The Johnson Public Library Board of Trustees met in the Board Room of the Library on Tuesday, November 11, 2014. The meeting was called to order at 4:00 p.m.

## 1. Roll Call

Ms. Linda Flynn, Presiding

Mr. Anthony Marseglia

Laura S. Kirsch, Esq.

Ms. Kristi Izzo

Ms. Cindi Ortiz

Ms. Robin Coles

Ms. Sonia Recarte

#### Also Present

Ms. Sharon Castanteen, Director

Ms. Barbara Schuit, Assistant Director

Mrs. Ann Bowen, Principal Account Clerk

### Ex-Officio

Councilwoman Rose Greenman, Esq.

#### Not Present

Ms. Karen Lewis, Supt. of Schools

## 2. <u>Meeting Notification Statement</u>

- 1. One copy posted on the bulletin board of the Library
- 2. One copy filed with the City Clerk
- 3. One copy posted to the Library's Webpage
- 4. One copy sent to the Record

## 3. Approval of the Minutes of the October 14, 2014 Board Meeting

On motion of Mr. Marseglia, seconded by Ms. Izzo, the minutes of the October 14, 2014 Board Meeting were approved.

#### 4. <u>Public Comment</u>

No report

## 5. <u>Treasurer's Report: Ms. Kirsch</u>

### a. Report: Ms. Kirsch

	October 2014	Year-to-Date
Budget Account Income:	\$234,292.53	\$2,728,046.18
Disbursements:	\$207,911.89	\$2,074,003.35
Cash balance as of October 31, 2014		\$ 654,042.83

Ms. Kirsch said the Trustees may recall that it was reported at the last meeting that the City vouchers for the library health and building insurance had not been received. We are still waiting for them and hope they will be here before the end of the year, because Mr. Troast, City Manager, has projected a 10% increase in the cost of the health coverage. There is an expected shortfall in revenue to pay bills through the end of the year.

Ms. Greenman said that there will be a credit on the voucher to correct previous overpayments made to the City for the health insurance.

Ms. Kirsch asked the Trustees to authorize a transfer of funds to cover any shortfall if necessary.

On motion of Ms. Izzo, seconded by Ms. Ortiz, the Board approved a transfer of funds from the Trustees Reserve Account to the Budget Account to cover any shortfall.

Capital Account:	
Income: October 2014	\$ 4.58
Disbursements: October 2014	0.00
Cash balance as of October 31, 2014	\$ 69,727.35
Librarians' Special Account	
Income: October 2014	\$ 333.09
Disbursements: October 2014	140.00
Cash balance as of October 31, 2014	\$16,949.39
Paver Account	
Income: October 2014	\$ 100.14

Disbursements: October 2014 83.00

Cash balance as of October 31, 2014 \$ 2,150.02

Ms. Izzo asked about the library's cash management accounts.

Ms. Kirsch explained that the library is limited by law as to how library funds can be invested. The State of New Jersey Cash Management Fund is one that is approved.

Ms. Kirsch described every existing library account, both in TD bank and in NJ Cash Management, the Endowment Fund, The Donations Account, Terminal Leave Account, Paver Account, the Capital Reserve Account, the Librarian's Special Account, and the Trustee Reserve Account.

Mr. Marseglia said that the Endowment Fund, and the Donations Account, which are not from taxpayer funding, but have restrictions and are largely 110 years of interest, should not be used for Operating expenses.

Ms. Kirsch said that the only account that can be used for operating expenses is the Trustee Reserve Account. She explained that the Librarian's Special Account fluctuates and has the specific purpose of paying for other owning-library materials lost by Hackensack residents. She also explained that the Terminal Leave Account is reserved for eligible employee sick-time pay-out, which was capped at \$15,000 for all but two employees on staff. The Paver account was advertised as funding the Endowment Account. The Endowment Account, Ms. Kirsch reported, has \$305,386.47. She also reported the total in the Capital Account, restricted only to capital improvements, as \$495,296, including checking account.

Ms. Kirsch also stated that the Donation Account and Endowment Fund were not set up for the purpose of relieving the tax burden, but only for special needs. The Donation Account holds funds received from individuals. If a donation is made for a specific purpose it is used for that purpose. Like the Endowment Fund, the Donation Account is restricted and cannot be used for operating costs. The Donation Account is also excluded from the annual calculation required by the State that the Library completes to see if there are excess funds that must be returned to the municipality.

On motion of Ms. Kirsch, seconded by Ms. Coles, the reports were accepted.

#### b. Bills: Ms. Castanteen

November 2014 Budgetary Account Bills	\$225,348.53
November 2014 Donation Account Bill	119.50
November 2014 Librarian's Special Acct. Bills	55.00

On motion of Ms. Kirsch, seconded by Ms. Coles, the bills were approved for payment.

