

**NORTHNET LIBRARY SYSTEM
STEERING COMMITTEE MEETING
May 31, 2011**

CONVENING:

The NorthNet Library System (NLS) Steering Committee met this date virtually via WebEx with Chair Gregg Atkins presiding. The meeting convened at 11:15 a.m.

ROLL CALL:

PRESENT	ABSENT	MEMBER LIBRARY	REPRESENTATIVE
X		Dixon Public Library	Gregg Atkins - Chair
X		Plumas County Library	Margaret Miles – Vice Chair
	X	Colusa Public Library	Wendy Burke
	X	Humboldt County Library	Victor Zazueta
X		El Dorado Public Library	Jeanne Amos
X		Folsom Public Library	Katy Curl
	X	Marin County Free Library	Gail Haar
X		Modoc County Library	Cheryl Baker
X		Napa City-County Library	Danis Kreimeier
	X	Orland Free Public Library	Jody Meza
X		St. Helena Public Library	Jennifer Baker
X		Consultant	Dr. Diana Paque
X		California State Library Representative	Linda Springer
X		California State Library Representative	Gerry Maginnity
X		NLS System Headquarters – Executive Director	Annette Milliron
X		NLS System Headquarters – Assistant Director	Patty Hector
X		NLS System Headquarters – Admin. Assistant	Kelli Logasa
X		NLS System Headquarters – Account Clerk	Myra Lazio

1. WELCOME & INTRODUCTIONS:

Gregg Atkins welcomed Linda Springer and Gerry Maginnity to the meeting.

2. PUBLIC INVITED TO ADDRESS THE COMMITTEE

No public were present.

3. APPROVAL OF THE AGENDA

A Motion to approve the agenda was moved by Margaret Miles and seconded by Cheryl Baker. The Motion passed unanimously.

4. APPROVAL OF MARCH 30, 2011 STEERING COMMITTEE MINUTES

A Motion to approve the March 30, 2011 Steering Committee minutes was moved by Cheryl Baker and seconded by Danis Kreimeier. The Motion passed unanimously.

5. CONSENT CALENDAR

A. FINANCIAL STATEMENT ENDING APRIL 30, 2011

A Motion to approve the Consent Calendar was moved by Margaret Miles and seconded by Danis Kreimeier. The Motion passed unanimously.

6. NEWS FROM THE STATE LIBRARY

Linda Springer reported that she didn't have anything to report and asked the Steering Committee if they had any questions or issues they would like her to address. It was asked if she or Mr. Maginnity knew of the timeline of when the budget might be passed and/or what the final budget proposal would look like. Ms. Springer and Mr. Maginnity stated that there has not been any action as of yet and that they didn't have any information regarding the budget. Discussion on the \$15 million being added back into the budget and the potential breakdown between CLSA, literacy and PLF breakdown was held. Mr. Maginnity stated that he has not had a discussion with the State Librarian regarding the breakdown and does not know what the breakdown would be between the three programs. He noted that the State Library doesn't have a sense of the timeline on when decisions will be made regarding the budget.

7. OPERATIONS FOR 2011/12

A. REVIEW OF MAY 3 – 4, 2011 SUMMARY DOCUMENTS

Dr. Paque advised the Steering Committee that the summary documents are not the actual meeting minutes, which are prepared by NorthNet Library System, but were prepared by her to accompany the NLS Steering Committee meeting minutes for the May 3 and 4, 2010 meeting. Dr. Paque explained to the Steering Committee how she extracted and compiled the information from the May 3 and 4 budget planning workshop. She noted that the budgets included in the packet were compiled using the formulas agreed upon at the retreat. Since then, Ms. Milliron was able to create documents that resulted in different numbers because she didn't have all of the actual numbers at the retreat. Cheryl Baker commended Dr. Paque for being able to take all of the information that was discussed at the retreat and present it in a document that everyone can comprehend. Dr. Paque proceeded to recap the two day workshop.

Ms. Milliron reported that she had received bids from two contractors in response to the RFP for delivery service. The NBCLS Board of Directors recently reviewed the bids for their portion of delivery service and was concerned with how the bid from a new vendor, BeavEx, was offered. Discussion ensued. The NBCLS Board decided to remain with their current contractor and are hoping that MVLS will be interested in trying the new contractor who would have a new business model so it can be evaluated. Ms. Milliron noted that BeavEx is a regional carrier and uses larger trucks, which could potentially be an issue with the smaller communities in Marin County as many of their roads are small and congested. Ms. Milliron reminded the Steering Committee that it was their recommendation to allow the libraries using the delivery service to determine what bid would best serve their needs. The delivery bids will stand whether the carriers receive the full contract or just a portion of the contract. Discussion ensued.

