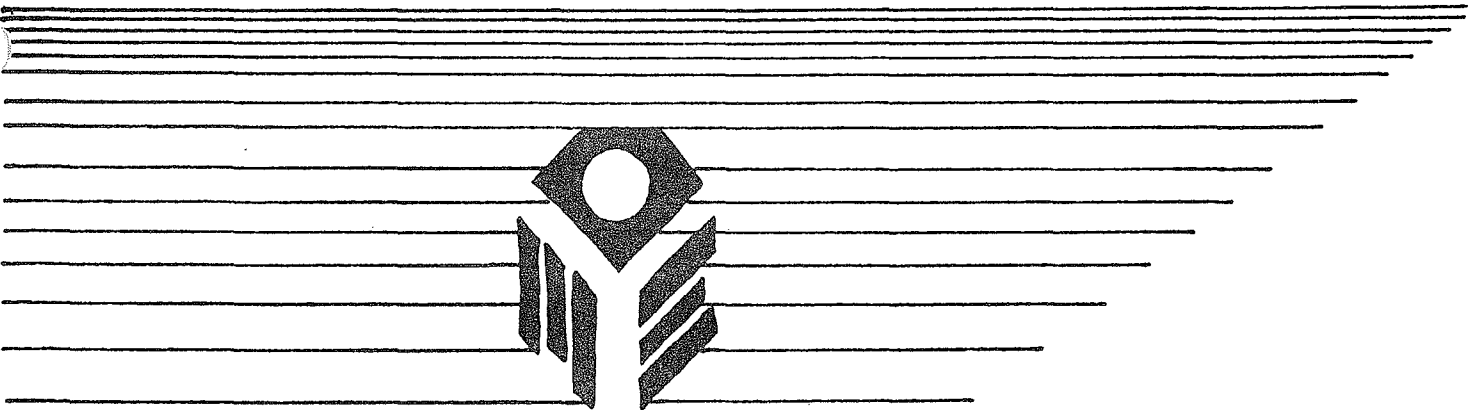


The Minnesota Public Library Development Program

Report to
The 1989 Minnesota Legislature

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Minnesota Department of Education

Prepared by
Office of Library Development and Services
Management Effectiveness Division



The Minnesota Public Library Development Program

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I. Introduction

A. Scope of Report

This report is filed pursuant to Minnesota Statutes § 134.31, subd. 4 (1986). It addresses public library development and statewide interlibrary cooperation activities. A separate report, filed pursuant to Minnesota Statutes § 134.351, subd. 5 (1986), addresses multi-county multi-type library systems.

B. Overview of the Minnesota Public Library Development Program

The basic purpose of the Minnesota library development program is established in Minn. Stat. § 134.31, subd. 1 (1986) as follows: "The state shall, as an integral part of its responsibility for public education, support the provision of library service for every citizen and the development of cooperative programs for the sharing of resources and services among all libraries." The Minnesota Department of Education is assigned responsibility for providing advice and consultant assistance for library development and for administering state appropriations and federal funds for library grant programs. Within the Department of Education, these responsibilities are performed by the Office of Library Development and Services in the Management Effectiveness Division.

The library grant program promotes, encourages and assists in the development of adequate public library services for every Minnesotan. Grants are provided for establishment of public library services for citizens in areas presently without such services, for development of multicounty regional public library systems to strengthen and improve public library services, for statewide activities of interlibrary cooperation to facilitate sharing of resources and reference information, for innovative and experimental projects to improve library services, and for strengthening library services in institutions of the Department of Corrections and the Department of Human Services. Sources of funds for the grant program are a state appropriation and Federal Library Services and Construction Act (LSCA) funds.

II. Status of Public Library Development in Minnesota

A. The Population Served

The library grant program strengthens library services available to more than 3,900,000 Minnesotans, constituting 96.9% of the state's population. During F.Y. 1989, twelve regional public library systems will provide countywide library service in 78 counties (shown on map and listed in Appendix A). There are 17 city libraries in the 7 untaxed unserved counties affiliated with regional public library systems.

In F.Y. 1987, Fillmore County began participating in Southeastern Libraries Cooperating. Brown County has voted to begin participation in the Traverse des Sioux Library System and Cottonwood County has voted to begin participation in the Plum Creek Library System in F.Y. 1989.

