ARROWHEAD LIBRARY SYSTEM
Board Meeting
In Person: ALS/Milton Public Library - 430 E High Street, Milton
Or
GoToMeeting Link: https://global.gotomeeting.com/join/710683725
or to join by phone, dial:
+1 (872) 240-3311 Access Code: 710-683-725
July 13, 2022
6:00 pm

1. Call to Order

2. Approval of Agenda

3. Approval of Minutes

4. Approval of Expenditures

5. Citizen Participation, Communication and Announcements

6. Unfinished Business

    a. Shared System – SHARE Update

    b. 2022/2023 Budget

    c. Public Library System Redesign Project

    d. Librarians' Report – Sarah Strunz

    e. ALS Covid-19 Update

    f. Merger exploration update

7. New Business

    a. Approval of Library System Merger.

    b. Merger transition strategy (possible action)

    c. 2023 staff wages

    d. Approval of 2023 Arrowhead LS Charter

8. Communications

9. Adjourn

There may be a quorum of the Joint Merger Exploration Committee present, but no business will be conducted on behalf of the Committee.

The undersigned, as the designee of the presiding officer of the above governmental body, certify that I emailed a copy of this document to the Rock County Courthouse, Administration office for posting on the Rock County website@ www.co.rock.wi.us on 7/7/2022.

ARROWHEAD LIBRARY SYSTEM BOARD MEETING
Milton Public Library
June 8th, 2022

ALS Board Vice President Annette Smith called the meeting to order at 6:00 p.m. Present were Bill Wilson, Stephen Brace, Chris Cullen, Jose Carrillo (via GoToMeeting), Charles Teval (via GoToMeeting) and Steven Platteter.

The Agenda was moved approved by Stephen Brace. Chris Cullen seconded, and the motion carried unanimously.

The May 2022 minutes were moved approved by Bill Wilson. Stephen Brace seconded, and the motion carried unanimously.

Expenditures were approved on a motion by Bill Wilson with Stephen Brace seconding. The motion carried unanimously.

Citizen participation, communication, or announcements:

Unfinished Business
a. Shared System –SHARE Update: Platteter discussed the WorkFlows ILS Client upgrade the previous night, he also mentioned that the SHAREanywhere App should be available later in June.

b. 2022 Budget: Platteter mentioned that the 2023 budget season has started, merger vote on June 27th will play a major role in how he will proceed.

c. Public Library System Redesign Project:

d. Librarians' Report:

e. ALS Covid-19: The July meeting will be a hybrid meeting held at Milton PL

f. Merger exploration update: Committee members Annette Smith and Bill Wilson discussed the 6th meeting of the Joint Merger Exploration Committee which was held virtually on June 6th.

New Business

a. Consider Chris Cullen to the ALS Board: Bill Wilson moved to approve the appointment of Chris Cullen to the ALS Board, Jose Carrillo seconded. The motion carried unanimously.

b. Consider Stephen Brace to the ALS Board: Bill Wilson moved to approve the appointment of Stephen Brace to the ALS Board, Annette Smith seconded. The motion carried unanimously.

c. Officer changes to the ALS Board: Stephen Brace moved Annette Smith to President of the ALS Board, Eloise Eager to Vice President. Chris Cullen seconded and the motion carried unanimously.

Communications:

Jose Carrillo moved to adjourn. Bill Wilson seconded, and the motion carried unanimously. The meeting ended at 6:50 p.m.

Respectfully submitted,
Steven Platteter, Acting Secretary

NOT OFFICIAL UNTIL APPROVED BY COMMITTEE

COMMITTEE APPROVAL REPORT

Account Number	Account Name	Inv Date	Vendor Name	Inv/Enc Amt
00-0000-0021-23990	DUE OTHER LIBR.			
		06/22/2022	BELOIT PUBLIC LIBRARY	1,993.50
		06/22/2022	CLINTON PUBLIC LIBRARY	171.00
		06/22/2022	EAGER FREE PUBLIC LIBRARY	237.50
		06/22/2022	EDGERTON PUBLIC LIBRARY	4.50
		06/22/2022	HEDBERG PUBLIC LIBRARY	8,046.00
		06/22/2022	MILTON PUBLIC LIBRARY	152.50
		06/22/2022	ORFORDVILLE PUBLIC LIBRARY	2.00

Budget	YTD Exp	YTD Enc	Pending	Closing Balance
0.00	(10,607.86)	0.00	10,607.00	0.86

	STL-LIBRARY PROG TOTAL	10,607.00	

I have examined the preceding bills and encumbrances in the total amount of   **$10,607.00**

Claims covering the items are proper and have been previously funded. These items are to be treated as follows:
A. Bills and encumbrances over $10,000 referred to the Finance Committee and County Board.
B. Bills under $10,000 to be paid.
C. Encumbrances under $10,000 to be paid upon acceptance by the Department Head.

Date: Dept Head _____

                                    Committee Chair _____

Account Number	Account Name	Inv Date	Vendor Name		Inv/Enc Amt
51-5000-0000-62119	Other Services				
		05/31/2022	KOENE COURIER SERVICE LLC		2,885.00
	Budget	**YTD Exp**	**YTD Enc**	**Pending**	**Closing Balance**
	269,076.00	177,866.74	0.00	2,885.00	88,324.26
51-5000-0000-62410	R&M-Vehicles				
		06/17/2022	BURTNESS CHEVROLET INC		72.48
	Budget	**YTD Exp**	**YTD Enc**	**Pending**	**Closing Balance**
	10,000.00	5,930.05	0.00	72.48	3,997.47
51-5000-0000-62420	Mach/Equp R&M				
		05/31/2022	LAKESHORES LIBRARY SYSTEM		36.17
	Budget	**YTD Exp**	**YTD Enc**	**Pending**	**Closing Balance**
	100.00	0.00	0.00	36.17	63.83
51-5000-0000-63101	Postage				
		06/01/2022	ARROWHEAD LIBRARY PETTY CASH		22.48
	Budget	**YTD Exp**	**YTD Enc**	**Pending**	**Closing Balance**
	1,000.00	83.12	0.00	22.48	894.40
51-5000-0000-63108	Public Inf				
		06/14/2022	CDW GOVERNMENT INC		980.08
		06/14/2022	ROCK COUNTY SENIOR FAIR		170.00
		06/12/2022	ANDERSON,TOVAH		12.83
	Budget	**YTD Exp**	**YTD Enc**	**Pending**	**Closing Balance**
	5,000.00	0.00	0.00	1,162.91	3,837.09
51-5000-0000-63200	Pubs/Subs/Dues				
		06/06/2022	ANDERSON,TOVAH		151.00
	Budget	**YTD Exp**	**YTD Enc**	**Pending**	**Closing Balance**
	1,300.00	446.68	0.00	151.00	702.32
51-5000-0000-64201	Convention Exp				
		06/23/2022	ANDERSON,TOVAH		475.00
	Budget	**YTD Exp**	**YTD Enc**	**Pending**	**Closing Balance**
	4,000.00	287.48	0.00	475.00	3,237.52
51-5000-0000-64309	Instersystem				
		02/09/2022	LAKESHORES LIBRARY SYSTEM		8,314.00
	Budget	**YTD Exp**	**YTD Enc**	**Pending**	**Closing Balance**
	81,828.00	73,513.94	0.00	8,314.00	0.06
51-5000-0000-65321	Building Lease				
		08/01/2022	CITY OF MILTON		1,166.67
	Budget	**YTD Exp**	**YTD Enc**	**Pending**	**Closing Balance**
	14,000.00	8,166.69	0.00	1,166.67	4,666.64

Account Number	Account Name	Inv Date	Vendor Name	Inv/Enc Amt
		Arrowhead Library System PROG TOTAL	14,285.71	

I have examined the preceding bills and encumbrances in the total amount of **$14,285.71**

Claims covering the items are proper and have been previously funded. These items are to be treated as follows:

A. Bills and encumbrances over $10,000 referred to the Finance Committee and County Board.

B. Bills under $10,000 to be paid.

C. Encumbrances under $10,000 to be paid upon acceptance by the Department Head.

Date: _____

Dept Head _____

Committee Chair _____

COMMITTEE APPROVAL REPORT

Account Number	Account Name	Inv Date	Vendor Name	Inv/Enc Amt

REPORT COMPLETE!

For Job Numbers: 2353251

Fiscal Year: 2022   **As of:** 07/05/2022   **Budget:** RV

Org Key	Title
5150000000	Arrowhead Library System

Object	Description	Budget	Actual	Encumbrance	Balance
REVENUE					
42200	State Aid	540,857.00	540,857.00	0.00	0.00
44120	Miscellaneous Fees	3,438.00	3,434.75	0.00	(3.25)
45504	Intergov-Other Libraries	284,448.00	284,448.18	0.00	0.18
46000	Contributions	2,000.00	2,000.00	0.00	0.00
46400	Fund Balance	40,000.00	0.00	0.00	(40,000.00)
	Total Revenue	**870,743.00**	**830,739.93**	**0.00**	**($40,003.07)**
EXPENSE					
61100	Regular Wages	189,492.00	83,087.20	0.00	106,404.80
61300	Per Diems	1,800.00	600.00	0.00	1,200.00
61400	FICA	14,496.00	6,218.82	0.00	8,277.18
61510	Retirement	10,514.00	4,583.90	0.00	5,930.10
61610	Health Insurance Premium	47,560.00	0.00	0.00	47,560.00
61620	Dental Insurance	1,334.00	1,164.80	0.00	169.20
61630	Life Insurance	180.00	82.82	0.00	97.18
62119	Other Contracted Services	269,076.00	180,751.74	0.00	88,324.26
62130	Audit Fees	2,000.00	0.00	0.00	2,000.00
62210	Telephone	2,000.00	696.12	0.00	1,303.88
62410	Repair & Maintenance-Vehicles	10,000.00	6,002.53	0.00	3,997.47
62420	Machinery/Equip R & M	100.00	36.17	0.00	63.83
63100	Office Supplies & Misc Expense	1,500.00	491.03	0.00	1,008.97
63101	Postage	1,000.00	105.60	0.00	894.40
63104	Printing & Duplicating	6,000.00	1,579.73	0.00	4,420.27
63108	Public Information	5,000.00	1,162.91	0.00	3,837.09
63200	Publications/Subscriptions/Due	1,300.00	597.68	0.00	702.32
63300	Travel	3,000.00	106.45	0.00	2,893.55
64200	Training Expense	4,000.00	230.00	0.00	3,770.00
64201	Convention Expense	4,000.00	762.48	0.00	3,237.52
64214	ILS Costs	197,891.00	189,191.85	0.00	8,699.15
64303	Extension Materials	4,000.00	323.20	0.00	3,676.80
64306	Resource Libraries	40,000.00	40,000.00	0.00	0.00
64307	Participating Libraries	1,238,125.00	1,238,124.98	0.00	0.02
64309	Intersystem Agreement	81,828.00	81,827.94	0.00	0.06
64904	Sundry Expense	1,000.00	0.00	0.00	1,000.00
64918	Marketing & Promotion	300.00	0.00	0.00	300.00
65101	Insurance on Buildings	6,000.00	5,886.00	0.00	114.00
65321	Building Lease	14,000.00	9,333.36	0.00	4,666.64
67199	Miscellaneous Equipment	35,000.00	0.00	0.00	35,000.00
	Total Expense	**2,192,496.00**	**1,852,947.31**	**0.00**	**339,548.69**
	County Share (Revenue - Expense)	**(1,321,753.00)**	**(1,022,207.38)**	**0.00**	**(299,545.62)**
	Grand Total Revenue	**870,743.00**	**830,739.93**	**0.00**	**(40,003.07)**

Fiscal Year: 2022   **As of:** 07/05/2022   **Budget:** RV

Org Key	Title
5150000000	**Arrowhead Library System**

Object	Description	Budget	Actual	Encumbrance	Balance
	Grand Total Expense	2,192,496.00	1,852,947.31	0.00	339,548.69
	Grand Totals County Share	(1,321,753.00)	(1,022,207.38)	0.00	(299,545.62)

Executive Summary

Overview

After careful consideration, the Arrowhead Library System (ALS) and Lakeshores Library System (LLS) Joint Merger Exploration Committee has voted to recommend a joint system merger that will create a new system, made up of the libraries of Racine, Rock, and Walworth Counties. This merger will benefit the member libraries and the public they serve. This merger will also enhance intergovernmental and cross-county cooperation in the region. The Committee asks the existing system boards to approve the merger of Arrowhead and Lakeshores library systems and each county to approve the merger through a formal resolution.

The Issue

Library Systems are important parts of the public library ecosystem in Wisconsin. Systems and their member libraries rely on cooperative agreements and resource sharing to reduce duplication of services, increase buying power, and share costs. However, there are costs to maintaining a healthy system, including those related to staff, space, and resources. In the past decades, technology and process advancements, coupled with evolving library needs, has made library system merger an increasingly attractive way to address service capacity issues.

Both library systems engaged member libraries prior to the start of the merger exploration process; ALS completed a strategic planning process and LLS surveyed its members to understand and respond to library needs as well as to gauge interest in merger exploration. Both systems learned that member libraries desired more services than could be provided by each system's current staff and with current resources. Member libraries were supportive of the idea of merger exploration as a way of expanding capacity and service offerings. The outcomes of this engagement were directly tied to the Committee's creation.

ALS and LLS have a strong history of working together. Exploratory work began in 2016 to evaluate ALS' entry into a shared library automation software platform administered by LLS. This process culminated in a successful migration of the ALS member libraries to the automation system in 2018. As a result, libraries saw reduced costs, and residents of Racine, Rock, and Walworth counties have access to a larger pool of library resources. Between 2018 and 2020, support contracts were initiated between the two systems to provide local IT support to the member libraries of ALS. This project reduced local IT costs for the member libraries of ALS. In 2020, a contract was initiated to provide LLS member libraries with marketing and public relations support by ALS staff, which provided the LLS member libraries with a previously unavailable service. Throughout this entire period, ALS and LLS have collaborated on numerous Federal and State grant projects to the benefit of the combined member libraries of the two systems - regardless of system affiliation.

The two systems have reached their collective capacity to work together as separate entities. Each system has its own board, administration, member library committees and communication channels. Any shared decisions must run through duplicative governance and administrative structures. Thus, a Joint Merger Exploration Committee was formed to evaluate a system merger, and then plan and execute the process up to the point of implementation. To that end, the committee engaged in healthy discourse with all stakeholders to ensure the process was well-researched, transparent, and well-communicated.

Involvement of Stakeholders

The Joint Merger Exploration Committee is made up of board members from each system as well as library directors that represent libraries of varying size in order to ensure that a variety of perspectives were represented in the process. A committee email account, a merger exploration page on the Lakeshores Library System website, where meeting materials were publicly available, and project blog ensured transparency and clear communication with stakeholders.. Finally, the merger exploration process was discussed at various regular system meetings, including director meetings and system board meetings.

In the first phase of the exploration process, the Committee shared a questionnaire with the staff and board members of member libraries and both systems asking for their views on what should be gained through a potential merger and what questions or issues should be considered as part of the merger exploration process. The Committee received 43 responses and the information gathered was instrumental in forming the principles and priorities of the Committee and the process.

Overview of Benefits

There are numerous benefits to a merger including:
- Streamlined decision-making, reduced administrative overhead, and fewer meetings.
- Reduction in operating expenditures achieved through a phased consolidation of physical assets, such as office space.
- A single, integrated staff with complementary areas of expertise.
- Enhanced options for leveraging planned retirements, retaining additional staff, and providing member libraries with access to previously unavailable services.
- A larger pool of member library experts to engage in collaborative problem-solving.
- Reduction in expenditures, increases in efficiency, or both, resulting from a consolidation of library materials delivery services starting in year 2.
- Establishment of a blueprint for similar intergovernmental cooperation elsewhere in Wisconsin.
- Assurance that existing collaborative efforts remain viable and sustainable, regardless of changes in staff and leadership.

Conclusion

After careful consideration, the Committee voted 7-1 on June 27th, 2022 to accept the updated recommendation report as presented with noted minor editing changes and that the committee move ahead with a vote on recommending merger between Arrowhead Library System and Lakeshores Library System.

Recommendation Report

from the

Joint Merger Exploration Committee

Arrowhead Library System and Lakeshores Library System

Plan document prepared by:
WiLS
June 2022

WiLS

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About Public Library Systems

<u>Overview of Systems</u>
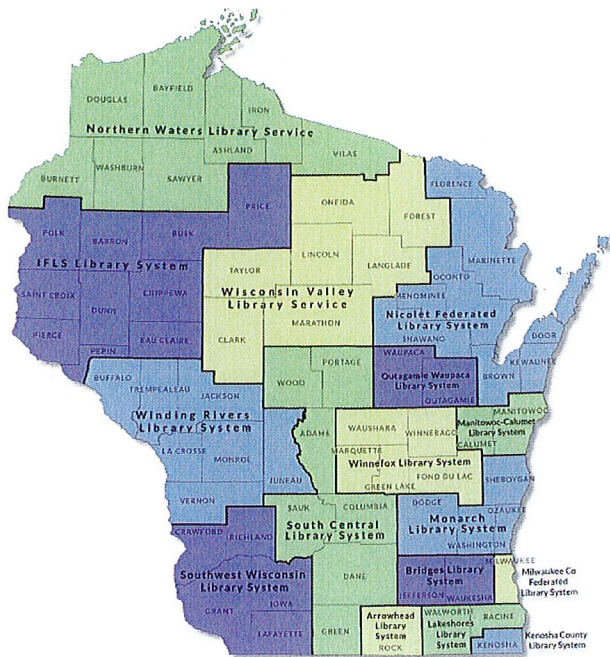
Public Library Systems in Wisconsin exist in order to broaden the reach of resources and services across member libraries and the communities they serve. Systems and their member libraries rely on cooperative agreements and resource sharing to reduce duplication of services, increase buying power, and share costs.

Public libraries and systems are regulated to some extent by the state under Chapter 43. For the most part, these statutes exist to provide a minimum definition and standard of what a library is and how it is governed. In terms of library systems, it defines what minimum services must be provided. Library systems and the statutes governing them were developed in the early 1970s. The first four library systems were established under the new law in 1973. In 1981, Kenosha and Waukesha County Federated library systems were the lbridappenast of 17 systems to be created. Since then, two changes have been made to the system footprint, both in 2016. Waukesha County and Jefferson County formed the Bridges Library System and the Monarch Library System arose from the merger of Eastern Shores Library System and Mid-Wisconsin Library System.

In order to be in compliance with state law, a system must provide/maintain:
- Written member agreements with all libraries
- Back-up reference, information, and interlibrary loan services from system resource library
- Resource sharing and delivery
- Service agreements with adjacent library system
- Consulting services
- Cooperation with other types of libraries in the system area (academic, school, private, correctional institutions)
- Written technology and resource sharing plans submitted to Department of Public Instruction (DPI)
- Additionally, a system can spend no more than 20% of state aid on administrative costs.

Systems can certainly provide more than the statutorily required services, and in fact, many systems do so in response to member needs. These services may include, marketing and library promotion, data management of the Integrated Library System (ILS), otherwise known as the

shared catalog, Information Technology (IT) services such as network support, the convening of meetings and development of relationships across and among member libraries, and other services as determined by the system board in consultation with participating libraries.

It is helpful to understand that by and large counties do not provide direct operational funding support to public library systems. Any monies that do flow from counties to library systems are typically for county resident library usage reimbursements triggered by state statute. Counties are required by state statute to reimburse public libraries for usage by their county residents who live in a municipality that does not maintain a public library. These communities are sometimes referred to as non-libraried. A library tax is levied to county residents, calculated on the previous year's library usage by that specific population. State statute requires a county to reimburse libraries, both within their county and in adjacent counties, for non-libraried resident usage at a rate of at least 70% of the cost to provide library services.

Public Library Systems receive the mainstay of their funding through state aid appropriations. The state legislature appropriates system aid from the state's Universal Service Fund (assessments placed on telecommunications providers), not from General Purpose Revenue (sales and income tax). **Any efficiencies gained or improved return on investment brought about by a potential ALS/LLS merger relates directly to the spending of state aid by public library systems and will not impact county reimbursements for library use.**

For more information, see FAQ about County Library Funding and State Funding for Libraries - the Universal Service Fund.

Process Background and Overview

History of Merger Exploration

In 2016, The Arrowhead Library System (ALS) ILS Exploration Committee, a committee of the ALS Directors, was charged to work together to identify and review possible ILS upgrade options for the Arrowhead Library System. The Committee was responsible for:
- Investigating and reviewing all ILS upgrade options including possible ILS mergers with neighboring systems.
- Evaluating and rating all potential options.
- Presenting findings and recommendations to the ALS Directors.

After considering several options, including the purchase of stand-alone options and merger with existing ILS systems, the ILS Committee unanimously recommended to the Arrowhead Library System Directors that the Arrowhead Library System pursue an ILS merger with the Lakeshores Library System's SHARE. This ILS merger, typically one of the most difficult steps to accomplish in

any system merger process, was successfully completed through the work of a migration committee in 2018.

In 2020, the Arrowhead Library System staff and Board undertook a strategic planning process to guide service decisions that brought together representatives from all member libraries. The plan had three overarching goals, one of which was to develop an exploration process for system merger (see Appendix A ALS strategic plan). ALS recognized that it has limited resources and could face funding decreases in the future and in order to allow for both a continuation of existing successful services and additional services identified in the planning process, merger was one solution to be explored. They also recognized that the process would need to be done carefully and thoughtfully and it must critically consider the benefits and disadvantages for the system and its members.

ALS contracted with WiLS later that year to commence an exploration process and had begun the work. However, Lakeshore Library System had recently completed a member survey to understand member library needs and potentially begin a strategic planning process (see Appendix B for LLS Member Survey and Informational Report). The survey, as well as system conversations, made it rapidly clear that LLS was likely looking at a potential merger as well. The two systems, already well-aligned through the shared ILS and other services, decided to combine efforts and explore a merger between the two systems.

The exploration of merger was of particular interest to the Department of Public Instruction which was (and continues to be) working to implement recommendations from the Wisconsin Public Library System Redesign (PLSR) project, which was a multi-year process to consider new models for how services are provided by public library systems to their member libraries. A main goal of the project was to ensure all Wisconsin public libraries have the capacity to provide equitable access to excellent library services regardless of the race, ethnicity, income, gender, or employment status of the people they serve, or their location within the state. The process was community-led and library and library system staff from all over the state participated.

Reduce the Number of Public Library Systems was one of seven recommendations identified in the PLSR process. The articulated value proposition for this recommendation was:

- There is potential in some areas of the state that a reduction in the number of public library systems will result in higher quality and more comprehensive services than smaller public library systems are typically able to provide on their own.
- Voluntary changes in the territory have the strongest potential to preserve the structures of trust and relationships that are prerequisites for the effective delivery of services to member libraries.

In support of the PLSR recommendation, DPI, through a grant from the Library Services and Technology Act (LSTA) program, provided support for this merger exploration process.

ALS / LLS Connections

ALS and LLS have a history of working successfully together. The systems have cooperative contracts for communication and marketing, IT support, and most notably in their merged library catalog called SHARE. The substantial work done through the ILS merger not only showed the two systems compliment each other, it could potentially smooth the way for a full merger. Many of the difficult decisions in a system merger are related to ILS issues and protocols and the two systems were able to work through that process with relative ease.

