

Marmot Budget 2016 -- Draft 2015-07-06

Revised after Finance Committee meeting of June 9, 2015 and after subsequent meetings with DRTF members in June

Income forecast:

	Actual 2014*	Budget 2015	Budget 2016	Yellow-shading needs attention
Income				
Total 4105 · E-Rate Discount Funds	124,293	100,000	123,355	
LSTA grant Digital Ark Teen Workshops			74,452	
4199 · Member Quantity Discount & old rebates	-58,267	-59,393	-60,026	
4200 · Basic System Fee	71,250	78,000	87,000	
4210 · Implementation Fees	5,355	55,000	35,000	2 new members (2 SIP)
4400 · ILS				
4401 · Staff Sessions	665,038	716,002	758,664	2 new members (10 sessions)
4402 · INN-Reach (to ILL)	-11,826	17,340	21,420	sw maint here; Prospector account 4909
4403 · Express Lane Self-Check	11,550	11,200	4,900	MCPLD dropped EL for Bibliotheca
4404 · SIP Servers	32,750	40,000	51,000	"
4405 · ILL Software add on products				
4406 · Other Software & Subscriptions	96,830	70,000		
Total 4400 · ILS	794,341	784,542	835,984	
4500 · Internet Services				
4502 · Broadband Service	91,663	91,350	101,500	Reform broadband prices? Not this year
4503 · Email hosting	110	0	0	Gunnison still to migrate
4504 · Domain Registration & Hosting	260	260	360	
4505 · Web Site Hosting	2,090	2,460	2,450	
4506 · Network Traffic Management	1,125	1,350	900	
4507 · Local Area Network IP Address	151,604	147,798	160,080	Moved here from 4602
4500 Internet Services Other	8,046			
Total 4500 · Internet Services	254,897	243,218	265,290	
4600 · Maintenance-LAN & Workstations				
4601 · Workstation Maintenance	471,245	423,900	454,500	Basalt comes back in 2016
4603 · Wireless Access Point (WAP)	13,500	13,500	14,000	
4605 · EnvisionWare (PCRes, LPT1, etc.)	24,535	42,095	41,863	
4606 · Extended Tech Support (ETS)	18,594	20,000	20,000	
4607 · Installation	0	3,000	3,000	3 Appassure + 0 traffic shaping installs
4600 · Other	3,379			
Total 4600 · Maintenance-LAN & Workstations	531,253	502,495	533,363	
4700 · Associate Member (Discovery Partners)	56,000		158,000	2015 annual + 2016 one-time
Digital Ark Income (excluding LSTA grant)			67,400	
Total 4900 · Sales	399,299	391,526	399,654	
Total Income	2,178,423	1,095,388	2,519,472	
Total COGS	376,158	391,526	399,654	
Gross Profit	1,802,264	1,703,862	2,119,818	

Cells highlighted in blue come from another sheet, where current subscriptions are assumed to stay constant, and 2 new members (5 sessions each) are forecast.

Cells highlighted in rose relate to the new Digital Repository program. The biggest question for the Board if we don't get the LSTA grant will be whether to draw down the investment account: \$559k - \$36k = \$523k. I for one am not comfortable dropping investments below half a million until we agree on a minimum rainy day fund and brainstorm other new projects we might want this money for.

Income from Associate Members (account 4700) assumes we will continue to support the current 5; add 2 in 2015; and add 4 in 2016. \$158k is the sum of annual fees at the end of 2015 (\$108k) plus one-time fees forecast in 2016 (\$50k).

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Expense plan:

