

**GREAT NECK LIBRARY
MINUTES OF THE
BOARD OF TRUSTEES BUDGET WORKSHOP
TUESDAY, MARCH 8, 2011, AT 7:30 P.M.**

The Great Neck Library Board of Trustees held the first of two Budget Workshops for 2012 on Tuesday, March 8, 2011, at 7:30 p.m., in the Community Room of the Great Neck Library, 159 Bayview Avenue, Great Neck, New York 11023. [Agenda attached]

The following Trustees were present constituting a quorum:

Janet Eshaghoff – President
Anna Kaplan – Vice President [arrived 7:50 p.m.]
Joel Marcus – Secretary
Varda Solomon – Treasurer
Marietta DiCamillo – Assistant Treasurer
Josie Pizer – Assistant Treasurer
Martin Sokol

Also present:

Jane B. Marino – Director
Laura Weir – Assistant Director
Neil Zitofsky – Business Manager

CALL TO ORDER

President Eshaghoff called the meeting to order at 7:40 p.m. and she then stated that Trustee Kaplan is delayed.

BUDGET DISCUSSION [A copy of the budget is appended hereto]

This first draft of the 2012 budget called for a 0.6% increase or \$54,000 over the 2011 budget. This would be accomplished by a 2% tax increase which would allow for the replenishment of a \$36,000 deficit in the General Fund Reserve. This would mean that a homeowner with a million dollar home would see a tax increase of \$8 from \$373 to \$381 for the year.

Business Manager Zitofsky reviewed various categories of the draft proposed budget.

Noteworthy were the Applied Balance and the General Fund Reserve. Mr. Zitofsky explained that the Library operates on a calendar year while the School District, the Library's taxing agency, on a July to June fiscal year. The tax increase of \$160,000 requested for January 2012 will be collected and the first half of \$80,000 will be remitted to the Library in July 2011. These funds will be applied to the 2012 budget to offset the budget increase. Between now and December 2012 we will collect a year-and-a-half increase which is \$240,000.

The Board needs to address what is to be done with the \$80,000 surplus at the end of December and whether it should be incorporated into a future budget.

Trustee DiCamillo was not comfortable with the labeling of this money as an applied balance as it should represent what it actually is, and the number that is there. If this \$80,000 were not incorporated in the budget, the actual tax increase would be 3%. There was discussion on whether this was extra money or early money. Reference was made to the same discussion that came up at last year's budget workshop.

[Last year, a compromise was reached at the 3/9/10 Budget Workshop regarding this: *The terms, "surplus" and "applied balance," have been used interchangeably which was somewhat confusing. Neil explained that the difference is that one is an income-generated surplus while the other is an expense-generated surplus. So it was decided that when these terms are used, there should be an asterisk with a footnote explaining the source of the surplus.*]

Neil also explained that the General Fund Reserve must be replenished according to the Board Policy Manual section 400-15 which states that *"The Board will authorize an ongoing general fund reserve for unanticipated and emergency needs, equal to those surplus funds which may be retained by the Great Neck School District by law, currently four percent (4%) of the general operating budget."* Therefore, in this first draft, a part of the tax money will go towards replenishing the General Reserve Fund to 4%, part of which was used in 2010.

Trustee DiCamillo asked Business Manager to provide the methodology used for calculating the \$36,000. She suggested that Neil remove the \$36,000 and the \$80,000 from the next draft of the proposed budget and work without these numbers in a very raw state to come up with the worse case scenario. This would be a tax increase of \$240,000 instead of \$160,000.

Further reduction in the interest on savings and Levels income lines were recommended. The Business Manager was asked to find out what law mandates Medicare reimbursements.

Regarding Personnel, a chart with the number of vacant positions and the length of time the positions were unfilled should be created. The Personnel Changes has this information which will be tied in to the budget information.

Trustee Sokol asked that perhaps the Board could have a discussion about the Library and the School District operating on the same budget year.

The Board asked for a clarification for an increase in the telephone line considering the changeover to the new phone system was supposed to have generated considerable savings. This will be discussed further at the next meeting.

Trustee Solomon stated that the budget for the library van maintenance seemed very low and asked if any consideration was given to replacing it. An analysis, providing information on the mileage and money spent on repairs of the van, was requested.

Karen Rubin informed the Trustees that the Villages of Great Neck will be partnering with a natural gas company for an 8% discount for natural gas. The Villages of Great Neck and Great Neck Plaza will be making this available to property owners and the Library may want to look into this. Great Neck Village Deputy Mayor Mitchell Beckerman or Trustee Schneiderman of the Village of Great Neck Plaza can be contacted for more information.

Public Comment: Norman Rutta, Ralene Adler, Carol Frank, Marianna Wohlgemuth, Karen Rubin

OPEN TIME

Speaking: Ralene Adler

ADJOURNMENT

President Eshaghoff moved for the adjournment of the meeting and it was seconded by Trustee DiCamillo. The meeting was adjourned at 9:40 p.m.

Respectfully submitted,

Joel Marcus
Secretary