

How a Public Library is Funded

Over the last few weeks we have outlined the many services libraries provide and the bargain they are for those who use them. It is extraordinary that libraries have evolved from warehouses for books to a rich fabric of services, programs, and collections that reflect the makeup of New Glarus. Funding of our library is a reflection our community, too.

Public libraries, like businesses, must match revenue and expenses, and a steady flow of satisfied customers is the key to maintaining revenue. After all, there is plenty of competition from nearby communities with libraries that patrons could use. Convenience, friendly and helpful staff, comfortable surroundings, quality services, and a carefully selected collection is what keep patrons returning.

Libraries, unlike businesses, cannot charge fees for their services like a selling a membership or by charging admission, or implementing their own taxes. Instead, library funding is a combination of the annual village contribution, reimbursements from Green and neighboring counties, and gifts and grants. By definition, public libraries are not self-funded. Even in highly affluent communities, public libraries receive tax dollars to remain freely available to everyone.

The largest portion of our library's funding comes from the village, which is solely decided by the New Glarus Village Board. The library makes a request, but it is up to the village board to decide how much support is actually given. Village support has remained flat at \$150,703 since 2011.

The next largest source of revenue is county reimbursements, and is based on circulation by patrons who live outside village limits. By Wisconsin Statute, public libraries receive 70% of the cost for each circulation. For example, in 2013, the cost per circulation was \$3.24, so if Lafayette County residents checked out 10 books, that county would reimburse \$22.68 (10 books X \$3.24 = \$32.40 X 70% = \$22.68). It is important to note that as circulations to neighboring counties increase, so does revenue from them.

Grants and gifts are important sources of funding that are typically used for special projects, programs, or equipment. Examples are the local digitization project completed a few years ago; and our summer reading program is partially supported with grants. The Town of New Glarus consistently provides many items beyond their mandatory reimbursement like computers, seating, and magazine racks. The library continuously applies for grants to supplement its budget.

Finally, there are other small sources of revenue that are linked to special expenses like fines for lost or late items, and a small fee to cover copier or fax machine use.

In 2012, an endowment fund was established to provide long term funding for library services. Once the fundraising campaign for a new library has concluded, the Library

Board, Friends of the Library, and community supporters will continue to focus on grants and gifts to expand the endowment to bolster long term funding.

Submitted by the New Glarus Public Library Capital Campaign