

Advocacy and State Funding

State aid for library services is expected to increase \$2.615 million from \$79 million to \$81.615 in 2012-2013. This is just over a 3% increase. Although our funding is still about 21% below what we should receive by statute, this increase represents a minor victory for library advocacy. Letters of appreciation have been sent to our representatives and, in some cases, calls were made as well.

An additional \$1.3 million has been approved for libraries impacted by the MTA payroll tax. Mid-Hudson and most of our members in Dutchess and Putnam County would have fallen below the MTA payroll tax threshold that began April 1, but Poughkeepsie, and possibly Mahopac, would still have been on the hook for the tax. And we have recently learned that libraries will receive a refund for payment of the tax in 2012-2011.

If redistricting of the state legislature goes forward as proposed, a major focus of our advocacy in the fall will be introducing ourselves to a new set of legislators. The changes are potentially pretty dramatic. Assembly members representing Mid-Hudson communities will almost be entirely new with the exception of Joel Miller and Didi Barrett, and their districts will include a different constellation of communities. Senators Saland, Seward, Ball and Larkin would still represent our communities, but there would be substantial differences in which communities. Our communities would also fall into two new Senate districts. Libraries in Columbia would fall into the 43rd Senate District, represented by Senator Roy McDonald. All of Greene and much of Ulster would fall into the 46th Senate District, represented by Senator Neil Breslin.

2012-2013 Budget Application

The Board will need to approve our state proposed budget application for the current 2012-2013 funding cycle and a copy will be included in your packet online. The deadline for electronic submission of the budget application is May 18, 2012.

The "proposed budget" that we submit is based on amounts that the Division of Library Development provide us and not on what we will actually receive. We expect to receive about 21% less than the amounts DLD has provided us.

| 2011-2012 System Aid | By Statute | Estimated |
|---|-------------|-------------|
| Public Library System Basic Aid | \$1,456,510 | \$1,143,311 |
| Central Library Aid | \$279,725 | \$211,561 |
| Local Library Services Aid | \$218,012 | \$171,383 |
| Public Library System Supplemental Aid | \$198,342 | \$154,985 |
| Local Services Support Aid | \$157,568 | \$124,776 |
| Coordinated Outreach Library Services Aid | \$127,592 | \$99,431 |
| State Correctional Facilities Aid | \$76,276 | \$67,892 |
| Service to County Jails Aid | \$5,738 | \$4,175 |
| Totals | \$2,519,763 | \$1,977,514 |

You will note that there are several required narratives. These align expenditures with our plan of service and include goals and intended results for the 1) System Services, 2) Central Library Services, 3) Coordinated Outreach, 4) State Correctional Facilities, and 5) Service to County Jails. I wrote the first two and Merribeth Advocate the last three. Linda Vittone, of course, was responsible for entering the financial information.

Certification of Central Library Book Aid Expenditures

The Board still needs to certify that the use of Central Library Book Aid in 2011 complied with state law. Included in your packet is a letter dated March 7 from Tom Lawrence providing the certification for the Board.

Finances

Included in your packet is a draft of a revised Operating Fund Budget for 2012 that includes projections for 2013 and 2014. We budgeted less state revenue than we received in 2011 on the chance that we would see less support in 2012, not more. Now however, we're estimating an increase in revenue of about \$97,000, a difference of 4.3% from what we budgeted.

Our principle challenge is how to address the difference between what we agreed with the Directors Association would constitute our year-end contingency, \$150,000, and the ending fund balance in 2011, which exceeded this by \$321,237, and our expectation that we will exceed this contingency again in 2012. It's a reasonable to question whether or not a contingency of \$150,000 is adequate to provide us the cash flow we need if the state were to seriously delay payments as it has in the past, and we will have that discussion with the System Funding Task Force when it meets on May 15.

