



NOBLE Executive Board Meeting September 10, 2014 @ NOBLE

Present: Brian Courtemanche, Patricia Cirone, Ron Gagnon, Linda Gardener, Martha Holden, Karen Pangallo, Patricia Rogers, Kathryn Geoffrion Scannell, Myron Shirer-Suter, Alan Thibeault, Diane Wallace.

Call to Order

The meeting was called to order at 2:05 p.m. by President Brian Courtemanche.

Approval of Minutes

The Minutes from the August 13 meeting were distributed. A motion to approve was made by Alan Thibeault and seconded by Martha Holden. Motion passed.

Presentation and Approval of Proposed FY16 Budget

The proposed FY16 budget, along with FY2015 revisions, was presented by Ron Gagnon. It was noted that NOBLE is carrying over less money than usual from the previous fiscal year by \$54,109. Other projections are up however, leaving a \$50,000 projected shortage. Ron proposes filling that gap with capital funds.

There are some changes coming up; projecting in advance is always a bit of an educated guess. Energy costs are going up; more energy efficient bulbs will require replacing all light fixtures. This could be either paid for by the landlord or NOBLE, pending negotiations. The telecomm system maintenance is also an issue. NOBLE library's switches have not been on maintenance for several years; this will need to be re-assessed as we move forward with new switches (funded by a grant). NOBLE provides a higher level of service with their switches than other consortia who do not have them on a maintenance schedule. The budget will be based on estimated maintenance costs. NOBLE's lease will be up on May 31, 2016. Ron has begun discussions - the budget will be somewhat affected by the results of these negotiations towards the end of FY2016. The preference would be to remain, assuming a favorable deal with the landlord.

Largest cost growth from FY2014 to FY2016 include Health and Disability Insurance; COLA and step raises as well as increased payroll taxes and retirement costs; Telecomm Equipment Maintenance; Rent; MassLNC Operations; and MARC records. Some line items were also trimmed, leaving the overall net operating budget up \$122,458.

Ron reviewed the balances in the Capital funds. At the end of FY2014 the balance was \$1,066,149.26. Based on expenditures already approved, including a projected telecomm grant match, the projected capital total would be about \$957,775. It is felt that when applying for grant funds, having the total balance under the million dollar mark is not such a bad thing. In addition, the contingency fund balance is at \$750,000.

FY2016 is the third year of the three-year implementation of the new formula for library assessments. Some libraries will have had three consecutive years of increases, in excess of the



published and voted phase-in, which could be problematic for some of those libraries. Alternatives include using capital funds to make up the difference, or treating the \$10,000 for Overdrive titles differently. This funding could be moved to libraries directly, thus reducing the amount used from capital. Funds for Evergreen improvements could also potentially be paid for from capital. Looking forward, libraries should expect a proposed increase in the overall assessment for the FY17 budget.

PC Support program has been running for close to 20 years. NOBLE puts in \$24,000 per year as an offset for the salary. The amount budgeted has not changed in all these years. Last year an increase was discussed to \$30,000 from NOBLE - that is reflected in the revised FY2015 as well as the FY2016 budget. General services are provided to all libraries, even those not in the program.

Other notable budget topics include the rising cost of insurance, including the addition of a cyber liability insurance policy. Some items are hoped to decrease, such as utilities and HVAC. The Virtual Catalog system is in flux, which will result in different maintenance costs.

MARC records costs are rising. Cover Images are being rolled into catalog enhancement.

Telecommunications, professional services, and continuing education budgets are all remaining roughly even. Equipment upgrade costs have gone down somewhat. Eventually there will need to be a capital expenditure considered for old server replacements (not part of the current budget process.)

Overdrive donation funds are not reflected because they are not known until the end of the fiscal year. EBSCO costs include 2% negotiated increases.

A discussion was held about the pros and cons of hosting our own equipment (hardware & software) for Evergreen, or using a service such as Equinix, or doing something in the Cloud. Overall it was felt that keeping ownership and control over our servers is the most beneficial approach at this time.

Reimbursements were discussed. The federal e-rate subsidy is now essentially worthless, and will be going away, as the funds are being shifting to individual libraries and schools. Other items were fairly consistent, aside from the prior year's surplus, which Ron had discussed previously.

A discrepancy was observed between the OverDrive donations line in the expenses vs. the OverDrive donations under reimbursements for FY2014. [Note: Ron later clarified via email that all donation funds had been expended, but after the end of the fiscal year close].