Overview of the Joint Merger Exploration Committee

In August of 2021, the Boards of Trustees of the Arrowhead and Lakeshores Library Systems each voted to embark on a journey to determine if the two library systems should merge, thus forming a new regional library system that would serve the counties of Racine, Rock, and Walworth. Acting jointly, the Boards of Trustees of each library system established a committee to evaluate the merits of a system merger. The Joint Merger Exploration Committee consists of two system trustees and two member library directors from each system, balanced-with respect to library size and county affiliation. This committee was given the following tasks:

1. Produce a formal recommendation to both System Boards of Trustees regarding whether a merger should be completed;
2. Create a roadmap of activities that must occur in order for a merger to be successful, and;
3. Should a merger be recommended, create a menu of policy and procedural recommendations to support a rapid "stand-up" of the new system during the period immediately following its formal establishment.

Committee members through the process

Kirsten Almo	Arrowhead	Director, Small
Adam Dinnes*	Arrowhead	Trustee
Laurie Kant-Hull**	Lakeshores	Trustee
Bryan McCormick	Arrowhead	Director, Large
Miller, Bob**	Lakeshores	Trustee
Steve Ohs,	Lakeshores	Ex Officio
Steve Platteter	Arrowhead	Ex Officio
Joy Schnupp	Lakeshores	Director, Small
Annette Smith*	Arrowhead	Trustee
Gary Tilleros	Lakeshores	Trustee
Bill Wilson	Arrowhead	Trustee
Angela Zimmermann	Lakeshores	Director, Large

*Due to board term ending, Adam Dinnes was replaced by Annette Smith
**Bob Miller was named to the committee after the loss of Laurie Kant-Hull

<u>Overview of the Process</u>

WiLS was chosen to provide third-party facilitation and management services for this process. WiLS (formally Wisconsin Library Services) is a non-profit membership organization that facilitates collaborative projects and services.

There are three phases to the merger exploration process.

Phase I: Building a Shared Understanding and Process took place between December 2021 and March 2022. It focused on the development of a shared understanding of the process and expected outcomes and work included:
- The development of a shared understanding of system requirements, expectations, and the decision-making process
- The development and approval of a process communication plan
- The development and approval of shared principles for the process
- The start of an issues list, used for information gathering in Phase II

The committee met in Phase I on December 15th (in-person), February 7th (virtual), and March 7th (virtual).

Phase II: Information Gathering and Informed Decision-making occurred April 2022 through June 2022. This phase identified questions that needed answers prior to a decision as well as what is better answered in the next phase, should the two systems merge to form a new system. Work included:
- Issue list development and creation of steps to determine
  - What needs to be learned
  - How it is learned
  - Essential question for each issue, including if it needs to be figured out prior to merger or can/should it be done with the new system in place, and
  - Priority order of issues on list to help inform information gathering
- Information gathering for issue list
- Committee recommendations for issues on list

The committee met in Phase II on April 4th (in-person), May 2nd (virtual), June 6th (virtual), and June 26th (virtual).

At the end of this phase, the committee votes whether or not to recommend merger and recommend implementation scenarios.

At the first Committee meeting, members completed an activity that identified shared principles to guide the merger exploration process, as well as potential outcomes for a successful merger. Through theming work, a list of outcomes became a streamlined list of criteria that the Committee would use to determine merger viability. **Those key principles were: Do no harm, Enhance efficiency, Improve return on investment, and Improve services**.

Issues Considered and Information Gathered

The Committee members developed an "Issues List," which prioritized information and data collection for decision-making. As part of this phase, the Committee, through the project manager, administered a questionnaire to stakeholders (library directors, library staff, library system staff, library board members, and library system board members) to solicit additional items for the "Issues List." Each response was reviewed by project managers and added to the growing list of questions or issues needing to be addressed.

Each issue was considered through the Committee's "value proposition," and those that would help the Committee understand if and how a merger is an opportunity to improve or expand services, create efficiencies, or grow existing partnerships and strengths to improve services became the underpinnings of the Committee's decision-making process in the merger exploration phase.

When an issue could not be tied back clearly to the value proposition, it was tracked in one of three lists: recommendation topics for phase 3 Committee work, administrative actions in support of merger implementation prior to "go live", or tasks for a new system board and administration after "go live". The Committee attempted to account for all unique issues in this way (see Appendix C for final copy of the Issues List).

There were many important issues raised by process stakeholders, and some, due to order of operations and timing, were not part of the decision making phase. They are, however, represented in the next steps of the merger process.

Each priority issue became an issue paper with data and information for the Committee to review in preparation for their recommendation vote. The prioritized issues, tied to at least one principle of the value proposition, are in the following table:

Issue A: How does this system merger contribute to the **greater good of public library management** in the state.	Improve services
Issue B: Can our study committee show evidence that with a merged system our patrons could have **improved access to materials**?	Improve services
Issue C: How can we ensure **equitable representation** of all libraries, communities, and counties in the new system? How will other member directors and libraries' voices and/or concerns be heard? **Build shared culture.**	Improve services, do no harm
Issue D: How (if it does) will the **relationship change between "SHARE" and Kenosha Library system and other entities that ALS/LLS currently have contracts with, such as SWLS, academic libraries, etc.**	Do no harm
Issue E: Cost(s) to be in the system / How might **member library costs** be impacted?	Improve return on investment
Issue F: How could **existing system staff be mapped to a new, interim system staffing model**? How could a merged system have a staffing model that improves member services?	Enhance efficiency, Improve return on investment, Improve services
Issue F/G: Can our study committee show evidence that a merged system will result in a more **efficient use of staffing** than is currently in place in our two systems? **This has been folded into issue paper E "How could existing system staff be mapped to a new, interim staffing model?" and Issue F, "Opportunities for More Efficient Use of Revenue (Internal/System Focused)"**	Enhance efficiency, Improve return on investment
Issue G: Can our study committee show evidence that a merged system will be more **efficient in the use of revenue**? any reduction in per patron cost?	Improve return on investment
Issue H: What potential, **one time costs** are there to merge (ie IT infrastructure, new signs, legal fees, contract changes, server space, moving costs, etc.)?	Improve return on investment
Issue I: **IT Infrastructure:** Is the current server capacity and location in the Waterford Public Library of adequate size and the appropriate location if our systems merge?	Improve return on investment
Issue J: What are **potential risks of not merging?**	Improve return on investment

Issue A: Impact on Statewide Library Services

May 4, 2022

Prepared by WiLS
Shared at the June 6 Committee Meeting

Brief explanation of the issue: The committee would like to understand how a system merger might contribute to the greater good of public library management in the state.

Tie to Value Proposition: Do no harm; Enhance efficiency; Improve return on investment; Improve Services.

Findings:
There has been substantial statewide interest in decreasing the number of systems through merger or consolidation in order to enhance efficiency and provide more equitable service across the state. This idea can be found in the following reports:

- "Creating More Effective Public Library Systems" (2013/System and Resource Library Administrators Association of Wisconsin);
- "Lean System Study Work Group Recommendations" (2014/DPI Lean System Study Work Group); and
- "Strategic Vision for Library Systems in the 21st Century" (2015/Council on Library and Network Development).

These various reports and findings led to the most recent and influential example of this, the Final Recommendation Report from the Public Library System Redesign (PLSR) Steering Committee. PLSR was a multi-year process that considered new models for how services are provided by public library systems to their member libraries. It involved hundreds of stakeholders, from library and system staff to board members and staff at other organizations and institutions. The final report contained 7 recommendations from the Steering Committee, one of which was, "Reduce the Number of Public Library Systems." The Committee wrote, "Due to advancements in technology and the evolving needs of libraries, a reduction in the number of regional public library systems may help address service capacity issues."

The Steering Committee also wrote:

- There is potential in some areas of the state that a reduction in the number of public library systems will result in higher quality and more comprehensive services than smaller public library systems are typically able to provide on their own.
- Voluntary changes in territory have the strongest potential to preserve the structures of trust and relationships that are prerequisite for the effective delivery of services to member libraries.

Ben Miller, Director of the Library Services Team at the Division for Libraries and Technology provided a letter (see Appendix D for the full text) for the Merger Committee articulating the state agency's views on the impact of a merger between ALS and LLS, noting,

> *A successful merger between the Arrowhead and Lakeshores library systems will create a win-win-win situation for multiple stakeholder groups. For systems and system staff, it will result in a reduction in duplication of public library system administration and service activities not already collaborated upon. For DLT, it will fulfill an obligation to Wisconsin library stakeholders, who specified a reduction in the total number of public library systems. And, most of all, for residents of Racine, Rock, and Walworth counties, a successful merger will help to provide the best service possible for all member libraries and library users.*

Also of note, Chapter 43 of Wisconsin State Law, which governs public libraries and library systems, changed in 1998 to apply a minimum population to system service. The statute currently states, "no new system may be established unless it serves a population of at least 200,000." Previous to this, there was not a minimum population.

In parallel to a sustained interest in decreasing the number of library systems, there has been a notable increase in cross and inter system collaborations opening the door for deeper partnerships. Examples include continuing education partnerships, marketing collaborations, shared system strategic planning processes, information technology services, and shared library catalogs like SHARE. These collaborations may signal the first steps for other systems to consider merger and these systems will look to examples of successful merger in preparation.

Conclusions:
There has been statewide interest in the reduction of library systems for nearly a decade. It has been seen as a viable method to enhance efficiency and provide more equitable service to public libraries across the state. The state agency, DPI, that oversees public libraries and library systems supports library system merger that occurs voluntarily and organically and sees a successful merger of ALS/LLS as a roadmap for other systems to follow.

See also:
- Public Library System Redesign Project
- Chapter 43 of Wisconsin State Statute

Issue B: Opportunities or Potential for Improved Access to Materials

April 18, 2022
Prepared by WiLS with information supplied by the staff of ALS and LLS
Shared at the May 2 Committee meeting

Brief explanation of the issue: The Committee wants to understand how a merger of the two systems might result in (further) improvements to patron access to materials.

Tie to Value Proposition: Improves services

Findings

SHARE has already resulted in several improvements in patron access to materials including:

Inter-Linked Library Collections
Beginning in 2015, the member libraries of two additional library systems (Arrowhead Library System and Kenosha County Library System) joined the instance of library automation software that is operated and maintained by LLS. This resulted in the formation of a voluntary consortium of interlinked library collections called "SHARE". The practical results of this activity are that:

- Any resident of the four-county area served by SHARE may find, identify, and select any book, DVD or other library material regardless of its physical location, and place a request on the title. This resulted in an increase from 750,000 items in ALS' RockCat to 2.15 Million items in SHARE and removed the need for ILL requests for these materials;
- The commonly-shared automation platform prioritizes which copy of the requested title is selected to fill the request based on proximity to the home library of the patron and shortest estimated time in transit;
- The annual number of materials needed from outside of the library system (which often require a longer wait-time) has been significantly reduced;
- "Power user" type patrons have the ability to self-initiate interlibrary loan requests for rare items that are only available outside of the SHARE territory, and these requests are integrated into normal staff work flows, further reducing the amount of specialist staff time that is required to manage interlibrary loan requests, and;
- SHARE offers more robust search features and enhanced account management tools than ALS' RockCat, improving the user experience for patrons.

Interconnected Delivery Courier Networks
In tandem with the regional coordination afforded by the use of a common automation platform, the library systems participating in SHARE have worked to inter-link the three separate delivery

networks that serve the respective systems. This means that requested items can be transited between the furthest reaches of the territory served by SHARE without having to go through the longer process of the supplementary statewide delivery service operated by the South Central Library System.

Enhanced Cooperative Purchasing Model

Over the last several years, the participants of SHARE have begun to purchase a number of electronic resources on a cooperative basis. The practical result of this activity is that any patron in the SHARE service area now has access to LinkedIn Learning (multifaceted training resources for work and leisure), CreativeBug (a source of curated activities related to upcycling and crafting), and Brainfuse (a resource for homework help in the context of public and private education).

Technology Improvements

For all practical purposes, the ALS and LLS IT departments have been merged since 2019 with the member libraries of both systems integrated into a single Wide Area Network (WAN) administered by the LLS Tech team. In 2020, ALS & LLS collaborated in a joint RFID project that was able to get the major collections of the ALS member libraries tagged, combined with an upgraded RFID sorter at the SHARE delivery hub at Racine PL has greatly increased sorting efficiency providing patrons with faster delivery of materials.

New Opportunities for Improved Access to Materials include:

Greater Parity

Currently both systems offer e-content purchased cooperatively through SHARE but also content purchased individually by system or by library. A merger could allow a more consistent offering to patrons. The member library cohorts of ALS and LLS currently do some cooperative purchasing themselves. For example, the LLS member libraries subscribe cooperatively to the Ancestry.com Library Edition product, while the ALS member libraries do not. A merger of the two systems will present an opportunity to generate greater parity for the combined group of libraries through an "add-only" approach. As an example, the ALS member libraries would obtain access to Ancestry.com. Conversely, the LLS member libraries would obtain access to resources that are currently only subscribed to by the ALS member libraries (Example: the Transparent Languages learning platform).

OverDrive Advantage Accounts

Both ALS and LLS currently manage OverDrive Advantage accounts separately. OverDrive Advantage is a program that allows each library system to provide local funding for additional copies of OverDrive titles to address local demand preferences. A system merger would consolidate the OverDrive Advantage accounts of the two systems into a single account, thereby reducing the net amount of system management time required to administer this service. There would also be an opportunity for the new system to utilize funding offset from other areas to put

toward additional content thereby increasing the number of OverDrive title copies available for borrowing to the residents of the system area (i.e there could be more money to go toward addressing hold queues within the expanded advantage account).

Other E-Resource Funding Opportunities Derived from Funding Offsets

Consolidation of system services in the first 1-3 years of a merged system's existence will more than likely free-up operating funds, through an increased economy of scale and more efficient use of increased state aid, that can add to more e-content funding possibilities. Depending on the priorities of member libraries, the system would have the opportunity to put funding generated by offsets to a number of different uses - one of which being to directly fund new electronic resources, or take-on some of the e-resource expenses that were previously funded by the members. Both scenarios would enhance the collective offering of e-resources to library patrons in the system area. Examples of resource could include:

- Music streaming services
- System-wide access to magazines (to include more popular titles not included in Wisconsin's Digital Library)
- System-wide access to Ancestry
- Movie Licensing
- Virtual meeting/conference subscriptions

Improved Marketing

A newly merged system, with dedicated marketing staff, would have an opportunity to improve effective and consistent marketing of e-content and other materials. The newly merged system could examine who is not using the library and its offerings, why aren't they, and what are common ways the system and members can use to reach them? Additionally, dedicated marketing support at the system could help identify partnerships and community needs that would improve awareness of library holdings and services, offer training on digital offerings and possibly improve outreach and advocacy efforts overall.

Future Data to Consider

It can be challenging to predict exactly where patron access to material will take place, but there are logical data points to track to gauge success and learn valuable lessons. Indeed, local library decisions are a massive influencing factor on measurement of service output and/or quality. In any library system, the member libraries are the entities that provide direct service to the public. Local library boards set service priorities and policies, and it is not the role of the library system to do that. For this reason, measuring service output among a group of libraries in a way that is "apples to apples" can be a challenge. There are some metrics such as physical and electronic usage, expenditures, etc. (reported to DPI on an annual basis) that can be used, but all of these data elements must be considered along with the understanding that libraries do not serve their communities in exactly the same ways. Local budget pressures also exert a significant influence on what libraries are able to do with respect to collection and staff, number of programs they

offer, etc. It is also notable that the COVID pandemic has significantly complicated efforts to compare any data, due to profound effects on patron behavior and library closures in the early days of the pandemic.

That said, there are a number of metrics that could be examined over time to identify trends or outcomes. In each case, due to the variance of local library priorities and policies, data may be better considered library by library, not in the aggregate:

- Gate counts. Most libraries utilize some sort of device to automatically log patrons in the door. These could be examined for trends.
- New patron registrations over time. Annual new patron registrations could be examined over the first few years post-merger, perhaps also compared against pre-merger levels.
- Number of library marketing products delivered. In the case of the LLS member libraries, Marketing and Public Relations is a service they have not historically had good access to via the system. This service area could be compared pre and post-merger as a way to evaluate the extent to which a new service is introduced as a result of a system merger.
- State aid dollars spent by the system for administrative purposes. This area of operating expenses could be compared pre- and post-merger.

Conclusion:
SHARE has already improved access to materials in significant ways and has, importantly, shown both systems pathways for future improvements should a merger occur. Several of the potential methods for increasing access depend upon member library priorities for operating funds derived from offsets gained in a merger process and thus should be determined in an early strategic planning process.

Issue C: Equitable representation of all stakeholders in the process

March 25, 2022

Prepared by WiLS
Shared at the April 4 Committee Meeting

Brief explanation of the issue: The committee wants to ensure that communication is transparent and inclusive of all stakeholders in the merger decision process. To that end, the committee adopted a communication plan to ensure widely distributed information. Additionally, there were several touch points throughout the process to gain insights from all stakeholders.

Tie to Value Proposition: Improve Services, Do No Harm

Findings:
- WiLS designed a communication plan (See Appendix E) that was adopted by the Joint Merger Exploration committee in December 2021.
- A process introduction email was drafted by WiLS and distributed to stakeholders By ALS and LLS system directors.
- Stakeholders were surveyed in February 2022 to gather perceived benefits and challenges to the merger. All responses (See Appendix F) were integrated into the ongoing issues consideration list, committee recommendations, or an actions list for the new system board and staff.
- Currently, both systems operate with a one library/one vote practice in place.
- There has been expressed concern from various stakeholders on developing and maintaining strong system staff and member library culture.
- Equitable representation relies upon multiple communication channels to ensure widespread understanding and dissemination of information across various stakeholder audiences.

Conclusions:
The process has and will continue to be inclusive and involve an equitable representation of all stakeholders in the merger process.

Recommendations to ensure continued inclusivity include:
- The new system board should engage in a comprehensive strategic planning process in 2023 that involves community conversations, surveys, or other feedback mechanisms to solicit input from across the new system.
- The new system board should develop a communication plan that outlines the process for continued feedback from member libraries and board members beyond the strategic planning process.
- The new system board should consider Committee recommendations for a Librarian Advisory Group and a new system board composition.

Issue D: Library System Merger Impact Statement Regarding System Contracts

Originally prepared on March 14, 2022 by Steve Ohs
Edited April 13, 2022 by Steve Ohs
Shared at the April 4 and May 2 Committee Meetings

Brief explanation of the issue: The Committee wanted to understand any potential impacts on contractual arrangements with other agencies, should ALS and LLS merge to form a new system.

Tie to Value Proposition: Do No Harm

Considerations and Dependencies:
- Responds to the Committee's expressed need to understand if and how a merger could impact existing contracts between the systems and other entities. Initially, this issue was focused on other library systems within SHARE, but was expanded to include other contractual relationships.

Finding
System agreements fall into a number of different categories, each described below:

Agreements with member counties to participate in the system
It is a statutory requirement that counties must indicate their participation in a library system.[1] The statutes are satisfied if a county passes a resolution to participate in a library system, and/or maintains a county plan of library service which indicates participation in a given system.

Suggestions:
1. Pre-merger system leadership should develop common language to be inserted into any county resolutions drafted to authorize a merger.
2. Should merger be recommended, pre- and post-merger leadership should engage with each member county of the new system to revise plans of library service on-file to reflect the name of the new system, and ensure that participation in the library system is indicated in the plan, on the preferred timetable of each county.

Inter-system agreements
State statutes require that public library systems maintain what are referred to as "inter-system agreements" with each adjacent public library system. With respect to Arrowhead Library System and Lakeshores Library System, there are six separate inter-system agreements currently in-force. A merger of the two systems would reduce the number of necessary agreements from six to three. The form and language of the current agreements that are maintained separately by

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[1] Wis. Stat. 43.15(4)(b)3

each system vary. Should the two library systems merge, new language for a common agreement should be developed, then taken through a process of negotiation (usually brief) with each adjacent library system.

Suggestions:
1. Pre-merger system leadership should develop a simplified draft intersystem agreement document for implementation on whatever timetable is required by DPI.

Member library agreements

State statutes require that, in order to receive state aid, public library systems must maintain membership agreements with each public library that participates in the library system. In its most basic form, a compliant member library agreement must include language that the member library agrees "...*to participate in the system and its activities, to participate in interlibrary loan of materials with other system libraries, and to provide, to any resident of the system area, the same library services, on the same terms, that are provided to the residents of the municipality or county that established the member library*".[2] Public library systems may include additional content and or provisions in member library agreements, however for the purpose of initiating a new public library system, member library agreements need only be basic and can always be enhanced later.

Suggestions:
1. Pre-merger system leadership should develop a simplified draft member library agreement document for implementation on whatever timetable is required by DPI, either in the months before the merger becomes official, or immediately after the merger becomes official as part of a new system board's first several orders of business.

Resource library agreements

State statutes require that each public library system must maintain a resource library agreement with *at least one* public library in the system area.[3] Statutes further indicate that the library of a given system having the largest operating budget must be offered a resource contract first. Resource library agreements are, according to the statutes, only required to contain a couple of key provisions, largely related to providing backup services to public libraries in the system that are less well-equipped to provide things like highly technical reference questions or other forms of highly technical professional librarian work. However, the statutes do not preclude library systems from maintaining more than one resource library agreement. This means that there is considerable leeway in how a new system chooses to address the question of resource libraries. As one example, a library system may maintain one resource library agreement that is specifically geared to meeting the statutory requirement, while also maintaining one or more additional

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[2] Wis. Stat. 43.15(4)c(4)
[3] Wis. Stat. 43.16

resource library agreements for the purpose of making specifically prescribed services available to the other members of the library system. Both the Arrowhead Library System and the Lakeshore library system have compliant resource agreements on file with the department of public instruction as of this writing.

Suggestions:
1. Should the Committee vote to recommend merger, ALS and LLS Boards of Trustees should vote on an initial Resource Library arrangement for the new system by providing them with a recommendation based on one of the following options:
    a. Recommend a single resource library (Racine Public Library receives first offer, with Hedberg Public Library receiving the offer if Racine Public Library declines), OR;
    b. Recommend that two resource libraries be retained, utilizing the same general contractual terms as before the merger (Racine Public Library would fulfill the statutory role of resource library due to it having the highest operating budget in 2021, while Hedberg Public Library would provide back-up resource library services, as well as cataloging services, and/or other services for member libraries).
2. Pre-merger system leadership should then file the recommendation, along with motions of approval by the existing system boards, with DPI as part of the annual plan filing process during the October prior to any merger becoming effective.

Service agreements with other library systems:
Library systems often maintain supplementary service agreements for specific arrangements that fall outside of the "inter-system" and other agreements required by statute. Lakeshores and Arrowhead currently maintain five such agreements between the systems. Should the systems merge, these five agreements would no longer be necessary. If, related to the resource library topic, original cataloging service is to be provided by Hedberg Public Library, then a service agreement currently maintained between LLS and Kenosha Public Library would also become unnecessary. LLS provides services to two other library systems via three additional agreements. Should the systems merge, the only changes necessary to these three contracts would be to revise them for the selected name of the new system, and revise one of them (SHARE Support and Training Agreement with KCLS) for inflation - which is necessary regardless of whether the systems merge.

Suggestions:
1. Should the Committee vote to recommend merger, it should then draft a recommendation to a new system board indicating that the new system should continue to provide the same contractual services to Southwest Wisconsin Library System, Kenosha County Library System, and the Kenosha Public Library on the same terms as before the merger.

2. Current system leadership should inform the leadership of the three agencies (referenced above) that they will be presented with replacement agreements, updated for the change of system, during the first quarter of the first year of a new system's existence.

