

**GREAT NECK LIBRARY
MINUTES OF THE
BOARD OF TRUSTEES BUDGET WORKSHOP
MARCH 4, 2014 AT 7:30 P.M.**

The first budget workshop of the Great Neck Library Board of Trustees was held on Tuesday, March 4, 2014, in the Parkville Branch of the Great Neck Library, 10 Campbell Street, New Hyde Park, NY 11040.

The following Trustees were present constituting a quorum:

Marietta DiCamillo – President
Francine Ferrante Krupski – Vice President
Varda Solomon – Secretary
Josie Pizer – Treasurer
Joel Marcus – Assistant Treasurer
Michael Fuller – Assistant Treasurer

Absent with prior notice: Janet Nina Esagoff

Also present: Laura Weir – Interim Director
Christine Johnson – Interim Assistant Director
Neil Zitofsky – Business Manager

Call to Order

President DiCamillo called the meeting to order at 7:35 p.m. and then handed over to Trustee Pizer, Chair of the Finance Committee.

Budget Discussion

Trustee Pizer stated that this is the first draft of the budget for the fiscal year July 2014 to June 2015, and that the committee is continuing to work on modifying the budget. She asked Business Manager Zitofsky to do a line-by-line presentation of the proposed budget while highlighting any significant changes. She asked that questions be held until after each section.

Mr. Zitofsky pointed out that the spreadsheet for the proposed budget has two additional columns because of the change in fiscal year. Column R represents the budget for the first four months of July to October 2014 and column S for the last eight months, November 2014 to June 2015.

These Minutes provide highlights from the budget:

REVENUES

Estimated Total Tax Revenue is \$9,504,000, of which \$875,000 comes from Debt Service, the amount approved by the referendum, and \$129,400 from PILOT monies from the Great Neck School District which the Library will receive in the near future. The proposed budget has an increase of \$1,104,000 (13.15%) in tax revenue over the previous year's budget.

Below are other operating income sources, most of which will be affected by the closure of the Main Building for renovation:

- Non-Residents Registration Fees – zero income as it cannot be relied on as a source of income because of the closure.
- Fines saw a 20% reduction in income
- Interest on savings was increased by \$1,000
- Commission on Vending Machines – zero income as vending machines will not be available
- Copy Machines income reduced by 50%
- Computer Printer Fees reduced by 47.83% resulting from closure of building
- Community Room Rental Fee eliminated – limited space which will not be available for rental during closure
- Lost Books and Book Sales each reduced by 33.33%
- No Author Book Sale Events – no revenue

Total Operating Revenue will be reduced by \$33,600 which is a 25.45% decrease in this line of income.

Public Comment: Marianna Wohlgemuth

APPROPRIATIONS

Appropriations totaled \$10,240,300 (an increase of \$1,708,300) which include a Total Capital Budget/Transfer of \$1,315,100 to the Main Building and Special Services Fund and the \$875,000 Debt Service.

Public Comments: Marianna Wohlgemuth

SALARIES & EMPLOYEE BENEFITS

The proposed budgeted salaries total \$4,113,700, reflecting a \$169,200 decrease over the previous year. Salaries were reduced across the board, except for \$26,200 increase for the Director's Office and \$32,000 for the Lakeville Branch.

Employee Benefits were decreased by \$79,900 to a total of \$1,994,200.

The total for Salaries and Employee Benefits is \$6,107,900, a decrease of \$248,100.

Public Comment: Marianna Wohlgemuth

LIBRARY MATERIALS & PROGRAMS

\$690,800 was budgeted for the fiscal year which is \$189,100 less than the previous year. The largest reduction of \$103,500 came from adult books followed by \$26,100 from periodicals, \$18,000 from children's books, \$15,000 from reference books. Electronic format materials were cut by \$10,000. Programming for adults was reduced by \$13,600. E-Books was increased by \$10,000. The Nassau Library System Support budget amount is pending decision by the Board of Trustees.