The Finance Committee met on Friday, April 27, to address this issue and review possible ways to revise the budget. They are proposing a one-time reduction of \$36,000 in the members fee in 2012, investing \$20,000 in ebook purchases, and establishing \$90,000 Assessment Reserve Fund. The revisions were posted for the Directors Association meeting of May 4 and will form the basis of our discussion with the the System Funding Task Force.

Delivery

We signed a revised delivery agreement with Hudson River Transport (HRT) on April 12 as planned. The new agreement goes into effect July 1 and will save an estimated \$20,000 this year by eliminating the current fuel surcharge schedule. Had we not revised the agreement, we were projecting delivery costs to exceed \$356,000 by the end of the year. Costs are now expected to be around \$336,000.

We also signed a Memorandum of Understanding with the 12th that will pull the cost of fuel out of our revised agreement with HRT when we reach an agreement with Dutchess County for tax-free fuel. Marc Molinaro, Dutchess County Executive, spoke at the Annual Dutchess County Public Library Trustees Dinner on April 18 and confirmed the County's intention to provide Mid-Hudson access to County fuel. He estimated that this would save Mid-Hudson, at present, 34-cents per gallon. So this is great news and and we're hoping to have an agreement in place with the County by July 1.

Beginning July 1, the revised agreement adds four holidays to the existing six for a total of 10 no-delivery days and calls for some reallocation of member library deliveries. The reallocations are based on delivery volume and geography and will increase deliveries to twelve libraries and reduce deliveries at six low volume libraries. No library has less than three deliveries a week.

Direct Access Plan Redux

The ad hoc directors committee on the Direct Access Plan met on April 13 to revise the plan. As mentioned at previous Board meetings, the state did not approve the use of the verb "to refuse" in the final section of the plan, where possible action for serious inequities and hardships are stipulated. The state suggests we use the verb "to restrict," the verb used in the Commissioner's Regulations, and that's the action the ad hoc directors committee took. A copy of the revised plan has been included in your packet and is only informational at this point. (The revisions begin on page 4. Revised text is in red and underlined, and text being removed is crossed out.) The revised plan will be reviewed by the Directors Association at its May

meeting and I am hoping the DA will approve it in June. I expect the Planning and Personnel Committee will review it when it meets next. The Plan would then come to the Board for final approval in July.

Personnel

The Planning and Personnel Committee met on April 10. It reviewed proposed adjustments in staff, a revised organizational plan, and worked to edit elements of the Mid-Hudson's personnel policy. A copy of the organizational plan is included in your board packet.

Changes in the personnel policy were in two areas. The first addressed how travel by staff within the system would be reimbursed; at present, there is no written policy for this. The second focused on a draft for extending health insurance benefits to retirees, which primarily codified previous board action. I expect that the Planning and Personnel Committee will complete work on these changes when it meets next and when it will also consider the revision of the Direct Access Plan.

The staff adjustments readdress the reduction of the technology staff from 3.1 FTE to 2.1 FTE in the layoffs of 2011. I propose an increase of this staff back to 2.6 FTE by bumping up a part-time IT Specialist position to full-time beginning August 1, 2012. This is one of two part-time IT Specialist positions. Appointment to the new full-time position would be based on seniority.

I have also revised the role of the Systems Administrator to assume a more active system-wide leadership role as an IT Coordinator. The position will continue to be responsible for the System's IT operations, but would become more active in supporting member library technology projects and training, including assisting member libraries on e-rate where there is a strong benefit for e-rate participation. I'm anticipating that there will be less need for the management of servers as we plan to place Millennium, Sierra and other on-site resources in the "Cloud," but I do not anticipate less need for providing technology support to our members.