Agreements with other types of agencies

Library systems in Wisconsin often develop and maintain agreements with other types of agencies such as schools, community organizations, vendors, freelance workers, and independent service providers. LLS and ALS separately maintain a number of such agreements, including the following:

- Racine Correctional Institution for access to system delivery (LLS)
- Waterford Union High School for access to system delivery (LLS)
- Blackhawk Technical College for access to system delivery (ALS)
- Beloit College for access to system delivery (ALS)
- Wisconsin Center for the Blind and Visually Impaired for access to system delivery (ALS)
- Beloit School District for access to system delivery (ALS)
- Milton School District for access to system delivery (ALS)
- Parkview School District for access to system delivery (ALS)
- Excel Express Courier for primary system delivery services (LLS)
- South Central Library System for extended delivery services (ALS and LLS)

Suggestions:
1. Current system leadership should draft a recommendation to a new system board indicating that the new system should continue to provide the same contractual services with other types of agencies;
2. Current system leadership should draft a recommendation to a new system board indicating that the new system should, during at least the first year of the new system's existence, utilize the same framework of delivery services.
3. Current system leadership should inform the current set of delivery vendors of intent to continue the current delivery model during year one of the new system, while preparing them for a possible holistic evaluation of post-merger system delivery services to occur.

Conclusions:

Administrative Impacts:
1. The overall number of member county agreements will remain the same. System stakeholders and/or leadership will need to communicate with county administrations to ensure that participation in a new system is indicated in any resolutions of approval for a system merger, and update county plans of library service;
2. The overall number of intersystem agreements will reduce. System leadership will need to develop new intersystem agreements to account for any change to system name;

3. The overall number of member library agreements will remain the same. System leadership will need to develop a new basic member library agreement, ensure approval of the new system board and ensure approval by member library boards;

4. The overall number of resource library agreements will either reduce or remain the same (based on the suggestions above). System leadership, advised by the Exploration Committee, will need to develop new resource library agreement language for employment in the fashion recommended by the Exploration Committee and secure system board approval on a timetable required by DPI;

5. The overall number of service agreements with other library systems will reduce, largely due to a number of agreements between ALS and LLS no longer being necessary. System leadership, advised by the Exploration Committee, will need to develop replacement agreement language (largely to accommodate a change in system name) for service contracts with Southwest Wisconsin Library System, Kenosha County Library System, and Kenosha Public Library;

6. The overall number of service agreements with other types of agencies will reduce, largely due to the combination of the SCLS Delivery agreements currently maintained separately by ALS and LLS. System leadership, advised by the Exploration Committee, will need to communicate primarily with the school districts and institutions, and prepare updated agreements to reflect a change in system name. System leadership must also communicate with current delivery vendors to pave the way for maintenance of the current structure through year one of a new system, to be followed by a dedicated process to consolidate delivery service within the new system.

Fiscal Impacts:
1. There will be no fiscal impacts with regard to member county agreements, as these agreements are non-monetary in nature;

2. There will be no fiscal impacts with regard to inter-system agreements, as these agreements are non-monetary in nature;

3. There will be no fiscal impacts with regard to member library agreements, as these agreements are non-monetary in nature;

4. If a single resource library contract is ultimately chosen, the total amount of system funding required would more than likely decrease. If the "two resource library model" option is ultimately chosen, the total amount of system funding required to support resource library services would more than likely remain unchanged. NOTE: this is a simplistic estimation based on assumptions. Other variables may exist, such as the negotiating stances of the resource library candidates, pre-merger system boards, and/or the post-merger system board.

5. There would be several fiscal impacts regarding agreements with other library systems
   a. Several agreements between ALS and LLS would cease to exist by virtue of the merger, primarily being "budget neutral" with a slight effect of decreased staff time to maintain them.

b. If Hedberg Public Library takes-on original cataloging for the new system as part of a resource library arrangement, a contract with Kenosha Public Library for that service will no longer be required, resulting in a savings of $5,000 per year in operating costs.

c. If the new system continues to provide services to Southwest Library System and Kenosha County Library System (IT, Automation, etc.) on the same fiscal basis as pre-merger, the new system will see approximately $99,000 in operating revenue in addition to state aid.

6. Utilizing an assumption that pre-merger agreements with school districts, institutions of higher education, etc. would be preserved on the same terms post-merger, there would be no fiscal impacts other than an ongoing combined revenue of about $5,000 per year. Consolidation of two delivery contracts with SCLS delivery will more than likely prove to be budget neutral or furnish slight unspecified savings. Long-term potential exists for generating savings in the area of delivery service through a consolidation project. Short-term continuation of primary delivery services using the current model is estimated to be budget neutral.

For a complete list of system contractual agreements, please see Appendix G.

Issue E: Member Costs to be in the System

March 24, 2022
Prepared by Steve Ohs
Shared at the May 2 Committee Meeting

Brief explanation of the issue: The Committee wanted to understand if/how member library expenses would change should the systems merge

Tie to Value Proposition: Improve return on investment, Do no harm

Considerations and Dependencies:
- Responds to an expressed concern from Committee members and stakeholders who responded to phase I questionnaire about the fiscal impacts of a potential merger on member libraries.

Findings
Member libraries of Arrowhead Library System and Lakeshores Library System each pay annual amounts of funding to their home system in order to fund a number of cooperative programs. In all cases, these expenses are reviewed and approved by either the system member library cohorts, or the entire membership of the SHARE Consortium. As of March 2022, these expenses fall into several categories:

A. Annual software licensing for an instance of SirsiDynix Symphony library automation software (consisting of the core software product, a number of functional add-ons such as an online catalog, data analysis tools, an annual fee for access to a nationally-recognized bibliographic database, and a contingency fund).

B. Support fees paid by the member libraries of Arrowhead Library System to Lakeshores Library System to offset LLS staff costs in providing the same level of support for the library automation software as LLS provides its members.

C. System-specific license fees paid by the member libraries of Arrowhead Library System for several electronic resources, including Brainfuse, Hoopla, and OverDrive.

D. System-specific license fees and access expenses paid by the member libraries of Lakeshores Library System for electronic resources including Brainfuse, OverDrive, Ancestry.com, CreativeBug, WiscNet, WPLC membership, and a Marketing & Public Relations fund.

E. Payments to Lakeshores Library System in reimbursement for cooperatively-purchased computers and application software (examples: Microsoft Windows, DeepFreeze licenses).

F. Fees assessed by Lakeshores Library System for requested local IT services.

G. Payments to Lakeshores Library System in reimbursement for cooperatively-purchased bulk supplies (examples: thermal receipt paper, RFID tags, and "I Love My Library" bags).

Potential Impacts

A. **Annual software licensing for an instance of SirsiDynix Symphony library automation software.** The total amount of funding required from SHARE member libraries will remain subject to the terms of the associated vendor contracts. The method of apportioning member shares of this expense category will not change unless the SHARE Director's Council votes to do so.

B. **Support fees paid by the member libraries of Arrowhead Library System to Lakeshores Library System to offset LLS staff costs in providing the same level of support for the library automation software as LLS provides its members.** Lakeshores Library System provides this type of support to its members as a system service. Should the systems choose to merge, the new system may choose to take the same view. In such a case, this expense would still exist, but be distributed in a different manner.

C. **System-specific license fees paid by the member libraries of Arrowhead Library System for several electronic resources, including Brainfuse, Hoopla, and OverDrive.** The member libraries of Arrowhead Library System purchase several electronic resources cooperatively. Lakeshores Library System also currently subscribes to Brainfuse and participates in the statewide OverDrive program as well. Cost shares for these two resources are already apportioned on a SHARE Consortium basis, thus cost shares would not change in the event of a merger. LLS is currently in the process of adopting the Hoopla service using the same model of access as Arrowhead Library System. In the short-term after any potential merger, cost levels could be maintained for the sake of consistency. In the mid- to long-term, the combined membership of the new system or system administration may seek to reevaluate the model of the Hoopla program with respect to appropriating additional system funding to it. Should that prove to be the case, member libraries of the new system may see their Hoopla-related costs go down, *or* see an increase in available content for patrons.

D. **System-specific license fees and access expenses paid by the member libraries of Lakeshores Library System for electronic resources including LinkedIn Learning, Brainfuse, OverDrive, Ancestry.com, CreativeBug, WiscNet, WPLC membership, and a Marketing & Public Relations fund.** In addition to some of the electronic resources in-common between ALS and LLS indicated in (C above, the member libraries of Lakeshores Library System are assessed funding shares for WiscNet (an internet service of the State of Wisconsin), an annual membership fee in the Wisconsin Public Library

Consortium, and a Marketing & PR fund totalling $20,000 annually. In the case of a potential merger, the new system board and administration would have the option to pay for WiscNet and WPLC out of system funds, thus eliminating those expenses for member libraries. The LLS member library directors established the M&PR fund several years ago by vote. Therefore, member libraries of a new system should have the opportunity to consider whether they wish to continue to pay-in to a supplementary M&PR fund. There is then the possibility that this expense could be eliminated as well.

E. **Payments to Lakeshores Library System in reimbursement for cooperatively-purchased computers and application software (examples: Microsoft Windows, DeepFreeze licenses).** Lakeshores Library System administers an annual group purchase of PC equipment and software licenses, and occasionally purchases equipment for member libraries of both systems on-demand. Equipment and software are purchased in bulk at an economy of scale, and invoiced to the libraries at-cost. Participation in this service is voluntary for each library. On the presumption that this service is valuable to member libraries and that the new system would continue it, the structure of costs to libraries for this service would not change.

F. **Fees assessed by Lakeshores Library System for requested local IT services.** LLS staff assess an hourly fee (and mileage, for physical visits) to perform technical work that is specific to a given library. Participation in this service is voluntary for each library. On the presumption that this service is valuable to member libraries and that the new system would continue it, the structure of costs to libraries for this service would not change.

G. **Payments to Lakeshores Library System in reimbursement for cooperatively-purchased bulk supplies (examples: thermal receipt paper, RFID tags, and "I Love My Library" bags).** LLS occasionally purchases bulk amounts of commonly-needed library supplies, often in response to requests by groups of member libraries. Participation in this service is voluntary for each library. On the presumption that this service is valuable to member libraries and that the new system would continue it, the structure of costs to libraries for this service would not change.

Conclusion

Member libraries of Arrowhead Library System and Lakeshores Library System each pay annual amounts of funding to their home system in order to fund a number of cooperative programs and should the Systems merge, leadership will need, with member library guidance and input, develop a standardized funding/purchasing approach. There are potential ways in which costs could decrease and in many cases the structure of costs to libraries would not be impacted by merger.

Related Issue Papers

- Issue I: IT Readiness for Merger
- Issue H: Potential, One-time Costs to Merge

Issue F: Staffing Model

April 22, 2022
Prepared by Steve Ohs and Steve Platteter with information supplied by the staff of ALS and DPI
Shared at the June 6 Committee meeting

Brief explanation of the issue: The Committee would like to understand how a merger of the two systems could result in a system staffing model that would integrate both existing system staffs and provide opportunities for future additional staff roles.

Tie to Value Proposition: Do no harm, Enhance efficiency, Improve return on investment, and Improve services

Findings

Current Staff Models

Lakeshores Library System currently maintains a staff of six full-time employees. Arrowhead Library System currently maintains two full-time employees, and four part-time employees. There are two staff retirements that are formally pending on the LLS staff; one employee will retire at the end of the 2022 fiscal year, and one employee will retire at the end of February in 2023.

LLS Staff Positions

Position	FTE Percentage	Notes
Administrator	1	
Office Manager	1	Retiring 2.20.2023
IT Manager	1	
System Services Technologist	1	
Interlibrary Loan Specialist	1	Retiring 12.30.2022
Local IT Technician	1	
Total FTEs:	**6**	

ALS Staff Positions

Position	FTE Percentage	Notes
Director	1	
Office & ILL Manager	0.9	
Public Information Coordinator	1	
Delivery Driver	0.375	
Delivery Driver	0.375	
Delivery Driver	0.2	

	Total FTEs:	3.85	

Initial Future Staff Model

Guided by the process principle, "do no harm," the Committee has indicated a strong interest in providing roles for all of the existing staff. Therefore, this issue paper offers the following staffing model that maintains existing staff positions and the library automation services provided to the SHARE consortium.

Initial Merged System Staff Positions

Position	FTE Percentage	Notes
Director	1	Filled by existing staff
Deputy Director for Consulting Services	1	Filled by existing staff
Finance and Human Resources Lead	1	Initially filled by existing staff
IT Manager	1	Filled by existing staff
IT Senior Associate	1	Filled by existing staff
IT Technician	1	Filled by existing staff
Marketing and Public Relations Coordinator	1	Filled by existing staff
Office and Interlibrary Loan Associate	0.9	Filled by existing staff
Service Consultant (TBD)	1	Open (former LLS ILL specialist)
Driver 1	0.375	Filled by existing staff
Driver 2	0.375	Filled by existing staff
Driver 3	0.2	Filled by existing staff
Total FTEs:	9.85	

There will be several opportunities to replace or change staffing roles due to retirements in the wake of a merger. Strategic planning, ideally occuring in the first or second year of merger, would clarify service priorities of member libraries, better informing staffing of the new system.

Comparisons With Other Library Systems in Wisconsin

A cohort of other library systems in Wisconsin, with a similar number of member libraries as a merged new system derived from ALS and LLS, is below:

System Name	Number of Libraries	Total Paid Employees (%FTE)	Salaries and Wages: Annual Total	Employee Benefits: Annual Total	Staff Expenditures (Salaries+Benefits)
Outagamie Waupaca Library System	16	10.675	$537,486	$221,444	$758,930
New Merged System (ALS & LLS)	**22**	**9.85**	**$582,866**	**$267,902**	**$850,788**
Bridges Library System	24	7.7	$557,946	$176,503	$734,449
Wisconsin Valley Library Service	25	8.3755	$490,052	$218,500	$708,552
Northern Waters Library Service	27	5	$341,764	$144,066	$485,830
Southwest Wisconsin Library System	28	4.875	$166,950	$37,107	$204,057

Process of Staff Integration

Per state statute, the board of trustees of the new system would be responsible for "vesting in a head librarian" the task of directing the system activities, approving job descriptions under advisement from the head librarian (also known as the system director or administrator), and developing the necessary budgeting to support the selected model. Should phase II end in a vote to recommend merger, the Exploration Committee will craft a recommendation for the preferred initial staff structure, which could become the basis of a motion by the new system board to adopt.

Contract Consultants

Both library systems currently utilize a number of contract arrangements to provide consulting services to member libraries:

- Inclusive Services - (ALS)
- Youth Services and Continuing Education - (ALS)
- Youth Services - (LLS)

If the systems merge, these existing consultant service contracts could be rolled into the new system essentially as-is for year one. As with the delivery service, the services provided by these contracts can be evaluated through a strategic planning process. In this way, continuity of service can be achieved in the short-term, while setting-up a process to make well-informed choices based on the needs of member libraries and available system funding.

Compensation and Benefits

There are a number of different ways a new system could address compensation and benefits of a merged system staff. It is important to note that a board of trustees must be established for a new system before any policies related to compensation and/or benefits can be formally adopted. The Exploration Committee strongly recommends that every effort be made to ensure that staff from each system will have access to comparable compensation and benefits should the systems merge.

Conclusion:
There are viable options for achieving an integration of the two respective system staffs into a cohesive unit. The Exploration Committee recommends that any staffing model adopted, created during the latter phases of the exploration process, adheres to the agreed upon process principles, especially Do No Harm, and will provide the initial staff structure necessary to maintain pre-merger service levels, and with minimal disruption to staff compensation and benefits.

Related reports:
Issue J: Risks of not merging

Issue G, Part I: Opportunities for More Efficient Use of Revenue (Internal/System Focused)

April 18, 2022
Prepared by WiLS with information supplied by the staff of ALS and LLS
Shared at the May 2 Committee Meeting

Brief explanation of the issue: The Committee would like to understand how a merger of the two systems could result in more efficient use of revenue and/or any reduction in per patron cost.

Tie to Value Proposition: Improve services; Enhance efficiency

Findings:
The staff of ALS and LLS see many ways that the use of revenue can be made more efficient through a merger especially in the following areas:

Delivery
ALS currently provides five day a week delivery to all seven of its member libraries. It also provides delivery service to six affiliate members and outreach materials to several Rock County nursing homes. To facilitate this, ALS employs three part time drivers and has two cargo vans. Its sorting hub is in the lower level of the Milton Public Library and provides ample sorting room, but does not offer automated sorting. ALS also contracts with a courier service to do a five day a week run between the ALS hub in Milton and the LLS hub in Racine.

ALS leadership and the staff of LLS believe that for the first year of a new merged system, the existing delivery systems should be maintained while gathering the information necessary (member library needs, vendor options, etc.) to generate and implement a converged delivery service in year 2. It is also possible that RFID sorting could be started in Rock County, either at the Milton sorting hub or at the Hedberg Public Library in Janesville. All member libraries of ALS and LLS have now tagged their collections with RFID tags, which would allow the system to explore leveraging the RFID sorting machinery at a few of the libraries, possibly seeking to implement more.

Potential efficiencies could include:
- Savings after studying delivery vendor options. A new system might contract all deliveries to a single vendor, use all staff drivers or use a mix of both. A new system might also be able to work for a Homebound delivery staff member or contractor. A larger system may offer new flexibilities.
- Vehicle insurance, maintenance, and purchases may be reduced or eliminated depending on which option from above is selected.

- Currently, each system wants a new van wrap. A merged system means one design is needed – or may not be needed if contracting solely with an outside vendor.
- SCLS might make only one state delivery stop for ALS/LLS, which may reduce the overall number of system dollars spent on access to this service.
- Office and delivery staff could be excluded from material sorting if automatic sorting equipment was more robust or if there was an additional sorting machine for the libraries that don't currently have a separate sort at Racine.

Staffing

Currently, the activities of ALS and LLS (especially, the activities that are collaborative projects) must be conducted through two leadership structures, two system boards of trustees, and two separate member library advisory committees. Each reports their collaborative efforts via their respective system annual reports in duplicate. A system merger would streamline this work into a single flow, single annual report and system plan, and eliminate the need for the extra synchronization activities that currently take place (special intersystem staff meetings, extra phone calls to check that they are on the same page and not going awry of the preferences of the other system, etc.) The systems further see benefit in having a unified staff structure of email accounts and a single online work environment.

One immediate effect of a merger would be that the LLS Tech Team would be joined with the ALS strength, its Public Relations & Marketing department. Current increases in state aid could also allow for the expansion of one or both. Early strategic planning, in conjunction with retirements will allow the new system to tailor its staff to the needs of the member libraries and find further staffing efficiencies and/or places for cross training that will ensure service continuity.

A merged system would in theory only need one director. However, there are many meetings. Having enough staff to attend and participate in state committees and professional organizations as well as to advocate for the system at the municipal, county, and state levels is a benefit to the system and its libraries as it levels the path and makes hard conversations like funding issues more successful, keeps libraries as community hubs in mind, progresses the profession, and brings invaluable opportunities to the system and its libraries.

Technology

The LLS staff see the largest area of outstanding potential for improvement as related to planning and overhead of IT-related projects. A merger may result in the ability for better negotiated group prices for items such as hot spots, which tend to be a very popular item, machines and service for self-checkouts, gate counters, microfilm readers, calendaring and room reservation software, etc. Additionally, staff currently spend a huge amount of time on the front-end doing planning and coordinating between the systems. A system merger would mean that the decision-making process would be streamlined from the current need to take place within two silos, to a single decision-making process. Staff anticipate a reduction in IT project overhead resulting in a

significant amount of staff time freed-up to focus on direct service to member libraries and "time-on-task."

<u>Facilities</u>
LLS and ALS staff both indicated that the first year or two of the new system will be consumed by the activities necessary to complete the administrative convergence of the merger, do strategic planning, and achieve some operational stability under the new arrangement and facility changes/consolidation should follow.

Points discussed include the following:
- Both systems (and their member libraries) have collectively learned a lot from the COVID pandemic with respect to development of an effective hybrid work model, and that may influence system choices with respect to the optimal physical footprint.
- A merged system will ultimately require a certain amount of space to store system assets, including document storage and server space Storage needs vary according to time of year (for example: co-op PC purchases require a fair amount of space to store and configure incoming and outgoing equipment).
- The delivery service model will also exert influence on physical space needs (for example: ALS uses current facility for sorting). The extent of "in-house" delivery-related activities will need to be considered, providing further reasoning for waiting to make facility decisions until a clearer picture of what delivery will look like emerges.
- Possible reductions could be made, eventually, to office space, contracts on phones, printer/fax/copy machines, and insurances and it may be possible to reduce delivery hub locations
- ALS currently leases office space in the basement of the Milton Public Library at an annual cost of $14,000.00, renewable on an annual basis. LLS currently leases office space on the upper floor of a small commercial office building in Waterford at an annual cost of $22,032.00, on a three-year lease (ending November 30th, 2024).

<u>Decision making and administration</u>
Decision making would be much more streamlined with a single administration and board. It should also be noted that while Rock County has been very supportive of library services, there may be some administrative advantages of ALS merging with LLS. These advantages include access to benefits as well as fiscal agency that can respond to library and library system specific needs and opportunities.

Conclusion:
Both systems identified numerous ways that revenue would be used more efficiently should a merger occur. Immediately, decision making, administrative actions, and meetings would become more efficient. Other efficiencies would be gained after the system merged and was able to better learn the needs of members and system staff, and then make changes, particularly when considering delivery, staffing, and facilities.

Related Reports:
Issue E: Costs to be in the System
Issue J: Risks of Not Merging

Issue G, Part II: Opportunities for More Efficient Use of Revenue (External/Member and Patron Focused)

April 18, 2022, Prepared by WiLS with information supplied by the staff of ALS and LLS
Shared at the May 2 Committee meeting

Brief explanation of the issue: The Committee would like to understand how a merger of the two systems could result in more efficient use of revenue and/or any reduction in per patron cost.

Tie to Value Proposition: Improve services; Enhance efficiency

Findings

The staff of ALS and LLS see many ways that members and patrons would benefit from a merger and more efficient use of revenue.

One of the biggest areas of efficiency would be simplified meeting needs. For example, activities that require meetings for SHARE and two separate library advisory committees can reasonably be combined into a single blended meeting on a frequency chosen by the stakeholders. The new system could also consider instituting director travel stipends, which some other systems have done. Assuming the same model of communication and joint co-op budget setting would apply to the new system, libraries will continue to have a direct role in the levels of library funding they each choose to commit to their participation in the system.

If the systems choose to merge, there are significant opportunities to do more for member libraries with the same amount of combined state aid/operating revenues. A consolidation of leadership structures, key services such as delivery, and staff retirements will all accrue to create an opportunity to re-tool the service offerings of the system to more effectively provide the services member libraries need. This process should be informed by a strategic planning process that takes place during the first year of a merged system's existence.

In system staff discussions, several specific areas of service improvement a system merger might afford were identified:
- Expanded staff consultant positions. Examples include a full-time youth services consultant, an adult services consultant, a community engagement coordinator, grant assistance/expertise, etc. Consultants could maximize services while saving library directors much of the research, planning, and meeting time
- Consolidation of expert staff coordination groups (example: youth services committees, adult programming) with dedicated system staffing to facilitate their activities and translate ideas to action. Essentially, members will have a bigger pool of expertise to draw from.

- The LLS Storywagon program could be broadened to all members of the merged system, enhanced through additional funding and staffing, or otherwise improved upon. It may be possible that libraries could see a reduced cost for a performer series Note: the LLS Storywagon program has, historically, provided each member library with programs for children and families each summer, and dates back to the earliest years of the system's history.
- Better technology for virtual meetings would be available
- A larger return on investment as far as a reorganized and efficient system staff – could offer more with the same net inputs to the system.
- Depending upon available resources, the new system may be able to offer stipends and grants (ALS currently offers Continuing Education scholarships)
- In the case of the ALS member libraries, they would no longer need to fund the ILS Support Agreement with LLS.
- The new system could also fund additional e-content and/or databases.

