

1. EXECUTIVE DIRECTOR RESIGNATION - As you have heard, I am leaving Mid-Hudson and submitted my resignation to the MHLS Board of Trustees, effective September 30, 2013. I have enjoyed working at Mid-Hudson and feel I have made a positive contribution in the short time I've served as director. I will especially miss the give and take, the challenges and rewards, of working with the Directors Association. I am a true believer in public libraries and cooperative services and my time at Mid-Hudson has only strengthened my belief in the achievement possible when we in the library community work together.

2. PLANS TO RECRUIT EXECUTIVE DIRECTOR - The Mid-Hudson Library System Board authorized the hiring of Bradbury Associates/Gossage Sager Associates at its May 8th meeting to assist in the search for a new Executive Director. It was one of two executive search services seriously considered.

The firm was originally established as Gossage Regan Associates in 1983 and was purchased by Dan and Jobeth Bradbury in 2006 after working at the firm for three years. Dan and Jobeth have extensive public library experience in small rural, suburban and large urban libraries. Jobeth also has previous system experience. Together, they will assist the MHLS Board Executive Committee in the search for the next Executive Director.

Bradbury Associates/Gossage Sager Associates--www.gossagesager.com--has successfully completed more than 90 searches in the past ten years and has worked with public, academic, special and state libraries. It has also successfully completed several searches for library system directors and it is currently conducting the Executive Director search for the Southern Tier Library System.

Board President, Peter Hoffmann, and I have been working with Dan and Jobeth Bradbury to develop a plan, which includes the following:

STEP 1 - Determining Search Criteria - Dan and Jobeth Bradbury will be at Mid-Hudson on June 10 and 11. They will meet with stakeholders to determine what attributes stakeholders seek in the next director and what challenges they believe the next director will need to address. They will also email a questionnaire to MHLS Board members and all member library directors for the same purpose before they visit. Responses will be kept confidential.

In their visit, they plan to:

- Meet with the MHLS Board Executive Committee to clarify expectations and establish a time-line for the search.
- Hold multiple focus-sessions with staff, including one just for senior staff.
- Hold a focus session for member library directors, which is planned for Monday, June 10, from 12:30 p.m. to 2:00 p.m.
- Visit several representative member libraries.

A focus session for member library directors is planned for June 10, from 12:30 p.m. to 2:00 p.m. at the Mid-Hudson Auditorium

STEP 2 - National Recruitment of Candidates - Based on the input they receive from the MHLS Board, staff and member library directors, the consultants will develop the announcement of the position and a marketing plan that includes creating a page on their website devoted to the position and the area, placing the announcement in 40+ online library specific sites, and recruiting potential candidates from the library community. (To view the webpage they've prepared for the Southern Tier Library System Executive Director search, visit www.gossagesager.com/STLSad.htm.)

STEP 3 - Managing & Ranking Candidates - The consultants will manage and acknowledge the receipt of resumes and letters of interest; following the close of applications, candidates will be

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requested to complete a questionnaire and consultants will have a phone conversation with each qualified candidate; and the candidates will be ranked.

STEP 4 - Selection of Semifinalists - Dan and Jobeth Bradbury will meet with the MHLS Board Executive Committee at Mid-Hudson to review the candidates and to assist in the selection of 6-8 semifinalists.

STEP 5 - Interviewing Semifinalists & Selection of Finalists - Dan and Jobeth Bradbury will join the MHLS Executive Committee at Mid-Hudson for the phone interviews of the semi-finalists and will assist the Committee in the selection of the finalists. Consultants will then do both formal and informal reference checks on the selected 3-4 finalists.

STEP 6 - Interview Finalists - Dan and Jobeth Bradbury will organize and manage the interviews of the finalists at Mid-Hudson, who will meet with the full MHLS Board, system staff and member library directors.

STEP 7 - Hiring & Planning the Transition - Consultants will be available to assist the MHLS Board in negotiating with the top candidate and to conduct a final background check; the Executive Committee and senior staff will establish a transitional team and plan an orientation; goals and priorities will be identified and a six-month and one-year review will be scheduled.

3. REVISED 2013 BUDGET - An updated copy of the Revised 2013 Budget and Budget Projections for 2014 and 2015 (May 23, 2013) are in your packet. The System Services Advisory Committee meets after the DA meeting to review the updated revisions and projections.

