MEMO

To: Chair Bedey and Members of the Education Budget Subcommittee

From: Jennie Stapp, State Librarian

Subject: Revised Montana State Reference Network (MTSRN) Glidepath

Date: January 21, 2025

Revised MTSRN Glidepath to reflect a decline in Montana Geospatial Information Act (MGIA) revenue

Year	2026	2027	2028	2029	2030	2031	2032	2033
Stations	100	120	140	160	160	160	160	160
Expenses								
Coordinator FTE	125,169	128,924	132,792	136,776	140,879	145,106	149,459	153,943
Tech FTE			81,823	84,278	86,806	89,411	92,093	94,856
Platform Hosting Fees	129,000	142,000	159,650	159,650	173,040	173,040	178,231	178,231
Admin Costs	22,500	30,000	41,250	52,500	63,750	75,000	86,250	97,500
Other Operating Costs	100,000	100,000	350,000	350,000	350,000	350,000	375,000	400,000
Total Expenses	376,669	400,924	765,515	783,204	814,476	832,556	881,033	924,529
Subscriptions								
Subscription Target	150	200	275	350	425	500	575	650
Subscription Cost	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
	225,000	300,000	412,500	525,000	637,500	750,000	862,500	975,000
Revenue Gap	(151,669)	(100,924)	(353,015)	(258,204)	(176,976)	(82,556)	(18,533)	50,471

The fiscal note that accompanied Senate Bill 60, passed in the 2023 Legislative Session to authorize the operation of the Montana State Reference Network, assumed an investment of $1M in State Special Revenue from the Montana Geospatial Information Account. A sharp decline in revenue significantly reduced the investment in FY24 and FY25 and the projection is for the same issue to extend at least through FY26.

Future assumptions/risks

- 2026 and 2027 network maintenance costs will be deferred to 2028/2029. This adjustment is reflected under Other Operating Costs.
- No major unplanned maintenance costs come up before FY29
- Subscription growth continues to increase at a steady rate with minimal investment in program marketing
- MDT continues to build out the network at a rate of approximately 20 stations per year
- Network operator is able to maintain the network without support from a technician before 2028
- MSL is able to retain an operator despite not filling the technician role to provide support for that position
- MSL will not maintain any significant operations balance form year to year

Note that MSL was able to realize cost savings on the Platform Hosting Fee through negotiations with the vendor. Those saving are reflected here. Without a commitment of state dollars for the FY26/27 biennium our focus shifts from the glidepath for self-sufficiency to keeping the lights on.

MTSRN Glidepath reported to IBC-E

Year	2024	2025	2026	2027	2028	2029
Stations	80	100	140	160	160	160
Expenses						
Coordinator FTE	116,662	121,523	125,169	128,924	132,792	136,776
Tech FTE		74,880	77,126	79,440	81,823	84,278
Platform Hosting Fees	80,000	192,000	224,540	237,930	237,930	237,930
Admin Costs	54,320	56,000	57,680	59,410	61,193	63,028
Other Operating Costs	16,000	55,000	150,000	200,000	200,000	225,000
Total Expenses	266,982	499,403	634,515	705,704	713,738	747,012
Subscriptions						
Subscription Target	-	100	150	250	350	500
Subscription Cost	1,500	1,500	1,500	1,500	1,500	1,500
	-	150,000	225,000	375,000	525,000	750,000
Revenue Gap	(266,982)	(349,403)	(409,515)	(330,704)	(188,738)	2,988