

## Cost Formula Work Group Tenets

- a. There is an advantage to the community as a whole if all SCLS libraries participate in the ILS and SCLS network
- b. Technology, Network and ILS services should have separate fees
- c. Factors used in the formulas will be taken from easily accessible data
- d. The formula will generate fees to cover the costs of the services included
- e. Continue to invest enough for current and future services

## PC Support Fees Data

Issue: declining PC counts; rising costs

- a. Current cost is \$250 per PC (since 2014)
- b. Have operated at a deficit for 3 years
  - i. 2022 \$3,293
  - ii. 2023 \$17,638
  - iii. 2024 \$26,643 (covered by SCLS contribution of \$25,000)
- c. PC device count
  - iv. 2017 1,285
  - v. 2018 1,324 (small increases at many libraries)
  - vi. 2019 1,315
  - vii. 2020, 1,335 (pre-pandemic)
  - viii. 2021 1,399 (increase in laptops)
  - ix. 2022 1,373 (-26 PCs) (-\$6,500)
  - x. 2023 1,322 (-51 PCs + -26 PCs = -77 PCs) (-\$12,750 + -\$6,500 = \$19,250)
  - xi. 2024 1,279 (-43 PCs + -77 PCs = -120 PCs) (-\$10,750 + -\$19,250 = \$30,000)
- d. Raise PC support fee to cover deficit?
  - xii. Software costs = 120 X \$50 = \$6,000; deficit is \$24,000
  - xiii. Increase = \$18.75 per PC to cover non software costs

## Cost Formula Work Group Proposal

Cost Formula Work Group recommends to the Administrative Council the SCLS Proposals for the 2025 Budget and Cost Formula as follows;

1. Allocate funds from SCLS State Aid Contribution to Rural and/or small libraries as follows;
  - a. Reduction for Population
    - i. <2500 = \$1000
    - ii. 2500-4999 = \$750
  - b. Reduction for Locale (Locale codes)
    - i. Rural Fringe (41)=\$250
    - ii. Rural Distant (42)=\$500
    - iii. Rural Remote (43)=\$75
2. Increase PC support fees by 4% (\$10 per PC) [Change to a Cost Formula]
3. Apply the SCLS additional state aid contribution of \$25,000 to the Infrastructure budget to reduce fees for all libraries.