There are 337 public library service outlets in Minnesota, organized into 135 administrative units - regional, county and city libraries. Sixteen city libraries serving a total of 41,762 people have chosen to remain unaffiliated with regional public library systems. Eleven counties remain which have no countywide public library service. The population having no tax supported public library service is 83,000 in 1988.

B. Use of Public Library Services

More Minnesotans are using more public library services more often than ever. Library staff report increased requests for reference information. The number of books checked out from libraries is increasing. Public libraries offering their users new formats of materials, such as videocassettes, videodiscs and microcomputer software, report that these items are in high demand. Some public libraries formally support literacy programs in their communities by providing space for classes and tutoring, and by providing materials for new adult readers to practice reading skills. Many public libraries have assisted unemployed persons in locating job opportunities and in providing materials to update job skills or learn new job skills.

In 1987, Minnesotans borrowed 33,880,110 items from public libraries or an average of 8.5 items per capita. This reflects an increase of 3.45% over 1986, and an increase of 38.9% since 1980. The total reflects only materials checked out of libraries and does not reflect use of materials in the library. Although the ratio of in-library use to out-of-library use will vary from library to library and from year to year, performance studies undertaken in some Minnesota public libraries indicate a range of one in-library use for every out-of-library use to one in-library use for every three items checked out.

C. Public Library Finance

Public library service in Minnesota continues to be financed primarily from county and city funds. Public library receipts for operating purposes in 1987 totaled \$72,290,375, an increase of 4.1% over 1986. County and city funds, which account for 85.9% of the total, increased 4.85%. State and federal funds provided 8.3% of the total, a decline of .4%. The remaining 5.8% is miscellaneous income from sources such as grants, fines, gifts and interest.

Per capita receipts from local sources increased from \$14.92 in 1986 to \$15.59 in 1987. With some exceptions, local support tends to be highest in the seven county Twin Cities metropolitan area. Excluding these counties, average local support per capita in 1987 was \$9.08. Clearly, there is a general need for substantially increased financial support for Minnesota public libraries.

Operating expenditures of Minnesota public libraries in 1987 totaled \$68,285,247. Expenditures for personnel were 67.9% of total expenditures. Expenditures for materials were 16.2% of total expenditures. The remaining 15.9% was expended for all other operating costs such as utilities, insurance, supplies, equipment, rent and communications.

Detailed data on public library service is published annually in the spring issue of Minnesota Libraries.

D. Operation of Grant Programs

Minnesota Statutes § 134.32 (1986) establishes five types of grants in the public library development program. These grants are:

1. Establishment Grants to regional public library systems for addition of counties previously without countywide library service;

2. Regional Library Basic System Support Grants to assist in the ongoing operation of the twelve regional public library systems;
3. Special Grants for innovative and experimental projects of library service;
4. Grants for interlibrary sharing of resources and materials; and
5. Grants to improve library services at institutions of the Department of Human Services and the Department of Corrections, and for library service for the blind and physically handicapped.

In addition, Minnesota Statutes § 134.32, subd. 7 (1986), authorizes grants for construction or remodeling of library facilities from any state and federal funds specifically appropriated for this purpose.

The law allows the State Board of Education to make grants from available state and Federal funds. Encumbered and expended funds for grant programs during F.Y. 1987 and F.Y. 1988 and estimated expenditures for F.Y. 1989 are as follows:

	<u>F. Y. 1987</u>			
	State*	Federal LSCA Title I	Federal LSCA Title II	Total
Establishment Grants		\$ 30,550		\$ 30,550
Regional Library Basic System Support Grants	\$4,253,700	1,000,000		5,253,700
Special Purpose Grants		271,935		271,935
Institution Library Services and Blind & Physically Handicapped		55,892		55,892
Interlibrary Sharing Grants	220,000	198,367		418,367
Public Library Construction Grants			\$ 634,948	634,948
Total	\$4,473,700	\$1,556,744	\$ 634,948	\$6,665,392

