

Goodnow Library

Board of Trustees

Tuesday, Oct. 28, 2008

Goodnow Library, Trustees Room

7:30 p.m.

## AGENDA

**1. Call to Order and Minutes:** motion to approve the Oct. minutes.

**2. Director's Report:**

**a) FY10:** Two budgets are to be submitted. The first will reflect a non-override budget showing a 2.1% increase over FY09. The second is an override budget showing a 4.5% increase over FY09. However, for the first time, benefits will be included in determining a department's total budget, and, an increase in benefits will count against a department's total increase. Most departments will exceed the 2.1% increase in trying to cover the increase for benefits and salaries –steps, longevity and COLA (a 1% is projected for FY10). This is true for Goodnow. The difference between the 2.1% increase and the actual increase is to be absorbed in Personnel and or in the general expenses side of the ledger, for example, fuel, maintenance or library materials. If costs for these non-personnel line items are increasing as well, as is the case for Goodnow, getting down to 2.1% becomes even more difficult and significant.

### Non-Override

#### Personnel

The 2.1% FY10 increase for Goodnow totals \$25,600. Unfortunately, the FY10 increase in benefits, projected by the Town at 7%, will take 60% of the total increase for Goodnow -\$17,720 of the 25,600 (2.1%). Goodnow is left with \$7,900 to apply to all the remaining salary and other increases for FY10. Salary step and Cola increases come to \$13,000. So the increase in benefit costs and salary increases exceed the 2.1% increase by \$5,100. This shortfall and any increases occurring in the other non-personnel budget categories need to be absorbed within the FY10 budget.

#### All Other Costs

Last month I **estimated** the cost increases for fuel etc. at \$17,130. This included a 7% increase in Library Materials. (The 7% is more than an estimated price increase.) The percentage increase for fuel was a guess at best. The figures below are those we discussed at the meeting with three changes. I made changes in Contracted Services, Automation and Library Materials. In the

context of the 2.1% FY10 budget, with an override being unlikely, I eliminated the increase for Contracted Services (\$1,850), reduced the Library Materials increase from 7 % (\$8,500) to 4% (\$5,066), and reduced the increase in Automation by \$600. I made these initial changes because the increases in each went beyond maintaining the FY09 status quo -slightly. They offered small enhancements that are now eliminated. This brings the estimates for building and other non-salary increases for FY10 from \$17,130 to \$11,290.

1. Contracted Services (partial spring cleaning/landscaping): 5% increase.	<b>\$0</b>
2. Building Supplies, Services and Repairs: 6% increase.	<b>\$1,420</b>
3. Utilities: 2.5% increase.	<b>\$2,000</b>
4. Library Materials: inflation and restoration purchasing power -4%.	<b>\$5,066</b>
5. Automation: increase by 8 percent in MLN.	<b><u>\$2,800</u></b>
	<b>\$11,286</b>

At this point, the anticipated increases to be addressed with the non-override budget amount to \$16,400 - Personnel (\$5,100) and General Expenses (\$11,300).

#### Recommendations

1. In terms of the Personnel budget, I recommend eliminating 2-3 page hours, 2 reference staff fill-in hours, and closing two Saturdays around holidays. This brings us to within \$300. I will work on this last piece.
2. The bulk of the increases associated with the Building and Library Materials would be absorbed within those budgets. For instance, I suggest we work with the FY09 level of funding for utilities. I do believe we should cut a little more from some line items. We will need an increase in Automation. I will review the details at the meeting.

#### Override Budget

In theory, the Override budget represents a 4.5% increase for each department. For Goodnow this is an increase of almost \$55,000. It covers all of the FY10 increases for personnel (benefits, steps and COLA) and the original estimated cost increases for the rest of the operating budget – including the original 7% for Library Materials. We could look at using safer estimates for increases for utilities, supplies and repairs.

In addition to both budgets, departments can request increases for new initiatives or to reverse past reductions. I think we would consider small initiatives for increasing/restoring the book budget, restoring the 4 Sundays lost in FY09. Maintenance costs for RFID would not come into play or would be negligible FY10.

**b) RFID and Self Check-Out:** the CIP proposal for FY10 was submitted. It was supported by those department heads participating in the initial screening process. The RFID proposal is for \$80,000 from the Town for Phase I. The proposal emphasizes that there may not be a Phase II. The proposal included an estimate for on-going costs -\$6,000 -8,000. The total cost for

proposals to be submitted to the CIP Committee exceeds the total budget for projects by \$69,000. As was the case last year, the RFID project may not make it through the entire CIP process, or it may be supported at less than \$80,000. The entire Phase I cost is \$130,000. As we have discussed, if the Town gives less than \$80,000, there are at least four options. They include: use more from other funding sources to fully support Phase I, use more from other funding sources and reduce the scope of Phase I, initiate a phased in approach that does not include RFID per se, or drop the entire project.

The e-mail on RFID dated 10/19 addresses the first two options. A third option surfaced last week. It involves a product offered by Triple I -the vendor of MLN's automated circulation system. For RFID, Goodnow would need to acquire software from Triple I so that the MLN system and RFID systems interface efficiently. In the RFID self check-out configuration, Goodnow also needs three PC's for users, each with barcode scanners and receipt printers. Triple I offers a product that allows self check-out for library users without RFID. It is basically the same process currently used by staff. It relies on the barcode already in an item. Items are checked out one at a time via the scanner. It has no impact on check-in, security or inventory control.

Again, the self-check-out user stations would in both systems. All of the software and hardware needed for Triple I's product would be needed to support an RFID system as well. Triple I is offering a one-time cost reduction for this product and its maintenance through December 31. The cost would be about \$32,000 - \$38,000 –including the PC's. Maintenance would not start until after the warranty expires. The warranty begins once the software is installed – which can be delayed. Because MLN would be involved in this purchase, maximizing the discounts, libraries need to decide to buy the local software by mid-November.

The Triple I product would provide some benefit by itself –without RFID. The benefits to the staff, and customer, are substantially less than those offered by RFID. Since Triple I's software and the PC's, scanners etc. are integral to an RFID system, I think we should consider making this investment now and, if Phase I plan for RFID is not supported by the Town or through other means for FY10, the product would still offer some benefits and be the foundation for moving forward.

**5. Trustees Report:**

**6. Old Business:**

**7. New Business:**

**8. Adjournment:**