

NORTHNET LIBRARY SYSTEM
FINANCE COMMITTEE MEETING
December 15, 2009

CONVENING:

The NorthNet Library System (NLS) Finance Committee met this date at the Hyatt Hotel in Sacramento, CA with Chair Bill Michael presiding. The meeting convened at 12:30 p.m.

ROLL CALL:

PRESENT	ABSENT	MEMBER LIBRARY	REPRESENTATIVE
X		Mono County Free Library	Bill Michael
X		Benicia Public Library	Diane Smikahl
	X	Dixon Public Library	Gregg Atkins
X		Modoc County Library	Cheryl Baker
X		Plumas County Library	Margaret Miles
		Sutter County Library	Roxanna Parker
X		NLS System Headquarters – Exec. Dir.	Annette Milliron
X		NLS System Headquarters – Asst. Dir.	Patty Hector

1. WELCOME & INTRODUCTIONS:

Introductions were not necessary

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 Diane Smikahl and seconded by Margaret Miles. The Motion passed unanimously.

4. FINANCIAL STATEMENT THROUGH 11/30/09:

Ms. Milliron provided the Committee with a detailed look at the personnel portion of the budget. She noted that the interest payment for the quarter was extremely low due to the State payments arriving very late, which affected the amount of interest earned. She further noted that the interest rate is really low as well. Discussion ensued.

5. PRELIMINARY BUDGET FY 2010/2011

Ms. Milliron advised the Committee that she is projecting a budget shortfall for the 2010/11 budget. The low amount in interest earned on investments this year (which would have carried over to 10/11), the low projected amount for next year and an estimated 15% increase in health insurance has created the shortfall. The system has made cuts wherever possible and has maintained a flat budget for the last three years. Staff reductions were made two years ago and the system hasn't had a membership dues increase for MVLS since they joined the system. NSCLS also hasn't had an increase in about 3 years and NBC hasn't had an increase in 2 years.

Possible solutions discussed were: furloughs for staff; use reserves; restructure membership fees; let 49-99 join NLS to add their CLSA funds and membership fees to our budget.

The Committee discussed 49-99 Library System's request to join NLS and the consensus was that this was not a viable option, due to the existing geographic size of NLS, spreading existing staff even thinner to serve an additional region, and the current financial state of 49-99. The Committee re-confirmed that individual libraries are unable to join NLS under the current NLS bylaws. Discussion ensued.

The Committee decided they would like to have input from the entire Steering Committee before making any decisions, but directed Ms. Milliron to research the implications of furloughs while looking for other sources of income (grants, etc.). Everyone acknowledged the difficulty of preparing a budget so far in advance with so many unknown variables. The one advantage of furloughs is that the System could prepare for the highest number of furloughs and as more data comes in adjust as needed. It was felt that using reserves at this time and in this economic climate would not be prudent.

Ms. Parker suggested if furloughs are determined to be the best solution, then the Steering Committee might want to consider initiating some furlough days this year so that the impact on the staff is mitigated by spreading any reduction over a larger period of time.

6. DRAFT JOB DESCRIPTIONS:

The Committee didn't discuss the updating of the NLS job descriptions.

7. 49-99 MEMBERSHIP DISCUSSION:

Ms. Milliron reported that she attended a meeting with 49-99 and they asked to join MVLS as a whole, but it was felt that NLS couldn't take them. She noted that several of the libraries have expressed interest in joining MVLS individually.

8. NEXT MEETING DATE

No meeting hasn't been scheduled at this time.

9. AGENDA BUILDING

10. ADJOURN

There being no further business, the meeting was adjourned at 1:30 p.m.

Annette Milliron DeBacker
Clerk of the Committee
December 15, 2009