

Marmot Library Network

Financial Advisory Committee Meeting Minutes

October 30, 2013

Attendees: Joseph Sanchez, Dorothy Hargrove, Drew Brookhart, Jeff Donlan, Joyce Dierauer, Gayle Gunderson, Jimmy Thomas and Mary Vernon

Meeting called to order at 11:05 am by Joseph Sanchez, Committee Chair.

Review draft revision of Finance policy - The committee recommended the draft revision of the Finance Policy be sent to the Board for approval.

Review draft revision of Investment policy - The committee recommended the draft revision of the Investment Policy be sent to the Board for approval.

Prospector cost-sharing model.

Jimmy presented a Prospector cost-sharing model to better connect cost to service. He recommended the model be introduced to members in the summer of 2014. The committee agreed to review this model after discussions with academics, San Miguel and Town of Vail Public Library.

Action item #1: Jimmy will send Committee members documentation for discussion on supporting new pricing for Prospector:

Gayle - Carol at Adams State

Jeff - Nancy Gauss Western State and Lori Barnes Town of Vail

Drew - Nancy Trimm Gunnison

Joseph - Kevin Williams CMC

Joyce - Brenda Carns San Miguel

Action item #2: Jimmy will collect all responses before the Nov 20 board meeting.

Action item #3: Jimmy will write to directors requesting OverDrive budget for 2014.

Next meeting Nov 13 at 11am to discuss OverDrive cost-sharing model.

Joseph adjourned the meeting at 12:10pm.

From: Jimmy Thomas [mailto:jimmy@marmot.org]

Sent: Tuesday, September 24, 2013 3:45 PM

To: Nancy Gauss

Cc: Gayle Gunderson; Carol Smith

Subject: Re: Prospector Question [what if WCSU joins the Alliance?]

Hi Nancy,

In answer to your question about how your Marmot fees might change if you joined the Alliance, let me first say this would be a good time to normalize the way Prospector costs are shared by Marmot libraries. I've outlined the current arrangement, and one that I will propose to the Board at our next meeting.

If this proposal were adopted as is:

WCSU could save $\$3333+5*225=\$4458/\text{year}$

CCU could save $\$3333+4*225=\$4233/\text{year}$

ASU could save $\$3333+8*225=\$5133/\text{year}$

These savings in direct costs for Prospector via Marmot plus reduced session fees could help you pay for Alliance membership. (Don't forget to figure in the value of Gold Rush and database discounts included in Alliance membership.)

I'm cc'ing Gayle and Carol since I learned that all three of you talked with George about Alliance membership. I'd be glad to hear comments from each of you about this proposal. Thanks.

-jimmy

Current:

Seventeen Marmot libraries now use Prospector.

For each of 16 libraries, Marmot pays \$3,333/year to the Alliance for Prospector and \$1,020/year to Innovative for INN-Reach.

CMU is exempted from Prospector payments because of their Alliance membership. INN-Reach payments for CMU have been covered by Marmot for over 4 years.

New members CCU and Salida pay Alliance and Innovative costs of \$4,353/year.

Fourteen "vested" members do not pay an explicit fee for Prospector. Old members who helped grow Marmot investment accounts have been excused from Prospector payments for a couple years. Prospector is one of many costs covered by annual staff session subscription fees. Four school districts plus CCU, Salida, and Englewood PL effectively subsidize Prospector for 14 vested members.

Proposed:

CMU and other Marmot members that might join the Alliance should be exempted from the Prospector payment of \$3,333/year. Such libraries should pay Marmot \$1,020/year, which Marmot must pay to Innovative.

Other Marmot members using Prospector should pay \$4,353/year to Marmot. Whether this figure might be adjusted based on library size could be discussed.

The total of staff session fees paid by all Marmot members should be reduced by $\$4,353 * 16 = \$69,648$. At 2014 prices, the annual session fee could be reduced from \$2,248 to \$2,048.