

1. **2012 Revised Budget: The System Funding Task Force** met on June 19, it's second meeting in as many months to discuss a revision of Mid-Hudson's 2012 operating budget. The revisions are intended to limit Mid-Hudson's contingency fund to \$150,000, which is a balance allowed under the 2010 agreement between Mid-Hudson and the Directors Association.

Its recommendations include:

- A one-time \$116,000 credit for the delivery fee, which would be applied to member libraries' September/October and November/December billings.
- A \$30,000 transfer to the members capital fund to be used in 2013 for the cost of running Sierra in the cloud instead of running it at Mid-Hudson.

2. **The new Members Assessment Chart of June 20** includes:

- Reducing the delivery fee by approximately \$56,000 by using Central Library Development (CLDA) aid to drop the rate-per-hold from \$0.2942 to \$0.2162.
- Reducing the delivery fee by an additional \$90,000 to provide member libraries a credit for the loans-provided one another based on their share of total loans-provided, using a three-year average that for 2007, 2008, and 2009 totaled 877,655 items.
- Calculating a \$30,000 Millennium Cloud Fee that is off-set in 2012 by the reduced delivery fee. (Calculation of the cloud fee is based on a member library's General Millennium Fee. If a member's General Millennium Fee is 1% of total General Millennium Fees, then its share of the cloud fee is 1% or \$300. The General Millennium Fee is based on a member's circulation or population, whichever is less.)

3. **2012 Revised Budget: The Mid-Hudson Board Finance Committee** met on June 25 to review the System Funding Task Force's recommendations, revise the 2012 budget, and review the Preliminary 2013 Budget. (The revised and projected budgets will be posted to Mid-Hudson's site on July 3.)

All members and the Board President, Peter Hoffmann (Ulster), were in attendance. The committee includes one representative from each of Mid-Hudson's five counties. Members include Skip Patterson (Dutchess), who serves as chair, Martin Miller (Putnam), Michael Minor (Ulster), Caroline Benton-Profera (Greene), and Jim Tuttle (Columbia).

Although there was disappointment that the Task Force had not recommended an investment to expand access to ebooks, there was strong support for the one-time credit and transfer. The committee will recommend approval of these by the Mid-Hudson Board when the Board meets on July 11.

Other actions to be recommended by the committee:

- An estimated increase in state funding of 4.5%. Notice of the actual aid is expected soon and has been delayed because of new controls in the governor's office.
- Personnel expenditures that include the hiring of new part-time cleaner, expanding the role of the IT coordinator, and on August 1 increasing a part-time technology position to full-time.

4. **Mobiles and our Future:** You may have seen the recent Pew Research report on the use of mobile phones to access the Internet, which has increased 24% since 2009. The higher percentages among the young and minorities in using their phones as a primary way to access the Internet are especially interesting and represent trends that bare watching.

Cell phone owners that use their phones as a primary way to access the Internet include:

- 31% of all cell phone owners.
- 45% of owners ages 18-29.
- 17% of all adults; 1 out of 5 of these adults own an ebook reader; 1 out of 4 a tablet.
- 51% of African-American cell phone owners.
- 43% Hispanic American cell phone owners.

5. **Responsive Websites:** If your website isn't already responsive to tablets and mobile phones, it's clear the time for this has arrived. I'm happy to share that member library websites developed and hosted by Mid-Hudson are responsive and have been for several months. (Thank you Robert Drake!)

Additionally, it's useful to remember that in April, Pew Research reported:

- 29% of e-book readers read books on their cell phones; 23% read ebooks on their tablets.

6. **Mobile Apps:** It's also time for a system-wide discussion about the development of a mobile app that supports access to our collections, including ebooks, downloadable audiobooks and database content. And there may be other useful services an app can provide us. The Marketing Advisory Committee is planning to review options for a mobile app and I think the review would also benefit from a wider discussion, one that includes the Ad Hoc System Services Committee at minimum.

What services do you think a mobile app can usefully provide us?

7. **eBooks and Libraries are still making the news** and demand by readers for ebooks continues to climb. With an annual investment of \$50,000 in ebooks that includes Overdrive's platform fee at less than 3% of what all Mid-Hudson member libraries spent on print materials in 2011, I fear we're falling behind this fast developing market.

In June, Mid-Hudson compared high demand titles that were available in print and ebooks and found that wait-times were generally much longer for ebooks than they were for print.

Also in June, *Publishers Weekly* reported Bowker Market Research data that compared overall ebook sales in 2011 to 2010. This included:

- Ebooks sales increased 3.5 times, increasing to 14% of books sold from 4%.
- Hardcover sales fell to 39% from 42%.