There is also potential for cost savings that could result from a bigger buying pool or reductions in cost through merger, including:
- Two WiLS memberships will be reduced to one (estimated savings of $200)
- Two WPLC memberships will be reduced to one (either budget neutral, or a slight unspecified reduction)
- Two WISCNET memberships will be reduced to one (estimated savings of approximately $1,000)
- Two movie licensing contracts will be reduced to one (estimated slight unspecified savings)
- Two separate sets of insurance coverage will be reduced to one set (estimated savings unspecified)
- Two sets of system audit costs will be reduced to one set (estimated savings unspecified)
- Possible cost savings from cooperative purchases and a bigger buying pool (although SHARE has done much of this already)

Actual cost to the member libraries will depend upon efficacies gained through the merger, available state aid and the cost of the services requested by the member libraries. Several library systems offer a considerable number of services to their member libraries but can only afford to provide these services by charging back to the member libraries.

Ideally, savings for libraries can result in improved offerings for the public. The overall area served by the two systems now will not change as a result of a merger, thus producing the same state aid per capita as before a merger. However, a merger will help that state aid go further.

Conclusion:
The staff of both systems identified multiple ways that a merger could result in a more efficient use of revenue to better support the needs of member libraries. In some cases, there would be a reduction in costs, mostly through a de-duplication of efforts/expenditures, and in other cases, members would benefit from a larger system staff and a larger pool of experts in member libraries to draw from. While there are many manners to improve efficiency of resource use, the exact ways should be determined through early strategic planning.

See also:
- Opportunities for More Efficient Use of Revenue (Internal/System Focused) Issue Paper

Issue H: Potential One-time Costs Related to Merger

May 23, 2022, prepared by Steve Ohs, Steve Platteter, and WiLS
Shared at June 6 Committee Meeting

Brief explanation of the issue: The Committee wanted to better understand what potential, one time costs might occur should the systems merge (ie IT infrastructure, new signs, legal fees, contract changes, server space, moving costs, etc.).

Tie to Value Proposition: Improve return on investment; Do no harm

Findings:
A review of the Eastern Shores Library System and Mid-Wisconsin Federated Library System Joint Merger Committee Recommendation Report (see Appendix H), the most recent merger of two systems, showed that the greatest anticipated one-time expenses were tied to Library Management Software (referred to as an "Integrated Library System, or "ILS"). In fact, nearly 90% of the one time costs of this merger, estimated to be $240,334, were associated with the ILS. This type of one-time costs will not exist in the case of a merger between ALS and LLS as consolidation of library management software occurred when ALS joined SHARE. The Eastern Shores/Mid-Wisconsin Joint Merger Committee also anticipated one time costs for other software licenses, relocation expenses, legal/auditor expenses, rental truck space, and logo creation to be $28,250.

Relatedly, current leadership of Bridges Library System has provided written (see Appendix I for full response) and anecdotal information about one-time expenses, including that the largest single one-time expense incurred by the process of Jefferson County joining Bridges consisted of vendor fees and staff time directly associated with migration of the Jefferson County libraries into the Bridges instance of library management software (ILS).

The Directors of ALS and LLS anticipate the following *possible* one-time costs (all numbers are estimates):

Google (or other) Workspace Accounts	$500
VOIP Phones	$1,000
Phone Accounts	$1,000
Logo development	$1,000
State/Federal Charges & Fees for Establishing Status as a New Entity	$1,500
Creation of shared branded materials	$2,000
Year-1 Supplementary Accounting Consulting	$5,000
Quickbooks Migration Consulting	$5,000
Strategic Planning Consulting	$10,000
Retirement agreement benefit to one LLS employee	$15,000
Space costs (After Year-1)	Unknown

Moving costs (After Year-1)   Unknown

It is estimated that both systems maintain a combined $550,000.00 in reserve funds as of May 2022. Therefore, the above costs are within the capability of a newly-merged system.

Conclusion:
Although one-time costs associated with a merger of the two library systems are inevitable, the sum of one-time costs incurred through a merger of ALS and LLS would be significantly lower than the one-time costs incurred by other library systems that have undergone changes in system territory. The availability of a healthy source of reserve funding indicates that a newly-merged system will have the resources necessary to bear the necessary one-time costs even if they exceed the estimated figures above.

Related Reports:
Issue F: Staffing Model
Issue I: IT Readiness for Merger

Issue I: IT Readiness for ALS / LLS Merger

Last edited April 13, 2022 by Jim Novy and Steve Ohs
Shared at the March 7 and April 4 Committee Meetings

Brief explanation of the issue: The Committee wanted to understand if the current server capacity and location in the Waterford Public Library is of adequate size and the appropriate location should the library systems merge. The issue, after consultation with the Committee, was expanded to include other issues related to Information Technology.

Tie to Value Proposition: Improve return on investment, Do no harm

Considerations and Dependencies:
- Responds to an expressed concern from Committee members about the ability to provide seamless service to member libraries.

Findings

Pre-Integrated Architecture
The library-facing IT infrastructure that provides services for the ALS and LLS libraries has largely already been combined. In 2018, the ALS libraries were brought into the SHARE consortium's SirsiDynix ILS instance that provides the shared circulation system, database and other library-specific applications. Then in 2019, an LSTA grant was made available for enhancing system IT collaborative efforts, which LLS applied for jointly with ALS and SWLS. During the summer of 2019, network equipment was upgraded at ALS, LLS and SWLS to accommodate the change. Since that was put in place, all Internet transit from the 3 systems has been routed through a central head-end in Waterford. More recently, LLS was awarded an LSTA ARPA grant for ALS and LLS to upgrade networking equipment that should provide enough capacity to get the systems through the next 5+ years.

Existing Budget Infrastructure and Planning Process
Server replacement and enhancement funds are contributed to by all of the libraries that participate in the SHARE Consortium, including the member libraries of ALS and LLS. This funding is separate from the respective operating budgets of the two systems, and is specifically earmarked for future upgrades as they are needed if LSTA grant dollars are less available in the future. Both of the existing system administrations have been heavily involved in setting-up the processes and sources of funding that support the servers and network environments that serve the libraries participating in ALS, LLS, and SHARE as a whole.

Costs
If the systems decide to merge, the new system will eventually need to address the infrastructure that supports the system office staff. This includes moving to common email, phone, and

file-sharing platforms. Depending on what decisions are made, the largest one-time costs will likely be several additional VOIP (Voice Over IP) phones. Ongoing costs would be limited to monthly provider fees associated with new phone devices. If staff from both systems are moved to a single location, there could be one-time fees associated with changing providers or expanding/moving the location(s) of service. While it is difficult to predict what the specific choices will be, the following costs might reasonably be anticipated under current staffing conditions:

GoToConnect Phone Accounts	$264/year	3 Needed	$792
Google Workspace Accounts	$72/year	3 Needed	$216
Polycom VVX 350 Phones	$239/one-time	3 or Fewer Needed (Spares in Current Inventory)	$717
		Total Year 1:	$1,725

Information Security

The general information security environment (also referred to as "cyber security") would not require significant changes, largely due to the fact that the Wide Area Network that serves both systems already relies on a combination of WISCNET/BadgerNet infrastructure, and is already protected by a network firewall appliance with an up-to-date array of security features. The LLS tech team has also implemented a series of Virtual Networks (VLANS) within the greater network to achieve further security-minded segmentation.

Conclusion:

A system merger between ALS and LLS will not present significant additional costs, staff overhead, or information security risk to the system or member libraries.

Issue J: Risks of Not Merging

April 19, 2022
Prepared by WiLS with information supplied by the staff of ALS and LLS
Shared at the May 2 Committee meeting

Brief explanation of the issue: The Committee would like to understand what risks, direct or indirect, not merging may pose.

Tie to Value Proposition: Improve services; Enhance efficiency ; Do no harm

Findings

There are potential direct financial risks associated with not merging at this time.

- Merger exploration costs are being subsidized currently by LSTA funding and there is a strong likelihood there will be further LSTA funds to help subsidize some costs related to merger. Obviously, if systems do not merge, they will not be eligible for these funds.
- If the systems merge, there may be additional funding opportunities to defray costs associated with changes to the delivery service. Not merging would preclude the system(s) from taking advantage of that opportunity.
- As mentioned in other issue papers, there are duplicated costs between both systems.

Indirect risks also exist and are significant.

- Some of the collaborative arrangements in place between the two systems, such as SHARE, IT contracts, and Marketing/Communication contracts, may be vulnerable without a successful merger.
- If a merger fails, pressure may mount to alter the relationship between the systems into one that is purely transactional. ALS and LLS staff and system leadership have excellent rapport and prioritize cooperation in order to bring the two systems together for shared successes.
- Currently, member library directors are very comfortable working together, but quite a few new directors are coming in and these new members do not have the institutional memory of the improvements made over the last 5 years and may not feel the same goodwill or need to merge.
- Both systems have experienced firsthand what can happen when one key leadership position changes - it can slow and even end cooperative efforts.
- There is also the possibility that SHARE might not be inspired to make its independent 501(c)(3) status a reality.

Conclusion

One of the most challenging aspects of systems mergers is catalog integration, which ALS and LLS have successfully maneuvered. The formalization of the system's relationship through SHARE was a formative first step, but there are other aspects of their collaborative work that are at risk

should a merger not occur. Formalizing the relationship between the two systems would ensure that the collaborative efforts remain viable and sustainable, regardless of changes in staff and leadership.

Appendix A: Arrowhead Library System Strategic Plan 2020-2023
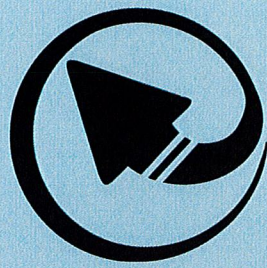
Arrowhead Library System

Strategic Plan
2020-2023

The mission of ALS is to facilitate equitable access to information and improved library operations to provide cost-effective and responsive services for all users. In support of this collaborative effort, the system is defined as its member libraries, System Staff and the System Board. ALS is not a substitute for local and county planning and financial support.

Introduction and Overview

Arrowhead Library System was established in 1974 to coordinate and expand Rock County's public library services. All Rock County residents benefit from enhanced, cost-effective library services through the continued cooperation of ALS and its member libraries. ALS provides members with delivery services, access to consulting and continuing education resources, interlibrary loan support, contracts with Lakeshores Library System to provide full support of the shared integrated library system (ILS) that all ALS member libraries use, and provides outreach and marketing expertise.

In order to guide decisions and priorities for the next years, the Arrowhead Library System staff and Board undertook a strategic planning process that brought together representatives from all member libraries. Building a strategic plan with the membership as part of the process guarantees the work of the system is always centered around those it serves. This has always been the case, but the context in which this plan was written makes this even more important.

This plan, especially the goal to develop an exploration process for system merger, leaves both the system and its member libraries both prepared and empowered. ALS has limited resources and may face funding decreases in the wake of COVID-19, library closures, and the resulting economic challenges. It is critically important that decisions made allow for both a continuation of existing successful services and additional services identified in the planning process. One way to meet member needs is to merge with another system, thus increasing capacity and resources. However, that process must be done carefully and thoughtfully and it must critically consider the benefits and disadvantages for the system and its members.

Fortunately, the system has a strong foundation and recently went through an instructive and ultimately successful process to identify and review possible ILS upgrade options for the Arrowhead Library System that resulted in an ILS merger with the Lakeshores Library System's SHARE. The ILS merger process had representation from member libraries and any merger exploration process must have the same. It must also be based upon data, a shared and articulated vision of the process and its outcomes, and must rely upon consensus. Just like all aspects of system operations, the work accomplished is for the greater good of all the libraries and the communities they represent. Therefore, consensus is critical even in the creation of the exploration process.

When this strategic planning process was begun, library and system operations were occurring as expected. Doors were open, books were delivered amongst members, meetings took place in shared spaces. Nobody expected a global pandemic to interrupt those operations, but it did and the system and member libraries responded to it with flexibility and composure and saw the unique conditions as an opportunity to think about system needs when faced crisis, whether a pandemic, catastrophic flood, power outage, or some other large scale disaster.

This plan articulates the important directions for our library system during this time of historic change and acts as guide for us we work to continually improve services to our members so they in turn can continue to provide the very best service to the communities they serve. Because of the nature of the plan's objectives, this plan is in effect 2020-2023.

Process

The process and timeline originally conceived was modified in light of the COVID-19 pandemic and the Safer at Home orders that closed libraries and limited travel. However, through flexibility and creativity, the goals of the process were met through planning team surveys and a virtual meeting to determine the goals and objectives of the plan.

Information gathering and understanding of member needs were critical. Two surveys were administered to ALS Trustees, Staff, and Member Library Directors during the process. The initial survey was made up of two sections, the first asking for input to determine what support and leadership roles the system could fulfill or enhance, if any, and the second exploring bigger picture strategic options. The survey was completed by 21 people, 10 ALS Trustees, 7 member library directors, and 4 system staff persons. The results made the following clear:

- Overwhelmingly, respondents indicated the primary support roles for the system were related to education, coordination and collaboration, and making connections in areas such as developing partnerships, marketing and communication, and programming support, and
- There was wide support for the development of an exploration process for system merger, though the process, and any possible merger, would need to be inclusive and carefully constructed.

With these results in mind, a second survey was administered to more fully understand what a merger process might look like. It was at this point that the Safer at Home order was put in place and libraries faced massive and sudden change. Therefore, the survey asked about immediate needs related to the pandemic and needs that might have been exposed that should be considered in longer term planning. This survey was completed by 12 respondents, 5 library directors, 4 board members, and 3 ALS staff members. The survey results indicated:

- Support for a merger exploration process that is inclusive, data informed and will examine both the benefits and the costs of a potential system merger,
- Need for system guidance, advocacy, and priority support for priority services during a time of crisis; and
- A need to find new and strengthen existing collaborations to improve services and build upon each other's expertise, especially related to consulting and continuing education.

With the survey results as its basis, the library system director and consultants at WiLS drafted a framework of strategic goals and objectives, along with potential activities to accomplish the objectives. This framework was reviewed and improved at a virtual meeting held on May 11 and attended by system staff, trustees, and member library directors. A revised draft was then shared with system library directors at a monthly meeting.

Approved August 12, 2020

Goals and Objectives

Strategically Supporting Member Libraries Through Crisis

The COVID-19 health crisis has made clear that ALS members have unique needs during a pandemic, however, the System can support members through this crisis and future crises, from flooding to power outages, by sharing guidance, providing advocacy and advocacy tools, and supporting critical services and the missions of the member libraries.

Objectives

- Develop or share guidance and best practices by working with experts and partners across the state to ensure safe work environments, best meet community needs, and reduce duplication of efforts.
- Library advocacy is always a critical need, but even more so during a time of crisis. ALS will help member libraries tell their stories to stakeholders, with action and tools, to ensure libraries have resources to continue offering critical community services.
- Resource sharing, library material delivery, technology support, and the literacy mission of libraries are critical services, especially when communities are faced with crisis. ALS will continue to support critical services in critical times.

Develop a System Merger Exploration Process

ALS is made up of member libraries that are highly collaborative and has a system staff with incredible talents. There is a high level of satisfaction with current system services, but member libraries are interested in developing and coordinating connections and increasing their access to consulting and learning opportunities. A system merger could increase partnerships and access to resources, but any merger would need to be accomplished through a careful process of learning and planning. ALS will work with stakeholders to develop an inclusive, data informed process to examine both the benefits and the costs of a potential system merger.

Objectives:

- Create an exploration process that is inclusive of and responsive to the different needs of participants, including system staff, member libraries and the communities they serve.
- Articulate and document the objectives that should be met for a successful merger to occur, with a clear and shared understanding of the criteria that should be considered in the exploration process.
- Perform an analysis of past library system merger examples to learn from the processes and outcomes.
- Consult experts to understand and form the best merger process possible.

Supporting Member Libraries Continuing Education and Consulting Needs

Even as the System forms an exploratory process for a system merger, member library needs must be supported. ALS will find new and strengthen existing collaborations to improve services and build upon each other's expertise.

Objective:

- Facilitate coordination of group efforts and collaborations among member libraries and with other libraries or partners to provide access to consulting services and continuing education.

Implementation and Communication

The ALS Director and staff will work in conjunction with the ALS Board of Trustees to prioritize, identify service goals, and coordinate activities from this plan. The System will consider available resources, including funding and staff time; changing conditions locally, regionally and statewide; and opportunities that arise to innovate during the implementation of the plan.

The ongoing planning process for the library will include project management, assessment, communication and re-prioritization activities to ensure the goals of the plan are realized with flexibility to adapt as needed. The System will regularly communicate progress made on the goals laid out in this plan to both the Board of Trustees and System members.

Appendix B: Lakeshores Library System Member Survey Highlights

Lakeshores Library System

Member Survey Highlights

Dates of Survey: 2/1/2021- 2/19/2021

Written and assembled by WiLS, March 2021

Question 1: What is your library?

All member libraries responded to the survey

Question 2: For each area, you will be asked to indicate the appropriate role for the system to fulfill from the following options (While the system can fill multiple roles, please select the role you think they best fill)

All 15 libraries answered this question.

A few items of note:

- *Data and reporting to improve operational and strategic decision making, effectiveness, and efficiency* was clearly seen as a role for the System to fill. (13 responses were System Role; 1 was Coordination & Collaboration; 1 was Education)
- *Keeping library technology up to date and relevant with current trends, including preparing for 5G, virtual programming, and remote work* as a System role had strong support (11 responses were System Role; 2 were Scale & Leverage; 1 was Coordination & Collaboration; and 1 was Make Connections)
- *Building projects* had a fairly clear No System Role response (10 responses of No Role; 2 were Make Connections; 1 was Scale & Leverage; 1 was Coordination & Collaboration; and 1 was System Provided.

It appears that members view many of the services to fall under system roles of Coordination & Collaboration; Education; and Make Connections.

System Role by Overall Vote

Category	Value
Reduce Duplication	8
Scale & Leverage	14
No System Role	49
System Provided	70
Make Connections	72
Coordination & Collaboration	74
Education	88
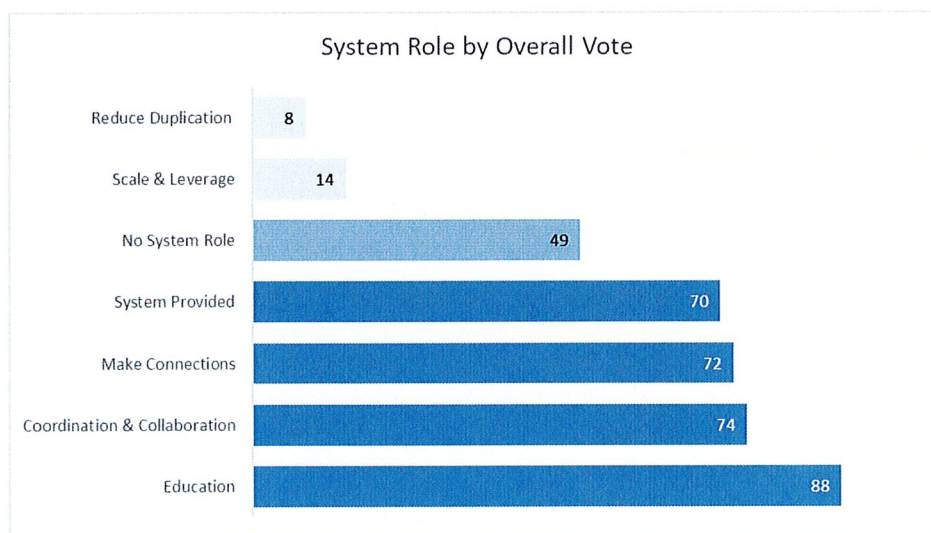
- *Makerspaces and related programming* (8) and Enhanced technology training for library staff (9) had the most interest under **Education**.
- *Helping libraries with marketing and communications support*, including assistance with developing marketing plans (8) had the most interest under **Coordination & Collaboration**.

Question 3: Is there any other service or resource that the Lakeshores Library System might have a role in supporting or providing that was not listed? If so, please share the service/resource and what you see as the role of the System.

- Although they are helping a lot already, I would ask that they be as involved as they can with the filing of the Annual Report by Directors.
- Education regarding Library Boards and how they function (Education role). Liaison between DPI and system (System role).
- Website design and template availability -
- Improving access and library exposure to the 20-50-year-old market
- Trendspotting
- Playing an active role in the PLSR initiatives and moving toward the future.
- I would suggest finding/vetting an attorney who is well-versed with library versus municipal issues and Chapter 43. When member libraries need legal advice, there would already be a trusted name. Each member library would then pay the attorney fees.
- Allowing Library Directors to meet and share services, bring up issues and solve problems.

Question 4: One a scale of 1 to 5, with 1 as the least important and 5 as the most important, how important are each of the following for the system to provide or support?

There were very few items that were not considered important or very important by most respondents.

IT support and services were considered among the most important services provided by the system. 4 of the top 5 services ranked related to IT support, access, and services. Delivery of materials was also considered very important. The following were services ranked the most important by respondents:

- System-wide access to and support for custom-developed enhancements to the SirsiDynix ILS and related tools
- Low cost local IT support services for individual libraries
- Delivery of library materials five days per week.
- System-wide IT services
- IT HelpDesk

System-level management of interlibrary loan requests coming from outside of SHARE had nearly half of respondents rating this as neither important or unimportant, not very important or not at all important (7).

Question 5: If a new service or resource is clearly needed by system members, please rank the following as methods for the system to support that new service or resource (1 being the least comfortable and 3 the most)

Respondents were split regarding solutions. Development of partnerships (especially with other library systems) was the solution that respondents were the most comfortable (6) with and the least comfortable (5) with.

Respondents were less divided about Let go less valued services as a solution with most answering this as their 2 choice; only 1 respondent ranked this as the most uncomfortable solution.

Increase member fees was the solution fewest respondents support. 7 respondents ranked this as the solution they were least comfortable with.

Question 6: What do you think are the successes and pros of larger-scale models for providing services to libraries?   What have LLS libraries gained by being part of SHARE? What could LLS libraries gain from other large scale collaborations (i.e. ideas raised by the PLSR process or possibly a system merger)?

Biggest benefits are:

- Potential for cost reductions
- Access to skills, specialties, and materials could be increased
- Existence of SHARE was paved the way for some to see the benefits/possibilities

Question 7: What do you think are the challenges of larger-scale models for providing services to libraries?   What have LLS libraries lost by being part of SHARE? What could LLS libraries lose from other large scale collaborations (i.e. ideas raised by the PLSR process or possibly a system merger)?

Potential difficulties:

- Loss of voice in a larger system
- Small libraries could be marginalized
- Potential wait time increase related to technology service

Areas that should be considered:

- Communication throughout system
- Number and types of meetings

There was some indication that the SHARE network has already introduced some the challenges and benefits. Overall, there was no strong voice against merger and a few that were supportive.

