

VII. GENERAL, MISCELLANEOUS REVENUE, AND LIBRARY SERVICES IMPROVEMENT FUNDS
A.4 Finances – FY2020 Budget Submission – Action Item

The FY2020 budget request will be prepared according to the Division of Financial Management’s (DFM) forthcoming budget development manual and will be submitted by September 1.

I support the staff recommendations to include the following funding requests (details below):

- Move TBS from federal to state funds, an estimated total of \$351,100 or \$363,100
- Countdown to Kindergarten grant program, \$60,000
- Increase in EOR reimbursement funds for public libraries, \$48,000; \$12,600 FY2019 supplemental request
- LiLI electronic resources, \$54,000 FY2019 supplemental request

FY2020 ENHANCEMENT REQUESTS	TBS w/o Holiday	Countdown to K	EOR	TOTAL
Personnel (6 FTP)	\$278,100			\$278,100
Operating	\$85,000			\$85,000
T & B		\$60,000	\$48,000	\$108,000
TOTAL	\$363,100	\$60,000	\$48,000	\$471,100
FY2019 SUPPLEMENTAL REQUESTS	EOR	LiLI	TOTAL	
Operating		\$54,000	\$54,000	
T & B	\$12,600		\$12,600	
TOTAL	\$12,000	\$54,000	\$66,000	

Suggested motion: I move that the FY2020 agency budget request be approved as described in Board Document 19-09, including FY2019 supplementals for EOR and LiLI, and the following enhancements in priority order:

_____,
 and that the State Librarian be authorized to make adjustments in the request as may be required by the Division of Financial Management or the Legislative Services Office.

M/S _____/_____ C/F _____

MOVE TBS FROM FEDERAL TO STATE FUNDS - \$351,100 or \$363,100 ENHANCEMENT

The FY2020 request takes into account the retirement of 3 long-time Customer Service Representatives, a small reduction in operating, a 3% pay scale move in FY2019, an estimated 1% increase in FY2020 salaries, and a potential \$12,000 increase due to the way health benefits are covered.

	FY2019 Request	FY2020 Request w/ premium holiday	FY2020 Request w/o premium holiday
Personnel (6 FTP)	\$267,100	\$266,100	\$278,100
Operating	\$90,400	\$85,000	\$85,000
Total	\$357,500	\$351,100	\$363,100

COUNTDOWN TO KINDERGARTEN - \$60,000 ENHANCEMENT

This is a proposal for ongoing state funds to continue the program we will pilot this school year to help libraries better prepare children to be successful in school. By the beginning of FY2020, we will have evaluated the pilot and made refinements and changes based on the evaluation. The Countdown to Kindergarten grant program will provide funding to help public libraries partner with their local school districts and other community partners to reach children and families before they enter school, and provide needed resources and tools to ensure more students are reading on grade level by third grade. It includes collaborating with the State Board of Education to rollout the Smarty Ants early literacy program through public libraries. The entire \$60,000 would be distributed to public libraries through a grant process.

INCREASE IN EOR REIMBURSEMENT FUNDS FOR PUBLIC LIBRARIES

Our appropriation for broadband reimbursement to public libraries remains static at \$180,000. In FY2017, reimbursements totaled just over \$146,000; in FY2018, they increased to \$155,000. At my request, both our DFM and LSO analysts approved using the remaining \$25,000 in FY2018 funds to reimburse eligible public libraries that purchased mobile hotspots for checkout as a way to further expand broadband in their communities.

A. \$12,600 FY2019 SUPPLEMENTAL REQUEST

The Governor did not support our request for an FY2019 increase because it was based on anticipated demand. Instead, he recommended that we submit a supplemental request for additional funds if FY2019 reimbursements actually exceed \$180,000. The latest USAC (Universal Service Administrative Company) data on Idaho public library E-rate applications shows a total requested amount of \$192,586, which leaves a shortfall of \$12,586 if all are approved for funding.

B. \$48,000 FY2020 ENHANCEMENT REQUEST

We expect interest in this funding to increase as public library directors and boards recognize the benefits of increasing their bandwidth. Rather than request a supplemental each year, an enhancement for more ongoing funds is justifiable. Based on the USAC data, there is potential for a 27.5% increase in FY2019 over FY2018, so planning for another 25% increase in FY2020 seems reasonable. With the additional \$12,600 supplemental, 25% of the total FY2019 amount (\$192,600) is \$48,000.

ELECTRONIC RESOURCES - \$54,000 ENHANCEMENT

The majority of the LiLI database contracts were scheduled to be re-bid in early 2018 in order for the new contracts to be in place prior to July 1. Staff began the RFP development in November 2017 and submitted the request to the Division of Purchasing (DoP) in December. Due to several factors beyond our control, DoP has not yet finalized two of the contracts. They also would not allow us to begin the remaining contracts on time or negotiate contract lengths of less than one year.

To continue uninterrupted access to LiLI resources, we are paying the current vendors on a month-to-month basis for the 3 months DoP estimates it will take them to resolve the two contract issues. The date they are finalized will be the start date for all the new contracts. The agency will then pay in full the annual licensing fees, in addition to the month-to-month fees already paid. This will result in an estimated \$54,000 deficit in the agency's FY2019 operating funds. Each additional month will add about \$23,000 to that deficit.