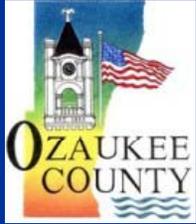


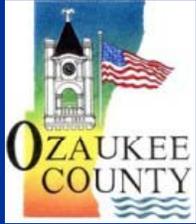
FISCAL ANALYSIS ESLS 2011- 2015 LIBRARY PLAN

February 3, 2010



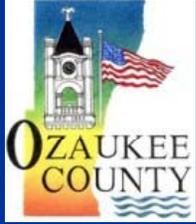
ESLS SYSTEM

- ⊙ County library service is established by the acceptance of a plan for service under the State statutes
- ⊙ Under the state statutes two or more counties may join a Federated Library System
 - ⊙ ESLS – Ozaukee and Sheboygan Counties
- ⊙ The ESLS serves as the Library Board for Ozaukee County residents not served by a municipal library



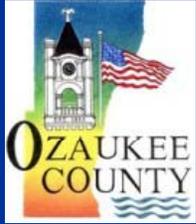
ESLS SYSTEM

- ⊙ ESLS administers the county library tax
 - ⊙ Reimburses librated municipalities for providing services to non-librated residents
 - ⊙ Funds bookmobile service
 - ⊙ Capital investment – EasiCat Resource System
 - ⊙ Reimburses other federated library systems
 - ⊙ Interlibrary loans, grants, State reporting, etc...



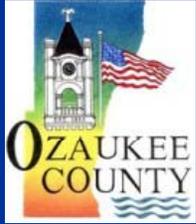
COUNTY LIBRARY TAX

- ⊙ Wisconsin Statutes require that municipal libraries be reimbursed for their service to non-librarians residents
 - ⊙ 70% of the operational expenditures divided by the total number of loans – unit cost for each non-librarian loan
- ⊙ The county library tax also establishes the minimum amount that municipal libraries must expend on their libraries
 - ⊙ Library tax exemption



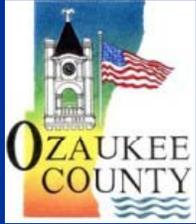
CURRENT OZAUKEE FORMULA

- ⊙ Per Resolution 05-83
- ⊙ The Current Ozaukee County formula reimburses all municipal libraries at the 70% threshold per State statutes for lending activities
- ⊙ Libraries that serve more than 2.5% non-librariated residents receive an additional payment of 15% for service to non-librariated residents
- ⊙ The 2011-2015 plan recommends increasing the reimbursement formula to 85% up to 93% over the life of the plan



THE OZAUKEE ANOMALY

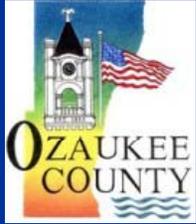
- ⊙ In Ozaukee County the City of Mequon and Town of Grafton, due to their high equalized values, are spending close to the exemption threshold for their library operations
 - ⊙ The County allows the inclusion of capital costs to assist these municipalities
- ⊙ Increases in the reimbursement formula can have an impact on municipal library expenditures
 - ⊙ All other municipalities easily meet the threshold



FORMULA IMPACT AT MUNICIPAL LEVEL

Exemption With Capital at 85%

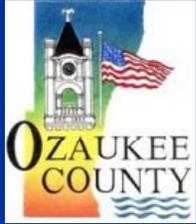
Municipality	Exemption	Budget	Difference	%
Cedarburg	\$290,458	\$428,454	\$137,996	32%
Grafton (T)	\$134,082	\$159,156	\$25,074	16%
Grafton (V)	\$268,839	\$464,730	\$195,891	42%
Mequon	\$1,049,689	\$1,167,253	\$117,564	10%
Thiensville	\$71,238	\$109,667	\$38,429	35%
Port Washington	\$222,851	\$453,103	\$230,252	51%
Saukville	\$101,005	\$288,130	\$187,125	65%



FORMULA IMPACT AT MUNICIPAL LEVEL

Exemption With Capital at 93%

Municipality	Exemption	Budget	Difference	%
Cedarburg	\$313,924	\$428,454	\$114,530	27%
Grafton (T)	\$144,914	\$159,156	\$14,242	9%
Grafton (V)	\$290,560	\$464,730	\$174,170	37%
Mequon	\$1,134,497	\$1,167,253	\$32,756	3%
Thiensville	\$76,993	\$109,667	\$32,674	30%
Port Washington	\$240,855	\$453,103	\$212,248	47%
Saukville	\$109,165	\$288,130	\$178,965	62%

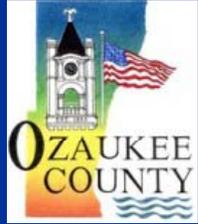


FORMULA IMPACT AT MUNICIPAL LEVEL

Exemption Without Capital at 85%

Municipality	Exemption	Budget	Difference	%
Cedarburg	\$290,458	\$428,454	\$137,996	32%
Grafton (T)	\$134,082	\$150,903	\$16,821	11%
Grafton (V)	\$268,839	\$464,730	\$195,891	42%
Mequon	\$1,049,689	\$898,263*	-\$151,426	-17%
Thiensville	\$71,238	\$109,667	\$38,429	35%
Port Washington	\$222,851	\$453,103	\$230,252	51%
Saukville	\$101,005	\$288,130	\$187,125	65%

* Must maintain maintenance of effort expenditure levels

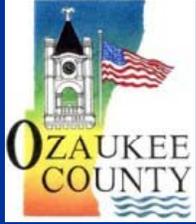


FORMULA IMPACT AT MUNICIPAL LEVEL

Exemption With Capital at 93%

Municipality	Exemption	Budget	Difference	%
Cedarburg	\$313,924	\$428,454	\$114,530	27%
Grafton (T)	\$144,914	\$150,903	\$5,989	4%
Grafton (V)	\$290,560	\$464,730	\$174,170	37%
Mequon	\$1,134,497	\$898,263*	-\$236,234	-26%
Thiensville	\$76,993	\$109,667	\$32,674	30%
Port Washington	\$240,855	\$453,103	\$212,248	47%
Saukville	\$109,165	\$288,130	\$178,965	62%

* Must maintain maintenance of effort expenditure levels



ISSUES FOR CONSIDERATION

- ⊙ The proposed reimbursement formula increases the library tax on non-librariied residents
 - ⊙ Town and Village of Fredonia are on the record supporting the proposed formula
- ⊙ The formula benefits all libraries by increasing the levels of reimbursement for their service to non-librariied residents
- ⊙ The proposed formula may have an impact on the library expenditures in the City of Mequon and Town of Grafton