

## **LUNCH WITH THE STAFF FOLLOWING THE BOARD MEETING**

The lunch for staff and board members following the board meeting on July 10th is still planned even though there will be no afternoon board development session. The Board Trustee Services Committee, chaired by Skip Patterson, had to postpone its planning of the afternoon session because the executive search consultants were at Mid-Hudson on the same day it had planned to meet. Planning for the board development is now on hold until the appointment of the new Executive Director, which is expected in October.

## **CONSIDERATION OF THE [REVISED 2013 BUDGET](#)**

Consideration of a revision of the 2013 budget is on the board's July 10th agenda, as is the 2013 budget for central library aid, which are separate action items. The revision has been included in the board packet, as well budget projections for 2014 and 2015, and an expenditure schedule for outreach and correctional services, and the [2013 budget for the central library program](#).

The Finance Committee has met twice to review budget revisions, as has a group of member library directors who represent the Directors Association. As a result, the 2013 budget, which was adopted by the board in December 2012, has undergone a number of changes and modifications.

Highlights of the 2013 revision include:

- An increase in general state aid of \$131,169, which is 9% higher than originally budgeted for this aid.
- Directed and categorical aid, which was not part of the budget approved in December. This includes outreach and correctional services, central library, and local library services aid.
- Total receipts of \$3,041,071; receipts of the approved budget was \$2,302,940; and total expenditures are projected to equal total receipts.
- A net change in receipts and expenditures of \$141,088, excluding the directed and categorical aid.
- A reduction of \$17,000 in our allowed year-end contingency fund of \$150,000. However, we are still operating with a restricted year-end balance of 60% of expenditures, minus central library aid and local library services aid. This affords us a continuing positive outlook in 2013 and 2014.
- A slight reduction in our capital set-aside from \$19,271 to \$12,000.
- A year-end transfer of \$30,000 to the member libraries capital fund, which was also proposed in April; this is in addition to the \$39,600 set aside by our member libraries.
- An additional part-time I.T. staff to increase our help-desk coverage on Monday through Friday until 6 p.m. instead of 4:30 p.m., and Sunday afternoon, which is new.
- Reinstatement of a member library mileage reimbursement grant to equalize the cost of member library staff and trustee participation in meetings and training at Mid-Hudson. This would become effective July 1 and only travel on or after July 1 would be eligible. As a

result of our discussions with directors, this grant is half of what was considered in April, with \$7,750 budgeted in 2013 and \$15,500 in 2014. Reimbursement would be between 50% and 60% of the IRS business mileage reimbursement rate and would only be available for attending events at Mid-Hudson. The first 20 miles between Mid-Hudson and member libraries would be excluded from reimbursement and Mid-Hudson's mileage chart is being reviewed in preparation for implementing this grant. Libraries would also have to certify in writing that they provide reimbursement to staff and trustees for travel to and from Mid-Hudson; reimbursement would be made to member libraries and not individuals.

- Reinstatement of Mid-Hudson Board member mileage reimbursement for attending board and board committee meetings, and training sessions at Mid-Hudson. This would become effective July 1 and only travel on or after July 1 would be eligible.

If this reinstatement is supported by the Board, I would recommend the motion: Beginning with travel on or after July 1, Mid-Hudson Board members may submit claims for mileage reimbursement at the standard IRS business mileage rate for travel to and from their homes and the Mid-Hudson Library System for attendance at Mid-Hudson board and board committee meetings and at training and other continuing education sessions at Mid-Hudson; such claims are to be submitted within 3 months of the time of travel for which such claims are filed.

## **IMPACT OF THE REVISED BUDGET ON THE MEMBER ASSESSMENT**

When state aid fell to 70% of full funding in 2009 and 2010, member library directors agreed to increase support for cooperative services to \$600,000, beginning in 2012. In 2011, support for these services totaled \$426,957. This agreement was contingent on the System balancing its budget, which it did by taking a number of actions, including eliminating six full-time positions in January 2011.

Although we have received some restoration in state aid since 2011, we're still only at 84% of full funding. However, because some state aid has been restored, some members have expressed a desire to reduce the \$600,000 assessment, a desire sharpened by the restrictions imposed by the property tax cap.

With the increases we received last year in state aid, we were able to cap the 2012 members assessment at \$485,701 by using central library development aid and extending the members a credit. By using the same approach, we have agreed to hold the assessment to \$533,677 in 2013 and \$553,811 in 2014.

But there is also a growing interest among some members for new services and products. These include a mobile app, with an annual cost of approximately \$30,000, and streaming video. There is also interest in a new catalog interface for Sierra that, in a single search, would combine physical collections and digital collections, including ebooks and articles from periodical databases. This would annually cost approximately \$40,000.