Expense	Actual 2014*	Budget 2015	Budget 2016	Yellow-shading needs attention
5210 · Implementation Services				
5400 · Integrated Library System				
5401 · ILL Maintenance	157,056	158,007	155,500	budget 2015 + 3.5% - useless products to cancel.
5402 · ILL Software add-on products	15,000	25,000	15,000	10 sessions
5403 · ILL Services	4,500			
5404 · Cataloging & Authority Control	12,705	6,000	25,000	LTI quarterly + total AC part 2 of 2
Total 5400 · Integrated Library System	189,261	189,007	195,500	
5500 · Internet Service Provider (ISP)				
5501 · WAN Broadband Service	214,361	198,021	183,098	Cedar contract + 5%
5502 · Network HW & SW	6,912	2,000	18,491	Server Plan
5503 · Network Miscellaneous	323	6,885	833	SSL Certs, Domain Reg, etc.
Total 5500 · Internet Service Provider (ISP)	221,596	206,906	202,422	
5600 · Library Workstation & LAN Expense	166,390	69,237	116,274	Server Plan (redeploy Sierra-trng), Meraki, MS, F
Total 5800 · Member Outreach Expenses	35,769	30,000	40,000	
5810 · Subscription Content & Web Serv				
5811 · NovelList	21,434	22,506	22,506	2014 actual + 5%
5812 · Catalog Enrichment	17,211	8,468	18,072	2014 actual + 5%
5813 · Overdrive Hosting	20,667	18,000	20,000	Base + SRL + EPL + RLD + BV + PR
5814 · Prospector	65,026			use 5401 & 5909 instead
5815 · Other Subscriptions	46,400	46,400	46,400	Decision Center + SMS Alerts
Total 5810 · Subscription Content & Web Serv	170,738	95,374	106,977	
Digital Ark expenses (not including Wages & Sal)			69,275	
Total 6000 · Wages & Salaries	703,261	751,133	920,704	3% average increase
6200 · Payroll Taxes	61,783	61,783	66,184	MV estimate
6250 · Insurance - Work Comp	2,988	3,000	3,000	
6300 · Staff Benefits	179,143	196,588	257,377	MV estimate 2015 (RMHP +20%)
6400 · Staff Training & Development	14,751	10,000	11,500	IUG, PluralSight, MSEC courses, Code4Lib
6500 · Marketing/Conferences	16,858	15,000	15,000	CAL, ALA, CIL/IL

I asked ILL to cancel maintenance for 4 products we no longer use, and to confirm this estimate of annual maintenance for 2016 (yellow). (Don't be misled by Actual ILL Maintenance in 2014—two annual payments got recorded that fiscal year, **but I backed one of them out of this illustration so year-on-year comparisons would make better sense.**)

Wages & Salaries (account 6000) includes the current staff of 13 plus **1.25** new positions for the Digital Repository.

7000 · OfficeFacilities				
7001 · Office Rent	63,943	65,861	67,837	Renewal year 1
7002 · Dues & Subscriptions	1,774	2,000	2,000	CAL, SurveyMonkey, L.J. Sam's, GoToMeeting
7005 · Hazard & Liability Insurance	1,225	5,047	5,047	actual july 2013-june 2014
7020 · Hardware & Software at Marmot				
7021 · Hardware	32,739	13,290	17,500	Server Plan + 1/3 of staff computers
7023 · Software	14,563	4,995	3,995	Server Plan
7027 · Cloud Services				(Cloud backup windows \$30k, Sierra servers \$6.5k)
7025 · Other	1,878	1,826	1,880	Server Plan (UPS, power, climate)
Total 7020 · Hardware & Software at Marmot	49,180	20,111	23,375	
7030 · Office Furniture	10,765			
7040 · Office Supplies	2,369	1,600	2,000	
7041 · Postage/Shipping	613	800	700	
7042 · Printing	1,934	1,500	2,000	Lanier maint
7043 · Repair & Maintenance			2,000	
7049 · Recycling	980	1,000	1,000	
7050 · Telephone	14,429	14,000	14,000	voice & data for staff
Total 7000 · OfficeFacilities	147,211	113,919	117,959	
Total 8000 · Professional Fees	8,529	7,500	10,700	
Total Expense	1,927,069	1,749,447	2,132,873	
Net Ordinary Income	-124,805	-45,585	-13,055	
Net Other Income	20,001	30,888	20,001	Alpine investments
Net Income	-104,804	-14,697	6,946	target = 0
			6,946	Investment change if LSTA
			-35,626	Investment change if NO LSTA

The "Server Plan" includes normal replacement of servers and other equipment. We've been considering cloud-based backup (account 702?), but we removed those expenses from this draft because they seem too expensive for now. We have not

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done a full audit since 2012, so let's plan one next year (account 8002). Income from the investment account at Alpine is a copy of actual 2014 for want of any better forecast about the economy.

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Digital Repository budget:

Repository Annual Subscriptions	Price	2016 Qty	2016 Income	2017 Qty	2017 Income	2018 Qty	2018 Income
Repository Annual Subscription (includes 1 on-site collection analysis, 1 basic project setup with minimal customization, and 1 on-site digitization training for first collection)	see below	12	\$67,000	18	\$90,000	25	\$90,000
Training expenses (per day) for extra projects	\$200	2	\$400	4	\$800	6	\$1,200
Hosting per 100GB, first TB included (to cover Islandora data surcharge)	\$100		\$0		\$0		\$0
Digitization kits (to travel with Marmot staff)	\$3,000	3	\$9,000		\$0		\$0
Digitization kits (to stay with members)	\$3,000	7	\$21,000		\$0		\$0
Teen workshop expenses (per day)	\$200	16	\$3,200		\$0		\$0
Intern for teen workshops	\$12	640	\$7,680		\$0		\$0
Regular DR staff allocation for teen workshops		25%	\$33,572		\$0		\$0
Additional project by member	\$2,500	0	\$0	5	\$12,500	10	\$25,000
Repository migration	\$10,000	0	\$0	3	\$30,000	2	\$20,000
Digitization & metadata by Marmot (per day)	\$600	0	\$0	24	\$14,400	24	\$14,400
Custom project portal for partner LAMs	\$2,500	0	\$0	2	\$5,000	2	\$5,000
Total Annual Income			\$141,852		\$152,700		\$155,600
Total LSTA Grant Request			\$74,452	25%	of \$300,000 LSTA available		

