

**GREAT NECK LIBRARY
MINUTES OF THE
BOARD OF TRUSTEES MEETING
Tuesday, March 9, 2010, at 8:00 p.m.**

The Great Neck Library Board of Trustees held the first of two Budget Workshops for 2011 on Tuesday, March 9, 2010 at 8:00 p.m., in the Multi-Purpose Room of the Great Neck Library, 159 Bayview Avenue, Great Neck, New York 11023. [Agenda attached]

The following Trustees were present constituting a quorum:

Andrew Greene – President
Anna Kaplan – Vice President
Janet Eshaghoff – Secretary
Varda Solomon – Treasurer
Josie Pizer – Assistant Treasurer
Marietta DiCamillo – Assistant Treasurer
Martin Sokol

Also present:

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

CALL TO ORDER

President Greene called the meeting to order at 8:03 p.m.

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

The Business Manager in presenting the preliminary budget for 2011 stated that this budget was different because there was no surplus brought forward as in prior years to offset any increases. Even if the budget should remain flat, a tax increase would be required to replace the applied balance.

This first draft, which would keep expenses between 3% to 3.5% over the 2010 budget, reflects an increase of \$262,500 or 3.1% over the previous year's budget. This would call for a 5.7% tax increase. This means that a homeowner with a one- million-dollar home would see an increase of \$20 for the year in library taxes.

A review and discussion of the various categories of the budget followed.

REVENUES

Tax Appropriations increased for the first time since 2007. For the 2010 budget, expenses were increased 3.4% but taxes held flat because of a 2008 operating surplus to offset the 2010 increase.

Interest Income decreased by \$10,000 or 20% reflecting approximately 1.75% returns on bank balances.

Direct Access Fees from the Nassau Library System are eliminated because they are no longer a reliable source of income.

Local Library Service Aid decreased to reflect the anticipated reduction in Nassau Library System funding.

Universal Services Grant is no longer a reliable income source. Gates and other grant monies are more forthcoming but not guaranteed so these were not included.

Applied Balance for 2011 represents the tax revenues accrued by the Library from July through December 2010. This is a result of the Library's budget being based on a calendar year while the school district and the taxing authorities operate on a July to June fiscal year.

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.

APPROPRIATIONS

Salaries increase by \$94,400 or 2% providing for staff salary increases which were already negotiated and those to be negotiated with administrative staff.

Employee Benefits see a 5% increase of \$82,400 largely due to an anticipated \$36,000 increase in next year's Retirement System funding requirements and the MTA payroll tax estimated at \$16,500 for 2011.

Library Materials & Programs are decreased by \$8,500 or .9%. This is largely due to savings from the new telephone system and communication infra-structure.

Library Operations went up by 3.5% primarily resulting from increase in legal fees for anticipated staff contract negotiations, new actuarial service fee for GASB 45 changes in reporting post retirement health benefits costs, and computer supplies (increase in use of color toner cartridges).

Building Operation Expenses show an 11.9% increase due largely to the anticipated relocation of the Station Branch to a larger space upstairs, and the possible expansion of the Parkville Branch children's room. These costs are offset in part by the anticipated savings from replacing the cleaning of the Main Building which has been outsourced to a cleaning company, with in-house staff.

If the Board should pass the budget with the unapproved expenses for the Station and Parkville branches, there should be some notation that these are projects under consideration.

Furniture & Equipment funding decreased by 20.4%. Cutting back on computer hardware because of grants received which replaced a lot of the computers. Monies from the Gates Grant will cover computer hardware. Additional technology needs will come from the Automated Library fund.

The preliminary budget does not include any provisions for repairs to HVAC system and the roof but there is money in the operating budget for normal repairs if needed.

Mr. Zitofsky also provided a handout which gave the following options that the Board could consider in order to save money:

A1 Reducing the hours at the Main Library on Friday evenings by closing at 6:00 p.m. instead of 9:00 p.m., which would result in savings of \$39,930. During these hours, the Library is not utilized for the amount of staff working.

Some Trustees were not in favor of this option as it might be interpreted as religious and it could be divisive. People want savings but not at the cost of reduced hours.

A2 If the Board should favor option A1, the Station Branch could assume those hours which will cost the library \$10,985.

This could be explored on an experimental basis while cutting back on the staff at Main during these hours.

B Open the Main Library at 10:00 a.m. instead of 9:00 a.m. on Saturdays – a total savings of \$20,085.

C Reduce Sunday hours by closing one Sunday earlier in June – total savings of \$25,558.

D One less Circulation clerk from 6:00 – 9:00 p.m. would save \$11,252.

E1 Reduce Circulation staff by 56 hours resulting in a \$47,876 savings.

E2 Cut Reference staff hours by seven hours would realize savings of \$10,543.

F Computer Consultant - \$3,000 savings.

G Materials and Programs - \$55,700 savings.

If options A to G were implemented, this would realize savings totaling \$196,560, which is 2.3% of the budget, and would reduce tax increase from 5.7% to 4%. The Board was in favor of options B through G, which could be in effect when the Library switches to summer hours this year, except for option G which would take effect in 2011.

Another area that could generate some savings is a retirement incentive if it were to be offered, which is currently being reviewed by the Personnel Committee at its upcoming meeting on March 16th. This would further reduce the tax. Trustee DiCamillo asked for the start time of the meeting to be changed from 7:30 p.m. to 7:00 p.m. This was agreed on.

The Business Manager also suggested another area to reduce benefits. There are people who take family benefits unnecessarily. They could be offered some cash benefit instead. The “cafeteria plan”, which is only available to fund health and dental premiums, could be expanded to allow staff to put additional money for health care expenses into it and this would reduce FICA expenses for both employees and the Library.

Trustee DiCamillo asked the Business Manager to do the following:

- A budget that pulls out arbitrary costs for Parkville and Station Branches and cleaning service.
- The increases by the gross amount as well as by the percentages with the applied balance and without the applied balance.
- An analysis done for the actuals from 2006 to 2010 (budgeted numbers for 2010) that takes the applied balances out for the appropriations to see the actual increases in expenses from year to year by gross number and percentage. And also identify when there was a tax increase and how much.
- Indicate which positions are currently filled and for how long have those vacant positions have been unfilled.

The budget will be reworked incorporating the various suggestions and presented at the second workshop on March 23rd.

Public Comment: Karen Rubin, Ralene Adler

ADJOURNMENT

Trustee Pizer moved for the adjournment of the meeting at 10:07 p.m.

Respectfully submitted,

Janet Eshaghoff
Secretary