

2025 Funding Formula

The formula is divided into two sections – state distribution and county distribution. If the state or county allocations change, these sections will change.

State Funding is divided into two sections - a base allocation and a per capita allocation.

County funding is divided:

1. Municipal Support (only direct monetary support will be included for each municipality assigned to a library; in-kind support will not be included)
 - a. Municipal Support \$1 per capita- up to and including \$1 per capita.
 - b. Municipal Support over \$2.5 per capita - combining all of the municipal contributions divided by the total per capita. This section moves the local support closer to the \$5 of local support per capita that was identified in the IVY Report. Support from school districts is included, as this is allowed by the state.
 - c. Municipal Support over \$5 per capita - combining all of the municipal contributions divided by the total per capita.
2. Circulation
3. Computer Use (including wi-fi data)
4. Tax Equalization Board Adjustment - the aggregate market value of taxable real property in each municipality divided by the per capita. Awarded to the lowest 10% of market value per capita.
5. Distance Support - for libraries that are over 10 miles from the nearest library.

Data:

1. Per capita - 2020 census data
2. Circulation and computer use – used calendar year 2023 data. Circulation numbers used in the formula are a 50% owning library/50% checkout library split. Wi-fi data collected from the Member Libraries is pulled from the server housed at the System Office on a monthly basis. Circulation data for Overdrive will be reported to the System Administrator by the Reading District Library Consultant. Libraries that subscribe to Hoopla or other digital services with a checkout model are responsible for reporting circulation data to the System Administrator by the 5th of each month.
3. Municipal support – data from the member libraries. 2023 municipal funding (will be used for the 2025 formula) requires verification. Verification options include copies of municipal checks or a letter identifying direct payment support from the municipality on their

letterhead. Checks must be dated during the 2023 calendar year. No in-kind or rental support will be counted as municipal support.

4. Tax Equalization Board Adjustment – data from the state of PA's State Tax Equalization Board – the aggregate market value of taxable real property in each municipality. These values are updated annually.

Subject to any changes in State or County aid, changes approved by the System Advisory Board to the funding formula for future years will be communicated two years in advance.

Funding formula changes for 2026:

- Increase funding for distance support allocation from 3% of non-municipal support areas of the County funds allocation to 5%. The funds to increase the distance support allocation will be subtracted from the circulation funds. The circulation funds will decrease to be 60% of the non-municipal support areas of the County funds allocation.
- Increase funding for municipal support > \$2.50 per capita from \$75,000 to \$100,000. The funds to increase this will be subtracted from the non-municipal support areas of the County funds allocation.

Funding formula changes for 2027:

- Increase funding for distance support allocation from 5% of non-municipal support areas of the County funds allocation to 7%. The funds to increase distance support will be subtracted from the circulation funds. Circulation funds will decrease to be 58% of the non-municipal support areas of the County funds allocation.
- Increase funding for municipal support > \$5.00 per capita from \$15,000 to \$25,000.

Additional Notes:

- No new libraries or new branches will be approved for inclusion to the Funding Formula

**Approved by BCPL Advisory Board
August 21, 2024**