

## Memorandum

To: MPL Board of Trustees Personnel Committee  
From: Kristin Stoeger, Library Director  
Re: 2019 Budget – talking points  
Date: September 24, 2018

With the budget submitted to the City, it is now important for Trustees to follow up with the Mayor and City Council members. Here are some talking points and information to help you facilitate that conversation.

- Efforts already made by Library Board:
  - 2018 City Funding: \$1,587,209
  - Initial 2019 City funding request: \$1,745,604
  - Revised 2019 Request: \$1,732,404 (reduction of \$13,200)
    - 9.1% increase from funding in 2018
    - 4.7% increase from funding without pay plan
  - 2<sup>nd</sup> Round Reduction request for 2019 \$1,716,904 (\$15,500+\$13,200=\$28,700 total) <\$129,695 more than 2018>
    - 8.1% increase from funding in 2018
    - 3.9% increase from funding without pay plan
  - 3<sup>rd</sup> Round of Possible Revenue for 2019 \$1,706,904 (\$10,000+\$15,500+\$13,200=\$38,700 total) <\$119,695 more than 2018>
    - 7.5% increase from funding in 2018
    - 3.1% increase from funding without pay plan
  - Portion which is pay plan increase from 2018-2019: \$69,889
    - \*\*dependent on September 24 Board meeting\*\*
- Revenue sources we hope to implement in 2019: \_\_\_\_\_
- Additional Expenses reductions we are able to make: \_\_\_\_\_
- Comparatively, municipalities across the state fund their local library budgets averaging around 75-80%. Manitowoc funds their library at 71%. We are seeking an increase which amounts to around 77%, within the mid-range of state municipality funding to libraries
- ALICE (Asset Limited, Income Constrained, Employed) data
  - 9% of households are in poverty in Manitowoc County
  - 25% additional households are considered ALICE households – those who don't meet poverty levels, but have constrained incomes enough to struggle meeting expenses on a constant basis
    - This amounts to almost 12,000 households within Manitowoc County
- State statute requirements regarding revenue streams for libraries
  - DPI feedback: No one can be excluded from a public library program because of cost. And if the library were to skirt that issue by asking for donations, then they must be very up front about that "donation" aspect and be very welcoming of anyone who feels they cannot or will not pay.
  - State Statute "free library" provision in 43.52(2).
    - What fees can the library charge?

- Although fees-for-service may be a popular approach to stem the rising costs of municipal services, public libraries generally are not permitted to charge fees. For over 130 years, Wisconsin law has required that public library services be free of charges.
- Stagnant or reduced municipal appropriations may require library trustees and staff to make difficult decisions about the depth and range of library services. Fees-for-services under these circumstances can be tempting. But service fees contradict the very notion of free library service, so fundamental to public libraries in Wisconsin. In addition, fees can create barriers to service and can reduce the value of the public library to the community. Once started, a spiral of budget reductions and escalating fees may be unavoidable. Public library services promote the public good and therefore deserve adequate and stable public funding.
- Can a public library charge fees for specific services?
  - The issue of fees for particular services was initially reviewed by the Wisconsin Attorney General in 1984 (73 Op. Att'y Gen. 86). The opinion relied on a test formulated by the California Attorney General (61 Op. Att'y Gen. 512 California 1978) which distinguished between "those services which are reflective of a library's inherent information providing function and those ancillary services which are not unique to libraries and which can be just as effectively provided in non-library settings." The Wisconsin Attorney General concluded that framed pictures, projectors, screens, audio cassette players, AM/FM radios and meeting and lecture rooms could be subject to charges, but that charges for borrowing 16 mm films and for holding materials on reserve are prohibited. Charges for inter-library loan services are similarly prohibited.
  - The Attorney General did, however, opine that rental collections, under certain conditions, can be established and fees collected for their use, if the library "acquires a reasonable number of copies ...and allows these copies to circulate free of charge." In 1989 the Attorney General further clarified and expanded that opinion to establish that public libraries cannot charge fees for lending video cassettes that are part of a reasonable permanent collection, but may charge for additional copies. That opinion also established that municipal libraries cannot charge for online searching of bibliographic or informational databases. (78 Att'y Gen. 163).
  - Similarly, a public library cannot charge for the use of its computers, since this falls within the inherent information providing function of the library. Furthermore, the Federal e-rate program and the State TEACH program that fund much of the Internet access at Wisconsin libraries prohibit charges for service on these subsidized lines. While fees for particular types of materials may be subject to interpretation based on the earlier Wisconsin Attorney General opinions, the following suggested guidelines may help you better understand the parameters for fees:

Type of Material or Service	Okay to charge?
Loan of audio or DVD players	Yes
Loan of MP3 or ebook players	Yes unless loaded with audio content
Loan of cameras	Yes
Loan of computers for home use	Yes
Loan of framed artwork	Yes
Loan of best-sellers	No, except duplicate copies*
Loan of videos, audio books, or DVDs	No, except duplicates*
Loan of equipment (radios, TVs, VCRs, slide projectors, video projectors)	Yes
Loan of computer game systems	Yes
Loan of software or video games	No, except duplicates*
Computers for in-library use	No
Internet connection to a patron's own computer, either physical or wireless	No
Parking	Yes
Inter-Library Loan	No
Fee for reserving or holding library items	No
Library fines	Yes†
Damage charges	Yes†
Replacement library cards	Yes†
Toys, games, puzzles, puppets	Probably not‡
Meeting and lecture rooms	Yes

\* Only if the library circulates a "reasonable number" of free copies.

† Under 43.52(2) the library may have "such reasonable regulations as the library board prescribes in order to render its use most beneficial to the greatest number. The library board may exclude from the use of the public library all persons who willfully violate such regulations."

‡ These may be interpreted as having education value or otherwise be "reflective of a library's inherent information providing function." 73 Op. Att'y Gen 86

The statutory requirement that public library service be provided free of charge ensures that everyone can have the benefit of access to the information and ideas essential to individual and societal well-being.

Thank you for your consideration.