B. BUDGET SCENARIOS

Dr. Paque stated that a common thread throughout the two day meeting was that the assumptions were based on no ongoing State funding, therefore the Steering Committee's goal was to determine the minimum level of support NLS needs in order to exist. The disproportionate impact the loss of CLSA funding has on smaller libraries was discussed. The three funding scenarios; 0%, 50%, and 100%, and their supplemental documentation were discussed.

The shutdown of NLS and the projected staffing model for the system were discussed. It was noted that if the system was shut down, it would be critical to have a full time executive director to make sure the shut down goes smoothly. Ms. Kreimeier stated that it was important to

include the staffing costs that weren't available at the time of creating the document. Ms. Miles asked if it was possible to put the numbers in. Mr. Atkins noted that the budget spreadsheets in the meeting packet that start at page 23 through 28 use correct, up to date numbers that are noted as being revised as of 5/26/11. Ms. Kreimeier stressed that the documents presented at the NLS Council meeting on June 9th need to have the most current numbers. Discussion ensued.

The 0% State funding budget scenario was discussed. Ms. Baker asked Ms. Milliron to correct the spreadsheets prior to the June 9th Council meeting so that staffing option 1 on the assumptions document will correspond to staffing option 1 on the budget spreadsheet, which currently reads "Admin 1". Ms. Baker also asked Ms. Milliron to create one document that explains what each item is so the Council members won't need to flip pages back and forth. Ms. Milliron explained to the Steering Committee on how to read the spreadsheet. If NLS closes, a closure audit would be required, so an additional \$10,000 would need to be added to the "6500 Other Professional Services" budget line. Ms. Kreimeier requested that it be noted on the spreadsheet that the \$10,000 is the closure audit expense. Ms. Milliron stated that she will create an assumptions sheet to go with it budget spreadsheet. She noted that there will be no moving expenses in the 0% State funding scenario as per the lease, 180 days notice is required if NLS is to move. The 0% scenario is only for 6 months. Ms. Milliron reported that she has given verbal notice to the landlords and plans to have a more official discussion after the June 9th NLS Council meeting. She noted there is a clause in lease that says if the system's funding should change significantly, NLS has the right to move.

The 50% State funding budget scenario was discussed. Ms. Milliron reported that with 50% funding, there would be enough money to allow NLS to remain in it's current location for 6 months plus cover the moving expenses to a significantly smaller space due to the reduced staffing model. The money listed in the "Special Expense" budget line is an estimate of the money needed to move telephone, furniture, deposit on new space, etc. All of that money listed may not be used. In this model, the three staffing models come in a little higher than revenue and would require the use of some reserve money.

The 100% State funding budget scenario was discussed. It was noted that there didn't need to be a large discussion on 100% funding as it most likely will not happen. This budget scenario also includes moving system headquarters. Ms. Milliron was asked why there were reference expenses listed under staffing and she explained that the current staff member would work a few weeks into the new fiscal year so NLS would need to pay a little for his health insurance. Ms. Milliron reminded the Steering Committee that cutting the reference staff was a result of their decision to move money between the CLSA program silos and place the emphasis on delivery, not question handling and that type of reference support. It was noted that it was assumed if there were 100%, except for the reference program, the staffing level wouldn't change. Ms. Milliron clarified that the NLS Steering Committee stated they wanted more support to go towards delivery. Therefore the staffing would be a full-time Director, a full-time Assistant Director, a part-time 25 hours/week administrative assistant and a part-time 10 hours/week account clerk. The Director and Assistant Director would assume the reference handling duties by sending questions to Serra system or another system that is interested in question handling. The Director and Assistant Director would also assume the negotiation of database contracts. Discussion ensued.

The NLS Steering Committee determined that, although unlikely, the 100% State funding scenario should be presented to the full Council since it will be sent to the State Library. Ms. Milliron noted that the major change for the NLS Council would be to respect the NLS Steering Committee's determination that reference is not a priority within NLS and therefore that position will go away. Discussion ensued. Ms. Milliron reported that reference money would be spent reference support products such as databases rather than to staff a position. The NLS Council held a full discussion on this matter and decided they would rather have reference products than providing 2nd level reference and fund a staff person. That was the decision making process and that is the change the State Library will see so the elimination of that position is the Council's decision which is reflected in the budget. Mr. Atkins noted that this is reflected on page 12 of the meeting packet under the priority list.

C. PLAN OF SERVICE

Ms. Milliron asked Mr. Maginnity and Ms. Springer for feedback on the Plan of Service included in the meeting packet as the form had asked for her to be "brief". Mr. Maginnity stated that he and the State Librarian felt they needed ideas and issues from the systems to use as communication points when talking with legislators. He stated that each system completed the brief Plan of Service a little differently, but it appears Ms. Milliron provided the kind of data they were looking for. He noted that once the actual budget numbers are received, Ms. Milliron will be required to submit a full Plan of Service.

A Motion to approve the May 3 & 4, 2011 summary documents, budget scenarios and Plan of Service with changes requested by the NLS Steering Committee and approved to be sent to the Full Council at the June 9th meeting for adoption was moved by Danis Kreimeier and seconded by Katy Curl. The Motion passed unanimously.