LIBRARY OPERATIONS

Total reduction in the Library Operations Budget was \$14,200 (4.2%). Office Supplies & Computer Supplies were reduced by 25%. Telephone remained unchanged. However, a reduction will be looked into for the next draft. The Business Manager is unsure how the closure will affect this line. He assumed all the trunks should be maintained since we would not want to lose them.

Conference Fee (line 143) – will be revised to include attendance at PLA Conference.

Collection Fees (line 145) was not reduced – to be revisited.

Questions/Comments

President DiCamillo asked the Business Manager to:

- Highlight line by line from left to right, and not by column, the items that have not been affected by the closure of the Main Library and to format the document to include the page number for quick reference.
- Revisit the Audit Fees (Line 146) – if the \$14,900 is sufficient, to which he replied that after review by the Finance Committee, it will be adjusted for the second draft.
- Identify which items on schedule M are incorporated into this budget, to which he replied that the \$10,000 on line 114 Internet Service Provider was included. She further asked about the effect of the closure on the Internet Service Providers. Mr. Zitofsky responded that it is possible that the budget may change for the next draft.
- Re-evaluate Computer Software (line 115) – by providing a breakdown of the categories and the basis for the request.
- Computer Supplies (line 136) – a count of how many printers are currently at Main and how many in the branches after the relocation, as well as the difference. Trustee Pizer stated that there is provision in the moving expenses for relocating only one photocopier from Main. The committee would need to know how many should be moved. Mr. Zitofsky noted that there was not a direct relationship between the number of printers and the number of cartridges needed.
- Re-evaluate the Computer/Network Consultant (line 149) based on closure as opposed to non closure.
- Re-examine the \$12,000 allocated for laptops (for use by patrons in the branches) on page 27 of schedule M and to remove them from this budget to the construction budget. The regular budget should not include anything that is a

result of the renovation when the library closes. These items need to be separate and distinct and very visible to the public.

- President DiCamillo noted that all construction-related reductions would have to be put back in the 2015-2016 budget, so it made sense to identify them separately in this year's budget.

Trustees Ferrante Krupski and Pizer – inquired about the collection agency fee and whether or not the Library is making enough money on the fee that is being paid to the collection agency for the return of overdue/lost library material to make it worthwhile to continue.

Public Comment: Marianna Wohlgemuth

BUILDING OPERATIONS

Electricity (line 168) – the proposed budget for electricity at the Main Library was reduced by \$40,000 based on input from Calgi Construction. The budget for the branches was bumped up based on increase in hours during closure of Main.

Water (line 175) – this budget line remains unchanged. President DiCamillo asked Mr. Zitofsky to find out from Calgi Construction regarding water usage during renovation as this will affect this budget line.

Cleaning Services (line 182) – \$18,000 reduction as Main will be closed.

Computer Service Trailer (line 190) & Levels @ Saddle Rock School (line 191) – Mr. Zitofsky was unsure where to put this. Trustee Pizer asked that these be moved to the Building Renovation Costs.

FURNITURE AND EQUIPMENT

The biggest cut (\$13,000) came from Computer Hardware for PCs. President DiCamillo asked that the budget line for furniture be pulled since existing furniture is reusable.

DEBT SERVICE

Total debt service of \$875,000 is maximum interest and principal authorized on a \$10.4 million bond. This number could be less.

Trustee DiCamillo's asked that in the next draft of the budget the Business Manager pull all the renovation-related items that are not capitalized - such as changes to Station, Parkville, computer wiring, and any items to be moved from one location to the other - and list them as renovation items, as well as the costs associated with storage in the Lakeville basement etc. This category should be placed after Furniture and Equipment but before Debt Service.

CAPITAL BUDGET

The capital budget includes expenditures for the architects, hazmat, second half of furnishings, windows, and data/communication wiring that we will not recover from bond proceeds. This total is \$1,315,100.

Adjournment

The meeting was adjourned at 8:55 p.m. on motion by Marietta DiCamillo and seconded by Francine Ferrante Krupski.

Respectfully submitted,

Varda Solomon – Secretary, Board of Trustees