You will note that we're projecting a positive balance of \$19,920 in 2013. There will be a discussion on whether this should be rolled into a capital fund for future expenses or used to reduce the members assessment in 2013. I would recommend, however, that a decision not be made until we receive our state aid charts for 2013, which are expected in June.

The MHLS finance Committee meets on June 24 for its final review of the revised 2013 budget. A vote by the MHLS Board on the budget is expected at its meeting on July 10.

The review of the revised budget by the joint System Service Ad Hoc Committee and System Funding Task Force following the May DA meeting was helpful. However, some directors at the meeting expressed discomfort at a line by line approach to the Mid-Hudson budget; and whereas feedback is always welcome, and can be useful, the MHLS Board of Trustees is the final authority on this.

At the joint meeting of the System Service Ad Hoc Committee and System Funding Task Force:

- There was a consensus that, with interest in Encore, Innovative's federated search, and a Boopsie mobile app, this wasn't the time to reduce the \$600,000 commitment by member libraries for cooperative services.
- There was agreement, however, that the members assessment and member library cost-sharing for electronic resources, need to be viewed together when considering new services or products.
- There was consensus that we would budget the use of \$47,000 in Central Library Development Aid to reduce the members assessment in both 2013 and 2014. This was done and the assessments have been emailed to directors and are also included in your packet.
- There was agreement that we would apply \$30,000 of the increase in state aid to cover the cloud-fee without increasing the members assessment. But there was still confusion about this.
 - For November 2012 through October 2013, the System paid the cloud-fee out of its operating fund.

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- ▶ For November 2013 through October 2014, the fee will be paid out of the members capital fund, which will be made possible by a transfer of \$30,000 from the System's operating fund into the members capital fund at the end of 2012.
- ▶ For November 2014 through October 2015, the fee will be paid from the members assessment, which includes the final two months of the 2013 assessment and the first 10 months of the 2014 assessment; and payment will be made from the members assessment in the following years.
- There was consensus on transferring \$30,000 from the System's operating fund to the members capital fund at the end of 2013, in addition to the \$39,600 set-aside from the members assessment.
- There was tentative agreement on adding a part-time staff position to expand help-desk hours Monday through Friday to 6 p.m. and all day Sunday. But there was interest in reducing the cost; Sunday morning hours have been eliminated.
- Opinions were mixed on reinstating travel reimbursement for member libraries, so the funding was reduced to \$7,750 in 2013 and \$15,550 in 2014.

This is substantially below the \$20,000 that was included in my initial 2013 revision, which was shared with directors in May and discussed by the joint committee following the May DA meeting. The updated proposal, however, will still need to be discussed by the System Services Advisory Committee after the June DA meeting. Should this reimbursement plan be reinstated? And should this be an incentive for libraries to reimburse their staff for mileage, requiring a match, or should it simply be an incentive for staff to attend meetings and training at Mid-Hudson? Tentatively, this is how the grant would work:

- ▶ The funding would only be available for attending meetings or training at Mid-Hudson.
- ▶ It would only fund 50% of the IRS business mileage reimbursement rate.
- ▶ Libraries would be required to annually certify in a letter to the System Director, signed by the library director and the board president, that they reimburse their staff for travel to and from Mid-Hudson at a minimum of 50% of the IRS business mileage reimbursement rate. After submitting the letter, staff or trustees would only need to sign an attendance sheet to register a claim. If this is supported by the directors and approved by the Board of Trustees in July, libraries interested in reimbursement this year would need to provide a letter by July 31.
- ▶ A maximum of 14 claims would be permitted per library per year; 7 in 2013.
- ▶ Only one claim per meeting per library would be allowed. If staff from different libraries car pooled, however, the staff from each library would be eligible for a claim.
- ▶ It would be available to all libraries and based on the mileage between individual member libraries and Mid-Hudson.
- ▶ Payment would be quarterly and to the library.

I have also been asked how much more annual state aid the System has received since 2011 and what's available to reduce the members assessment. Since 2011, actual and anticipated increases in state aid are:

- A) 9.27% for the System's general state-aid and Local Services Support Aid. This includes an actual increase of 4.87% in 2012 and a working estimate increase of 4.4% in 2013 for a total increase of \$131,169.
- B) 9.31% for Local Library Service Aid (LLSA) and Central Library Book Aid and Development Aid. This includes an actual increase of 4.91% in 2012 and a working estimate increase of 4.4% in 2013 for a total increase of \$36,237. However, we're already planning to apply the additional

CLDA dollars anticipated in 2013 to the members assessment and LLSA is a pass-through to member libraries.