- Mass market paperbacks fell to 14% from 18% of books sold, but trade paperbacks held steady.
- The biggest jumps were in the genres with mystery and detective ebooks increasing to 24% from 6%; and romance, and espionage/thriller ebooks, increasing to 15% from 5% and 4% respectively.

It's also worth revisiting the Pew Research report released earlier this year that included:

- 29% of adults have read an ebook.
- A majority of readers prefer to purchase--61% of ebook readers and 54% of print readers. But, those readers with library cards prefer to borrow!
- A majority of listeners of audio books--61%--prefer to borrow rather than purchase and libraries are viewed by these listeners as an important source!
- Among ebook readers, 50% who read books on a typical day are reading an ebook and 58% are reading a printed book, so ebook readers continue to be strong readers of print!
- 14% of readers borrowed the book they most recently read from a library.
- 37% of readers ages 16 and 17 got their most recent book from a library.
- 20% of readers ages 65 and older also got their most recent book from a library.

***In other ebook news:***

- Hachette, which has not sold ebooks to libraries since 2010, announced that it was considering a pilot program with library ebook distributors to learn more about our market.
- New York Public and Brooklyn Public libraries have a deal with Penguin that will allow them to purchase ebooks with limits: titles will expire after a year and new titles can't be purchased until after 6 months of their release dates. Considering that many titles will be purchased to meet high initial demand, the first limitation may not be as nettlesome as the second.

8. ***Sharing start-up costs for consortia products and services:*** We had a question in June about sharing costs when start-up costs are greater than subsequent buy-ins to a consortium software or service. In this case, it was the Millennium Self-Checkout software, which had a start-up cost of \$9,000 but subsequent buy-ins are priced at \$3,200. We decided that member libraries opting for this software will need to share the \$5,800 start-up costs, a share that becomes less and less as more members purchase the software. But because we're a cooperative, we probably should have a discussion about how this situation should be handled in the future. The Ad Hoc System Services Committee seems like a good place for this discussion.
9. ***Strong Brand for Local Public Libraries Continues:*** "Ribbon cuttings" for new and renovated libraries this past month serve as reminders that public libraries continue to enjoy a

strong brand among the public. Patterson Library officially unveiled its marvelous makeover on June 16 and Cairo Public Library welcomed its community to its smart new facility on June 30.

These successful projects indicate that the public library is still an institution of hope and aspiration. People are still committed to providing their neighbors opportunities to improve and enrich their lives; the public library remains one of the most cost-effective ways to do this. The example of Cairo deciding to go ahead with its decision in 2007 to build a new library even after the economic collapse of 2008 says a lot about the determination and perseverance of that community, as does the energy and hard work in Patterson and other communities that have recently “bucked the odds” and expanded or built new libraries.

Congratulations to the directors of Patterson and Cairo libraries, Patti Haar and Debra Kamecke, and to their staffs; thank you and congratulations to board presidents Donald Ferraro and Maureen Forrester and to their fellow trustees; and congratulations to the members of these and other communities that work hard to build classy, intelligent, up-to-date community-oriented libraries.

Also, a thank you (of course!) to New York State legislators, a number of whom attended these ribbon cuttings--Steve Katz in Patterson and Peter Lopez in Cairo--who continue to support the \$14 million dollar Public Library Construction Grant Program. This state-funded program makes a huge difference in how local libraries remain relevant and respond to changes in their communities.

10. **Identifying the Brand for Library Systems:** Mid-Hudson's been invited to participate as a library system and member of Southeastern New York Library Resources Council (SENYLRC) in the development of a library system advocacy brochure. Danielle Yeomans, Director of the Ulster County School Library System, got the wheels rolling on this, which complements a similar effort by the systems belonging to the Rochester Regional Library Council.

Merribeth Advocate and I joined Danielle in June to begin planning the brochure, along with Robert Hubsher of the Ramapo Catskill Library System, Tessa Killian of SENYLRC and the county-based school library system directors Rebecca Gerald (Dutchess), Anthony Hosmer (Rockland) and Lynn Miller (Sullivan).

The purpose of the brochure is to highlight ways the library systems work with their member libraries to improve peoples lives through collaboration and shared services and help reduce local costs. Although each system has different missions, we have common goals. The primary audience for the brochure is state officials and legislators--systems are, after all, how the state primarily supports library services--but would also include groups such as school superintendents and school and library boards.

We're hoping to have this ready in September when the state begins the next budget cycle. Robert Hubsher has offered to have his staff do the design and layout; if you've seen RCLS's summer reading brochure, you'll know why this is wonderful.

We are very interested in getting some input from member library directors for this, so you'll be hearing more about this soon.