

**Branch District Library
Finance Committee Minutes
September 18, 2014
11 am
3rd Floor Meeting Room at Coldwater Branch**

Recommendations Synopsis:

1. Committee recommends budget proposal with:
 - i. 3.75% salary increase for all employees as well as paid holidays reinstated and removal of furlough days
 - ii. adding Full time Public Services position
 - iii. increasing Secretary to full time
 - iv. adding a part time evening IT Assistant
 - v. adding 5 hours per week to Algansee and Sherwood branches and adding 7 hours per week to Bronson, Quincy, and Union branches
 - vi. adding 16 hours per week to Coldwater Branch
 - vii. Increased Janitorial Budget, so can be properly bid out
 - viii. Book and audio visual budget restored to 2009-2010 values
 - ix. Increased programming and community relations budgets
 - x. Funds for security and new phone system
2. Apply salary increase to the new Branch Manager pay scale that was agreed to at August BDL meeting.

Minutes:

Erica Ewers called Finance Committee Meeting to order at 11 am with remaining committee members Dan Gordon, and Bonnie Frick present as well as Director Evette Atkin, John Rucker, and Jeanne Berg.

The following documents were distributed to all present:

1. Revised option A, B, & C Budget Proposals

Evette began by going over the revised proposed revenue for 2015 budget. New 2014 taxable value figures have been provided by the Branch County Equalization Department so was able to update capital funds based on new number. Evette showed 2/7 of capital funds coming from taxable income of millage 1 and none from millage 2.

Evette originally presented Option A, B, and C for proposed expenses on September 12 with the main difference being the percentage of salary increase with option A at 8%, option B at 6%, and option C at 0%.

At this meeting Evette presented Revised Option A, B, and C with the new salary increases of 8%, 7% (committee asked for this breakdown), and 6%.

Erica asked for a breakdown on the estimated costs of the new proposed positions:

Full Time Public Services Position: \$43,200
Full time Secretary: \$32,843
Part time evening IT assistant: \$13,104
Additional Hours All Branches: \$88,348.09

Evette indicated that for every 1% of salary increase the costs went up \$10,000.

Erica indicated she had spoken with the County Commissioner and that only 2 or 3 of the unions had received pay increases. The elected officials, nonunion department heads and nonunion employees had not received an increase in 4 years. They had also reduced new hire wage scale by 20%.

Erica stated she was not comfortable with giving raises at this time and felt that restoring lost services was the best option for this fiscal year. To give such wage increases as proposed would only compound in future years as additional rates of inflation were given in the future and in 8 years we would be back in the same position. Salaries were her main concern; the rest of the budget complied with what the board decided.

Bonnie indicated she felt something should be given to the staff for sticking with the library for the past 5 years during difficult times. She indicated she would like to stay under 4% if possible to allow for a larger fund balance in case major issues came up.

Evette then explained that over the 5 years the total inflation had increased 6.5% and suggested cutting the number in ½ to get a 3.25% increase in salary.

Dan stated that was the minimum he would recommend. So after continued discussion an increase of 3.75% was calculated. This still allowed for a fund balance around \$100,000 for 2015 while still giving the staff an increase. It was further discussed that whatever rate was given it needed to be for all staff including the salaried employees.

Everyone was in agreement with the rest of the proposed budget items. The salary was the only point of discussion. Erica indicated she still was not comfortable giving a raise increase this year but would go with the committee consensus. With that Bonnie recommended going with the 3.75% salary increase.

Evette was asked to put together a formal proposal showing the actual figures with the 3.75% salary increase and to e-mail this to the committee members as well as attach to the board packet for October meeting. The committee also asked for a copy showing no increase in case it was needed at the board meeting.

The committee also reminded the staff to advertise the budget hearing for the October meeting.

Meeting adjourned at 12:15 pm.

Minutes prepared by:
Erica Ewers