	<u>F. Y. 1988</u>			
	State*	Federal LSCA Title I	Federal LSCA Title II	Total
Establishment Grants		\$ 15,275		\$ 15,275
Regional Library Basic System Support Grants	\$4,735,400	1,000,000		5,735,400
Special Purpose Grants		124,957		124,957
Institution Library Services and Blind & Physically Handicapped		55,912		55,912
Interlibrary Sharing Grants	239,400	207,100		446,500
Public Library Construction Grants			\$ 345,613	345,613
Total	\$4,974,800	\$1,403,244	\$ 345,613	\$6,723,657

Estimated F. Y. 1989

	State*	Federal LSCA Title I**	Federal LSCA Title II**	Total
Establishment Grants		\$ 55,999		\$ 55,999
Regional Library Basic System Support Grants	\$4,735,400	1,000,000		5,735,400
Special Purpose Grants		117,747		117,747
Institution Library Services and Blind & Physically Handicapped		55,912		55,912
Interlibrary Sharing Grants	239,400	207,100		446,500
Public Library Construction Grants			\$ 500,000	500,000
Total	<u>\$4,974,800</u>	<u>\$1,436,758</u>	<u>\$ 500,000</u>	<u>\$6,911,555</u>

*All state funds shown are entitlements. Since F.Y. 1983, grant payments from state funds have been made on an 85/15 payment schedule, with 85% of grant funds paid during the fiscal year and the remaining 15% of grant funds paid after the first quarter of the following fiscal year.

**All federal amounts shown are encumbrances, based on allotment information provided by U.S. Department of Education.

Due to a projected state revenue shortfall, state funds for F.Y. 1987 were reduced. To adjust to this reduction, some regional public library systems had to reduce budgets for library materials. Some reduced hours that the libraries were open and reduced the frequency of bookmobile service. Some sought increases in county and city funds to replace state funds lost. Several regional public library system administrators continue to report difficulties in cash flow due to the switch to the 85/15 payment schedule.

Special Grants include the continuing operation of bookmobile service by Lake Agassiz Regional Library on the White Earth Indian Reservation and the provision of consultant assistance for planning, acquiring and installing automated systems in public libraries.

Since F.Y. 1985, Congress has appropriated construction funds under provisions of Title II of the Library Services and Construction Act. The State Board of Education awarded grants for projects in Forest Lake, Hennepin County (Minnetonka), Moorhead, New York Mills, Rush City, Pelican Rapids, Detroit Lakes and Waterville. Additional construction grants will be awarded during F.Y. 1989.

Federal funds also support operation of the Public Library Access Network (PLANET). Requests for library materials that cannot be supplied within the regional public library systems are transmitted to the PLANET office at the St. Paul Public Library. Collections of the St. Paul Public Library, other public libraries in the Twin Cities metropolitan area, the James Jerome Hill Reference Library and libraries of the private colleges are searched. Items located are loaned to library users throughout the state.

In F.Y. 1987 and F.Y. 1988, state funds were used to support public library access to services of the Minnesota Interlibrary Telecommunications Exchange (MINITEX). MINITEX services include delivery of items requested from the University of Minnesota libraries and other Twin Cities libraries, inclusion in the Minnesota Union List of Serials database, access to computerized cataloging through the Online Computer Library Center, Inc., and back-up reference service.

E. Extension and Revision of Federal Library Services and Construction Act

Congress has extended the Library Services and Construction Act (LSCA) through F.Y. 1989. Amendments to LSCA establish several new priorities for use of funds, add three new titles, and for the first time provide for forward funding. Appropriations, however, have not yet been made on the basis of forward funding.

Title I, Library Services, continues to emphasize extending library services to persons lacking such service, strengthening public library services where they are inadequate, improving library services for persons in state correctional facilities and welfare institutions and improving library services for blind and physically handicapped persons. New emphasis is given for programs that serve the elderly, programs designed to combat illiteracy, programs that assist public libraries to serve as community information referral centers, and programs that increase services and access to services through effective use of technology.

LSCA Title II continues as Public Library Construction, allocating funds to the states for grants for construction of new public library buildings, for remodeling to make public libraries accessible to the physically disabled, and for remodeling to make public library buildings more energy efficient.

LSCA Title III, Interlibrary Cooperation and Resource Sharing, provides funds for planning and operating cooperative programs involving academic, public, school and special libraries.

