

**MEETING MINUTES**  
Olean Public Library Board of Trustees  
October 16, 2014  
**5:30 P.M. – Conference Room**

*The mission of the Olean Public Library is to provide equal access to materials in various formats, programs, services and professional staff to assist all people with their educational, informational, and leisure needs.*

A Certificate of Compliance and Notice of Meeting Posted was signed, notarized and made a part of these minutes along with a copy of said notice.

**Call to Order** at 5:37 p.m. by Earl McElfresh. In attendance were trustees Wolfram, Kasperski, Wagner, Tenglund, McElfresh, Casey, plus Assistant Director Mahar and Director Chaffee.

1. Consent Agenda Items: A motion was made by Tenglund, seconded by Wolfram, to approve the consent agenda items. Motion carried unanimously.
  - A. Waive the reading of the minutes of the previous meetings and approve as mailed.
  - B. Approval of Warrant Sheets for October:
    - Operating Fund: October #833 - \$63,500.76
    - Cafeteria 125 Fund: October #125-113 - \$81.03
  - C. Correspondence: None
  - D. Director's Report

Chaffee discussed the Library System Materials Plan. The credit in the past has been in the range of a little over \$14,000 during the last four to five years. When we purchased materials, the library system would credit us. Once we expended this money, our local funds would kick in. These funds never showed up on our local budget because it was managed at the system. One of the downsides though was that our local budget showed that we were not spending as much as we were on materials. Now we will show this in our budget as income, because the library will actually receive the money, but we will not have more money to spend since we have always had it through the system. It will be listed as "Other CCLS Grants." This funding was always noted in the audit as well, so it was always documented. This change will benefit the library system, since it will make accounting easier for them. This change does not affect the group purchasing power.

Sirsi is the library's online catalog. We pay a fee for that each year, at approx. \$6,600. This has been under the line item for electronic materials. The library system is looking into taking over that fee for everyone.

The system was paying to process all of the items that each library ordered, and now each library will take on those processing fees. Ours was one of the few systems left that was doing all of the ordering and processing for its members. This could work in our favor. We had no way to control the Sirsi fee. We do have some control over processing fees. We can do much of the processing in-house rather than outsourcing it

to a jobber, so we can control our costs better. There is a central ordering with a discount through the library system. The library can order what it wants, with the group discount, and then process the materials in-house. The vendor sends MARC records to our catalog when we order. We should be able to get the books on the shelves more quickly this way too.

The Non-Profit Networking Day even is November 7. Chaffee will be at a library conference on that day.

## 2. Review of Financial Statements

Kasperski reviewed the financial statements. The state aid—CLD will be coming in during the last quarter of the year. Additional funding will be coming in to reimburse for database purchases. Tax funds will also be coming in soon.

We are overspent on fuel and utilities for the 9-month average. The electricity rate went up this year.

The state retirement fund payment will be made by the end of the year. This will be around \$108,000, so we will be approx. \$13,000 under on that line.

General library professional fees cover the architect for our construction project, which is not refunded by the state, as well as the annual audit. It also covers the payroll service.

At this juncture, it appears that we will be tight on the budget. Going back to the second page, we had budgeted for a deficit of approx. \$22,000. It looks like we will be heading into that deficit area this year. Overall though, we are in pretty good financial shape.

## 3. Committee Reports:

Library System Board – Earl McElfresh reported on the meeting last week at the Events Center at the Casino in Salamanca. The meeting was very well attended. The speaker was from the Assistant Commissioner for Cultural Affairs at the State. He spoke about encouraging libraries to become public school district libraries like we are. The workshop held prior to the annual meeting was about fundraising. The facility and service was very nice.

Gallery Exhibit – McElfresh said that when we did the Beatles exhibit, we used display cases because we were concerned about having the materials on display for a couple of weeks. If we did more of a collection type exhibit for one day, or possibly a weekend, we would not have those issues. Collection owners would then stay with their materials during the exhibit. Ideas for collections included baseball cards, historical indentures, etc. Possibly the library could do a press release to let people know that we are thinking about doing this to see if there is any interest. Another idea was to have a display about Olean history. Others were concerned about having a display for only a day or two. The idea of purchasing some display cases was discussed. However, we would need a place to store them. McElfresh and Wolfram will work on this idea.

## 4. Voice of the Public: None

## 5. Old Business: At our last meeting, we discussed the possibility of going to the St. Bonaventure University library to see the special collections during one of our meetings. Tenglund will find out if we can do this for our next meeting.

6. New Business:

Motion (Kasperski, Wagner): To authorize the attendance of Lance Chaffee to the New York State Library Association Annual Conference in Saratoga Springs, NY from Nov 5-8, 2014. Motion carried unanimously.

Review and discuss Library's Investment Policy. Chaffee noted one correction: Item 13 said that the Olean Public Library shall review the investment policy—it should say that the Board of Trustees of the Olean Public Library shall review... Kasperski noted that our ability to invest is so limited that the investment policy is basically a statement to that effect. We have been following all of the rules.

Motion (Tenglund, Wagner): To accept the Library's Investment Policy. Motion carried unanimously.

Review the 2015 Proposed Library Budget. The budget needs to be adopted in December. Chaffee reviewed some items, such as the minimum wage is increasing by 0.75 per hour, and the change in materials processing as discussed earlier under the Director's Report. Chaffee also said that they would like to bring a librarian who is part-time now back to full-time. This is built into the 2015 budget. Regarding state retirement costs, the estimate given for next year was considerably less than what we budgeted. While the rates have been coming down, we still need to budget more than the estimate to be safe. The deficit would be approx. \$75,000 with the 2% tax increase that was approved for this year. Discussion regarding tax increases ensued. Some were opposed to tax increases because we are spending someone else's money. It was noted that we cannot close the deficit gap with 2% tax increases.

Discussion then turned to cutting expenses. We would need to cut spending by 10% to close the gap. We do not have the ability to pay for what we are spending now. We went five years without a tax increase and then had a 2% tax increase last year. Information costs increase every year, especially for serials and databases. One way to decrease expenses is to cut hours, which would also reduce personnel costs. If we had the population that we had 15 years ago, we would be getting more money. A way to solve the problem is to see how we could cut \$100,000, and then the board can review the budget cuts that were suggested. However, for 2015, we cannot do anything about the tax increase, because it is already set. So the board will need to review the possible cuts, and those cuts that are not adopted would need to be funded from the fund balance.

It would be good to operate on a balanced budget. The fund balance should be for contingencies. If we do not limit the use of the fund balance, we could exhaust it within five years.

Chaffee will draw up a balanced budget for the next meeting.

7. Adjournment. A motion was made by Kasperski, seconded by Casey, to adjourn at 6:55 p.m. Motion carried unanimously.

**Reminders:**

Next Board Meeting 5:30 p.m. on Thursday 11/20/2014 in the Conference Room

Copies of the library's financial statements and director's report are available upon request.

Respectfully submitted,

Ann M. Tenglund