We have almost completed a poll of members to confirm that they can afford tiered pricing, and dedicate staff time to this program. Here are two cost-sharing models to be considered by the Board July 8:

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Agency	2016 plan (Cohort 1)	2016 plan C	
		sessions	Marmot subs
Adams	\$2,693	8	\$1,576
Aspen Schools	\$0		\$0
Basalt	\$0		\$0
Bud Werner	\$6,734	20	\$6,249
Buena Vista	\$0		\$0
Colo Christian	\$1,347	4	\$1,047
Colo Mesa	\$0		\$0
Colo Mountain	\$0		\$0
Eagle Valley	\$12,457	37	\$11,976
Englewood Public	\$0		\$0
Englewood Schools	\$0		\$0
Fort Lewis College	\$7,744	23	\$3,556
Garfield County	\$10,437	31	\$15,653
Grand County	\$0		\$0
Gunnison County	\$2,020	6	\$2,612
Mesa County	\$15,487	46	\$17,864
MVSD51	\$0		\$0
Pine River	\$2,020	6	\$1,206
Pitkin County	\$0		\$0
PV Schools	\$0		\$0
Rampart	\$0		\$0
Salida	\$2,020	6	\$1,311
Steamboat Schools	\$0		\$0
Summit County	\$0		\$0
Vail	\$2,357	7	\$3,031
Western	\$1,683	5	\$918
Wilkinson	\$0		\$0
Total	\$67,000	199	\$67,000
			6.4%

We're asking LSTA to pay for 7 digitization kits (scanner, recorder, and camera) plus 25% of wages and salaries for one year (rose highlights). We assume digitization kits for Cohorts 2 and 3 could be good candidates for local grants.

In this version of the budget, rose highlights show which income and expense rows will be eliminated if we don't get the LSTA grant.

Repository Annual Expenses			2016 Expense		2017 Expense		2017 Expense
Salaries & Wages			\$134,290		\$134,290		\$134,290
Design work by Jenn			\$2,500		\$2,500		\$2,500
Travel for Marmot staff training	\$1,500	2	\$3,000	2	\$3,000	2	\$3,000
Travel to Marmot sites (excluding teen workshops)	\$200	26	\$5,200	16	\$3,200	20	\$4,000
Computer equipment & software for Marmot			\$1,200		\$4,000		
Islandora Foundation membership			\$4,000		\$10,000		\$10,000
Islandora hosting by Cherry Hill			\$4,995		\$1,995		\$1,995
Islandora data surcharge (100GB, 400GB, 700GB) by Cherry Hill	\$350		\$0	3	\$1,050	6	\$2,100
Islandora consulting by Cherry Hill and/or Discovery Garden			\$7,500		\$5,000		\$2,500
Islandora hosted test/training server	\$1,995	0	\$0	1	\$1,995	1	\$1,995
Digitization kits (to travel with Marmot staff)	\$3,000	3	\$9,000	0	\$0	0	\$0
Digitization kits (to stay with members)	\$3,000	7	\$21,000	0	\$0	0	\$0
Teen workshop expenses (per day)	\$200	16	\$3,200	0	\$0	0	\$0
Intern for teen workshops	\$12	640	\$7,680	640	\$7,680	640	\$7,680
Insurance for materials handling (up to \$50k covered by current Marmot policy)			\$0		\$0		\$0
Total Annual Expense			\$203,565		\$174,710		\$170,060
Digital Ark P&L with LSTA:			-\$61,712		-\$22,010		-\$14,460
Digital Ark P&L with no LSTA:			-\$104,285				

One program manager plus .25 digital archivist plus two fractions of developers could add up to 1.85 FTE for this program.

The \$62k deficit in year 1 (lilac) is covered by other income in this balanced budget. The \$104k deficit if no LSTA is largely covered by other income. Even tho the program could be \$104k in the red, Marmot would only need to draw down \$36k to cover that scenario.

The digital repository segment of the budget is forecast for 3 years, to clarify different start-up and ongoing costs, and to show a path toward sustainability of this new program.

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