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| 6. MINITEX Budget Update and Discussion of Upcoming Legislative Session |
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FY09 Issues

1. There are seven monthly payments left from the Office of Higher Education of \$319,733.00 per month for the FY09 year. That's \$2,238,131.
2. I understand that the MnLINK Gateway Server Payments have been processed so they should be out the door. I expect there to be about \$56,000 - \$58,000 left in the \$400,000 MnLINK Gateway appropriations which usually would be sent from OHE to MINITEX and we would use for staffing MnLINK operations.
3. I have had discussions with Emily and Tricia Grimes at OHE on the wisdom of getting into any ongoing recurring contracts for services, such as statewide databases. They were recommending that I be very careful about entering into ongoing obligations, so I have dismissed the task force that was ready to work on a quick RFP to add a database to the ELM resources (health). That funding is included in the seven monthly payments listed above. We'll only use these funds for one time activities at this point.
4. Following the September 2008 MINITEX Policy Advisory Council meeting, I submitted the following budget proposals for the Office of Higher Education for the upcoming Legislative Session. Based upon the last week's economic news, I don't believe the MnLINK request will go anywhere and there may be actual reductions in base funding.

MINITEX PRIORITIES

- **Sustained base funding of \$5,631,000 annually for the MINITEX service programs. Continued support at the current level, accompanied by internal reallocation and cost reductions, will ensure MINITEX's ability to respond to significant increases in service demands from participating libraries and continue to provide the excellent services and collaboration to which students and faculty of Minnesota higher education institutions have become accustomed. This level of service is aligned with legislative intent in providing the increase of \$1,250,000 to our annual base budget in 2007.**
- **Increased recurring funding for the MnLINK Gateway in FY10 (\$73,837) and in FY11 (\$83,187)(Total biennial \$157,024) so we can fund a needed upgrade to the Gateway to continuing to improve service to Minnesotans and adequately staff and fund increases in Gateway operations to meet unprecedented service demands. We do not have an option – the vendor is upgrading the software and we will need to upgrade to using it since it is totally new and improved for end users. (See attached stories from Gateway users).**

7. A Review of Resource Sharing Activity & A Look at the Future Sustainability of Resource Sharing in MINITEX Region over next 3-5 Years

We will present a brief report on the volume of resource sharing activity that has been occurring in the last few years, projected out to the next few years. This includes both requests for loans and copies as well as the growth in the MINITEX delivery system, which also means that local delivery systems are being impacted as well as local library staff working in interlibrary loan offices and elsewhere in local libraries.

I would like a broad based discussion of the sustainability of resource sharing if we continue to see increased numbers of requests. We have raised expectations among our end users that the resources in Minnesota libraries and beyond in surrounding states are available and we are able to deliver those resources in a timely manner.

The MnLINK and MEDD stories that we distributed to you in September bear out that people are responding to MnLINK as an entity and they seem to 'get' the link between their local libraries and the MnLINK Gateway service. But, that understanding will just drive volume up as we tell our stories more effectively.

Timeline for next few years:

Potential reductions in FY09 funds for last six months of the fiscal year:

- a. January – March 2009 (MN Legislative budget session for FY10 & FY11)
- b. April – June 2009

FY10 – Potential reduction in base funding

- c. July – September 2009
- d. October – December 2009
- e. January – March 2010
- f. April – June 2010

FY11 – Potential reduction in base funding

- g. July 2010 – September 2010
- h. October – December 2010
- i. January – March 2011 – (MN Legislative budget session for FY12 & FY13)
- j. April – June 2011

FY12 - hopefully, economy will have started to recover ?! ☺