SHARE Finance & Policy Committee Minutes  
Wednesday, January 18, 2023  
10:00 a.m.

Call Meeting to Order  
The meeting was called to order at 10:00 a.m. by chair Miranda Shake.

Roll Call  
Members present: Esther Curry, Amanda Doherty, Betsy Mahoney, Jill Pifer, Miranda Shake, and Diane Yeoman.  
Members absent: Janet Cler.  
Others present: Jennifer Baugh, Troy Brown, Jace Cook, Colleen Dettenmeier, Rhonda Johnisee, Shirley Paden, Dena Porter, and Cassandra Thompson.

Approval of November 16, 2022, Minutes  
A motion and second were made to approve the November 16, 2022, minutes. Motion carried unanimously by roll call vote.

SHARE Update  
The Annual SHARE Members’ Group Meeting was last week, and voting will open on January 20 for members.

Aspen is open for reservations until late February, and communications about Aspen will be refined to help increase member response. On the SHARE website, Aspen reservations and pricing will be updated based on committee suggestions to help answer any questions members may have.

The annual budget review is coming up in April and will be done in conjunction with the SHARE Executive Council. The meeting will likely be in the afternoon to accommodate our school librarian committee members.

The IHLS IT Director shared information regarding the future of the IT industry and IHLS overall. The warranty for our servers is reaching expiration, so funds were reallocated to pay for the renewal. This will be an annual fee that must be accounted for in the budget as long as the warranty continues to be offered by Dell.

IT software is largely moving toward subscription-based models. SHARE has typically been using capital funds to pay for software purchases and user account licenses that last several years; in the future, such software will be a monthly fee because of the shift toward subscriptions. Though hardware purchases are typically considered a capital expense, the reserve fund is not technically a capital fund. The committee will need to determine if licensing charges will be paid via the reserve fund or through the operating fund.
In about five years, IHLS will need to purchase new hardware, but typically the discounts we receive are very good. Along with the hardware costs, to use the Staff Client for Polaris, there is a fee of $6 per license from Microsoft to allow for the remote desktop link. If libraries switch to using Leap, this will help reduce that licensing cost, but some libraries do need licenses for cataloging purposes. Leap is still preferable to reduce costs overall. Cataloging tutorials will be developed to help with the transition.

New Business

- **SHARE Financial Statement Review** – The IHLS Finance Director presented the SHARE Statement of Revenue and Expenditures for the committee. For services and materials, $1,394,267.55 has been billed, which accounts for 92% of the total budgeted revenues. Of that, 99.3% has been collected. Illinois Funds continues to perform well at 4.2% and the total earned from investment income in December was $7,611.54. The total earned in FY2023 for the reserve account is now $26,087.20, which far surpasses the budgeted amount of $675.00. Expenses have evened out, which is normal for the second half of the fiscal year. Actuals are under budget by 3.7%. The target benchmark remaining should be 50% for all remaining line items. A reserve payment of $142,500.00 was made. The $300,000.00 IHLS contribution is still pending and is expected in June. The Statement of Net Position shows a cash and cash equivalents total of $2,996,591.29. The unrestricted fund totals $1,632,449.99 and would fund SHARE for 10.1 months, or four months into FY2024, based on the FY2023 budget. The reserve fund is up to $1,261,551.64 and the committed fund has a balance of $102,506.66 for cloudLibrary purchases. The total of accounts receivable outstanding is $24,129.54.

- **Financial Approval Procedures** – During the review of Governance documents, the SHARE Director consulted our attorney, and he voiced questions about the financial approval process. His recommendation would be to outline a procedure on how the budget is reviewed and approved. The proposed Financial Approval Procedure details how the budget is drafted, reviewed by both committees and members, and finally approved by the IHLS Board of Trustees. A motion and second were made to accept the Financial Approval Procedures and send the proposal to the SHARE Executive Council for final approval. Motion carried unanimously by roll call vote.

- **Scott AFB Membership** – The Scott Air Force Base (AFB) Library has to switch to a different Integrated Library System (ILS) shared by all Air Force Libraries. The director does not want to leave SHARE and has asked if they could still have access to the SHARE database for the lowest-tier cost for special library membership of $1,150.00. Patrons of Scott AFB Library would not be able to check out materials at other libraries but would be able to place holds on SHARE materials; Scott AFB Library would check out materials using their own ILS rather than having their individual patrons check out from SHARE. The SHARE Director commented that governance allows special library membership to be evaluated on a case-by-case basis. The committee discussed possible issues and thought that allowing Scott AFB Library to continue SHARE membership for a one-year trial would be the best solution. A motion and second were made to recommend that Scott Air Force Base Library continue full membership for a one-year trial, only using Polaris for interlibrary loan at the minimum fee for special libraries. Motion carried unanimously by roll call vote.
Old Business

- **Fee Review**
  - **Cataloging** – The committee reviewed revenue from Barcoding A libraries, $3 Bibliographic Records, $10 Original Cataloging, and the $100 embedded fee from membership fees, and the deficit in that total compared to SHARE’s cost to maintain cataloging staff. Each SHARE member has a cataloging fee embedded into their membership fee, even if the library has a cataloger on staff, because SHARE cataloging staff help with training and member support. SHARE has never increased prices for cataloging fees, but to address this deficit, a cataloging fee increase will likely need to happen in FY2025. The committee will continue to discuss the increases.
  - **cloudLibrary** – The SHARE E-Resources Committee is reviewing the current fees for cloudLibrary and has been making adjustments to the Pay-Per-Use program to hopefully prevent increases to fees. The financial information is still being reviewed and the committee will make recommendations for the next fiscal year.
  - **Membership** – The IHLS Finance Department presented a 10-year forecast of SHARE’s finances. Using the cash balance of FY2022, the operating fund, and assuming a 3% increase in expenditures and a 1% increase in revenue, SHARE will run out of reserve funds by FY2028 if membership fees are not increased. While SHARE does not want to increase fees for member libraries out of respect for our members’ budgets, increases will be necessary to continue to maintain service. The committee discussed the need to communicate membership fee increases in the near future.
  - **Transitional** – Grant opportunities are still being pursued for the affiliate expansion program, but fees for transitional members may need to be reviewed in the future.

- **Policy Proposal: Polaris Logins (Volunteers, Students, Board Members)** – After reviewing account settings and restrictions, the SHARE Administrative Services Supervisor discovered a special account for school students with restricted permissions that prevent the student from accessing another library’s information. Any students with Polaris logins will soon have their account permissions changed to this student account type. A policy will be drafted to address volunteer and board member logins, and after the next meeting, the policy will be sent out for member comment to gauge how this might impact members.

- **Other** – None

Public Comment
None

Announcements
None

Next Meeting
Wednesday, March 15, 2023, at 10:00 a.m. via Zoom.

Adjournment
There being no further business to discuss, the chair adjourned the meeting at 11:54 a.m.