

NOBLE Executive Board Meeting

September 10, 2008

@ NOBLE

Attendees:

Linda Hummel-Shea, Doug Rendell, Karen Pangallo, Lorraine Jackson, Martha Holden, Myron Schirer-Suter, Pat Cirone, NOBLE Executive Director Ron Gagnon

I. Call to Order

The regular meeting of the NOBLE Executive Board was called to order at 2:15 p.m. on September 10, 2008 at NOBLE by President Linda Hummel-Shea.

II. Approval of Minutes

A motion to approve Minutes of the August 6, 2008 Executive Board meeting was forwarded by Doug, seconded by Lorraine, and unanimously approved.

III. Treasurer's Report

The Treasurer's Report was included in the Budget report. See **V.** below.

IV. Certificate of Deposit

The CD rolled over in August 2008. The Executive Board voted to transfer \$24,707.17 from the 6-month CD to Capital. Martha Holden made the motion, Linda Hummel-Shea seconded it, and it was unanimously approved.

V. FY09 Budget Revisions and FY10 Budget

Ron presented issues to be discussed regarding revisions to the FY09 budget, the FY10 budget, and asked the Board to consider implications for the FY11 budget. Ron noted issues such as COLA increases, OverDrive costs, data access projects, and rent. Underbilling by Verizon by \$60,000 impacted budget and this money was rolled into surplus; this will go away in 2011. Ron expressed concerns with economic downturns, potential loss of MBLC subsidized funds for resource sharing; and changes in the state sales and capital gains taxes. Issues were discussed and parallels were made to the dire budget situation in 2001.

The first issue up for discussion regarded cost of living increases in the NOBLE salaries. The salary steps and 2006 changes were reviewed, noting that there is an automatic 4% increase for those staff members still on the step schedule. Linda proposed adopting the 3% increase in assessments, noting that it would be difficult for libraries to justify a larger increase to their boards and vice-presidents. Concern for NOBLE staff was expressed and that the Board wants to do what is fair and in line with other networks. Martha made a motion to accept the proposed 3% salary increase; Lorraine seconded the motions and it passed unanimously.

Ron distributed proposed budget with 3% salary increase and reviewed impact on wages, salary and payroll costs. Doug noted that rising salary costs effect cost of services and questioned NOBLE's contribution to OverDrive. Discussion was held regarding costs for OverDrive, Book Group kits, and MOTOR. Myron made the

motion that, due to financial constraints, the Board vote to drop the Book Group Kits. The Board agreed unanimously. This resulted in an \$8000 savings. The Executive Board agreed, in the 2009 and 2010 budgets, to move \$8000 from the Book Group Kits to OverDrive. It was proposed to bring the consideration of dropping MOTOR to the members at the next meeting. It was agreed that NOBLE could use Survey Monkey to determine opinions on MOTOR.

Discussion was held regarding contribution to capital. The current capital account, which funds NOBLE's share of projects, has a balance of \$1,071,774. The current contingency fund balance is \$675,000. Ron noted that it is the auditor's advice that 6 months income should be set aside should there be problems with access to money. After review, it was agreed that capital will be interest only. Assessments will be for operating.

E-commerce costs were discussed and it was determined that a larger discussion is needed about using credit cards to pay fines & bills, and to make donations. There are fees entailed for this service. Questions came up about Millennium's capabilities to handle credit cards and about colleges that are using one-card systems.

Ron reviewed costs such as utilities, office & administration, rent, maintenance, MARC records, and equipment upgrades. Some discussion followed an explanation of the reimbursements as the FY09 and FY10 reimbursements showed a marked difference. Ron will follow-up with Greg about an increase for the ILL Center for next year.

A review of the Costs Distributed per Staff User looked at FY09 revisions and FY10 projections. Innovative costs are increasing 4.2% and Ron is looking for additional quotes for hardware maintenance. Telecom upgrade is helping costs with datalines and Internet.

Linda Hummel-Shea motioned to approve the NOBLE FY09 and FY10 budget as amended. Martha Holden seconded the motion and it passed unanimously.

VI. Other

Lorraine Jackson shared SPL's problems with Internet slowness. Ron noted that Millennium's slowness is not everywhere and is being traced through Paetec.

VII. Adjournment

Motion to adjourn the meeting was forwarded by Martha, seconded by Karen, and unanimously approved. Meeting was adjourned at 4:20 pm.

Minutes respectfully submitted by:

**Karen Pangallo
Secretary**