Appendix C: Issues Roadmap for Joint Merger Exploration Committee

Issue/Question/Need	Possible Action to take	By Whom	By When (what meeting)	Tie in with Value Proposition
Issue A: How does this system merger contribute to the **greater good of public library management** in the state.	Ask for statement from DPI?	WiLS asks DPI	May	Improve services
Issue B: Can our study committee show evidence that with a merged system our patrons could have **improved access to materials?**	Need to answer the following question(s): Might there be an opportunity for new e-content to patrons in new system? Can shared IT result in focused app development to increase patron access? Set benchmarks for future analysis that articulate how access could increase: Example: increase in circulation, program attendance, and gate counts because of stronger marketing; increase in programming attendance and patron satisfaction because of unified calendering	WiLS develops spreadsheet, System staff completes	WiLS by April, System staff by May	Improve services
Issue C: How can we ensure **equitable representation** of all libraries, communities, and counties in the new system? How will other member directors and libraries' voices and/or concerns be heard? **Build shared culture.**	How can we ensure **equitable representation** of all libraries, communities, and counties in the new system? How will other member directors and libraries' voices and/or concerns be heard? **Build shared culture.**	WiLS starts a draft, shares with system directors for feedback	April	Improve services, do no harm
Issue D: How (if it does) will the relationship change between "SHARE" and Kenosha Library system and other entities that ALS/LLS currently have contracts with, such as SWLS, academic libraries, etc.	Draft a statement on how the merger will impact KPL and other partners.	System directors	April	Do no harm
Issue E: Cost(s) to be in the system / How might **member library costs** be impacted?	Compare current member library costs	System directors/Steve Ohs will draft initial version	April	Improve return on investment
Issue F: How could **existing system staff be mapped to a new, interim system staffing model**? How could a merged system have a staffing model that improves member services?	Develop preliminary, interim/transitional system organizational chart. Chart could include future wish-list positions.	System directors draft, committee reviews.	WiLS by April, System staff by May	Enhance efficiency, Improve return on investment, Improve services

Issue/Question/Need	Possible Action to take	By Whom	By When (what meeting)	Tie in with Value Proposition
Issue F/G: Can our study committee show evidence that a merged system will result in a more efficient use of staffing than is currently in place in our two systems? **This has been folded into issue paper E "How could existing system staff be mapped to a new, interim staffing model?" and Issue F, "Opportunities for More Efficient Use of Revenue (Internal/System Focused)"**	Develop preliminary, interim/transitional system organizational chart, and a secondary aspirational org chart - longer horizon org chart. Look at staffing levels or structure at comparable systems.	System directors draft, committee reviews. WiLS pull comparable system data.	WiLS by April, System staff by May	Enhance efficiency, Improve return on investment
Issue G: Can our study committee show evidence that a merged system will be more **efficient in the use of revenue**? any reduction in per patron cost?	Describe potential costs savings in areas such as delivery, staffing, technology, facilities, reduction in meetings, etc. Identify potential for cost savings that could result from a bigger buying pool. Ask staff to identify areas where a larger	WiLS develops spreadsheet, System staff completes	WiLS by April, System staff by May	Improve return on investment
Issue H: What potential, **one time costs** are there to merge (ie IT infrastructure, new signs, legal fees, contract changes, server space, moving costs, etc.)?	Identify one time costs - could interview Monarch Library System to see what their startup budget was? Staff could review and add in potential costs they see.	WiLS drafts, System directors review	WiLS by April, System staff by May	Improve return on investment
Issue I: IT Infrastructure: Is the current server capacity and location in the Waterford Public Library of adequate size and the appropriate location if our systems merge?	IT staff draft a statement indicating the IT infrastructure is adequate for merger.	System staff	April	Improve return on investment
Issue J: What are **potential risks of not merging**?	List indirect risks to not merging: ie: continued inefficiencies with two system decision making processes, loss of DPI incentives (merger exploration subsidy), staff time devoted to this work now, etc.)	WiLS develops questions, System directors answers	April or May (ask Steve O)	Improve return on investment
What is the **main reason we tell all stakeholders** as to why we're thinking of merging and what benefits everyone would see.	Build a narrative incorporating the data from this spreadsheet to justify merger. Showcase how the goals of the value proposition were met.	WiLS consultants	June	Ideally, should encompass all

Issue/Question/Need	Possible Action to take	By Whom	By When (what meeting)	Tie in with Value Proposition	JC suggestion: who owns what
Identify any disruption in service to our patrons during a potential merger and develop timelines and communication plan					Jt. Merger Exploration (JME) could develop these things
Determine what (if any) changes are needed to ILL delivery for continued success, including answer questions such as How will delivery change? Is there evidence that our delivery system will be more efficient with a merged system?					ALS/LLS system staff in this area
What is the Committee's Resource Library recommendation for new system (What will be the role of the resource libraries? Can we have two resource libraries? Is there one for the whole to-be system or will the existing resource library always function in theory as the RL in their county?)					JME could develop recommendation for Implementation board (IB) to consider, or IB could handle this entirely
Recommendation for new system board characteristics: size/number of seats and apportionment by county, when it will be formed					IB
Initial new system administrator/director recommendation developed for new system board					IB
Initial general staffing policy approved by new system board					IB
Year-1 roadmap of system activities and service priorities recommendation developed for new system board					JME? or IB directly
Initial budget structure recommendation developed for new system board					IB
Research needs to be done to explore process of separating from Rock County to better understand potential pain points					IB, or ALS system staff
Develop recommendations related to HR planning. Staff benefits - (how will their benefits be determined - same retirement system? sick days/vac days/etc)					IB
Develop initial salary & benefits policy recommendation developed for new system board					IB
Ensure clear, open communication and consider: How will the public be notified about the merger, will the public have the ability to comment, will anything about the merger be explained in plain language to the various system customers.					JME
Develop recommendations for training and transitional communications for staff.					ALS/LLS system directors

Actions	Assigned to	By When	JC suggestion: who owns what
Annual reports of "old" systems completed			system directors
System plan for "new system" completed & filed			system directors
Member library agreements for "new system" drafted, completed, signed, and filed			system directors/with IB approval
Process identified for transferring records from old systems to new system			system staff in those areas
Federal & state legal status for new system applied-for and active			system directors and/or finance coor
At least one WI LGIP account established for new system			system staff tapped to be new system finance coor
At least one business-level consumer banking account established for new system			system staff tapped to be new system finance coor
Contract with a resource library for new system completed, approved by new system board, and filed			system directors
Development of procedure to migrate pre-merger combined financial data into a selected bookkeeping platform			system staff tapped to be new system finance coor
Update any existing service agreements to account for the merging of the two systems			system directors
Create a new technology and resource-sharing plan for the new system			system technology staff
Rock County non-resident circulation payments -first year			ALS system director
Rock County non-resident circulation payments-following years			ALS system director
County Resolution process for each county			system directors and both boards

Issue	Proposed or possible action
Determination of System Services including: *What further services are we gaining or any enhancements in resources/services *What IT and PR services will be provided to members libraries as part of their membership? *What services will still need to be "contracted? (currently in ALS, member libraries pay an hourly fee for some IT services & I think some LSLS libraries pay for PR services like website support).	Implement committee recommendations related to strategic planning to determine system services
Would there be a grant-writing/application potential systemwide? Meaning, we could benefit from the same set-up/services across the board for universal access for our patrons.	
Would there be an opportunity to focus on data via graphs or some sort of visualization and metrics at the individual, county and system levels to help demonstrate the efficacy of libraries?	
Process to address consolidation of delivery service	
Bylaws of new system board created and approved by new system board	
Where will the new system offices be located? Will that be a burden to existing/continuing system staff if one office is closed?	
Administrator/Director appointed by the new system board	
Administration/Leadership	
Initial salary & benefits policy approved by new system board	
Year-1 budget approved by new system board	
Compare minor policies of the two old systems and converge into an initial policy structure for new system	

What will the name of the new system be?		
Determine resource library (using recommendation from the merger exploration committee)		
Develop schedule to review key documents: member library agreements, resource library agreement, etc. at a future date - 1 year post merger? 2 years post merger?		

Goal	Examples	Steve Ohs	Adam Dinnes	Bryan McCormick	Gary Tilleros
Improve Services	Improve patron access	Because the two systems have already consolidated the libraries through the SHARE ILS, many of these things have already been done with respect to resource-sharing. I believe that improvement in this area will manifest in the form of more efficient collaboration. Example: better opportunity to pursue a coordinated approach to library event calendaring because all member libraries would eventually be in a single email/calendaring domain (i.e. Microsoft 360, Gsuite, or other).	• Access/usage statistics from databases and login based services • increased circulation • increased foot traffic • increased attendance at in-person and online programs and events	Examples: Faster delivery, less dependence on ILL, more holds placed	Compare pre & post-merger data
	Enhance system strengths	Again, we are already doing a lot of service-sharing. That said, artificial ownership and capacity lines currently exist between the two systems. Those lines would vanish with a merger, and areas of staff strength would be under "one roof" and able to coordinate more closely. Procedures can then be developed to streamline the process of delivering results to the member libraries.	Leverage existing skills of system staff, libraries, communities, and county administration to increase collaboration and reduce outsourcing	IT provides additional support, app development	Compare pre & post-merger data
Save time	Streamline decision-making	Currently, any effort that crosses system spheres must be contemplated, researched, and approved by two administrative structures, two system staffs, two system boards, and two librarian advisory committees. This takes a lot of time. A merger of the two systems would reduce a lot of duplicated efforts in this area.	Single system with a single board will reduce	Admin would be able to handle financial items in a more efficient manner	
	Streamlined service provision	A system merger would allow the opportunity for the new system to converge five separate delivery contracts into two or three, depending on Kenosha County Library systems' interest in adopting a single vendor to serve the entire SHARE region. I have reason to believe there would be significant cost-savings in consolidating the delivery service through previous research at varying points over the years. This would also create opportunities to further reduce patron wait-times to obtain materials through regional delivery. Efforts to redesign delivery could also introduce greater resiliency of the service (example: there are at least two "one person operations" - if a vehicle breaks down or someone is sick, this sometimes prevents libraries from getting their daily delivery. A larger vendor or integrated group of contractors may be able to do a better job of covering unexpected mechanical or health issues so that the materials continue to flow.)		Training could be formalized, organized at beginning of year	Compare pre & post-merger data

Save money	Reduce overhead, economies of scale, max-state aid impact	Reducing the time it takes to produce actionable decisions will free-up administrative time that can be focused on other projects and a more active approach to library consulting and relations. Right-sizing system facilities may lower costs in this area. Changes in the delivery service will probably lower costs significantly in this area. Reworking the system approach to Interlibrary Loan could free-up between .5 to 1.0 FTE in staff budget to add a new service specialty to the staffing profile. Further efficiencies in the area of IT service provision (as a result of the elimination of duplicated efforts between the system administrations) could also decrease the cost in money and time, or allow more service output.	Increase buying power and greater economies of scale through quantity discounts and consortial purchasing agreements.	Additional funds to databases, other resources, specialized staff
Do no harm	Services are maintained or improved	Because we are already sharing an ILS, I do not see the potential for harm being done to the libraries' local efforts in serving patrons - in other words, most of the disruption that happens when a library or library system changes their ILS have already been mitigated. The benefit of having so much inter-system collaboration is that many processes (examples: changing/increasing the general profile of services offered by a new system, making changes to delivery, etc.) can be changed gradually so as not to disrupt library activities.	• Retain all systems staff if possible. Perhaps shifting roles,responsibilities, and job duties if needed to meet this goal. • Create mechanisms to ensure that all libraries and communities have opportunities and representation in the new system - board representation, directors meetings, librarians meetings	Additions outweigh subtractions, balance maintained Compare pre & post-merger data

Appendix D: Letter from Ben Miller to Arrowhead and Lakeshores System Merger Committee

Date: Wednesday, April 20, 2022

To: Arrowhead Library System Board of Trustees
Lakeshores Library System Board of Trustees
Steven Platteter, Director – Arrowhead Library System
Steve Ohs, Director – Lakeshores Library System

From: Ben Miller, Director
Library Services Team
Division for Libraries and Technology

Subject: Arrowhead and Lakeshores System Merger

In the opinion of the Division for Libraries and Technology (DLT), a merger between Arrowhead Library System and the Lakeshores Library System would contribute to the greater good of public library management in Wisconsin. System mergers are voluntary and ultimately a matter of local concern but DLT staff see statewide advantages to this merger specifically.

History has shown that changes in territory of public library systems have the best service outcomes when they are voluntary, and that attempts at territory change can be challenging for many reasons, including perceived loss of local control, trust issues, fiscal challenges, and transition processes that are in any way unclear. During the past two years, strong connections have been established between system leaders at a statewide level. This has cultivated a cohort of system directors working together to share their knowledge and expertise for the betterment of all systems, which makes this an ideal time for a merger.

During the Public Library System Redesign (PLSR) project, Wisconsin library stakeholders advised DLT to "apply the approaches of enhancing collaboration and reducing barriers to support voluntary changes in territory served by public library systems with the ultimate goal of reducing the current number of public library systems." This merger will directly address this goal and provide DLT with the opportunity to develop a guide to assist public library systems in effectively planning for any future system mergers or expansion, as the PLSR Steering Committee recommended in their implementation plan. DLT is committed to providing incentives and support to assist Arrowhead and Lakeshores as they move forward with this merger with the intent of creating a model for statewide support of potential future merger explorations.

Due to ongoing advancements in technology and the evolving needs of member libraries, mergers between any systems in the state are generally expected to help address service

capacity issues experienced by library systems individually. This would result in higher quality and more comprehensive services than smaller public library systems such as Arrowhead and Lakeshores are able to provide on their own.

While Arrowhead and Lakeshores have already combined a number of key services essential to a successful merger, a fully merged system could expect even greater efficiencies by combining the assets of the two systems, including state aid payments. This would allow the new system to better leverage increased resources and capacities to improve services for all member libraries and library users. Examples may include: reduced space and utilities for a system headquarters, enhanced administration and administrative support, as system staff may be able to focus on new and innovative services rather than duplicative work. A merged system may see additional savings through streamlined accounting practices and shared procurement.

A successful merger between the Arrowhead and Lakeshores library systems will create a win-win-win situation for multiple stakeholder groups. For systems and system staff, it will result in a reduction in duplication of public library system administration and service activities not already collaborated upon. For DLT, it will fulfill an obligation to Wisconsin library stakeholders, who specified a reduction in the total number of public library systems. And, most of all, for residents of Racine, Rock, and Walworth counties, a successful merger will help to provide the best service possible for all member libraries and library users.

Cc:

Tessa Michaelson Schmidt, Assistant State Superintendent – Division for Libraries and Technology

Shannon Schultz, Public Library Administration Consultant – Library Services Team

Appendix E: ALS/LLS Library System Merger Exploration Communication Plan

Library System Merger Exploration Communication Plan

Goal: Open, transparent, two-way communication

This exploratory process will rely on transparency and will hinge on open, honest communication. The Committee will be responsive to stakeholders and receptive to their input throughout the process.

Committee Email Account

The Exploratory Committee's email account, als-llsjointcommittee@wils.org, will be checked by the process facilitators daily. All communications will be shared with the Committee in advance of the upcoming meeting.

Committee Meetings

The Lakeshores Library System will create a Merger Exploration page on their website. Agendas and minutes will be posted to this site along with communications sent to the Committee. Meetings will be posted on System websites a week before, along with an agenda and if virtual, a link for the public to join the meeting. Draft minutes will be posted within one week of the meeting and final minutes will be posted as soon as approved by the Committee.

Committee Members

Because the Committee is made up of library directors and system trustees there is a likelihood that a quorum of the body may be present at any meeting of the system boards or the system library advisory councils. When this occurs, the committee members may share information and gather feedback, however, no business of the Committee should be discussed or acted upon.

Communication Materials

Materials created and shared throughout the process will be saved in a Google Drive folder containing all public documents related to this ongoing process.

Communication Matrix

Tactic	Stakeholder(s)	Timing	Description
Blog posts	Member libraries, trustees, municipal and county leaders, community members	Monthly, within a week of preceding Committee meeting	Short post that will be shared on the project web page that provides highlights of Committee work.
Newsletter articles (using existing system newsletter)	Member libraries and trustees	Monthly; in newsletter that follows most recent meeting	Short article that provides highlights of Committee work.
Updates at System Board Meetings - standing agenda item	System trustees	Monthly	Brief updates, provided by the planning committee as bullet points, to be shared by a member of the planning committee
Updates at Directors Meeting for each System - standing agenda item	Member libraries	Monthly	Brief updates, provided by the planning committee as bullet points, to be shared by a member of the planning committee
Updates at county meetings	Government officials and stakeholders	As needed, phase II or III	System directors should request time for a brief update and conversation on meeting agenda
Updates at/for member library boards and municipal leaders, as appropriate	Member libraries and trustees; municipal leaders; and community members	As needed, phase II or III	Brief updates, provided by the planning committee as bullet points, to be shared by a member of the planning committee; Committee members may request time on agendas for updates and conversation
Press releases / newspaper article content	Community members	As needed, phase II or III	Short article that provides highlights of Committee work.

Appendix F: ALS/LLS Merger Exploration Stakeholder Questionnaire Results

What is your role?	What do you think should be gained through a successful system merger? Multiple ideas are welcome.	If a merger did occur, what exists in the systems now that is important to preserve? Multiple ideas are welcome.	What questions or issues do you think it is important for the Committee to answer or understand prior to making a merger decision? Multiple answers are welcome.	Is there anything else you would like to share with the Committee?
Member Library Director		More services for our Patrons.		
Member Library Director	I believe the primary purpose is to move forward with the PLSR recommendations. In this case eliminating both a single county and two county library system and creating one three county system. There should be benefits in administrative costs and other areas of duplication (one delivery system for example).	Our wonderful van delivery. Communication between members.	The most important thing is that SHARE continues uninterrupted. Other mandated services will continue so there shouldn't be concern there. Staffing is somewhat of a concern since the merged system is actually a new system.	Exercise caution when looking at Bridges and Monarch. Just because they have merged or added a new county doesn't mean they did it well. They are still struggling and I'm not sure they are addressing what is causing issues for them.
Member Library Director	Greater collaboration between member libraries; an excellent venue for the exchange of ideas.	IT service is our single most vital Lakeshores service. We hope to see this service expand as the consortium grows.	A library consortium exists to empower and serve its member libraries. As the consortium grows, it is vital that all member libraries keep their unique voice, and not become marginalized. Improve processes for increased efficiency - ensure productive meetings and reduce delays in decision-making time and implementation. Find the most efficient and effective balance between gathering input from member libraries but not allowing many voices to delay initiatives.	
Member Library Director	Cost savings for shared resources and services	IT support		
Member Library Director	I think that a successful merger means first and foremost a cohesive and collaborative library system. What should be gained is strength in numbers, for example, purchasing power and resource sharing.	Great technology support, yearly director check-ins, Trustee dinners, and Storywagons.	Making decisions across three counties, the two systems' cultures and histories, and how best to deliver services.	
Member Library Director	Cost savings; more efficient access to materials for our patrons; increased support for staff in areas such as IT, marketing, policy development.	Delivery service & turn around time for patron holds is very important to preserve. Up to date ILS that keeps up with new features. For staff, quick support from system staff (ie staff aren't needing to do more with less).	Hold algorithms and delivery routes - large impact on patron experience. How will IT & PR support be handled. Currently, each system has expertise in 1 area and I imagine this may now be spread to both systems?	Questions and concerns don't imply that this is a "problem" - just something we want to clarify and make sure all parties understand the process.
Member Library Staff	Continued CE opportunities across the system, continued PR collaboration, continued SHARE catalog, continued tech support	All of the above	Will there be one System Director? Or a System Director and an Assistant Director?	Keep up the good work - open communication, brainstorming, collaboration - your efforts are appreciated
Member Library Staff	Efficiency, shared knowledge, shared costs, shared resources, better marketing and social media presence, and a better library community.	Shared catalog, delivery system, responsive system staff. Our current system staff for both systems are helpful and responsive.		Please look to the existing staff of each library in each system first when new employment opportunities come up.
Member Library Staff	A streamlined and cohesive service between libraries, especially when it comes to how items are handled, cataloged, due dates and fees	Librarian patrons to a specific library has priority to that library's items when it comes to holds. Friendly and responsive tech support (like Jim and David).	How does it affect electronic resource usage: i.e. database subscriptions at one library.	
Member Library Staff	cost efficiencies in administration, increased consistency in policies, increased sharing of physical and digital resources.	Friendly and responsive system support staff (like Anita and ALS delivery drivers). Clear communication channels (we need to be clear about who to talk to about what issues. Ideally we would have a tool like our HelpDesk ticket database for tech issues). Professional Public Relations Staff person/people (critical to smaller libraries who cannot afford a staff person to do this otherwise).	How do we balance / share / allocate / the availability of / access to / funding for / more than one resource library? How do we maintain efficient delivery of physical materials. How can we allocate more shared funds for improved digital resources.	This process has been hanging on for more that three decades! THANK YOU for finally taking action and making it happen to the benefit of all involved libraries!
Member Library Staff	Outcomes that result in direct support to library members. Help on technical issues related to shared systems such as ILS or apps through processes such as help desk requests. Help coordinate or support initiatives that can be overwhelming for member staff, such as writing or administering grants, finding or coordinate trainings, responding to patron questions or troubleshooting digital services. Having a larger pool of financial resources and ability to negotiate costs for shared services. Possibly streamlined or coordinated policies for shared materials. Training or potentially helping to recruit for library board vacancies. Support for member libraries who are desperately trying to retain employees. Assist member libraries with practical things they can do to support, acknowledge, and sustain their workforce. Also, communication about the merger needs to be done regularly with staff, but also needs to be done with the public, and in plain language.	I'm embarrassed to admit that I don't know very much about what the current system does for the library. Many of the things I listed in the previous question may already be done at the system level, but I don't think system level communication or the extent to which systems are problem solving always trickles down to staff. I'm aware of some marketing support and some support of shared resources provided by the system. I'm not very tuned into system level governance.	How will a system merger affect the bottom line. How will member library budgets or ability to offer certain materials or services be affected. Will there be a rebalancing and what will that look like. How does this system merger contribute to the greater good of public library management in the state. What is the reason for merging now. How will the public be notified about the merger, will the public have the ability to comment, will anything about the merger be explained in plain language to the various system customers.	Library staff focused on the day to day
Member Library Staff	Broader collection; historical collections	Patron access to their own library collection before others, especially new or limited items.		
Member Library Staff	Classes/Workshops, additional materials	Uncertain other than more availability	Any negatives, disadvantages, services no longer available	Valuable materials, educational and technology services are so necessary
Member Library Staff	A merger would help solidify the relationship we already have developed with our SHARE system for lending. We could also benefit from shared resources whether those are funds, staff, etc.	I can't think of anything at this time.	Funding; use of resources; shared staff; policies (shared and for individual libraries)	I think that this is a positive move for both systems as long as the details are considered in a thorough way. This survey is a start to making that so.
Member Library Staff	shared collection, networking between member library departments (ie, Youth Services), fine free throughout system for children's materials at the very least, possibility (but not requirement) to do some shared/cross programming	shared collection, Youth Card at HPL, teacher card, independent library programming		
Member Library Staff	Reduction in redundancy. Review of efficiencies. Greater access for public.	Autonomy is important for each community library. Branding, collection development, and other decisions that are driven by community needs should remain in the hands of each library.	How does the merger create access and efficiencies for both the public and for staff? What tasks can be shared at a system level?	
Member Library Staff	Easy ability to search materials through database, ease of placing materials on hold and getting materials transferred, formatted WorkFlows same across libraries	ability to place holds and share materials easily	make sure sharing materials is in the best interest of the community	