A revision to the wage rate schedule, as recommended by Ron Gagnon, was moved by Martha Holden and seconded by Pat Cirone. The revision was approved by all. Said revision would allow for a cost of living adjustment, taken from within the 3% Adjustment Reserve.

Martha Holden put forward a motion to move \$50,000 from capital to operating funds to counteract the effects of the shortage in carryover discussed earlier. Karen Pangallo seconded the motion; all approved.



Diane Wallace put forth a motion to approve the revisions to the FY2015 budget as presented, which was seconded by Kathryn Scannell. The motion passed.

Karen Pangallo moved to recommend the FY2016 budget as proposed to the NOBLE members; the motion was seconded by Myron Shirer-Suter. All were in favor.

Ron Gagnon reported that after the last Executive Board meeting, where changes to the bylaws were discussed, Paula Acquaviva pointed out that the Eastern Massachusetts Regional Library System is listed in the bylaws as a non-voting member in Section 2.3:

2.3 Non-Voting Representatives. The Executive Director shall be an ex-officio non-voting member of the Corporation. The Board of Library Commissioners and the Eastern MA Regional Library System shall receive notice and minutes of all meetings and shall be entitled to each send a non-voting representative to all Meetings of the Corporation.

Per Ron, the EMRLS hasn't existed since the later 90s, and they were a non-voting member because they sent us funding annually to subsidize networks' operations. That funding ceased with the creation of NMRLS and the earlier regional reconfiguration, and the support shifted to become the annual resource sharing funding we get from the MBLC. Ron recommended that the Executive Board delete "...and the Eastern MA Regional Library System...". These changes have been included in the changes sent to Attorney Rod Hoffman for review.

Additionally, the following changes were approved at the last meeting, and have been reviewed by Attorney Hoffman:

3.6 . Telephone or Video Conference Meetings. Voting Members may participate in a meeting of the Voting Members by means of conference telephone, video or similar communications equipment by means of which all persons participating in the meeting are able to hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

3.8. Action by Written Consent. Any action by the Voting Members may be taken without a meeting if a written consent thereto is signed in writing or by electronic signature by all the Voting Members and filed with the records of the Voting Members' meetings. Such consent shall be treated as a vote of the Voting Members for all purposes.

4.8 . Telephone or Video Conference Meetings. Executive Board Members may participate in a meeting of the Executive Board by means of conference telephone, video or similar communications equipment by means of which all persons participating in the meeting are able to hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

4.10. Action by Written Consent. Any action by the Executive Board may be taken without a meeting if a written consent thereto is signed in writing or by electronic signature by all the



Executive Board Members and filed with the records of the Executive Board meetings. Such consent shall be treated as a vote of the Executive Board for all purposes.

Martha Holden moved to recommend all changes to the members; Pat Cirone seconded the motion. The motion passed.

Ron reported that the capital fund transfer motion at the August meeting was incorrect. As noted in the minutes, "a motion to authorize up to \$130,000 for the a/c improvements and the stock investment." We had already approved the investment of \$100,000 of our capital fund in Beverly Bank stock in a prior agenda item. The bank stock investment would be an investment within our capital account, thus the \$100,000 does not need to be transferred out of capital. As a result of this discussion, Martha Holden moved to rescind the August 13, 2014 vote authorizing a transfer of \$130,000 from capital to operating. Pat Cirone seconded this motion; all were in favor.

Alan Thibeault put forth a new motion to authorize transfer of up to \$30,000 in capital funds to operating for the purpose of replacing the computer room HVAC system and related computer room improvements. Myron Shirer-Suter seconded the motion, which was approved by all.

Brian Courtemanche reported that an Executive Board member is still needed for the Circulation Policy working group. Brian reported which libraries/individuals are currently on the group. Efforts were made to ensure a representation that reflected as many library types/points of view as possible. Diane Wallace agreed to represent the Executive Board on the committee.

Patricia Cirone expressed interest in remaining on the ERDWG group; Linda Gardener expressed interest in rejoining the Collection Management working group.

Diane Wallace reported an issue with a Saugus patron that may affect neighboring libraries. She will send an email with relevant information to directors.

Adjournment

The meeting adjourned at 3:51 p.m, as moved by Brian Courtemanche and seconded by Patricia Rogers.

The next meeting will be Wednesday, October 8th at 2:00 p.m.

Respectfully submitted,

Linda C.W. Gardener, Secretary