

**Council of Regional Public Library System Administrators (CRPLSA)**  
**Regional Library Basic System Support (RLBSS) Funding Formula Proposal for 2015**  
**March 2014**

**Background**

In late 2013 Mark Ranum, CRPLSA Chair and Nick Dimassis, MELSA Chair appointed an Ad Hoc Funding Committee to consider the RLBSS formula. Members were: Jim Weikum, Liz Lynch, and Peg Werner representing CRPLSA and Ken Behringer, Marlene Moulton Janssen and Lois Langer Thompson representing MELSA. The Ad Hoc Funding Committee meeting, in November of 2013, resulted in a proposed change to the RLBSS formula slated for the 2015 Legislative Session.

**Proposal**

The proposal: requests an additional \$1.2 million per year in RLBSS funds; reduces the Equalization Factor from 25% to 17.5% and increases the Basic System Services factor from 5% to 12.5%. These changes are intended to lessen the volatility of the formula and add dollars to the Basic System Services concept. At a January 30, 2014 online meeting, the Council of Regional Public Library System Administrators voted unanimously in favor of the recommendation. The chart below documents the formula with the proposed change in place.

**Proposed Revisions to RLBSS Formula Factors (Chart A)**

| Population from State Demographer: July 15, 2013<br>ANTC from Dept of Revenue: July 22, 2013                                     |  |                           |             |                    |             |                                     |             |                       |             |  | Current RLBSS Allocation: \$13,570,000<br>Recommended New Funding: \$1,200,000<br>Recommended Total Funding: \$14,770,000 |                                   |                                    |
|--|--|---------------------------|-------------|--------------------|-------------|-------------------------------------|-------------|-----------------------|-------------|--|---|-----------------------------------|------------------------------------|
| <b>NOTE: Population &amp; ANTC factors will be updated for actual 2016 formula</b>   |  |                           |             |                    |             |                                     |             |                       |             |  |   |                                   |                                    |
| Current Factor   | Population: [57.5%]                                |                           |             | Area: [12.5%]      |             | Basic: [5.0%]                       |             | Equalization: [25.0%] |             |  | RECOMMENDED TOTAL   |                                   |                                    |
| Proposed Factor  | 57.50%   |                           |             | 12.50%             |             | 12.50%                              |             | 17.5%                 |             |  | FY2016  |                                   |                                    |
|  | \$8,492,750  |                           |             | \$1,846,250        |             | \$1,846,250                         |             | \$2,584,750           |             |  | \$14,770,000  |                                   |                                    |
| System   | 2012<br>Estimated<br>and<br>Adjusted<br>Population | % of adj<br>State<br>Pop. | Share       | % of State<br>Area | Share       | % of<br>Basic<br>System<br>Services | Share       | % of State<br>Equal.  | Share       | System %<br>of FY<br>RLBSS<br>Allocation | 2014<br>Distribution  | 2016<br>projected<br>distribution | Change<br>from<br>Column M<br>to N |
| Arrowhead  | 313,816  | 5.87%                     | \$498,395   | 22.30%             | \$411,736   | 8.33%                               | \$153,854   | 10.71%                | \$276,850   | 9.08%                                    | \$1,248,299   | \$1,340,835                       | \$92,53                            |
| East Central   | 177,765  | 3.32%                     | \$282,322   | 6.50%              | \$120,072   | 8.33%                               | \$153,854   | 14.00%                | \$361,934   | 6.22%                                    | \$839,419   | \$918,182                         | \$78,76                            |
| Great River  | 465,901  | 8.71%                     | \$739,933   | 6.08%              | \$112,320   | 8.33%                               | \$153,854   | 19.01%                | \$491,269   | 10.14%                                   | \$1,478,330   | \$1,497,377                       | \$19,04                            |
| Kitchigami   | 167,489  | 3.13%                     | \$266,002   | 8.78%              | \$162,105   | 8.33%                               | \$153,854   | 5.63%                 | \$145,613   | 4.93%                                    | \$613,936   | \$727,574                         | \$113,63                           |
| Lake Agassiz   | 143,398  | 2.68%                     | \$227,741   | 9.44%              | \$174,218   | 8.33%                               | \$153,854   | 2.81%                 | \$72,589    | 4.25%                                    | \$519,209   | \$628,403                         | \$109,19                           |
| MELSA  | 2,902,474  | 54.28%                    | \$4,609,642 | 3.50%              | \$64,614    | 8.33%                               | \$153,854   | 36.15%                | \$934,512   | 39.02%                                   | \$5,649,107   | \$5,762,622                       | \$113,51                           |
| Northwest  | 47,586   | 0.89%                     | \$75,575    | 7.03%              | \$129,844   | 8.33%                               | \$153,854   | 2.39%                 | \$61,775    | 2.85%                                    | \$316,405   | \$421,048                         | \$104,64                           |
| Pioneerland  | 160,294  | 3.00%                     | \$254,575   | 7.83%              | \$144,470   | 8.33%                               | \$153,854   | 1.20%                 | \$30,926    | 3.95%                                    | \$465,523   | \$583,825                         | \$118,30                           |
| Plum Creek   | 117,481  | 2.20%                     | \$186,581   | 7.36%              | \$135,822   | 8.33%                               | \$153,854   | 0.00%                 | \$0         | 3.22%                                    | \$352,751   | \$476,257                         | \$123,50                           |
| SELCO  | 498,965  | 9.33%                     | \$792,445   | 8.49%              | \$156,797   | 8.33%                               | \$153,854   | 8.10%                 | \$209,283   | 8.89%                                    | \$1,244,642   | \$1,312,379                       | \$67,73                            |
| Traverse des Sioux   | 228,600  | 4.27%                     | \$363,057   | 6.45%              | \$119,020   | 8.33%                               | \$153,854   | 0.00%                 | \$0         | 4.31%                                    | \$499,452   | \$635,932                         | \$136,47                           |
| Viking   | 123,715  | 2.31%                     | \$196,481   | 6.24%              | \$115,229   | 8.33%                               | \$153,854   | 0.00%                 | \$0         | 3.15%                                    | \$342,927   | \$465,565                         | \$122,63                           |
| <b>Total</b>   | 5,347,484  | 100.00%                   | \$8,492,750 | 100.00%            | \$1,846,250 | 100%                                | \$1,846,250 | 100.00%               | \$2,584,750 | 100.00%                                  | \$ 13,570,000   | \$14,770,000                      | \$ 1,200,000                       |
| <b>Ad Hoc Formula Committee Recommendation for Revised Regional Library Basic System Support Aid Calculation -- Nov. 4, 2013</b> |  |                           |             |                    |             |                                     |             |                       |             |  |   |                                   |                                    |