The three new titles are administered directly by the U.S. Department of Education, not by state library agencies. Title IV, Library Services for Indian Tribes, provides grants to Indian tribes to establish, operate or contract for library services. Title V, Foreign Language Materials Acquisition, allows state library agencies and public libraries to apply for grants of up to \$15,000 to acquire foreign language materials. Title VI, Library Literacy Programs, allows state library agencies and public libraries to apply for grants of up to \$25,000 to support development of literacy services in libraries and to promote cooperation among providers of literacy services. Minnesota libraries receiving these grants in F.Y. 1987 were the Anoka County Library (\$23,729), the Hennepin County Library (\$10,181), the Minneapolis Public Library and Information Center (\$25,000), and the Washington County Library (\$3,500).

The present federal administration has, in each of its budgets, requested no funding for LSCA. Each year Congress has restored funds at least to the level of the previous year. For F.Y. 1989, LSCA is funded at a level slightly higher than F.Y. 1988. Despite the difficulties of uncertainty in funding, LSCA remains an important program for public library development and multi-type library cooperation in Minnesota.

F. Minnesota Library Reciprocal Borrowing Compact

A milestone in public library service was reached on July 1, 1986, when an agreement among all Minnesota public libraries participating in the state program agreed to honor library cards from all other participating public libraries. This agreement, the Minnesota Library Reciprocal Borrowing Compact, means that 96 percent of Minnesota's population may use any one of over 300 public library buildings and 28 bookmobiles, from Caledonia to Hallock, from Luverne to Grand Marais.

This was a pilot program for two years, from July 1, 1986, through June 30, 1988. During the pilot period, use of the compact was monitored through quarterly reports. Procedures were changed as necessary to keep the program operating as smoothly as possible. An evaluation was performed to determine whether or not action is needed by the Minnesota Legislature to continue the program on an ongoing basis. The results of the evaluation indicated a high level of approval and satisfaction with the program on a cooperative basis and all participants have agreed to continue participating indefinitely.

G. Extension of Access

The 1987 Legislature enacted Minn. Stat. § 134.341 which provides that all Minnesotans shall have access to public library service by requiring that all counties shall provide financial support for public library services

and shall participate in the regional public library system for their area, effective in 1990. LDS staff and the staff of the affected regional public library systems have been working with counties which will be new participants to plan for implementation. Brown and Cottonwood County Commissioners have acted to begin participation in 1989. The remaining counties of Houston, Hubbard, Lac Qui Parle, Lincoln, Mahnomen, Pipestone, Renville, Wilkin and Yellow Medicine are expected to participate in 1990.

III. Future Consideration

A. Rules for Library Grant Programs

In addition to statutory provisions, library grant programs are governed by Rules of the State Board of Education, Parts 3530.0200-3530.2644. These rules are now being reviewed for possible revision. Rules were adopted for public library construction grants in F.Y. 1986.

B. Minimum Levels of Local Support

The 1978 Minnesota Legislature changed the method for determining minimum levels of local support for public library services from a mill rate on current assessed property valuation to minimum dollar amounts equivalent to .3 mill on the adjusted valuation from the second preceding year during the first year of a county's participation, and .4 mill on the adjusted valuation from the second preceding year during the second and subsequent years of a county's participation. A "cap" of 10% protects counties whose adjusted valuations increase more than 10% from one year to the next, or those counties which would have to increase support by more than 10% per year in order to shift from the method previously used to calculate minimums.

To meet the needs of those counties having high adjusted valuations and sparse populations, the 1979 Minnesota Legislature adjusted the minimum level of local support requirement. The adjustment allows the county to provide the amount of the adjusted valuation or a minimum per capita amount, whichever is less. The per capita amount was established at \$3.00 per capita for 1980, and is increased in subsequent years by one-half of the percentage increase of the state adjusted assessed valuation. For 1989, the minimum per capita amount is \$3.62.

Adjusted assessed valuations since 1983 have continued to decline for a majority of Minnesota cities and counties. As a consequence, minimum levels of local support or maintenance of effort amounts for public library support remain static or decrease for many participating cities and counties.

Because of the changes in the tax laws enacted in 1988, the use of such terms as "adjusted assessed valuation" and "mill rate" have become obsolete. LDS staff are studying the changes to prepare proposed amendments for Minnesota Statutes § 134.33, 134.34 and 134.35 for minimum levels of local support and the regional library basic system support grant formula.

