State Aid Review Task Force

Charge for the State Aid Review Task Force:
The Task Force will study recommendations from the State Aid Review Committee regarding the Waiver process and the MAR calculation. Both require additional input from the library community, more focused research on current program elements, and a closer analysis of relevant data before a final determination about possible changes can be presented to the Board.

Meeting #4
January 12, 2017
Shrewsbury Public Library
10:00 AM – 12:30 PM
AGENDA

Welcome and Introductions
NR: Great group-really interested in getting feedback; working well together
Introductions
Commissioners provide background; these discussions are helpful to them as they make decisions re: SA program
Participation of the committee has been extremely helpful
Please make certain MRQuinn captures your points of discussion

Charge for the State Aid Review Task Force
See above
Recap of 11/17/16 meeting
3 questions at last meeting:
Defining fiscal hardship; not defined in legal documents
How do we define a disproportionate cut?
How many years is it reasonable for a municipality to have a waiver (consecutive)

Agenda: Taking a few minutes to continue discussion number of years; also discussion or a possible recovery plan; voluntary plan
What is our position on outliers?

Next meeting: asking you what recommendations you want passed along to the board
Final meeting: a draft of the report that we will be bringing to the Board
Continued Discussion:

- **Number of consecutive years of Waivers**

  **Table 1:**
  Determined give 3 years to develop the plan; continued to be eligible. Plan for 5 years up to; report each year how to meet the target.

  **Table 2:**
  7 year overall. Year 1 no questions. 2\(^{nd}\) year a waiver, asked to start working on the plan. 3\(^{rd}\) year, present the plan at a board meeting and then 3 years to meet the plan. If by year 7 you have not recovered, no waiver.

  **Table 3:**
  How many years? Unintended consequences. 3 years with no questions asked but by year 4, the municipality has a plan going forward. If no plan for year 5. No more waivers. If plan, another 3 years

  Annually have to report progress. # of years based on the size of the cut

**Discussion:**

- **Percentage of cut defined as disproportionate**

  **Table 1:**
  5% too lenient; 2% too harsh; Why not have everyone present to the Board; makes the municipality sit up and take notice if they have to present to the Board. Questions asked. Tell us your priorities. Thorough discussion of town funding. Formality of the hearing. Municipalities don’t like to have to justify their actions. Question their decisions. Formality. One of the only times they need to present

  **Table 2:**
  5% is reasonable; take into consideration building projects or other capital projects in the municipality.

  **Table 3:**
  5% is reasonable; more recoverable. Higher means the unintended consequence too hard to recover

**Discussion:**

Political structures/ political influence reciprocal borrowing; Boston
History of Waivers document; 2011 with 123 waivers the highest
Chart of the new waivers (35 libs) includes # of years; whether or not
disproportionate; how far away from the TAMI/MAR; what the numbers
look like for the municipal comparison budgets

What would a Municipal Plan for recovery look like?

- How many years allowed?

Table 2: created in conjunction w/ CFO trustees and lib dir. communicated to
the governing body (municipality) layout FINANCIAL plan rational and status;
educating town; pressure for the appropriation; what would be needed by the
MBLC? Involved in creating the plan but not voting/approving it. Trustee
organizations differ from town to town (power to approve/leverage/voice).
MBLC.

Table 1: plan as simple as projected annual increase MAR/TAMI; report
annually as part of the waiver filing the plan must be completed by end of 5
and submitted in year 3. Extensions would be possible but would need
serious explanation.

Table 3: plan includes financial benchmarks; requirement includes plan
progress updates; 2\textsuperscript{nd} year write 3\textsuperscript{rd} year submit plan itself 6-7 years at most;
increase must be about 20% 15% plus the 2.5% average over 5 years;
restoring the cut over the 5 years 20% per year.

NR who creates? Who approves? Annual requirements.
? about the voluntary. Does that mean that others do not have to lend?
- Annual requirements?

Outliers of the program, a voluntary program

- Define
Showing a recovery plan with definite consequences; will not go on forever

Why do we even have to worry about outliers?
Choices have been made. That is the reality. The “plan in place” is a way
forward. Savoy-a letter to the outliers outlining what they would need to do
and what the benefit would be for them. Suggest they partner with another
community. Outreach from the MBLC. The plans would be part of the process
for moving forward to meeting the requirements.

Unlimited waivers are really bad overall. Outliers will need to have a plan and
the MBLC might have some discretion in extending the plan implementation.
Joint libraries? Formal application process. Contract with another municipality?

A plan requirement will solve some of these outlier issues.

- How to help them without dragging others down

Wrap-up and Work for Next Meeting
Next meeting: will be pulling these ideas together for a draft plan for the following meeting.