8. FINALIZE JUNE COUNCIL MEETING PLANS

Ms. Milliron asked the State Library consultants if they had received her request for support from the State Library for the NLS Council meeting on June 9th, potentially through the networking grant. Mr. Maginnity stated that he didn't think that was there intent on the State Library's part to help with the June 9th meeting as they're funding the September sustainability meeting.

Ms. Milliron explained that NLS helped the rural libraries who serve on the NLS Steering Committee and some other non-rural member libraries attend the 2-day Sustainability Budget Planning Retreat in May, therefore depleting the surplus NLS had in the current year budget. Ms. Milliron stated she hopes to have the as many of the NLS libraries attend the June meeting, which can also be used as an opportunity to begin the discussion for the sustainability retreat in September. She would like to use the momentum at the June meeting to lay the ground work for the September retreat. Ms. Milliron would like to continue to use Dr. Paque's services at the June 9th meeting to help build that momentum. She noted that a facilitator has not been selected for the September retreat meeting. Specifically, the request is for assistance for use of a facilitator, development over the summer of some webinars, in order to engage membership without requiring travel, the September retreat using an estimate of facilitator fees and support of rural libraries travel. Ms. Springer stated that the request was received on the Friday of a holiday weekend so no one at the State Library had reviewed the proposal as of yet. Ms. Springer said she would speak with Ms. Milliron once the State Library has had an opportunity to discuss it.

Ms. Baker stated that coming from an rural area such as Modoc County, it takes her 6-hours to get to

a meeting in Sacramento and requires 2 overnight stays for her. She appreciates Ms. Milliron addressing this issue and would appreciate any assistance the State Library could provide.

Ms. Milliron stated that she will review the May 3 & 4 summary documents and double check that each system will have a quorum at June 9th as the three Councils will meet separately that day to decide on action on the CalPERS resolution. She has created a comparison sheet to show why the systems can't roll the contracts into one contract. Each system's governing Council or Board must take the action for a study as the contracts are with each individual system. Lunch will be brought in for a networking lunch at the June 9th meeting. In the afternoon, a final discussion will be held and the adoption of a working budget for at least the first 3 months of the year will take place as well as the approval of the Plan of Service. Dr. Paque will present the documents and facilitate the afternoon discussion. The priority matrix was sent to all NLS members who were asked to complete it prior to the June meeting. The results are going to be used to start framing the values and priority settings for the September sustainability retreat. Ms. Milliron noted that she is having some difficulty in getting the directors to respond. She and Dr. Paque will discuss strategies on this after the meeting.

Ms. Springer stated that the State Library needs to know the dollar amount that NLS needs in order to stay open and asked when they could expect that number. Ms. Milliron and Mr. Atkins both noted that the number has already been determined and that NLS needs to receive 50% funding from the State Library in order to stay open. The 50% funding would enable NLS to stay open for one year but would require that NLS use some of its reserve money.

Ms. Milliron stated that if NLS proceeds with layoffs, the system would need money to cover the payout of some sick leave, vacation and 1 year of unemployment compensation, plus approximately \$20,000 to close the gap between the State funding and the membership dues. Ms. Kreimeier stated that it would be good to show the NLS Council the draw down on budget reserves in the various budget scenarios as it's important to know if no money is put in the reserves and the system keeps drawing from it, how long will the system last. Discussion ensued.

Ms. Kreimeier reported that she had been asked by the State Librarian to serve on the CLSA Rewrite Committee. She noted that she is the only one from the North Bay region who is serving on the committee. The rest appear to be from southern California and the PLS libraries. She asked to be placed on the June 9th agenda at the beginning of the meeting so she can ask the directors for any issues they would like her to bring to that committee. Discussion ensued. The Steering Committee were asked to notify either Gregg Atkins, Margaret Miles or Annette Milliron if they thought of anything else that needed to be placed on the 9th agenda.

9. NEXT MEETING DATE

The NLS Steering Committee will next meet on June 9th at 9 a.m., prior to the full NLS Council in West Sacramento at the Turner Branch of the Yolo County Library. The Council meeting will run from 9:30 a.m. to 4:00 p.m. After that meeting, Ms. Miles and Ms. Milliron will look at the calendar to determine the first NLS Steering Committee meeting date for the new 2011/12 fiscal year.

10. AGENDA BUILDING

- Approval of May 3 & 4 NLS Steering Committee meeting minutes
- CLSA Rewrite Committee – Danis Kreimeier asking for input from NLS members

11. ADJOURN

There being no further business, a Motion to adjourn the meeting was moved by Danis Kreimeier and seconded by Jennifer Baker. The Motion passed unanimously. The meeting was adjourned at 1:00 p.m.

Annette Milliron DeBacker

Clerk of the Committee

May 31, 2011