

October 13, 2009

Dear Members of CMRLS:

It's plain that the FY 2011 budget you are asked to approve at this year's annual meeting is an exercise.

The document was based on level-funding with FY2010, the best guess we could make in August, when planning for the budget began. As you know, the MBLC, along with other state agencies, expects a 16% cut. For the Regional Library Systems, that will translate to 28%.

During FY 2010, we begin a process to streamline and consolidate the Regional Library Systems. The new 28% lower FY 2011 budget allows us enough funding to plan and act thoughtfully. Core services are expected to continue, but at this writing, we don't know exactly how they will be delivered.

The consolidation budget is yet to be developed or approved by our Executive Board, but we will do our best to communicate with you as plans emerge.

In the meantime, here's the scoop on the level-funded outdated budget before you. Please note that our vote is a formality. These numbers were developed before enormity of the crisis was clear.

The level-funded 2011 budget begins with the FY2010 budget bottom line of \$1,649,056.00.

It is a lean budget. Two items from 2010 are not carried over into 2011: the mini-grant program and funding for contractual graphic services. No other programmatic changes are made.

Personnel

A 20% increase in health insurance is forecast. A 3% merit incentive pool is projected.

Operating Expenses

- Databases contracts are projected to rise 5% over 2010.
- The cost per stop of CMRLS delivery will rise to \$12.60 (from \$11.99/stop) as agreed by our contract with Eastern Carrier.
- We budgeted \$13,333 for cross state delivery; that will probably rise.
- The net lender program is funded at \$42,677, less than planned for 2010.

The next years will be challenging for anyone working in library services in Massachusetts. At CMRLS our goal is to ensure that member libraries continue to get the services they need and value.

Sincerely,

Carolyn B. Noah
Administrator