## RLBSS Funding Formula 2015 Alternate Proposal

The Council of Regional Public Library System Administrators proposed an alternate formula if the 2015 Legislature provided more funding than initially requested. If the additional funding to RLBSS exceeds \$2 million per year, the Equalization factor and the Basic System Services factor would be calculated at 15% equally.

The chart below demonstrates the changes resulting from a \$2 million per year increase to RLBSS.

### RLBSS Funding Formula Alternate

#### Proposed Revisions to RLBSS Formula Factors (Chart B)

| Population from State Demographer: July 15, 2013<br>ANTC from Dept of Revenue: July 22, 2013 |  |                     |             |                 |             |                            |             |                       |             |                                 | Current RLBSS Allocation: \$13,570,000  |                                |                           |
|--|--|---------------------|-------------|-----------------|-------------|----------------------------|-------------|-----------------------|-------------|---------------------------------|---|--------------------------------|---------------------------|
| NOTE: Population & ANTC factors will be updated for actual FY 2016 formula                   |  |                     |             |                 |             |                            |             |                       |             |                                 | Recommended New Funding: \$2,000,000    |                                |                           |
|  |  |                     |             |                 |             |                            |             |                       |             |                                 | Recommended Total Funding: \$15,570,000 |                                |                           |
| Current Factor   | Population: [57.5%]                    |                     |             | Area: [12.5%]   |             | Basic: [5.0%]              |             | Equalization: [25.0%] |             |                                 | RECOMMENDED TOTAL                       |                                |                           |
| Proposed Factor  | 57.50%                                 |                     |             | 12.50%          |             | 15.00%                     |             | 15.00%                |             |                                 | FY2016                                  |                                |                           |
|  | \$8,952,750                            |                     |             | \$1,946,250     |             | \$2,335,500                |             | \$2,335,500           |             |                                 | \$15,570,000                            |                                |                           |
| System   | 2012 Estimated and Adjusted Population | % of adj State Pop. | Share       | % of State Area | Share       | % of Basic System Services | Share       | % of State Equal.     | Share       | System % of FY RLBSS Allocation | FY 2014 Distribution                    | FY 2016 projected distribution | Change from Column M to N |
| Arrowhead  | 313,816                                | 5.87%               | \$525,390   | 22.30%          | \$434,038   | 8.33%                      | \$194,625   | 10.62%                | \$247,978   | 9.00%                           | \$1,248,299                             | \$1,402,031                    | \$153,73                  |
| East Central   | 177,765                                | 3.32%               | \$297,614   | 6.50%           | \$126,576   | 8.33%                      | \$194,625   | 14.69%                | \$343,137   | 6.18%                           | \$839,419                               | \$961,951                      | \$122,53                  |
| Great River  | 465,901                                | 8.71%               | \$780,011   | 6.08%           | \$118,404   | 8.33%                      | \$194,625   | 18.72%                | \$437,170   | 9.83%                           | \$1,478,330                             | \$1,530,210                    | \$51,88                   |
| Kitchigami   | 167,489                                | 3.13%               | \$280,410   | 8.78%           | \$170,886   | 8.33%                      | \$194,625   | 5.94%                 | \$138,842   | 5.04%                           | \$613,936                               | \$784,763                      | \$170,82                  |