Together, these actions would strengthen our support of member libraries at a time when member libraries are increasingly focused on providing their communities access to technology, including

- Providing more consistent and reliable help-desk support to member libraries via phone and email for Millennium, PC reservation software, general network hardware and software issues and Overdrive. Support for Overdrive also includes direct service to patrons.
- Increasing the functionality and varying the designs of the websites Mid-Hudson provides under contract to 36 member libraries.
- Providing additional and more consistent support to the Automation Coordinator during the transition to Sierra by assisting in member library support and training; and by providing ongoing support that better positions the Automation Coordinator to provide higher level services to member libraries, such as integrating social networking features into the online catalog, collaborating on the development of mobile applications and implementing future Sierra improvements.
- Increasing the number of member libraries under contract for network and PC management support from seven to ten by year's end.

Finally, we hired a part-time cleaner, Jarell Flemings, who will work under the direct supervision of our facilities manager, Chris Herron. He will have a twelve hour a week schedule and began work on April 2. We contracted with an independent contractor to clean the building after-hours, but had become very unsatisfied with the results. This part-time position will be responsible for performing a variety of routine manual tasks requiring light, medium, and heavy physical effort in cleaning and caring for Mid-Hudson buildings and grounds. The position was already included in the 2012 budget adopted by the Board in December 2011.

Facilities

The new Board Facilities Committee met and conducted a “walk through” on March 13 and identified and reviewed a number of facility issues and needs. Rebekkah Smith Aldrich, Chris Herron and I followed up on the Committee’s review and met on Wednesday, May 2. We considered a number of possible capital projects for 2013. We plan to update costs for replacing the office building windows with energy efficient windows, something the Facilities Committee suggested we do and next on the list of priorities. We will also review our energy costs to determine the return on investment if we choose to move forward with this project. We may also want to submit this for funding under the 2012-2013 Public Library Construction Grant Program and would need to decide this no later than June 20.

We are waiting to receive notice on our 2011-2012 public library construction grant for work on the auditorium that will include a new roof. All the 2011-2012 grants have been approved by the Dormitory Authority and the final executive “okay” is expected anytime. Once we receive notice, we'll have 180 days to begin the project. Our goal is to avoid working on the auditorium when Adriance depends on the facility for its summer programs and to complete the work in September and October.

We are fortunate that Peter Hoffmann has volunteered to draw up the specifications for the work. Because it exceeds \$35,000, the roof requires to be placed out for bid. Peter's work will save money and considerable worry, so his generosity comes as a huge relief. We may want to lay out specifications that results in a single contractor doing both the roof and the work on the facade, which the Facilities Committee thought desirable when they met on March 13.

Correspondence

In order to reduce the amount of extraneous paper you receive, if you want a personal copy of any document listed, please contact Peggy Winn, 845-471-6060 x216.

- Copy of letter sent to Assemblywoman, Sandra Galef, and Senators Steve Katz and Joel Miller, thanking them for their ongoing support of library services and for advocating for increased funding.
- Thank you letter to Rebekkah Smith Aldrich, MHLS Coordinator for Library Growth & Sustainability from Kathy Kruger, trustee of the Pleasant Valley Library for her facilitation of a board focus group as part of their long-range planning activities.
- Thank you note to Mike Nyerges from Terry Sennett, Director Clinton Community Library, for his generous gift to the library of a Nook Color reader.
- Thank you letter to Rebekkah Smith Aldrich from Wendy Alexander, Director of the Rosendale Library, for her assistance to their Friends Group.
- Copy of thank you letter sent to Senators William Larkin, Steve Saland and James Seward by Mike Nyerges for their continuing advocacy efforts on behalf of increased funding for libraries.
- Thank you letter to Rebekkah Smith Aldrich, Coordinator for Library Growth & Sustainability, from Jeanne Buck, director of the Reed Memorial Library in Carmel, thanking her for her assistance in moving the board towards the decision to become a Special District Public Library.
- Copy of thank you letters sent to Senators Greg Ball and John Bonacic and Assemblymembers Peter Lopez, Kevin Cahill, Steve McLaughlin, Joel Miller and Sandra Galef, by Mike Nyerges for their continued advocacy efforts on behalf of increased funding for libraries and to request an opportunity to discuss the Senate System Flexibility Spending Bill, S6492-2011.