We therefore have worked with directors to minimize the impact of the 2013 budget on member libraries but also preserve the members' \$600,000 commitment to cooperative services. This includes:

- Subsuming the annual \$30,000 Sierra cloud-fee in the members assessment of \$600,000 instead of increasing the members assessment to \$630,000. This is expected to continue indefinitely.
- Reducing the members assessment with central library development aid by \$47,755 of, which will also continue in 2014.
- Reducing the members assessment by providing members a credit of \$19,920 in 2013 and \$20,000 in 2014.

## **PERSONNEL ACTIONS**

### **Staff Appointments**

There are a number of personnel issues on the agenda for the board to consider, beginning with two staff appointments but also including a revision of Mid-Hudson's organization chart. These were reviewed and approved by the Planning and Personnel Committee on June 18th.

The staff appointments reflect a reorganization of our cataloging staff, which were prompted by Kit Kassel's resignation as a full-time Cataloging Assistant in May.

The reorganization increases the flexibility of Eric McCarthy's management of our cataloging service and does not increase the number of Mid-Hudson's full-time equivalent staff.

Effective June 3rd, Tara Stohr transitioned from part-time to full-time under a new job description that includes responsibilities for cataloging as well continued support of inter-library loan and services to correctional facilities. Tara has worked part-time at Mid-Hudson since 2006 and had previously cross-trained for cataloging.

Effective June 10th, Nina Acosta was hired to work as a cataloging specialist, part-time. She has not previously worked at Mid-Hudson.

### **Organizational Chart**

The organizational chart, which is also an action item on the agenda, is included in your packet and is a required element of Mid-Hudson's Personnel Policy.

In addition to the reorganization of the cataloging staff, the chart includes changes in the evolving relationship between the Executive Director and Assistant Director and changes in the designation of our delivery staff.

All three of our regular part-time staff in delivery now have the same responsibilities for shipping and delivery that were once assigned to a single part-time clerk. This provides Tom Finnigan greater flexibility in scheduling his staff. The Material Handlers designation is now reserved for the substitutes we occasionally need in support of delivery.

## **FACILITY UPDATE**

The 2011-2012 Public Library Construction Grant project is nearing completion with only the replacement and painting of the crown molding around the turret remaining. We were awarded a grant of \$32,879 for the project, of which we already received 90%, and costs are expected to total \$76,015. The project included a new roof, which cost \$58,015 and completed last fall, and

painting and repair of the exterior facade, which will cost \$16,000. This includes replacement of the cedar shingles on the facade. However, the molding is being done on a time and materials basis and is expected to cost an additional \$2,000. The grant represents 43% of the project's total costs and we expect to receive the final 10% of the grant once we certify completion of the project.

The 2012-2013 Public Library Construction Grant project for the asbestos abatement in the Auditorium basement is moving forward. We received official notice of our grant award of \$22,828 on June 26th. Although we have 180 days to begin work on the project, we will place the work out to bid in July and award the work in August. We expect work to begin in October. We have a draft of the technical specifications, which was prepared by Quality Environmental Solutions & Technologies (QUEST) of Wappingers Falls. We plan to have QUEST provide the air-monitoring for the project, which state law requires to be done by a contractor other than the contractor performing the abatement. We have also begun work on placing our 16mm film collection, which is now stored in the Auditorium basement, at a library or archive with an interest in film preservation. Costs for the project are expected to total \$50,000.

The 2013-2014 Public Library Construction Grant project under consideration is replacing the aluminum framed, single-pane, windows of the office building with new double-paned thermally sealed e-glass windows at an approximate cost of \$25,000, and repaving the parking lot at an approximate cost of \$28,000. The Facility Committee met in March and has tentatively approved these improvements for 2014, but will need to meet in July or early August to finalize these plans.

### **E-RATE CONTRACTS**

Two proposals are included in your packet that require the board's approval under the regulations governing the e-rate program and are contingent upon the availability of e-rate funding. They provide for the purchase and upgrade of several pieces of network equipment, which Robert Drake has identified from two separate providers. Approval should be in separate motions for each provider and made contingent on the availability of e-rate funds. We anticipate a 90% reimbursement on the cost of this equipment, a rate of reimbursement that depends upon the eligibility rate for free and reduced lunches in the local school district.

### **SEPTEMBER BOARD MEETING**

- Preliminary 2014 Budget - First Reading. The MHLS Board Finance Committee meets September 11th to review the preliminary budget.
- 2012 Audit Report. The Audit committee will meet when the draft report is available, which is expected in July.
- Executive Director search updates based on the Executive Director [search schedule](#)
- 2013-2014 Mid-Hudson & Member Library Construction Grant Applications. The MHLS Board Incentive Committee meets August 29 at 10:00 a.m. to review applications.
- Draft of a Non-Solicitation Policy - First Reading. The Planning & Personnel Committee meets in July to finalize the draft.
- Initial Report by staff on the implementation of the System's [Plan of Service](#).