What is your role?	What do you think should be gained through a successful system merger? Multiple ideas are welcome.	If a merger did occur, what exists in the systems now that is important to preserve? Multiple ideas are welcome.	What questions or issues do you think it is important for the Committee to answer or understand prior to making a merger decision? Multiple answers are welcome.	Is there anything else you would like to share with the Committee?
Member Library Staff	Reduction in costs, more services to libraries, access to more "essential" digital services for patrons like access to on demand digital collections, efficiencies in administration - delivery - and policy making decisions.	Each library's voice is not only heard, but treated with individuality and consideration. Not every consulting service is an extra fee to libraries.	• What if anything changes for our patrons and who will tell them? • What about the board? Who are they, do they know our libraries? • Is this actually going to be better for everyone or will some libraries get the short end of the stick? • Is now the best time? Why? • What are the monetary repercussions as far as funding, reimbursements, and member costs? • What does the system structure look like? • With a larger system is it still 1 library, 1 vote - how will the little libraries not lose their voice in a bigger pool?	There's a lot of "if it's not broke, don't fix it." What is 'broke' and how is this fixing it?
Member Library Staff	Continuity. Team Work. Potential to save money by 'removing redundancy.	SHARE already provides the management to handle the important decisions.	All things related to funding, reserve funds, how money will be spent in the future. It caused the most problem when LLS looked at merging with MidWisconsin. Job responsibilities of System Staff should be reviewed and understood. I would also think that location of offices, meeting locations would be important.	
Member Library Staff	Access to more materials and services for all of our users	Culture of each library & special considerations for each community being served.	What if any roles would be duplicated and what happens to those employees?	
Member Library Staff	Streamlining of processes (damaged items, repairs, fines etc.)	automony of libraries in their communities-for them to be able to make collection development decisions for themselves, etc.		
Member Library Trustee	Expense / cost leveraging. Best practice sharing of systems, methods and procedures.	Local / area-wide focus on community. Perception that bigger is not always better. Financial allocations. Ability to closely manage fiscal approvals and controls. (Local vs. regional control)	What were the specific goals of the merger? Where has it been previously done? Were the stated goals of the merger achieved and to what degree? What unexpected challenges were realized? How were people affected by the merger? Benefits vs. risks?	It would be helpful to better understand the purpose for considering a merger...insight into the "why" behind the study.
Member Library Trustee	increased efficiencies, money savings in the long term, added resources for staff	personal feel at each library that the staff are focused on just helping the person in front of them, that staff have in-depth knowledge of the resources available to patrons	Will any jobs be lost? Will any jobs be created?	
Member Library Trustee	Improved sharing of an expanded pool of resources (intellectual, financial, ideas), economies of scale, greater "weight" with legislative and governmental bodies, streamlined processes.	Efficient delivery, pooled finances, greater cooperation with SirsiDynex, expanded technical support at system and local levels.	What financial and/or personnel commitments are anticipated from local libraries, if any? What experiences have other systems encountered with mergers, and how can those lessons be applied here? How will governance and management be arranged (combined boards, single director, etc)? How might funding from the state, counties, and municipalities be apportioned/changed? Will any cost savings accrue to the local libraries?	Once a decision to merge has been reached, then move the process forward as expeditiously as possible. Clear two-way communications with all interested parties are essential for the process to move smoothly, to reduce misunderstandings.
Member Library Trustee	Access to more titles/resources collectively, especially electronic licenses/offerings that could be more easily shared over a larger geographic area	Patron access to local WiFi/computers, children's story times and adult book clubs and events	How will the merger effect individual library budgets, and does the sharing of resources have the potential to free some dollars for other expenditures? Also, is there expected to be consensus on any operating issues, such as pay for staff or handing of banned book issues as they arise?	
Member Library Trustee	Economy of scale	Individual Library Identity	How will this merger affect cost and library budgets?	
Member Library Trustee	Electronic services (ie Libby) at better rate that get purchased at group rate. Managerial roles can be combined and used more effectively.	Staying current with services offered, such as 3-D printing, and targeting youth in particular so they know what the libraries can provide. Story Wagon is a wonderful offering for young people and should be preserved.	Difficulties that must be overcome, costs of merger and subsequent services to be provided, and current services that would be deleted or altered, efficiencies of scale.	
Member Library Trustee	An end to duplication of services and improved efficiency/cost controls while providing better service to member libraries and ultimately, the consumer.		1. Determine how trustees will be selected since the process is currently different in both systems. 2. Develop a model for the materials delivery system including estimated costs. 3. Show we have the potential make better utilization of the staff currently operating in the two systems. 4. Show that housing the administration in a merged system will not lead to increased costs.	
Member Library Trustee	1. A successful merger should be able to show better utilize of the current FTEs we have in both systems. For example, specific talents only found in one of the systems may be spread over both systems to enhance programming. 2. Maintaining or improving our current delivery system.	1. Maintaining our quality staff and the strong working relationship they have with the different library staff members.		
Member Library Trustee	Access to greater selection of materials	Continued cooperation among libraries		
Member Library Trustee	It would be most important to provide benefits to both organizations with a merger but I do not have any idea of what those benefits might be. Should be financial, service or efficiency of operations related.	Important to provide better communications to all within the merged systems. Am not sure how adequate current communications are within the exercise sting systems. I do not know enough about either system to suggest what is important to preserve.	What are the advantages to such a merger? How does it benefit Lakeshores to merge? Is it an economic /financial purpose or a services access reason?	It is very difficult to provide input on a questionnaire when no information about the proposed merger has been provided or discussed.
System Staff	System aids will be combined by joining the three counties together. The merging of staff along with pending retirements will mean the new system will be able to determine what the makeup of the new staff should be. Does this new system want to have a full time youth services person, or a grant administrator type of position? Will there be only one office or would two locations be better? Ideally, there will be fewer meetings as well.	IT staff and marketing staff seem to be very important. One administrator will be needed and a minimum of one staff person to do payroll/accounting/budgeting/meetings, etc. Group budgeting/purchasing works well for the libraries.	It needs to be said that the administrator and staff will have his/her hands full. There should be an "all hands on deck" atmosphere and understanding (especially in the first year of new system) with everyone helping it succeed. Delivery issues need to be addressed sooner rather than later. ALS has several delivery drivers employed. LLS has a contract with one single person (Excell Express) to do deliveries. The contract with Excell expires at the end of 2022.	No matter how well this is planned, there will be problems and questions to answer down the road. This is where the new system will need "all hands on deck" atmosphere.

What is your role?	What do you think should be gained through a successful system merger? Multiple ideas are welcome.	If a merger did occur, what exists in the systems now that is important to preserve? Multiple ideas are welcome.	What questions or issues do you think it is important for the Committee to answer or understand prior to making a merger decision? Multiple answers are welcome.	Is there anything else you would like to share with the Committee?
System Staff	The first benefit I see is clarity in the relationship. From a system staff perspective, almost every time a large challenge or opportunity arises, we spend time figuring out if we work within our own system or how to approach it as a joint system activity. When it is a joint system activity, we have to negotiate who's doing what, who's paying for what, who's supporting what and it ends up adding a fair amount of overhead to every implementation. Depending on the situation, we have also had to codify these negotiations into several intersystem agreements to cover the activities, which adds delays as they work through the two system boards. The second group of benefits I think we will gain are the efficiencies that we realize over time. Right now both systems each maintain representation on a number of state-level committees, both have to formulate independent budgets, both have to apply for grants, both have to file separate reports, both have to negotiate vendor contracts and both have to run independent directors and board meetings. In addition, we both incur the overhead of needing to coordinate these activities for shared services. Internally when we've discussed this we've thought there may be room after the merger activities have been completed to transition one or two positions in a merged system from mostly working through administrative overhead into offering more services to the member libraries. For two systems that combined have fewer than a dozen FTEs, that is a considerable portion of our workforce.	The capacity to deliver valued member services. That's pretty much it. I'd have a hard time seeing a successful merged system that was struggling to offer delivery, marketing, training, and technology services. A merged system will need to continue to offer multiple arenas for member library staff to learn, collaborate and provide feedback in the form of director's meetings, ILS meetings, YS meetings, and CE workshops. We're doing a lot of this together already though, so it's hard to see it falling by the wayside after a merger.	This probably goes without saying, but I think it's important that we remember that the perfect is the enemy of the good. We're not going to have all of the answers to this going in. A lot of it will need to be bootstrapped initially and then involve rework as we go. There will be an aspect of making this up as we go. All of that is OK. As long as we can continue to communicate effectively we will end up with an effective system and the capacity to improve over time.	Just that I appreciate all the time and attention you are all giving to this process.
System Trustee	Greater administrative efficiency Greater coordination Expanded staff development potential Greater synergy between among local library staff as they interact more broadly with their new colleagues	Connection to our County because of the funding collected and redistributed to local libraries - the County knows and trusts the System now - don't want to lose that in a framework with a System that's a "they" instead of an "we."	Mostly governance stuff	Not at this time
System Trustee	Reducing expenditures while increasing services	best practices	It should involve a reduction of staff. What positions will be eliminated?	
System Trustee	More resource sharing, eliminate duplicative services, tap into expertise through collaboration	Resource sharing, local autonomy among libraries	Decision making protocols	
System Trustee	Cost sharing. More efficiency. DPI will have less systems to communicate with.	Library uniqueness- program flexibility. System staff in the areas of technology & PR.	System Board control needs to be maintained, with flexibility for libraries in programing.	It is imperative that all implications of the merger be understood by every System Board member before a vote is taken.
System Trustee	Hopefully cost savings and more services	Technology	how will this effect everyone	
System Trustee	Consistency in systems. Scale in support. More items readily available for patrons with a combined system.	Don't feel like I have a good answer for this.	How does this affect system employees is most important. New system board composition should be considered.	We need to be aware that there may be trustees at all levels that have a lot of personal effort and feelings tied up in the system. This could affect some thinking.
System Trustee	More accessibility for patrons, additional resources for libraries and obtained using a similar or reduced budget, more online activities to reach across the entire consortium. For example, Waterford Public Library offers Facebook Live yoga sessions. Patrons from Beloit could access this class virtually, even though it's being hosted by a member library that's about an hour driving distance.	Strong leadership in an administrator, regular meetings/communication with all directors of member libraries, a user-friendly cataloging server (SHARE)	What would the merge mean for current consortium administrative staff (RE: two Steves as admins)? What library would be the designated resource library with the merge?	Thank you to Steve and Steve and the committee for putting your time into this effort.
System Trustee	More resources for citizens. More support for small libraries. Opportunities to collaborate on large projects	Collaboration among libraries. Top staff for direction and infrastructure, especially technology. User accessibility to all collections.	Will a merger result in the same cost per citizen for library services? Will increased size diminish influence of municipalities and counties?	If the parties are not happy with the merged system, will dissolution be feasible and easy? Would it be possible to implement a trial merger with a reversion to pre-merger governance after 2-3 years, perhaps by a sunset mechanism which could be stayed by an affirmation vote of the parties?

Appendix G: Master System Agreements list

Master Agreement List

Name:	Contracting Agency A)*	Contracting Agency B	Type:	Amount of Any Fees Paid by Agency B to Agency A	Brief Description of Changes Required:
Marketing & PR Services	LLS	ALS	Service Agreement with Other Library System	NA	Would cease to exist.
Member Library Agreements (LLS)	LLS	LLS Members	Required (Wis. Stat. Ch 43)	NA	Consolidate existing member library agreements of ALS and LLS into new agreement for new system.
Member Library Agreements (ALS)	ALS	ALS Members	Required (Wis. Stat. Ch 43)	NA	Consolidate existing member library agreements of ALS and LLS into new agreement for new system.
WiFi Kit Administration Agreement	LLS	ALS	Service Agreement with Other Library System	$3,600	Would cease to exist.
BiblioCommons Support Agreement	LLS	KCLS	Service Agreement with Other Library System	$5,000	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Web Hosting Agreement	LLS	ALS	Service Agreement with Other Library System	$200 + $45/hr for extra staff time	Would cease to exist.
SHARE Support and Training Agreement	LLS	ALS	Service Agreement with Other Library System	$83,000	Would cease to exist.
IT and Network Support Agreement	LLS	SWLS	Service Agreement with Other Library System	$65,000	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Cataloging Agreement	KCLS	LLS	Service Agreement with Other Library System	$5,000	Would cease to exist on assumption that cataloging work can be integrated into new resource library agreement.
SHARE Support and Training Agreement	LLS	KCLS	Service Agreement with Other Library System	$29,291	Existing agreement would require revision for updated name of contractor/system. Fee structure requires revision based on inflation.
Delivery Network Linking Agreement	ALS	LLS	Service Agreement with Other Library System	$16,000	Would cease to exist.
Primary Delivery Service Vendor Agreement	Excel Express	LLS	Service Agreement with Other Type of Agency	$110,952	Existing agreement would require revision for updated name of contractor/system and revision of term from 3yr to 1yr, on assumption that new system would continue delivery operations on status quo until wholistic re-evaluation of delivery service occurs by new system.
Statewide Delivery Hub Agreement	SCLS	LLS	Service Agreement with Other Library System	$13,661	Consolidate SCLS delivery agreements into a single new agreement for new system.
Statewide Delivery Hub Agreement	SCLS	ALS	Service Agreement with Other Library System	$12,757	Consolidate SCLS delivery agreements into a single new agreement for new system.
Intersystem Agreement	LLS	ALS	Required (Wis. Stat. Ch 43)	NA	Consolidate six (6) intersystem agreements into three (3).
Intersystem Agreement	LLS	Bridges	Required (Wis. Stat. Ch 43)	NA	Consolidate six (6) intersystem agreements into three (3).
Intersystem Agreement	LLS	KCLS	Required (Wis. Stat. Ch 43)	NA	Consolidate six (6) intersystem agreements into three (3).
Intersystem Agreement	ALS	LLS	Required (Wis. Stat. Ch 43)	NA	Consolidate six (6) intersystem agreements into three (3).
Intersystem Agreement	ALS	SCLS	Required (Wis. Stat. Ch 43)	NA	Consolidate six (6) intersystem agreements into three (3).

Master Agreement List

Intersystem Agreement	ALS	Bridges		NA		Consolidate six (6) intersystem agreements into three (3).
Resource Library Agreement (ALS)	Hedberg Public Library	ALS	Required (Wis. Stat. Ch 43)		$40,000	New agreement(s) required. Existing framework of two resource library contracts can be revised for the new system -OR- one contract will cease to exist.
Resource Library Agreement (LLS)	Racine Public Library	LLS	Required (Wis. Stat. Ch 43)		$5,000	New agreement(s) required. Existing framework of two resource library contracts can be revised for the new system -OR- one contract will cease to exist.
Delivery Network Access Agreement	LLS	Racine Correctional Institution	Service Agreement with Other Type of Agency		$1,000	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Delivery Network Access Agreement	ALS	Blackhawk Technical College	Service Agreement with Other Type of Agency		$632.00	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Delivery Network Access Agreement	ALS	Beloit College	Service Agreement with Other Type of Agency		$898.00	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Delivery Network Access Agreement	ALS	Wisconsin Center for the Blind and Visually Impaired	Service Agreement with Other Type of Agency		$423.00	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Delivery Network Access Agreement	ALS	Beloit School District	Service Agreement with Other Type of Agency		$427.00	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Delivery Network Access Agreement	ALS	Milton School District	Service Agreement with Other Type of Agency		$528.00	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Delivery Network Access Agreement	ALS	Parkview School District	Service Agreement with Other Type of Agency		$528.00	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Delivery Network Access Agreement	LLS	Waterford Union High School	Service Agreement with Other Type of Agency		$700.00	Existing agreement would require revision for updated name of contractor/system. No revision of fee structure necessary.
Member County Agreements Acknowledging Participation in the Library System	LLS	Racine County	Required (Wis. Stat. Ch 43)	NA		New agreement required as a result of new system identity. NOTE: a county resolution of approval for merger can satisfy this requirement.
Member County Agreements Acknowledging Participation in the Library System	LLS	Walworth County	Required (Wis. Stat. Ch 43)	NA		New agreement required as a result of new system identity. NOTE: a county resolution of approval for merger can satisfy this requirement.
Member County Agreements Acknowledging Participation in the Library System	ALS	Rock County	Required (Wis. Stat. Ch 43)	NA		New agreement required as a result of new system identity. NOTE: a county resolution of approval for merger can satisfy this requirement.

Appendix H: ESLS/MWFLS Joint Merger Committee
Recommendation Report 2016

EASTERN SHORES LIBRARY SYSTEM &

MID-WISCONSIN FEDERATED

LIBRARY SYSTEM

JOINT MERGER COMMITTEE

RECOMMENDATION REPORT

JUNE 16, 2016

Recommendation

The Joint Merger Negotiation Committee of the Eastern Shores Library System (ESLS) and Mid-Wisconsin Federated Library System (MWFLS) voted on June 16, 2016 to recommend that the two systems merge together to become a new four county public library system effective January 1, 2017. The committee requests that the boards of both systems and the boards of county supervisors in the four counties of Dodge, Ozaukee, Sheboygan and Washington consider and approve a resolution supporting this merger. See Appendix I for an example of a potential resolution.

Background

After the Mid-Wisconsin Federated Library System engaged in an exploratory process in the second half of 2015 to identify potential system merger partners, the Eastern Shores Library System and Mid-Wisconsin Federated Library System began discussions in February of 2016 to determine the feasibility of a merger between the two systems. This process was led by a Joint Merger Negotiation Committee made up of six representatives from each system. WiLS (Wisconsin Library Services) was hired as a consultant to help develop the negotiation process and facilitate meetings of the committee. The Joint Merger Negotiation Committee was made up of the following individuals.

Eastern Shores Library System Representatives:

- Linda Bendix, Director, Frank L. Weyenberg Library of Mequon-Thiensville
- Amy Birtell, ESLS Director
- Garrett Erickson, Director, Mead Public Library (Sheboygan)
- Jim Hughes, ESLS Board President (Sheboygan County)
- Robert Nitsch, ESLS IT Specialist
- Steve Ruggieri, ESLS Board Member (Ozaukee County)

Mid-Wisconsin Federated Library System Representatives:

- Amy Becker, Director, West Bend Public Library
- Patrick Busch, MWFLS IT Director
- Michael Gelhausen, MWFLS Director
- Mark Hanson, MWFLS Board President (Dodge County)
- Bret Jaeger, Director, Waupun Public Library
- Margaret McFadden, MWFLS Board Member (Washington County)

On February 15, 2016, the systems directors and a board representative from each system met to discuss a roadmap for the negotiation process. The full Joint Merger Negotiation Committee first met on February 29th, in addition to the following dates: March 14th, March 28th, April 11th, April 25th, May 25th, June 2nd and June 13th.

The committee focused on key service and system topics that it determined needed to be addressed during this process. More detailed information, findings and agreement information about these topics can be found starting on Page 3. As the committee would come to agreements around a topic, the topic would be taken back by each system for discussion by each system's internal merger committees

to discuss the potential impact to their members, in addition to holding other discussions through other system communication with members or at other system committee meetings. These internal merger committees served as the bodies for discussion and decision-making within a system. This process is where various options related to a topic would be redeveloped to propose new compromises or changes until an agreement was reached that both the Joint Merger Negotiation Committee and internal system merger committees would support.

In addition to the committee meeting and decision-making process, other meetings were held to help inform the process. This includes a demonstration of Polaris, the shared catalog platform, for the MWFLS libraries. Also, the circulation committees from both systems met to find common ground among their policies and procedures to identify areas of agreement that would exist in the new system around circulation through the shared catalog.

Why is a merger being considered?

Particularly over the last five years, public library systems around Wisconsin have been experiencing the impact of reduced or flat system aid funding from the state while expenses continue to increase. Changes in system membership and less revenue have put both systems in the position of having to reduce staff and/or services. The result, to different degrees in both systems, has been a reduction in services to libraries.

The goal of this negotiation process was to determine the following:

1. If, due to an increased economy of scale and greater purchasing leverage with vendors, services could be provided at a similar or less expense to the system and member libraries.

And/or

2. Services would minimally be provided just as effectively, but preferably would be improved for both libraries and patrons.

Due to the differences in funding formulas and various policies and procedures, there were a number of challenges and ideas for the committee to consider and work through. Through continued discussion and compromise from both systems, the committee came to agreements about services they determined at the beginning of the process needed to be addressed to determine the feasibility of a merger.

There is still more to do related to operational decisions and new agreements to form the new system. This includes strategic planning to identify how the new system will lead and innovate moving forward, how the system will communicate and how it will to continue to find opportunities to provide improved service as a four-county system. While not every service in the new system will bring the same benefits to each library, the sum equates to a significant gain in value in the services that can be provided as a merged system, specifically those the patrons value most.

The agreements the committee came to include recommendations about what services will be provided, how they will be provided, how services will be funded and how decisions about the services will be

made in a new system. Based on the agreements and compromises made during this process and resulting service recommendations, it is the determination of this committee that the merger of the two systems will:

1. Improve services to patrons through easier and more efficient access to more resources. The shared catalog will contain more than 1.1 million holdings (currently ESLS has more than 600,000 holdings and MWFLS has nearly 500,000).
2. Save libraries approximately $98,000 cumulatively system fees being paid by member libraries for shared services.
3. Improve the sustainability of and in key areas improve system services to libraries.
   - Increase in in-system continuing education opportunities for library staff
   - Improved technology support and expertise
   - Maintaining the same levels of delivery service to each library, but funded fully by system aid

In the fall of 2015, as part of the MWFLS merger exploration process, libraries in both systems responded to a survey regarding the importance they place on system services provided to them and their satisfaction with those services. The services both systems placed the highest importance on were the shared catalog available to patrons, technology (both support and innovation) to libraries, delivery and a strong administration.

As noted in the three benefits listed above and documented in the following sections providing more detail about the areas of service agreements the committee reached during this process, the areas of improved services to libraries and patrons through this merger reflect the service areas the libraries in both systems indicate are most important to them.

Recommendation outcomes of services and topics addressed by the committee

The following are recommendations of service and system agreements, with additional details, the representatives from the two systems agreed on and used as a basis for determining its recommendation to the two system boards and four boards of county supervisors for the merger of the two systems. These form the basis of a system plan the committee recommends the new system board use for the operation of the system the first year, and beyond if the new board so chooses. The committee does recognize these are only recommendations to help the new board with its work of starting a newly merged system and that the new board will become the decision-making body for the operation of the new system.

System program budget, staffing, resource library agreement, library fees for shared services and merger expenses.

Agreement of service:
- The committee agreed on a proposed system program budget that was developed for a merged system, both the structure and allocations (See Appendix A).

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- Also, the committee accepted the recommended staffing structure for the new system (See Appendix B).
- As part of the service plan the system will contract with a Resource Library, Mead Public Library (Sheboygan). The committee agrees to funding of the contract and the services (see Appendix C) Mead will provide for the contract.
- The committee approved a member library fee formula for shared services. The breakdown of these fees by library can be seen on Appendix D.
- Lastly, there will be one-time costs to merge the systems. The two systems currently have a combined $330,000 in available reserve funds to fund these expenses, which are estimated to cost approximately $240,000. The committee accepts these cost estimates (see Appendix E) as an indication there is sufficient funds to fund this merger and that, especially after the MWFLS headquarters is sold, the new system will begin with adequate reserves.

Considerations:
- The budget reflects the plan for services in the new system and these services fulfill the statutory requirements (see Appendix F).
- An additional delivery truck will be purchased through the Commission of Public Land Loans if the new System Board approves the use of loaned funds. The proposed budget includes loan payments to cover both vehicles, this new one and another previously purchased with a loan.
- Grants to libraries will be evaluated at a later date following completion of the merger process.
- The Resource Library contract total is $100,000 of which 70% will spent on content and 30% will fund the staff support for this collection work.
- As previously noted the total fees to libraries will be $98,000 less than they currently total in each system. It needs to be noted that not every library will see their total share of system fees be reduced, either due to the recommended formula change or a change in funds going to the libraries through grants, etc.
- When the MWFLS headquarters is sold, not only will the funds from the sale go into the system reserve fund, the new system will save approximately $25,000 per year in ongoing expenses that has been put into the budget to maintain the facility while it's on the market. The most recent audit lists the building value at $299,000.00.

