City of WHITEWATER Finance Department
www.whitewater-wi.gov
Telephone: 262-473-0500
Fax: 262-222-5903
Office of Finance
312 W. Whitewater St.
Whitewater, WI 53190

Date: June 23, 2026

To: Finance Committee

From: Rachelle Blitch, Director of Financial and Administrative Services

Re: Library Budget Projections & Future Funding

The Finance Department has completed multi-year budget projections for the Library. Based on current spending patterns and revenue trends, the Library is projected to fully expend its available fund balance before the end of 2028 if no changes are made to its operating structure or funding levels.

As shown in the attached spreadsheet, the Library's fund balance as of December 31, 2025, was $547,261. Current projections indicate that approximately $181,532 of this balance will be used in 2026 alone. A second attachment provides a ten-year historical review of Library expenditures, General Fund support, county circulation-based funding, and FTE counts. While General Fund support has remained relatively flat over this period, circulation-based revenue has experienced a gradual decline.

In addition, an operational study was commissioned by the City Manager's Office in response to a request for additional staffing from the Library. This study is attached for the Committee's reference and may provide additional context as the City evaluates long-term service levels, staffing needs, and financial sustainability.

Statutory Roles and Limitations

Wisconsin Statutes establish a clear division of authority between the municipal governing body and the Library Board:

Council Authority Under Wis. Stat. § 43.58(1)–(2), the Common Council's authority is limited to:

- Determining the annual appropriation for the Library
- Appointing Library Board trustees under § 43.54

Library Board Authority once the appropriation is made, the Library Board has exclusive control over:

- How the Library's budget is allocated and spent
- Library operations, policies, and programming
- Use of the library building and property
- Hiring and supervision of the Library Director and staff

The Library Director prepares the budget, and the Library Board formally approves it. The Director may consult with the City's Finance and HR departments for support and resources, but operational and financial decision-making authority rests with the Library Board.

This statutory structure means that while the City determines the total amount of funding provided, it cannot direct how the Library allocates those funds or manage its internal operations. However, the City may condition a portion of its appropriation on the Library meeting a specific obligation.

Consideration for Future Funding

Given the projected depletion of the Library's fund balance by 2028, the City may wish to consider whether an increase in the Library's annual appropriation is appropriate in future budget cycles. As part of that discussion, the Council could also consider applying an annual adjustment aligned with the City's Expenditure Restraint Program (ERP) over a set number of years, as determined by the Council, to help stabilize the Library's long-term financial position and maintain service levels for the community.