies of scale due to the addition of 8 Jefferson County system libraries.

All proposed budget impacts will be included in the 2016 proposed budget to be approved by the County Board.


Norman A. Cummings
Director of Administration
6/2/2015
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WAUKESHA COUNTY BOARD OF SUPERVISORS

V

DATE-06/23/15

(ORD) NUMBER-1700031

1 R. KOLB.....AYE
 3 R. MORRIS.....AYE
 5 J. BRANDTJEN.....AYE
 7 J. GRANT.....AYE
 9 J. HEINRICH.....AYE
 11 C. HOWARD.....AYE
 13 P. DECKER.....AYE
 15 B. MITCHELL.....AYE
 17 D. PAULSON.....AYE
 19 K. CUMMINGS.....AYE
 21 W. ZABOROWSKI.....AYE
 23 K. HAMMITT.....AYE
 25 G. YERKE.....AYE

2 D. Zimmermann.....AYE
 4 J. BATZKO.....AYE
 6 J. WALZ.....AYE
 8 E. HIGHUM.....AYE
 10 D. SWAN.....AYE
 12 P. WOLFF.....AYE
 14 C. PETTIS.....AYE
 16 M. CROWLEY.....AYE
 18 L. NELSON.....AYE
 20 T. SCHELLINGER....AYE
 22 P. JASKE.....AYE
 24 S. WHITTOW.....AYE

TOTAL AYES-25

TOTAL NAYS-00

CARRIED_____

DEFEATED_____

UNANIMOUS X

TOTAL VOTES-25

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WAUKESHA COUNTY AND JEFFERSON COUNTY AND AMEND
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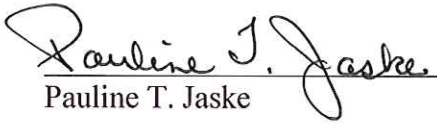
Presented by:
Executive Committee



Paul L. Decker, Chair




James A. Heinrich



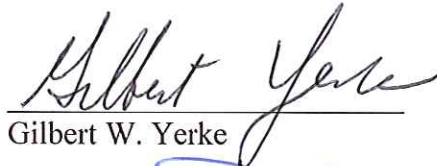
Pauline T. Jaske



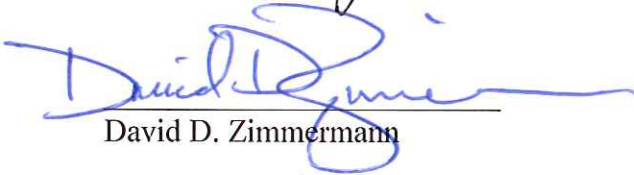
David W. Swan



Peter M. Wolff

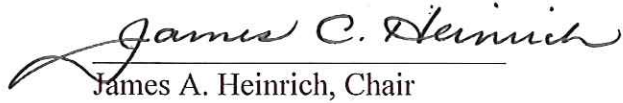


Gilbert W. Yerke

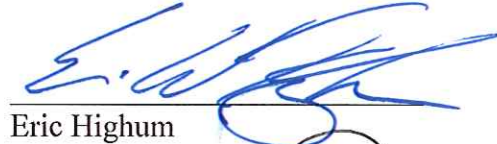


David D. Zimmermann

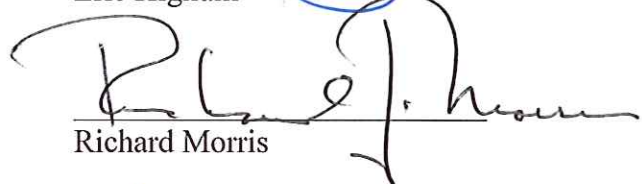
Approved by:
Finance Committee



James A. Heinrich, Chair



Eric Highum



Richard Morris



Larry Nelson



Duane E. Paulson



Steve Whittow

(ABSENT)

William J. Zaborowski

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, was presented to the County Executive on:

Date: June 26, 2015, Kathleen Novack, County Clerk

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, is hereby:

Approved: X
Vetoed: _____

Date: 6-26-15, Paul Farrow, County Executive