Impact:
- This budget results in overall less fees to libraries and the system fully funding delivery and IT support.
- The gain in staffing levels, particularly in IT, provides opportunities to improve service to libraries.

Governance

Agreement of service: The library director advisory council in the system will work on a consensus governance model. When it is not possible or feasible to reach consensus, the council of directors will use a weighted voting model based on a reverse of state librarian certification levels, which are based on population. A Grade 1 library will have 3 votes, a Grade 2 library will have 2 votes and a Grade 3

library will have 1 votes (see Appendix D) for vote distribution information). A threshold of 75% of total votes will need to be reached for approval of an item, which will require the support of more than 50% of the libraries in the new system.

- Grade 1 certification is required at libraries with populations of 6,000 or more.
- Grade II certification is required at libraries with populations of 3,000-5,999.
- Grade III certification at libraries with populations of up to 2,999 persons.

Considerations: A number of different ideas were proposed for a voting structure in the new system. The challenge was to find compromise in the development of a new fee formula when the two system currently have significantly different models for determine cost shares of system fees. Due to the potential fiscal impact of decisions, libraries with a higher share of fees sought more weight in voting as a balance to the higher fee amount. Libraries with smaller populations, and often lower fees, wanted to ensure their voice is still equally heard and that just a few libraries would not be controlling decisions. This is certainly the area that all libraries had to compromise to find a solution most can support.

A new board will be selected for the new system. The representation will be allocated among the counties based on population:

- Washington County – 5
- Sheboygan County – 4
- Dodge County – 3
- Ozaukee County – 3

Per WI state statute Chapter 43, system board members shall be nominated by the county executive in each county in the system, or by the county board chairperson in a county without a county executive, and approved by each county board in the system. Each county board may appoint one county board member to the system board. The public library board governing the designated resource library shall have at least one member on the system board. The remaining system board members shall include such representatives of the library boards governing public libraries of participating municipalities and counties and public members appointed from the counties at large as the county board determines.

Impact: While both systems have typically been able to handle the majority of their decision-making through consensus, the switch to a weighted voting system with a 75% threshold for passing an item will be new for both systems. This will be something the new system will need to monitor to determine how it is working for them.

Integrated Library System (ILS – shared library catalog)

Agreement of service: Based on the information reviewed and the demonstration of the ILS platform to MWFLS libraries, the committee unanimously agreed that the shared catalog platform in the new system will be the Polaris system currently used in ESLS. This was agreed upon with the conditions that sufficient and timely training is provided to MWFLS libraries, including organizing it so MWFLS libraries can shadow ESLS libraries, and that the migration is completed by December 1, 2016.

<u>Considerations</u>:
- While the determination has been made for the shared catalog in the new system to be Polaris, libraries in both systems indicated a desire for the new system to explore next generation platforms in the future.
- See Appendix G for information about cataloging in the new system.
- The two circulation committees met and identified that most libraries share similar circulation policies. It was agreed that in the new systems circulation policies would try to be standardized, but that current policies at libraries, including loan periods, will be allowed to exist as they currently are at member libraries.
- The system will use the local holds feature.

<u>Impact</u>: The biggest impact will be to the patrons in the four counties. As noted earlier in the report, the combination of the catalogs will provide patrons with significantly more resources at their disposal. The next biggest impact will be to the MWFLS libraries. MWFLS libraries and patrons have went through a couple of ILS and resources sharing changes the past few years. ILS changes are significant to libraries with a migration to a new platform.

Technology

<u>Agreement of service</u>: The system will provide technology services and support as detailed in Appendix H.

<u>Considerations</u>: The new system technology team will work with each library to determine additional technology products and services, such as virus protection, etc., each library will want and will provide libraries with alternatives and fees for their share of any coordinated technology product they choose to get from the system.

<u>Impact</u>: While there may be little impact for a handful of libraries, depending on how much technology support they handle themselves, this is an area of service where improvements could have a significant impact for libraries and the services they provide patrons.
- Currently MWFLS employs a full-time employee with duties split up between being the IT Director and ILS Administrator and ESLS employs a full-time employee that is a dedicated IT Specialist. In the proposed staffing model for the new system, these positions exist as two full-time staff dedicated to IT.
- In addition, the proposed model and budget also calls for a third IT staff person. This person may not be hired until needs are identified in the new system.
- Lastly, there is $20,000 allocated through state aid for research and development for technology in the proposed 2017 budget.

Delivery

<u>Agreement of service</u>: The committee unanimously approved that delivery be a system run service with two routes providing delivery five days a week, daily sorting for the next day's deliveries, holds pulled by

each library at least once a day and arranged delivery for interlibrary loans through the Wisconsin Libraries' Delivery Network as currently provided by the South Central Library System. The system will perform a study of delivery after 18 months to determine if there is any potential need for a third route and to do a comparison of costs between system run services versus contracting with a private courier. Following this study, the service should be studied every 5 years or less.

Considerations:
- The system will need a second garage location for the second van and route. This will be located in the West Bend area. It was recommended that any lease for this space be short enough to allow flexibility should the system need to make changes after a service study.
- The two-route configuration will have one route run from the system headquarters in Sheboygan and will serve Ozaukee and Sheboygan libraries and the second route from the second garage serving Dodge and Washington counties.
- Due to the uncertainty regarding delivery volume after the catalogs are merged, the new board and staff will need to monitor route capacity to determine if a third route needs to be considered before a delivery service study is done at 18 months.
- Sorting of outgoing materials will be organized to be flexible to allow each library to sort within available library space.
- The system will work with the hold sequence to balance loads for libraries to best manage costs at the libraries for staff time handling incoming and outgoing delivery.

Impact: The result will be more access to resources through an expanded shared catalog. This will increase delivery volume; however, it is not possible to predict this with any certain accuracy. This increase in volume will be due to patrons finding more resources with the expanded catalog.

Headquarters

Agreement of service: This topic was originally discussed at the February 29th meeting. At the March 14, 2016 meeting of the Joint Merger Negotiation Committee, MWFLS presented that they recommend the headquarters for the new system be in Sheboygan at the current ESLS headquarters. They also recommended that the new system would use the remainder of the lease to do an in-depth study as to the future need for a headquarters including location, space needs, staffing, system services and delivery option. After more discussion at the March 28th meeting, the recommendation was unanimously approved by the committee at the April 11, 2016 meeting.

Considerations: The current ESLS headquarters lease has an exit clause that would require the system to pay the building owner all the rent owed through the remainder of the 7-year lease. This currently would cost approximately $280,000. This exit clause is the main reason the committee determined the new system would need to be headquartered at ESLS's current location. The current MWFLS facility, which is owned and paid for in full by MWFLS, will be put up for sale upon the agreement to merge being completed. The funds from this sale will become part of the new system's reserve budget.

Impact: Sheboygan is not a central location for the four counties and will be located at the far northeast point of the new system. While this is not ideal, it is something that can be managed until it is feasible

for the new system to consider a more central location. A new, central location will have the positive impact of balancing out distances between member libraries and the system headquarters, allow for a search to seek a space with a larger meeting room to accommodate the larger system and increased attendance at meetings, and centralize delivery to be done out of one location, which will increase both service efficiency and service transit time within the system.

Continuing Education

Agreement of service: The new system will continue a relationship with Southeast Wisconsin Consortia for continuing education for library personnel and board members. The Bridges Library System, SEWI Consortia coordinators, will work with the new system to provide CE in our boundaries. This will allow more library personnel to take advantage of continuing education within a reasonable distance. Continuing Education and consulting has $18,000 allocated for workshops and courses for system library members.

Consulting

Agreement of service: The committee did not discuss consulting as a key topic for determining the feasibility of a merger other than to discuss that consulting services will be provided by the new system to fulfill statutory requirements. Consulting services and expertise outside of those required will be provided according to the abilities of the new system staff and their area of expertise.

Implementation process and timeline

The Joint Merger Negotiation team recommends that the ESLS and MWFLS boards approve the creation of an implementation board to be established in July 2016. This board would be empowered by both system boards with decision-making authority to approve necessary actions for the formation of the new system, including, but not limited to, the creation of new system board bylaws, the creation of an employee handbook and other new system decisions. This implementation board would be in effect from July 2016, through December 31, 2016 or the formation of a new system board, whichever occurs sooner.

The following is a draft of timeline projections for completing the merger process.

June
- June 27th - ESLS system board votes on committee recommendation to merge systems.
- June 28th - MWFLS system board votes on committee recommendation to merge systems.

July
- Begin presentations to county supervisors
- Meet with network vendor to plan the network changes
- Talk to Bob Fish about purchasing another truck
- Send Purchase order to Polaris. Schedule migration and Go Live date
- Create EasiCat agreement/fee structure out to all libraries and their boards for approval

- Create new system membership documents for member libraries to sign and approve
- Naming contest
- New System Board constructed.
- Contact South Central for arranging delivery in December

August

- Continue to meet with Supervisors for approval of merger
- Joint circulation committee created: circulation policy
- Member library Boards reviewing/voting to approve membership agreements
- Begin process of obtaining a new name
- Computers updated to handle Polaris, etc.
- Migration work begins/ Authority Control upload
- Put building on the market (Once Dodge and Washington Counties have approved plan)

September

- Computers updated
- File paperwork with Commission of Public Lands for funds to purchase new delivery truck.?
- Member library Boards reviewing/voting to approve membership agreements
- Begin designing logo
- Begin Polaris training once training server is set up/established
- Order new truck due to system in November.
- Develop press release announcing the formation of the newly merged system.

October

- Board approves new member agreements with updates of additional county and new name
- Hiring of three delivery drivers for new route
- October 15, 2016 System Plan to DPI
- Board approves contract for Storage Bay for Delivery truck

November

- Purchase a new truck

December

- Go Live
- Begin Delivery
- Receive State payment for new system

January 2017

Network migration complete

Appendix A

The following is the proposed 2017 program expenditure budget for the new system followed by the revenue budget.

ACCT. #	DESCRIPTION				Total	Budget Narative
			PROGRAM BUDGET FOR 2017			
0.01	ADMINISTRATIVE SALARY			$	67,936.00	1 FTE
0.02	PROGRAM STAFF SALARIES			$	471,382.43	8.95 FTE
0.05	**SICK LEAVE**			$	9,087.00	Sick leave
0.06	FICA			$	32,382.00	FICA
0.07	WRF			$	26,905.00	Wisconsin retirement
0.08	LIFE			$	793.00	Life insurance
0.09	HEALTH/DENTAL			$	131,711.00	Health/dental ins
0.10	WORKERS COMPENSATION			$	3,139.00	Worker's comp
0.11	UNEMPLOYMENT			$	500.00	Unemployment
0.12	LIBRARY MATERIALS			$	85,429.30	Delivery Bins/Cataloging materials/ WPLC
0.13	PAYMENTS TO MEMBERS			$	-	See County funding spreadsheets
0.14	CONTRACT SERVICES			$	200,400.00	WisCat Subscriptions/Resource Library/computer-network licenses/ Polaris
0.15	ACCOUNTING/AUDIT			$	8,000.00	Audit expense
0.16	PROFESSIONAL SERVICES			$	100,320.00	South Central Delivery/OCLC/Backstage Authority Control/ WiLS/Bluehost/EAP/ attorney/DOT
0.17	BANK FEES			$	500.00	Wire fees
0.18	OFFICE EQUIPMENT RENTAL			$	3,180.00	Postage machine/copier
0.19	VEHICLE MAINTENANCE			$	6,000.00	Penske maintenance contract for two delivery trucks
0.20	VEHICLE FUEL			$	20,000.00	Fuel for delivery trucks
0.21	OFFICE EQUIPMENT MAINT.			$	-	
0.22	COMPUTER EQUIPMENT MAINT.			$	28,855.09	System computer/network maintenance
0.23	PROFESSIONAL DUES			$	3,000.00	Dues for system staff/SRLAAW/IUG
0.24	CONFERENCES AND CONT. ED.			$	18,500.00	C.E. for member libraries
0.25	WORKSHOPS			$	5,000.00	C.E. for system staff
0.26	TRAVEL			$	17,150.00	Mileage and travel expenses
0.27	ADVERTISING/DISPLAYS			$	-	
0.28	PRINTING SUPPLIES			$	1,000.00	Printing cost
0.29	OFFICE SUPPLIES			$	3,900.00	Toilet paper, cases of paper, post it notes, pens, pencils, etc.
0.30	POSTAGE			$	585.00	Postage
0.31	INSURANCE			$	5,575.48	Insurance for building and equipment/vehicles/Data equipment/hired auto
0.32	OFFICE RENT			$	43,265.00	Lease of building and additional bay for delivery truck
0.33	TELEPHONE			$	2,070.00	Telephone
0.34	ELECTRICITY			$	8,819.00	Electricity
0.35	GAS			$	2,678.00	Gas
0.36	WATER/SEWER			$	299.00	Water/Sewer
0.37	CLEANING/MAINTENANCE			$	2,326.00	Cleaning/maintenance
0.38	GARBAGE/RECYCLING			$	1,008.00	Garbage/recycling
0.39	MWFLS BUILDING UPKEEP				$25,000	
0.40	CAPITAL EXPENSES					
0.41	OFFICE FURNITURE/EQUIP					
0.42	OFFICE AUTOMATION			$	20,000.00	ILS reserve fund
0.43	BUILDING CAPITAL EXPENSE					
0.44	VEHICLE CAPITAL EXPENSE			$	25,000.00	Loan payment for two delivery trucks
0.45	SYSTEM AUTOMATION PROJECTS					
0.46	**TOTAL CAPITAL EXPENSES**					
0.47	SPECIAL PROJECT EXPENSES-LSTA			$	25,000.00	LSTA
0.48	SPECIAL PROJECT EXPENSES-NonLSTA					
	TOTAL			$	1,406,695	

System Revenue for 2017		
Acct. #	Description	Total
401	LSTA Grants	$ 25,000
402	State of Wisconsin System Aid	$ 1,069,766
409	Library payments for shared services	
	OCLC	$ 64,000
	Overdrive	$ 83,929
	ILS admin	$ 50,000
	ILS	$ 94,000
	ILS Ugrade	$ 20,000
		$ 1,406,695

