

Memo

To: Montana State Library Commission

From: Jennie Stapp, State Librarian

Date: May 8, 2017

Re: Draft budget planning timeline

With the potential for the Montana State Library (MSL) to lose approximately 25% of our General Fund appropriation as directed in Senate Bill 261, we must face the reality that MSL cannot exist in its current form if these reductions occur. We find ourselves in a position where we must plan for the worst while we hope for the best. To that end, I propose that the Commission undertake a zero-based budget planning process that will result in two budget plans, one based on the appropriation in House Bill 2, and a contingency plan based on the loss of funds should the revenue triggers in SB 261 not be met. The following is a proposed timeline for the planning process:

May 23-24 (Tentative) – zero-based budget planning retreat (Commissioners, staff, stakeholders)

June 14 – plans submitted to the Commission for approval

- Impacted staff notified of the potential for a reduction in force to be effective on or around August 16, 2017
- Plans communicated to stakeholders
 - Federations submit FY 18 plans of service based on the assumption of full funding. Federations notified if the SB 261 contingency plan affects the availability of federation funds
 - Pending availability of funds, a renewal of the OCLC Groups Services Contract is signed and libraries are notified of changes in their costs
 - Other contracts evaluated for impact

July 1 – Start of FY 18

- MSL will receive full HB 2 appropriation
- Staff will implement reductions approved in the HB 2 budget plan

August 15 – State treasurer report due to determine if revenue triggers are met. If triggers are not met:

- Staff will return general funds as required in SB 261
- Staff will implement reductions approved in the SB 261 contingency plan

Libraries will be notified about the availability of state aid for FY 18

August Commission meeting date – Commission approves FY 18 budget based on a known appropriation and the plans adopted in June