

DRAFT

**MONTANA STATE LIBRARY (MSL) COMMISSION MEETING
1:00 P.M., MAY 10, 2017
HELENA, MONTANA
OR GOTOMEETING**

ATTENDEES:

Commissioners: Chairman Bruce Newell, Kenning Arlitsch online, Elsie Arntzen online, Connie Eissinger online, Anne Kish online, and Ken Wall online.

Staff: Tracy Cook, Erin Fashoway, Evan Hammer, Kris Schmitz, Jennie Stapp and Marlys Stark.

Visitors: None.

Chairman Newell called the meeting to order at 1:00 p.m.

MONTANA LAND INFORMATION ACT (MLIA) GRANT AWARDS:

The MLIA grant subcommittee reviewed and scored all the applications. They brought their recommendations to the council who reviewed and approved them. The Council does not recommending four grants. The MLIA account balance is up enough that the council chose to approve up to an additional \$20,000 to spend as outlined. Park County is working on a multiyear project so any additional monies granted this year will improve the efficiency of their work and the resulting work for MSL staff.

Motion was made by Commissioner Kish and seconded by Commissioner Arlitsch to accept the recommendations of the council as presented and the motion passed.

LEGISLATIVE UPDATE AND PLANNING FOR FY18 BUDGET REDUCTIONS:

The approved HB 2 budget is the same as the last time discussed. The planned mechanism to address the five percent operations cut and six percent vacancy savings will have to be adjusted since it did not take into account that per administrative rule, resource sharing monies must be split 50/50. There is one vacant position currently which means that MSL may need to consider a reduction in force to meet vacancy savings requirements. HB648 does increase coal tax funds which are tied to library services.

The commission has to discuss further reductions which may become necessary per SB261 which creates a statutory mechanism to create a rainy day fund and includes certain revenue triggers which would result in further cuts for the state library. One trigger would remove 25 percent of the state library's general fund money or \$666,000 a fiscal year. The state library could not exist as it currently operates if that happens. Decisions must be made now as to how they would rebuild and meet those cuts because the trigger point deciding date is August 15 and cuts would be immediate.

Jennie and Bruce propose starting with a zero based budget, looking at all past ideas of reformatting, using the task force and strategic planning results, what is required in statutes, what funding is available and build from there. Staff have blocked off a couple of days in May to have a 'budget retreat' to prepare proposals for the Commission to consider. After that, public comment would be invited and staff would be informed as to possibilities.

The Governor's office has been invited to be as involved as possible in order to consider their concerns and goals for libraries. With that worse case scenario, an additional ten FTE would likely have to be cut.

Jennie was informed that they looked at cuts in education and public health since those are the areas that received the largest amount of general fund. MSL and the historical society are both in education and both will be losing 25% if that trigger is met.

MSL has already received one resignation and will likely see more due to the uncertainty of jobs in the future. There are about 30.6 FTE paid through HB2 and another 10 from LSTA and other funding sources. It does appear that LSTA will receive some supplemental funds but no official notice has been given.

Commissioner Arlitsch wanted to know what other state libraries did in response to such drastic cuts. MSL has a lot more statutory responsibilities so will not have the same options but those options will also be looked at.

The next steps will be to put together a work group consisting of managers and a couple of commission members for the work sessions on May 23 and 24. Commissioners Newell and Eissinger will be part of the work session and Commissioner Arntzen said she would be able to work on the group if needed. The public meeting would be around the first week of June.

The August commission meeting will need to be rescheduled as a later agenda item since there is no point of having it prior to that August 15 trigger date.

COMMISSION CALENDAR:

Commissioner Newell will attend the Pathfinder federation meeting and Commissioner Wall and LaFromboise will attend Tamarack.

The August meeting needs to be moved to a later date due to the timeline but should happen as soon as possible because all scenarios will be in place. August 16 is the proposed date.

Motion was made by Commissioner Kish and seconded by Commissioner Eissinger to move the August meeting from August 9 to August 16 and the motion passed.

Commissioner Wall will have to attend remotely. Commissioner Newell might as well. Commissioner Arlitsch may have attendance issues also.

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Commissioner Newell asked if it would cause issues to move the October meeting to October 18. It did conflict with other commissioners' schedule so the date will remain October 11.

Commissioner Wall will have to do the June special meeting remotely.

PUBLIC COMMENT:

There was none received.

OTHER BUSINESS/ANNOUNCEMENTS:

There was none presented.

ADJOURNMENT:

The meeting adjourned at 2:00 p.m.

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