Appendix B

The following shows the recommended staffing organizational chart in the new system followed by brief position descriptions.

```
                          ┌─────────────────┐
                          │ Library System  │
                          │     Board       │
                          └────────┬────────┘
                                   │
                          ┌────────┴────────┐
                          │ System Director │
                          └────────┬────────┘
     ┌────────────┬───────────────┼───────────────┬────────────────┐
┌─────────┐ ┌───────────┐ ┌──────────────┐ ┌──────────────┐ ┌───────────────┐
│ IT Team │ │  Public   │ │  Database    │ │  Outreach    │ │Administration,│
│         │ │Information│ │ Management/  │ │ Bookmobile/  │ │  Financial &  │
│         │ │           │ │  ILS admin   │ │  Youth and   │ │   Delivery    │
│         │ │           │ │              │ │  Inclusive   │ │  Coordinator  │
│         │ │           │ │              │ │  Services    │ │               │
└─────────┘ └───────────┘ └──────┬───────┘ └──────┬───────┘ └───────┬───────┘
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| IT System Admin | IT System Admin | IT System Admin | Database assistant** | Bookmobile driver | Bookmobile assistant | Six Delivery Drivers |
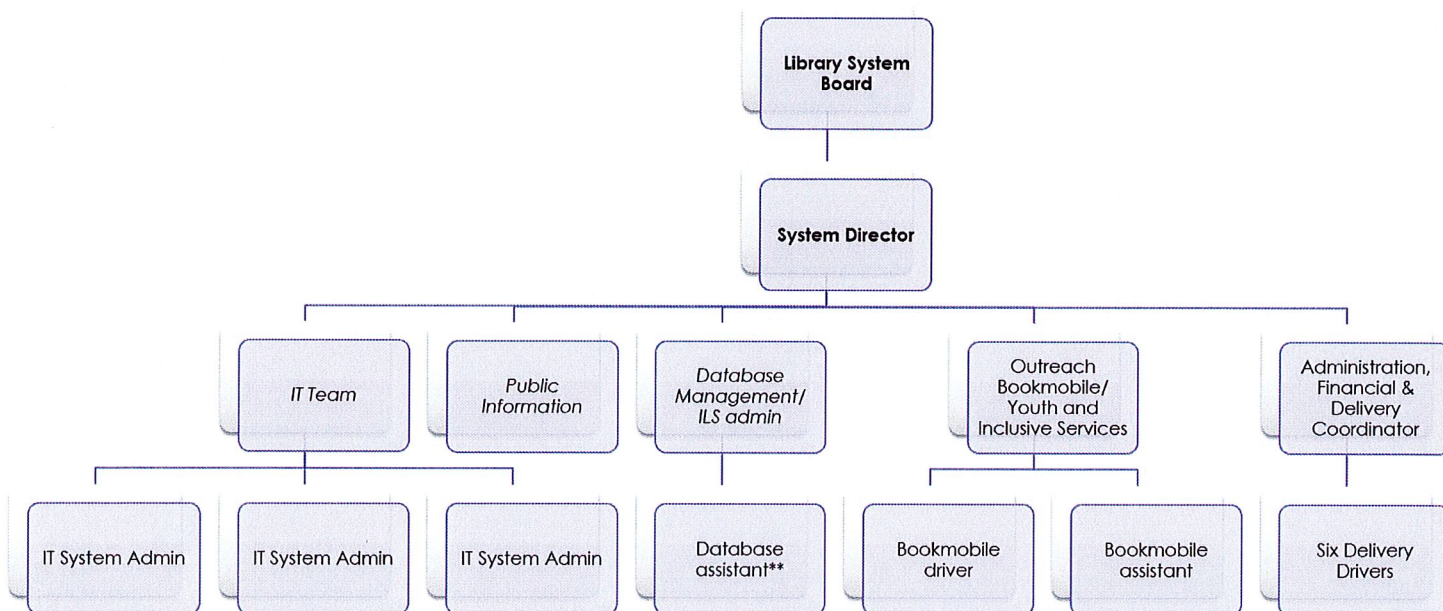
System Director

Responsible for the administration and management of the Library System subject to the policies of the System Board and State Statutes

Information Technology System Administration

Responsible for administration of the system's technology and ILS platform, and serve as the technical advisor and liaison with libraries within the system.

Database Management/ILS

Responsible for the administration of the shared library automation system for the participating libraries, monitors and manages the integrity of the shared library automation bibliographic database, catalogs, and classifies all types of library materials for the system, bookmobile and member libraries, monitors and manages the digitization program, and serves as interlibrary loan services coordinator for the system.

Database Assistant ***

Responsible for assisting in managing the integrity of the shared library automation bibliographic database for the system, bookmobile and member libraries.

Outreach Bookmobile Librarian and Inclusive Services Librarian

Responsible for serving Sheboygan and Ozaukee County residents by means of a bookmobile. Responsible for the administration of youth and special needs as required by the State Statutes for the system.

Admin/Delivery/Finance Coordinator

Responsible for the administration of the System office, management of System funds, and the coordination of business and personnel department functions. Responsible for operating delivery service among member libraries, maintains records of the service and maintains delivery vehicle.

Public Information Designer

Responsible for designing and producing art and copy layouts to promote the understanding and use of public library and system services. Utilize designs for visual communications media such as brochures, bookmarks, signs, electronic media and packaging.

Appendix C

The following information provides more details about the collection development being done as part of the Resource Library contract.

In-Demand Collection

Mead Public Library will implement an "in-demand" collection on behalf of the new system, contingent on agreement and implementation of "local holds first" policy. The amount of money allocated for the "in-demand" collection will be prorated based on the start date of local holds policy.

Process

The new system will allocate funds to Mead Public Library, its Resource Library, as part of their Resource Library contract to purchase In Demand items to be shared by all system libraries. Using ratio reports, Mead staff will select, order, catalog, link, and processes In Demand items. They are identifiable via a unique barcode range as well as a colored label-lock. Once there are no more holds on a title, the in demand copies are returned to Mead. Mead keeps some copies and distributes the rest to the system libraries.

Member libraries also agree to adhere to member purchasing obligations.

Monies will be divided by collection percentage (physical material accounts for 70% of the Resource Library Contracted amount):
Nonfiction: 30% (includes reference)
Fiction: 35%
E-content: 15%
Books on CD/Playaways: 2%
Music CD's: 3%
DVD's: 15%

Current In Demand Purchasing Formulas
Print: Nonfiction 1 copy/6 holds; Fiction 1/7 holds
Not to exceed 30 copies

Books on CD/Playaways: 1 copy/10 holds
Not to exceed 10 Copies

Music CD:1 copy/10 holds
Not to exceed 10 copies

DVD: 1 copy/20 holds
Not to exceed 5 copies
Exceptions may be made due to high demand titles.

Appendix D

Recommended 2017 system fees to libraries for shared services and voting allocations both for libraries and total votes for shared service.

Note: these fees are based on current prices provided to ESLS.

	Population	Pop %	Econtent	OCLC	ILS	ILS replace	ILS admin	Total	Paid 2016	Difference	Votes
Sheboygan	48,897	0.173	$ 13,956.90	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 24,864.42	$ 16,152.00	$ 8,712.42	3
West Bend	31,531	0.112	$ 9,000.04	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 19,907.56	$ 34,128.00	$ (14,220.44)	3
Beaver Dam	16,572	0.059	$ 4,730.22	$ 3,047.64				$ 7,777.86	$ 10,013.00	$ (2,235.14)	3
Mequon	26,609	0.094	$ 7,595.13	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 18,502.65	$ 16,669.00	$ 1,833.65	3
Germantown	19,891	0.071	$ 5,677.58	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 16,585.10	$ 22,362.00	$ (5,776.90)	3
Grafton	15,592	0.055	$ 4,450.50	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 15,358.02	$ 14,945.00	$ 413.02	3
Hartford	14,320	0.051	$ 4,087.42	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 14,994.94	$ 20,697.00	$ (5,702.06)	3
Waupun	8,502	0.030	$ 2,426.77	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 13,334.29	$ 13,139.00	$ 195.29	3
Cedarburg	11,479	0.041	$ 3,276.50	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 14,184.02	$ 15,576.00	$ (1,391.98)	3
Pt Washington	11,439	0.041	$ 3,265.09	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 14,172.61	$ 15,328.00	$ (1,155.39)	3
Plymouth	8,428	0.030	$ 2,405.64	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 13,313.16	$ 14,945.00	$ (1,631.84)	3
Sheboygan Falls	7,861	0.028	$ 2,243.80	$ 3,047.64	$ 4,522.68	$ 952.20	$ 2,385.00	$ 13,151.32	$ 14,945.00	$ (1,793.68)	3
Random Lake	5,423	0.019	$ 1,547.91	$ 2,031.76	$ 3,015.12	$ 634.80	$ 1,590.00	$ 8,819.59	$ 13,597.00	$ (4,777.41)	2
Slinger	5,140	0.018	$ 1,467.13	$ 2,031.76	$ 3,015.12	$ 634.80	$ 1,590.00	$ 8,738.81	$ 10,234.00	$ (1,495.19)	2
Mayville	5,109	0.018	$ 1,458.29	$ 2,031.76	$ 3,015.12	$ 634.80	$ 1,590.00	$ 8,729.97	$ 9,162.00	$ (432.03)	2
Saukville	4,466	0.016	$ 1,274.75	$ 2,031.76	$ 3,015.12	$ 634.80	$ 1,590.00	$ 8,546.43	$ 13,597.00	$ (5,050.57)	2
Kewaskum	4,015	0.014	$ 1,146.02	$ 2,031.76	$ 3,015.12	$ 634.80	$ 1,590.00	$ 8,417.70	$ 8,264.00	$ 153.70	2
Horicon	3,696	0.013	$ 1,054.97	$ 2,031.76	$ 3,015.12	$ 634.80	$ 1,590.00	$ 8,326.65	$ 8,792.00	$ (465.35)	2
Oostburg	2,921	0.010	$ 833.75	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 4,469.59	$ 12,249.00	$ (7,779.41)	1
Juneau	2,736	0.010	$ 780.95	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 4,416.79	$ 8,038.00	$ (3,621.21)	1
Hustisford	2,499	0.009	$ 713.30	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 4,349.14	$ 7,418.00	$ (3,068.86)	1
Lomira	2,431	0.009	$ 693.89	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 4,329.73	$ 6,609.00	$ (2,279.27)	1
Theresa	2,333	0.008	$ 665.92	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 4,301.76	$ 6,407.00	$ (2,105.24)	1
Kohler	2,117	0.008	$ 604.27	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 4,240.11	$ 12,249.00	$ (8,008.89)	1
Cedar Grove	2,102	0.007	$ 599.98	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 4,235.82	$ 12,249.00	$ (8,013.18)	1
Fox Lake	1,507	0.005	$ 430.15	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 4,065.99	$ 5,897.00	$ (1,831.01)	1
Elkhart Lake	955	0.003	$ 272.59	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 3,908.43	$ 12,249.00	$ (8,340.57)	1
Iron Ridge	933	0.003	$ 266.31	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 3,902.15	$ 6,129.00	$ (2,226.85)	1
Reeseville	708	0.003	$ 202.09	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 3,837.93	$ 5,342.00	$ (1,504.07)	1
Brownsville	584	0.002	$ 166.69	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 3,802.53	$ 6,493.00	$ (2,690.47)	1
Lowell	336	0.001	$ 95.91	$ 1,015.88	$ 1,507.56	$ 317.40	$ 795.00	$ 3,731.75	$ 4,962.00	$ (1,230.25)	1
Book Mobile	4808	0.017	$ 1,372.37	$ 2,031.76	$ 3,015.12	$ 634.80	$ 1,590.00	$ 8,644.05	$ 12,897.00	$ (4,252.95)	2
LakeLand College	6016	0.021	$ 1,717.17		$ 4,522.68	$ 952.20	$ 2,385.00	$ 9,577.05	$ 16,166.00	$ (6,588.95)	3
TOTALS			$ 80,480.00	$ 64,000.44	$ 94,976.28	$ 19,996.20	$ 50,085.00	$ 309,537.92	$ 407,899.00	$ (98,361.08)	66
	281956		65 votes	63 votes	62 votes	62 votes	62 votes				

Appendix E

The following are the expected one-time estimated expenses to combine the two systems and the reserves available in each system to fund these costs.

Merger Budget - one time expenses to combine systems	ESLS		MWFLS	Total	
Polaris - Data Services Migration		$	58,975.00	$	58,975.00
Polaris Staff CALs -120 licenses		$	81,000.00	$	81,000.00
Microsoft CALs - 120 licenses		$	1,080.00	$	1,080.00
Simply Reports - 7 licenses		$	3,150.00	$	3,150.00
Training onsite & Polaris travel		$	8,600.00	$	8,600.00
Backstage Authority Control		$	15,000.00	$	15,000.00
Polaris Social	$ 12,076.00	$	10,299.64	$	22,375.64
Polaris Outreach	$ 1,080.00	$	921.00	$	2,001.00
Polaris Leap	$ 13,607.00	$	11,606.00	$	25,213.00
Relocation					
EnvisionWare E commerce	$ 6,355.10	$	5,984.90	$	12,340.00
Legal/Auditor	$ 3,400.00	$	3,200.00	$	6,600.00
Deposit on truck rental space	$ 1,030.00	$	970.00	$	2,000.00
Logo/new name	$ 1,030.00	$	970.00	$	2,000.00
Total	$ 38,578	$	201,756.54	$	240,334.64

Reserves for merged system	ESLS	MWFLS	
State Aid*	$ 397,370.15		
Bookmobile Automation *	$ 8,354.31		
Vehicle replacement*	$ 7,795.47		
Automation Reserve	$ 17,897.85		
Contingency Fund*	$ 70,116.48		
Sick Leave*	$ 29,285.86		
EasiCat Upgrade	$ 47,700.74		
Bookmobile replacement reserve*	$ 47,055.91		
General*		$446,452.65	
Future ILS Purchase		$90,611.79	
Library Replacement Fund		$173,876.56	
Grand total	$ 625,576.77	$710,941.00	$ 1,336,517.77
Available funds for merger expense	$ 65,598.59	$264,488.35	$ 330,086.94
MWFLS as of 09/15/15			
* = ESLS Monies unavailable for merger expenses			
As of May 2016			

Appendix F

WI State Statute Chapter 43 requirements of library system services or agreements

- Backup reference, information and interlibrary loan services from the system resource library, including the development of and access to specialized collections, as evidenced by a written agreement with that library.
- Referral or routing of reference and interlibrary loan requests from libraries within the system to libraries within and outside the system.
- In-service training for participating public library personnel and trustees.
- Electronic delivery of information and physical delivery of library materials to participating libraries.
- Service agreements with all adjacent library systems.
- Professional consultant services to participating public libraries.
- Any other service programs designed to meet the needs of participating public libraries and the residents of the system area, as determined by the public library system board after consultation with participating public libraries.
- Promotion and facilitation of library service to users with special needs.
- Cooperation and continuous planning with other types of libraries in the system area, which results in agreements with those libraries for the appropriate sharing of library resources to benefit the clientele of all libraries in the system area.
- Planning with the division and with participating public libraries and other types of libraries in the area in regard to library technology and the sharing of resources. By January 1, 2000, and by every 5th January 1 thereafter, the public library system shall submit to the division a written plan for library technology and the sharing of resources.

Appendix G

The following is information related to how cataloging will be handled in the new system.

1. How will be original and copy cataloging handled? Is this all centrally done or are libraries responsible?

   Original cataloging will be handled by the system's cataloging/ILL librarian, though member library staff may enter a brief record by filling in a template, so they do not need to wait to start circulating the material.

   Copy cataloging is a mix. Member libraries first search EasiCat and then search OCLC via a Z39.50 link within Polaris if there is no already existing match. If a match is found in OCLC, they click the save button, and the record is in EasiCat for their use. Member libraries are fully responsible for and in control of their holdings records.

   Member libraries are more responsible for verifying initial copy catalog records information – checking titles and number of discs and whether applicable series are present. There will be at least one annual cataloging meeting and refresher training for member library cataloging staff. Final cleanup and overall database maintenance and standardization will continue to be centralized with the cataloging/ILL librarian.

2. Who works on authorities and cleanup efforts?

Backstage will be used for outsourced authority control. The system's cataloging/ILL librarian will be responsible for that processing as well as any other authority and cleanup efforts – though feedback and head's ups from member libraries of areas that need attention or priority will *always* be welcomed and encouraged.

Appendix H

The following covers the IT support that can be provided by the system.

Technology services from NEW-SYSTEM are provided by two full-time technology professionals.

NOTE: ** items that are being worked on and intend to provide in the new system.

PC Support

NEW-SYSTEM offers "cradle to grave" PC support, managing all aspects of both the staff and patron PCs located in member libraries.

- ✓ **Purchasing**—NEW-SYSTEM coordinates the purchases of PCs through Dell and handles all aspects of the ordering and receiving process. **NEW-SYSTEM provides inventory reports of supported PCs which include PC age, model, windows version, etc.

- ✓ **Installation**—NEW-SYSTEM preps and installs each library computer for our member libraries, including a transfer of data from the old PC to the new one, saving significant library staff time.

- ✓ **Repair & Warranties**—NEW-SYSTEM coordinates warranty repair work for PCs under warranty, and repairs PCs for cost of parts for PCs out of warranty.

- ✓ **Peripherals**—NEW-SYSTEM researches network printers, spine label and receipt printers, as well as barcode scanners for member libraries, recommending optimal models. NEW-SYSTEM also installs the appropriate software on NEW-SYSTEM-supported PCs.

- ✓ **Help Desk**—NEW-SYSTEM offers a Help Desk staffed 8:00 a.m. to 4:00 p.m. weekdays, with additional pager support provided during all other library hours. The Help Desk can remote into any NEW-SYSTEM network computer and fix most issues at the time of any call. If the problem cannot be rectified remotely, NEW-SYSTEM will arrange the transportation of the PC back to NEW-SYSTEM headquarters for repair.

- ✓ **Centralized antivirus service**—NEW-SYSTEM maintains a central antivirus service which automatically updates all network clients. The annual cost of the antivirus software is a pass through expense that is dependent on the number of PC's.

- ✓ **Microsoft Office**—Through our Microsoft Office 365 agreement, we're able to offer the full Microsoft Office Professional Suite on every patron and staff computer. NEW-SYSTEM maintains all aspects of the licensing, upgrade and maintenance of the software as well.

- ✓ **Software updates**—NEW-SYSTEM provides automatic updates for Staff and Patron PC software, including updates to the operating system, web browsers, applications specific to the shared ILS, and add-ons such as Flash, Java, Adobe Reader, and Silverlight. Firefox browser.

- ✓ **Patron PC expertise including PC locking software**—NEW-SYSTEM has extensive experience maintaining PCs for public (patron) use. Each PC is securely locked down, while making sure that all patron data is secure and removed after each use. NEW-SYSTEM also purchases proprietary PC locking software, that is a pass through expense that is dependent on the number of PC's.

- ✓ **PC Time Management software** (optional service)—NEW-SYSTEM provides installation, configuration, and support for PC Time Management software ("EnvisionWare") for public PCs. This is a purchase that the library is responsible for.

✓ **Technology planning and consulting**—NEW-SYSTEM staff can provide libraries assistance with a wide range of technology planning, from "What printer should I buy?" to "What will we need for cabling in our new building?"

Network Support

✓ **Subsidized TEACH lines and WiscNet membership**—Each library benefits from a BadgerNet TEACH internet connection to their library (costs included in membership). In addition, NEW-SYSTEM and its member libraries have collective membership in the WiscNet consortium, our Internet Service Provider. NEW-SYSTEM Technology staff serve as the primary contacts for both BadgerNet and WiscNet and support the network technologies on the libraries' behalf.

✓ **Firewall**— Outsource vendor (**NEW-SYSTEM) maintains and supports a firewall on behalf of member libraries and their supported PCs.

✓ ****Standardized network equipment**—Each library and branch supported by NEW-SYSTEM utilizes switches and routers maintained by outsourced vendor (**NEW-SYSTEM).

✓ ****Windows Active Directory environment**—NEW-SYSTEM maintains a complex Windows environment, connecting all member library PCs to a centralized network.

✓ ****Inventory of spare Network hardware**—NEW-SYSTEM maintains a complete inventory of all switches and routers, and can swap out any defective piece of equipment in a matter of hours.

Web Hosting

NEW-SYSTEM provides web hosting through a third party vendor and assist in support of libraries web pages. The costs of the third party hosting will be passed through to the libraries.

Email and mailing lists

NEW-SYSTEM provides the Office365 web-based e-mail and calendaring solution at no cost for all member libraries, along with a mailing list service for library staff.

Wireless support

NEW-SYSTEM supports an enterprise-grade wireless service for our members. Monthly statistical reports of wireless activity are delivered via email, and the service includes multiple signals for patrons, staff, and library owned devices.

Database Authentication

NEW-SYSTEM provides authentication for databases that libraries subscribe to through WiLS. Vendor requirements and NEW-SYSTEM staff availability will determine authentication set up time and NEW-SYSTEM may reject databases with requirements that will cause technical difficulties.

Technology Lending

NEW-SYSTEM will lend technology devices as available. A listing of these devices will be sent out each year.

Appendix I

The following is an example of a potential resolution.

{INSERT COUNTY NAME} COUNTY   RESOLUTION NO. _____ (2016/17)

Re: **Approving Merger of {Eastern Shores Library System with Mid-Wisconsin Federated Library System OR Mid-Wisconsin Federated Library System with Eastern Shores Library System}**

WHEREAS, {Sheboygan County and Ozaukee County OR Dodge County and Washington County} have partnered to establish a federated public library system known as the {Eastern Shores Library System or Mid-Wisconsin Federated Library System} pursuant to Wis. Stat. § 43.15(4), and

WHEREAS, Eastern Shores Library System board has been approached by the Mid-Wisconsin Federated Library System board, the federated library system serving Dodge and Washington Counties, which proposed a merger of the two systems, and

WHEREAS each system board appointed representatives to a Joint Merger Negotiation Committee which evaluated the potential benefits or pitfalls of a merger, and the Committee recommended a merger of the systems, and

WHEREAS, the {Eastern Shores Library System or Mid-Wisconsin Federated Library System} board has determined that a merger is in the best interests of both systems and is requesting County approval, a copy of which request is on file with the County Clerk, and

WHEREAS, approval is required of all County Boards impacted by the proposed merger;

NOW, THEREFORE, BE IT RESOLVED that the {INSERT COUNTY NAME} County Board gives its approval to the merger of the **{Eastern Shores Library System with Mid-Wisconsin Federated Library System OR Mid-Wisconsin Federated Library System with Eastern Shores Library System}** pursuant to the terms of the proposed Merger Agreement, a copy of which is on file with the Clerk.

BE IT FURTHER RESOLVED that the County Clerk is directed to submit certified copies of this Resolution to the Eastern Shores Library System and Mid-Wisconsin Federated Library System and such other entities as may be necessary to effectuate the merger.

Dated this {DATE} day of {MONTH}, 2016.

EXECUTIVE COMMITTEE

_____   _____

_____   _____

Opposed to Introduction:

_____   _____

Appendix I: Information from Bridges Library System re: system merger experiences

Questionnaire for Monarch Library System and Bridges Library System

The ALS/LLS merger exploration committee has identified several issues needing additional research in order to make an informed decision regarding merger. Because this is not the first potential system merger in the state, the committee would like to learn more about your systems' experience with merger in relation to cost, staffing, and lesson learned.

I think it's important to note a significant difference in the formation of the Bridges Library System in comparison with other system mergers. Jefferson County left another system to join the Waukesha County Federated System. The two counties became the Bridges Library System. The circumstances, savings, staffing, etc. were different because this was not actually a merger of two systems, but two counties.

1. What one-time costs did your systems incur in order to implement the merger? Examples may include technology infrastructure, software migration, consultant fees, banking/accounting fees, staffing expenses, costs associated with the rebranding of marketing materials, etc.
   - *An agreement was made for Jefferson County to buy in to the existing ILS.*
   - *There were costs and staff time invested in the rebranding.*
   - *A new strategic plan needed to be developed*

2. Do you have any examples of increased efficiency in the use of state aid ("system funding") that resulted from your merger?
   Because this new system was not the result of the merging of two systems, it's difficult to identify efficiencies in this area. With the increased revenue from the merger of the two counties, the system was able to plan for the expansion and updating of some services. Member libraries did experience reduced costs due to more libraries sharing in the overall cost.

3. How did your systems address staffing changes including developing new position descriptions, scaling workloads with the addition of more member libraries, overall staffing reorganization?

   a. Did the new system work under an interim organizational chart or was a new one crafted and adopted at time of merger? In other words, did you

roll out any staffing changes incrementally, or did you do it at time of merger?

Initially, there were no new system staff added to the existing WCFLS staff to accommodate the 8 additional member libraries to be served. Staff reported just having to do more. There was some anxiety over the workload. Over time, changes have been made to accommodate changing needs and the additional work. Prior to the merger, WCFLS employed 6 FTE. Current staffing level of the Bridges System is 7 FTE.

4. How did your system address changes in agreements/contracts with external partners?

    Contracts were renegotiated or new bids were required as a result the increase in libraries served, examples include:
    - *System delivery*
    - *ILS*
    - *Databases*

5. Beyond additional materials resulting from combining the ILS catalogs, can you identify any ways in which patrons in the new system experienced expanded or improved access to resources?

    The changes were most significant for the Jefferson County libraries. Some reported areas of change include:
    - *Additional and different consulting services*
    - *Summer Library Program performers and coupons*
    - *Additional databases*
    - *System marketing services*

6. Any additional lessons you learned during or after merger that you would like to share with the ALS/LLS merger exploration committee?

2023 Wage increase percentage totals

	Wages	Increase over 0%
0%	$ 189,483	$ -
3% $15 mir	$ 195,885	$ 6,402
4% $15 mir	$ 197,649	$ 8,166
5% $15 mir	$ 199,459	$ 9,976
6% $15 mir	$ 201,270	$ 11,787
7% $15 mir	$ 203,080	$ 13,597

CHARTER

ARROWHEAD LIBRARY SYSTEM

2023

Objectives and Standards

The key objective of the Arrowhead Library System (ALS) is to facilitate equitable access to information and improve library operations to provide cost-effective and responsive services for all users. It will be accomplished by satisfying the following commitments:

A.   Public Service Commitment - To provide open access to information and library service to all Rock County residents as effectively and cost efficiently as possible.

B.   Intergovernmental Commitment - To work with local, county, state and federal agencies to coordinate and provide library services in ALS in compliance with state mandates.

C.   Management Commitment - To be accountable to the Arrowhead Library System Board, County Board, and the Division for Libraries and Technology (DLT) for managing the programs of the ALS in an effective, efficient, and professional manner. To be responsible for performing functions required of the ALS under Wisconsin Statutes.

Service Statements and Tasks

A.   Provide open access to quality library service to the 40,000 county residents of Rock County who do not maintain their own library.

   1.   Equitably reimburse the public libraries in Beloit, Clinton, Edgerton, Evansville, Janesville, Milton and Orfordville for providing library service to residents outside these municipalities. 43.12

   2.   Maintain and monitor reimbursement program to the public libraries in adjacent counties for serving Rock County residents. 43.12

B. Provide Rock County residents with access to materials in school, academic and special library collections in Rock County, and to libraries in the rest of the State.

1. Maintain area-wide interlibrary loan program and participation in statewide interlibrary loan network. 43.24(2)(d)
2. Promote and monitor the Infopass Program.
3. Provide Rock County residents walk-in access to public libraries throughout the state by means of agreements with 14 other Wisconsin library systems. 43.24(2)g
4. Provide a shared Rock County Catalog – SHARE for the 7 member libraries
5. Integrate SHARE into the WISCAT Z-Catalog to ensure the accuracy of Rock County's WISCAT records.
6. Continue multitype library system services through a "fee for service" program for non-public libraries in the system area. 43.24(2)(L)
7. Provide delivery service five days a week to all Arrowhead Library System public libraries. 43.24(2)(fm)
8. Participate in the State-wide Delivery Network.
9. Maintain contract with Hedberg Public Library, Janesville to provide back-up reference services to member libraries. 43.24(2)(b)

C. Expand and coordinate the cost-effective use of computer and communication technologies by ALS and system libraries.

1. Assist ALS libraries in the use of technology to provide better and more efficient library services.
2. Assist area librarians in becoming knowledgeable about and taking advantage of, developing technologies to provide improved reference and resource sharing in Rock County.
3. Provide shared access to fee-based reference products via the Internet.
4. Provide ALS libraries access to and assist them in the use of the Internet for information and communication.
5. Assist residents of Rock County in effective use and evaluation of electronic resources.

D. Enhance and improve the knowledge and skills of library directors, staff, and trustees. 43.24(2)(e)

1. Support the continuing education needs of library staff. 43.24(2)(e)
2. Select books and journals for the professional collection in coordination with area libraries in order to minimize duplication.
3. Consult with libraries on problems and areas of concern on a regular basis and by special request. 43.24(2)(h)

E. Together with area libraries and other service institutions, provide inclusive services to library users. Inclusive services reflect equity and accessibility for all members of the community. 43.24(2)(k)

1. Provide deposit collections of books and other library materials in Rock County's nursing homes, health care and correctional institutions.

2. Continue to encourage and assist libraries in providing materials and services to combat illiteracy and unemployment, and to respond to the special needs of the elderly and visually and hearing-impaired persons.

3. Work with member libraries to implement provisions of the Americans with Disabilities Act.

F. Increase awareness about library services by Rock County residents.

1. Distribute public service announcements to radio and television stations in the area.
2. Send out regular news releases to area newspapers.
3. Produce flyers, brochures, bookmarks, and other materials.
4. Work with libraries in developing and implementing their own public information programs.
5. Coordinate countywide library special events and observances.
6. Provide a newsletter, the Monthly Memo, to all member libraries.

G. Provide special programs and services for children and adults, which supplement individual library programs and services.

1. Coordinate special activities during the Summer Reading Program.
2. Coordinate activities, which foster reading readiness for preschoolers.

ALS Board 2022

Appointed Members	Term Expires	Ex-Officio Members
Annette Smith-President	Reappointed 2/11/21	Richard Bostwick, Chair
1044 Sunset Drive	Expires 12/31/23	Rock County Board of Super
Milton, WI 53563	arsmith14@gmail.com	Rock County Courthouse
Phone: 346-3673		Janesville, WI 53545
Milton Library Board Member		Phone: 757-5540(courthouse
Bill Wilson		Steve Platteter, Director
417 East High Street	Expires 12/31/22	Arrowhead Library System
Milton, WI 53563	william.wilson@co.rock.wi.us	430 E. High St, Suite 200
Phone: 868-9180 or 718-0571(cell)	billwilsonretired@gmail.com	Milton, WI 53563
Rock County Supervisor	(serves remainder of Bostwick term)	Phone:868-2872 (work)
		Phone: 262-689-9179 (cell)
Stephen Brace		Bryan McCormick Director
3803 White Pine Drive	Expires 12/31/23	Hedberg Public Library
Janesville, WI 53545	lsbrace.hma@gmail.com	316 S. Main Street
Phone: 508-561-8510	(serves remainder of Dinnes term)	Janesville, WI 53545
Hedberg Library Board Member		Phone: 758-6594(work)
Eloise Eager- Vice President	Reappointed 1/1/22	Nick Dimassis
43 N Second St.	Expires 12/31/24	Beloit Public Library
Evansville, WI 53536	eloiseeager@charter.net	605Eclipse Street
Phone: 608—490-0591		Beloit, WI 53511
Eager Free Library Board Member		Phone: 364-2917(work)
Chris Cullen		Sarah Strunz
2938 Timber Lane	Expires 12-31-23	Orfordville Public Library
Janesville, WI 53548	chris.cullen@co.rock.wi.us	519 E. Beloit St.
Phone: 608-7517539		Orfordville, WI 53576
Rock County Supervisor		Phone: 879-9229
Jose Carrillo	Reappointed 1/9/20	**Board Committees:**
125 Winesap Drive	Expires 12/31/22	**Budget**
Janesville, WI 53548	jojolatino@aol.com (home)	Smith, Carrillo, Wilson
Phone: 322-8986 (cell)		Platteter (Ex-Officio Member)
At Large Board Member		
Sherry Blakeley		**Personnel:**
745 Milwaukee Rd. #2	Expires 12/31/23	Smith, Carrillo, Cullen
Beloit, WI 53511	blakeleys@beloitwi.gov	Platteter (Ex-Officio Member)
Phone: 608-362-1417		
Beloit Library Board Member		