| Lake Agassiz   | 143,398                                | 2.68%               | \$240,077   | 9.44%           | \$183,655   | 8.33%                      | \$194,625   | 2.78%                 | \$64,969    | 4.39%                           | \$519,209                               | \$683,325                      | \$164,11                  |
| MELSA  | 2,902,474                              | 54.28%              | \$4,859,318 | 3.50%           | \$68,114    | 8.33%                      | \$194,625   | 35.77%                | \$835,330   | 38.26%                          | \$5,649,107                             | \$5,957,386                    | \$308,27                  |
| Northwest  | 47,586                                 | 0.89%               | \$79,668    | 7.03%           | \$136,877   | 8.33%                      | \$194,625   | 2.50%                 | \$58,342    | 3.02%                           | \$316,405                               | \$469,513                      | \$153,10                  |
| Pioneerland  | 160,294                                | 3.00%               | \$268,364   | 7.83%           | \$152,295   | 8.33%                      | \$194,625   | 1.14%                 | \$26,734    | 4.12%                           | \$465,523                               | \$642,018                      | \$176,49                  |
| Plum Creek   | 117,481                                | 2.20%               | \$196,687   | 7.36%           | \$143,179   | 8.33%                      | \$194,625   | 0.00%                 | \$0         | 3.43%                           | \$352,751                               | \$534,491                      | \$181,74                  |
| SELCO  | 498,965                                | 9.33%               | \$835,366   | 8.49%           | \$165,290   | 8.33%                      | \$194,625   | 7.84%                 | \$182,998   | 8.85%                           | \$1,244,642                             | \$1,378,280                    | \$133,63                  |
| Traverse des Sioux   | 228,600                                | 4.27%               | \$382,722   | 6.45%           | \$125,467   | 8.33%                      | \$194,625   | 0.00%                 | \$0         | 4.51%                           | \$499,452                               | \$702,814                      | \$203,36                  |
| Viking   | 123,715                                | 2.31%               | \$207,123   | 6.24%           | \$121,470   | 8.33%                      | \$194,625   | 0.00%                 | \$0         | 3.36%                           | \$342,927                               | \$523,219                      | \$180,29                  |
| <b>Total</b>   | 5,347,484                              | 100.00%             | \$8,952,750 | 100.00%         | \$1,946,250 | 100%                       | \$2,335,500 | 100.00%               | \$2,335,500 | 100.00%                         | \$ 13,570,000                           | \$15,570,000                   | \$ 2,000,000              |

**Alternative to Ad Hoc Formula Committee Recommendation -- Feb. 21, 2014. This calculations based on a \$2 million increase to RLBSS funding.**

**NOTE:** These projections are good faith estimates for a distribution that will occur in two years. Changes in the data over a two-year period will affect these projections. Additional new funding (beyond \$1.2 million) may be required.

## **Timeline and Calculations**

The calculations in the charts above are based on the 2014 RLBS population and ANTC numbers supplied by State Library Services. The RLBS Formula is re-calculated every August by the State Library based on the figures current at the time.

The charts shown above will be considered by the twelve regional public library boards for resolution of support during the spring and summer of 2014. These same charts will also be presented at the Library Legislative Forum in July.

In August, both charts will be re-calculated and those results will be used to make the proposal to the Legislature in 2015. If the proposal passes, the charts will be re-calculated in August of 2015 for the FY2016 RLBS formula.

Although great care will be taken to hold all systems harmless through the 2015 Legislative Session, the final calculations will take place after the bill is passed and cannot be completely guaranteed.

## **Resolution:**

The \_\_\_\_\_ Board supports the proposed change to the Regional Library Basic System Support (RLBS) Funding Formula with the final percentages assigned to the Equalization and Basic System Services factors to be determined by the amount of increased funding appropriated by the 2015 Legislature as shown in the charts above. If the increase to the annual appropriation is less than \$2 million, the formula in Chart A will be used; if the increase to the annual appropriation is \$2 million or more, the formula in Chart B will be used.