C. Public Library Construction

A grant program is needed to stimulate improvement of public library buildings. Of 337 public library buildings in Minnesota, only 150 were built as public

libraries. Of these, 34% were built between 1899 and 1919, and 46% were built before 1960. These older buildings tend to be inaccessible to the physically handicapped, wasteful of energy, inadequate in space, inefficient for operation, and unsuited to the installation of new technology.

In only about half of the state's public library buildings can a person in a wheelchair enter the building and approach the circulation desk unassisted. In even fewer public libraries have the restrooms been remodeled for use by the physically disabled. There are over 160 public library buildings of less than 2,500 square feet, thus not meeting the minimum size for public library buildings established in state goals.

Recent experience with Public Library Construction Grants from federal funds has also verified the need for a state funded grant program. Applications have been submitted for hundreds of thousands of dollars more than is available.

The Department of Education has proposed to the Governor's Office a public library construction grant program funded at \$1,000,000 for each year of the biennium. This proposal is under consideration now for possible recommendation to the 1989 Minnesota Legislature.

D. Public Library Automation Developments

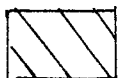
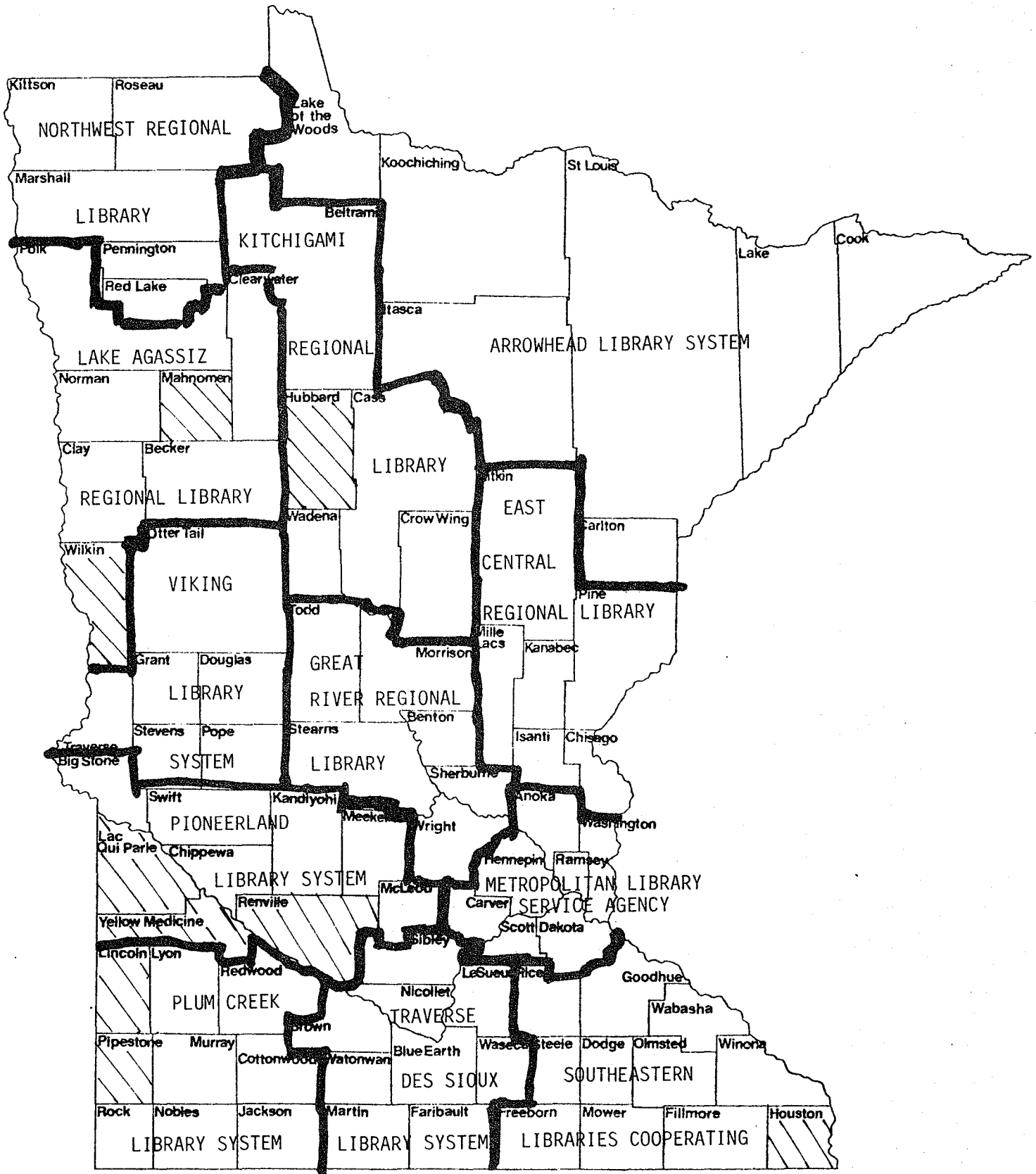
For the past few years, automation systems for library operations have been developed and improved to the point that they have become extremely valuable in enabling libraries to perform many of their operations more efficiently and more effectively. These systems allow the libraries to offer more and better service to their clients. One of the most important services which the computer enables is the development of data bases which allow staff and clients of one library to know the library materials holdings of another library, thereby facilitating the sharing of these expensive resources among the users of other libraries.