### 6. <u>Budget and Finance Committee: Ms. Kirsch</u>

## a. 2015 Budget Request

Ms. Kirsch presented the 2015 Library Budget and Budget Narrative that she and Ms. Castanteen had prepared, and if the Board approves it will be forwarded to the City.

Ms. Kirsch said the library is working hard to curtail expenses. The library will request a City Appropriation of \$2,940,158 which is \$17,619 less the requested in 2014. She said this is a bare bones budget, a fair compromise, since we sustained a \$239,804 cut in 2014 and have to use \$180,902 of the reserve, more or less depending on the final 2014 expenses. Reducing the reserve to \$584,000 lowers it to less than the recommended 20% and to a level insufficient to meet an unforeseen emergency.

Payroll costs which include salaries, wages and fringe benefits are a large part of the budget. We are barely adequately staffed, and to continue to provide base-level service to the community we really cannot reduce staff. Any further reduction in staff would necessitate closing departments and/ or shorter hours. You cannot leave one person to cover a department, since all the departments are in separate locations in the building.

Using volunteers would not be feasible, as most positions require trained personnel. The subject of the Friends of the Library was brought up, and Ms. Castanteen stated that the Friends of the Library is a fundraising arm of a library, and not used to replace staff. The funds raised by the Friends are used at the discretion of their organization, which is a separate 501(c)3 organization with its own Board and by-laws. They usually donate a piece of equipment or a special collection, but do not use their funds for regular operating expenses.

Ms. Greenman asked if the library has union employees.

Ms. Kirsch said there are primarily union employees, and contractual employees, with a small number of non-contractual employees. All are Civil Service employees.

Ms. Kirsch said that some items such as Furniture, Honorariums, and Technical Assistance are not fixed and can be adjusted.

Mr. Marseglia suggested adding the original 2014 Budget Request approved by the Board last year to the document sent to the City to show the cuts that have been made and reflected in the revised 2014 projection.

Mr. Marseglia also suggested changes to the narrative to reflect the changes in the budget.

Ms. Kirsch said she and Ms. Castanteen will review the 2015 Budget Request and make the corrections and changes necessary.

On motion of Ms. Kirsch and seconded by Ms. Ortiz, the Trustees approved the \$2,940,158 Budget Request with any necessary corrections and approved forwarding the request to the City.

Ms. Kirsch said depending on the City's response the Board will need to discuss what changes will be necessary to balance the budget.

To accommodate the budget cut there was a temporary cut in Security hours, but that was found to be a mistake and the level of security was reinstated to assure continuity in monitoring behavior.

Staff reductions could be necessary and that will mean the hours and/or services will be cut or reduced.

## 7. <u>Building and Grounds Committee: Ms. Kirsch</u>

Ms. Kirsch said the leak on Moore Street side because of electrical wiring has not been fixed. The cost can't be predicted until it is opened up and evaluated.

Ms. Kirsch said that the lights in the cases in the Main Street corridor are not working. An estimate of \$3,000 is expensive and we should leave the project for later or find a much cheaper option.

New treads have been placed on the back stairs from the Parking Lot.

Mr. Marseglia voiced concern that there were still \$900,000 in the original capital improvement study that was not yet slated for completion.

Ms. Kirsch stated that we will need to confirm a capital budget this year. There are projects which are more urgent than the ones in the plan, such as the carpeting and the windows in the Old Building.

Ms. Kirsch said she has been talking to the City Planner about parking issues and that the parking meters on Moore Street are planned to be changed to an hour and a half from three hours.

## 8. Personnel Committee: Mr. Marseglia

Mr. Marseglia reported that Radwa Ali, Technology Librarian, has resigned her full time position as of November 21, 2014.

Ms. Ali will be Director of the Bogota Library

## 9. <u>Community Affairs: Ms. Ortiz</u>

Ms. Ortiz distributed the Adult November Brochures and Flyers to the Trustees.

#### 10. Librarian's Report: Ms. Castanteen

#### a. BCCLS Calendar Dates

Ms. Castanteen requested the Board approve closing at 1:00 p.m. on December 31, 2015 and on Saturday July 4, 2015.

The Board approved the request.

## b. Program Highlights: Ms. Castanteen

Ms. Castanteen urged the Board to read the Director's Report.

### c. Friends of the Library: Library Champions

Ms. Castanteen asked the Trustees to email her any suggestions, comments or questions.

# d. Gifts and Letters of Appreciation

Were sent via email with the Board packet.

# 11. Old Business

No report

# 12. <u>New Business</u>

No report

## 12. Adjournment

On motion of Ms. Ortiz, seconded by Ms. Coles, the meeting was adjourned at 5:37 p.m.

Respectfully submitted

Cynthia L.C. Ortiz Secretary