- C) 6.37% for outreach, jails and correctional services. This includes the actual increase of 3.82% in 2012 and a working estimate increase of 2.55% in 2013 for a total increase of \$10,970.

However, this aid is directed to very specific purposes and no available to offset the members assessment.

Only the increases of paragraph A), which provide an additional \$131,169, are available to adjust the members assessment. However, should every dollar increase be applied to the members assessment even if the members assessment represents only 20% of total System receipts? Should 20% of the increase be applied to the members assessment? **NOTE: the permanent integration of the cloud-fee represents 23% of the available increases in state aid already being applied to the members assessment.**

- 4. SENYLRC STRATEGIC PLANNING** - You may have noticed that the Southeastern New York Library Resources Council has released it's feasibility study, "Strategic Options to Realign Resources for the Southeastern NY Library Resources Council," which was in part driven by cuts to state aid and conducted by the Center for Governmental Research of Rochester, New York. The report is at www.senylrc.org/feasibilityreport and you can comment on the report on SENYLRC's website.

The report reviews a number of possible strategies including:

- Consolidation with another 3R, of which the Capital District is the most likely partner. However, there is no existing legal or funding framework that would support full consolidation with another 3R at this time.
- Consolidation with another system. Of all the options, consolidation with a different type of system, such as RCLS or MHLS, would be the most challenging because it involves a disparate set of stakeholders and would require the most study and planning.
- Functional consolidation with another system. This could include some sort of contractual agreement between Southeastern and a 3R, such as the Capital District, or even another type of library system, such as RCLS or MHLS, and would preserve the current legal structure and funding of Southeastern as well as potentially provide greater efficiencies and cost-effectiveness. This functional consolidation could include:
 - ▶ Technology - "Finding ways to leverage technical skill and infrastructure capacity should be a core emphasis for all library systems going forward." This includes digitization and the report notes that "efforts and work with cultural heritage organizations, are likely to remain a top priority." This is an area that could be explored with other 3Rs.
 - ▶ Continuing Education - "Expanding the capability of remote training, webinars, and online courses can cut across library systems and benefit members in all of them."
 - ▶ Administrative - "Combining 3Rs at the administrative level is possible through a legal agreement. The Capital District Library Council is open to considering this idea."

I think SENYLRC's Board and Director, John Shaloiko, and staff, deserve a lot of credit for considering strategies to increase the efficiencies and cost-effectiveness of their services and worth a close examination. However, any consideration of shared services with Mid-Hudson would need careful scrutiny and review by all Mid-Hudson stakeholders.

- 5. 2012 MEMBER LIBRARY ANNUAL REPORT DATA** - We've received the data from your 2012 annual reports and plan to begin work in compiling the data that has been requested in the past and published on the System's website at www.midhudson.org/admin/budgeting/main.php.

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6. E-BOOKS - The April 2013 focus for ALA's *Library Technology Reports* is *E-book Platforms for Libraries*. We have a copy at Mid-Hudson. The issue is a 360-degree review of the ebook market, publishers, vendors, and technologies for libraries; and it compares the technologies, business models and functionalities of thirty-five vendor platforms. By the sheer number of vendor platforms reviewed, one might think cooperatives like Mid-Hudson have a lot of choices. But OverDrive is still the only vendor providing access to titles for the Kindle.

Speaking of ebooks, here's a summary of total Mid-Hudson expenditures that includes all System and member library purchases for ebooks and library materials.

	2011	2012	2011/2012 Percent Increase
Ebooks (minus \$16,296 for the platform)	\$41,816	\$68,647	64.16%
Library Materials	\$2,553,062	\$2,602,063	1.92%
Ebooks as a percentage of Library Materials	1.64%	2.64%	

7. TWO ROW WAMPUM - Some of you may be aware of the Two Row Wampum Renewal Campaign from July 27-Aug 9, which is a celebration by the Haudenosaunee (Iroquois) to commemorate the 400th anniversary of their agreement with the Dutch on the upper Hudson River in April of 1613. There is great potential in linking to this historical celebration as well as environmental cleanup and preservation, which are at the core of the campaign.. For more information, visit <http://honorthetworow.org>.