As these developments have been occurring, libraries in Minnesota have been engaging in planning activities so that they will be able to take appropriate steps when the time comes. Substantial expenditures of local, state and federal funds have been made in the areas of planning, preparation and, in some instances, implementation. However, few libraries have been able to secure or accumulate the substantial funding needed to purchase the hardware and software which is necessary to operate the automated systems. The Department of Education has advanced a proposal to the Governor's office for a substantial increase in the state appropriation for regional library basic system support grants to assist regional public library systems to implement automated systems and to address other needs as well.

E. Public Library District Study

The 1988 Legislature called for the Department of Education to make recommendations by Dec. 1, 1988, to the Governor and the Legislature about the organization, financing and formation of regional public library districts. LDS staff have conducted a study of public library districts in cooperation with the Department of Revenue and a study advisory committee of librarians, trustees and local elected officials. The study included a series of seven public hearings at locations around the state. Recommendations will be forwarded to the Governor and Legislature by Dec. 1.

MINNESOTA REGIONAL PUBLIC LIBRARY SYSTEMS
FY 1989



Counties not taxing for public library service nor participating in regional public library systems in FY 89

Appendix A

Arrowhead Library System

Population: 333,704

Carlton County
Cook County
Itasca County
Koochiching County
Lake County
Lake of the Woods County
St. Louis County

East Central Regional Library

Population: 112,560

Aitkin County
Chisago County
Isanti County
Kanabec County
Mille Lacs County
Pine County

Great River Regional Library

Population: 267,767

Benton County
Morrison County
Sherburne County
Stearns County
Todd County
Wright County

Kitchigami Regional Library

Population: 104,347

Beltrami County
Cass County
Crow Wing County
Wadena County

Lake Agassiz Regional Library

Population: 127,019

Becker County
Clay County
Clearwater County
Norman County
Polk County

Metropolitan Library Service Agency

Population: 1,985,860

Anoka County
Carver County
Dakota County
Hennepin County
Ramsey County
Scott County
Washington County

Northwest Regional Library

Population: 53,002

Kittson County
Marshall County
Pennington County
Red Lake County
Roseau County

Pioneerland Library System

Population: 130,036

Big Stone County
Chippewa County
Kandiyohi County
McLeod County
Meeker County
Swift County

Plum Creek Library System

Population: 107,113

Jackson County
Lyon County
Murray County
Nobles County
Redwood County
Rock County

Southeastern Libraries Cooperating

Population: 392,352

Dodge County
Fillmore County
Goodhue County
Mower County
Olmsted County
Rice County
Steele County
Wabasha County
Winona County

Traverse des Sioux Library System

Population: 221,980

Blue Earth County
Faribault County
LeSueur County
Martin County
Nicollet County
Sibley County
Waseca County
Watonwan County

Appendix A (Cont)

Viking Library System
Population: 115,468
Douglas County
Grant County
Otter Tail County
Pope County
Stevens County
Traverse County

Total population: 3,951,208